

## ***CABINET Agenda***

Date Monday 22<sup>nd</sup> September 2025

Time 6.00 pm

Venue Lees Suite, Civic Centre, Oldham, 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 Alex Bougatef or Peter Thompson at least 24 hours in advance of the meeting.

2. CONTACT OFFICER for this agenda is Peter Thompson – email: [peter.thompson@oldham.gov.uk](mailto:peter.thompson@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, 17<sup>th</sup> September 2025.

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.

### MEMBERSHIP OF THE CABINET

Councillors M Ali, Brownridge, Dean, Goodwin, F Hussain, Jabbar, Mushtaq, Shah (Chair) 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 of Previous Meeting (Pages 5 - 16)

The Minutes of the meetings of the Cabinet held on 21<sup>st</sup> July 2025 and 8<sup>th</sup> September 2025, are attached for approval.

6 Revenue Monitor and Capital Investment Programme 2025/26 (Pages 17 - 52)

A report providing an update, as at 30<sup>th</sup> June 2025 of the Council's 2025/26 forecast revenue budget position, the financial forecast of the Dedicated Schools Grant and the Housing Revenue Account, alongside the financial position of the capital programme together with the revised capital programme 2025/26 to 2029/30.

7 Introduction of Article 4 Direction for Houses of Multiple Occupation (Pages 53 - 108)

A report setting out the current issues and position regarding Houses in Multiple Occupation (HMOs) across the borough, in response to the recent motions that were presented to full Council.

8 Asylum Dispersal Grant (Pages 109 - 112)

A report seeking approval to formally accept an award from the Home Office for the period 2025/26.

9 Young People's Substance Misuse and Sexual Health Service Contract Extension (Pages 113 - 122)

A report seeking approval to enact an option to extend the contract for the Young People's Sexual Health and Substance Misuse Service by a period of two years, from 1<sup>st</sup> April 2026.

10 Future Commissioning Arrangements for Care at Home, Extra Care Support, Night Provision Support Services (Pages 123 - 138)

Approval from the Cabinet is sought to proceed with a procurement process for the re-tendering of Care at Home services, with the implementation of new arrangements effective from 1<sup>st</sup> April 2026.

11 Highways Maintenance Frameworks Contracts (Pages 139 - 146)

A report requesting approval to establish new frameworks and contracts to deliver and facilitate Highways Maintenance in the Borough of Oldham.

12 Grant Acceptance: City Region Sustainable Transport Settlement (CRSTS) - Reprioritisation of CRSTS1 funding (Pages 147 - 152)

A report that seeks acceptance of capital grant funding towards the towards the delivery of two major projects in Oldham.

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**Present:** Councillor Shah (in the Chair)  
Councillors M Ali, Brownridge, Dean, Goodwin, Mushtaq and Taylor

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor F. Hussain and Councillor Jabbar.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

A question was received from Mr Matthew Broadbent, a resident of the Borough:

With regard to the masterplan for Beal Valley and Broadbent Moss that is currently under consultation, please can you tell me if the council has to formally adopt it and, if so, briefly outline the process. If it is to be formally adopted, please can you tell me which body is responsible for this i.e. Planning Committee/Cabinet/Full Council?

Councillor Taylor, Statutory Deputy Leader and Cabinet Member for Neighbourhoods responded:

Policies JPA12 and JPA14 in Places for Everyone cover the allocation of the Beal Valley and Broadbent Moss sites for development. Both policies stipulate that development on the sites are required to "Be in accordance with a comprehensive masterplan and design code as agreed by the local planning authority". As such, it is necessary for a masterplan and design code to be prepared and for the council to agree them, in order for the requirement to be met and to have a masterplan and design code against which planning applications in the sites can be assessed.

The PfE requirement does not need the council to formally adopt the masterplan and design code, merely to agree that they are an acceptable basis for the proposed developments. As a result, once a final masterplan and design code has been submitted to the council by the developer consortium for Beal Valley and Broadbent Moss, this will be considered by Cabinet for agreement.

5 **MINUTES**

Resolved:

That the minutes of the meeting of the Cabinet held on 16<sup>th</sup> June 2025, be approved as a correct record.

6 **REVENUE MONITOR AND CAPITAL INVESTMENT  
PROGRAMME 2024/25 - OUTTURN REPORT**

The Cabinet considered a report of the Director of Finance which provided Members with an overview of the Council's revenue budget position for 2024/25, which reports an overspend of £10.155m. The report also highlighted the main movements from the previous forecast for the year, which was previously reported to the Cabinet on 24<sup>th</sup> March 2025.

Cabinet was advised that the revenue overspend position for the financial year 2024/25 was £10.155m, which represented an improvement of £4.442m from the position previously reported to Cabinet. This financial monitoring report followed on from the previously reported positions and detailed the year end position. This outturn position thus reflected the significant financial pressures being faced by the Council particularly for social care services and homelessness.

An update on the 2024/25 outturn position was detailed within Annex 1, to the report. Information on the year end position of the Dedicated Schools Grant (DSG) and the Housing Revenue Account (HRA) was also included within the report.

In addition, Cabinet was informed that the report outlined the year end capital spending position for 2024/25 for approved schemes. The revised capital programme budget for 2024/25 was £87.460m, with actual expenditure to 31<sup>st</sup> March 2025 at £81.791m.

**Options/Alternatives considered:**

The Director of Finance advised that the Options that Cabinet might consider in relation to the contents of this report were:

- a. To agree the revenue and capital positions presented in the report and agree the use of Reserves to balance the revenue budget.
- b. To note the outturn position for the Dedicated Schools Grant and the Housing Revenue Account.
- c. To propose an alternative to balance the revenue budget for 2024/25.

The Preferred Options were a. and b. detailed above.

**Resolved:**

That the Cabinet:

1. Notes the 2024/25 outturn position as £10.155m overspend for the year.
2. Approves the use of Reserves to finance the overspend position.
3. Notes the outturn position for the Dedicated Schools Grant and the forecast for 2025/26.
4. Notes the 2024/25 outturn position for the Housing Revenue Account.
5. Notes the capital spending position for 2024/25 as at 31 March 2025.

**OLDHAM LIVE WELL IMPLEMENTATION**

The Cabinet received a report of the Director of Public Health, which informed Cabinet that implementing the Live Well scheme would present an opportunity to accelerate and intensify work

already started in Oldham to shift towards a preventative approach whereby residents will get the support they need, in the way they need it, in their own communities.

The Cabinet's membership was reminded that, launched in May 2024, Live Well was Greater Manchester's (GM) movement for community-led health and wellbeing. It aimed to support healthier, happier and fairer communities by growing opportunities for everyone to Live Well, providing everyday support in neighbourhoods. Oldham has been using a similar approach for some time, through building and supporting a strong Voluntary, Community, Faith and Social Enterprise (VCFSE) sector, developing a place-based approach to public services and a range of activities intended to support strong, resilient communities. The submitted report outlined an Oldham Live Well approach and the governance to implement this locally, utilising the implementation funding from Greater Manchester, which represented a total of £844,000.

Options/Alternatives considered:

Option 1 – To accept the implementation funding and conditions to roll out Live Well in Oldham. This option was preferable as it enabled Oldham to build upon the range of work developed over previous years (as outlined at Section 2 of the submitted report) and the Council's strong desire to move towards a system with prevention and community empowerment at its heart. The funding made available will enable both investment in the VCFSE sector and consolidate the authority's district approach through the strengthening of key hubs and spaces. This would, it was hoped, broaden the approach, whereby the Borough's Neighbourhood teams can collaborate to support residents. This would also align with the Council's wider reform agenda. A key disadvantage to accepting the Live Well funding and its requirements was that currently this funding was non-recurrently available for one financial year only. Future non-recurrent or recurrent investment was unclear and it was predicated on Localities and Greater Manchester demonstrating the value proposition for Live Well.

Option 2 – To decline the implementation funding that has been made available to roll out Live Well in Oldham. The advantage to this option would be reducing the demands on council capacity to enact the initiative, however, the disadvantages, it was felt, far outweighed this advantage. Live Well was a flagship approach for Greater Manchester which had funding attached to it. Oldham could be reputationally damaged should it decline this opportunity to test approaches to community led wellbeing.

Option 1 was the preferred Option.

Resolved:

That the Cabinet:

1. Accept the Live Well Implementation Funding, including the conditions of funding, outlined in the submitted report and agrees that the grant funding is allocated to Public Health to enact.
2. Delegates authority for the execution of all decisions regarding utilisation of the funding from the Live Well

Implementation Fund to the Director of Public Health, in consultation with the Cabinet Member for Adult Social Care, Health and Wellbeing.

3. Delegates authority to the Director of Public Health, in conjunction with the Director of Legal Services and the Director of Finance, or their nominees, to vary existing contracts (and any associated collaborative commissioning agreements), issue grant agreements or award contracts stemming from a compliant procurement process.
4. Delegates authority to the Director of Legal Services, or his nominee, to carry out all necessary legal formalities linked to the actions delegated to the Director of Public Health, including the execution of contracts.
5. Agrees to the formation of the Live Well Partnership Board to support the implementation of a Live Well approach in Oldham, to accelerate and intensify the existing focus on supporting residents in our communities in partnership with a resilient VCFSE sector.

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### **INFANT FEEDING PEER SUPPORT SERVICE – NEW CONTRACT**

The Cabinet received a report of the Director of Public Health that sought to ensure that Oldham residents had access to comprehensive infant feeding support, including a dedicated Infant Feeding Peer Support Service from 1<sup>st</sup> April 2026.

Breastfeeding was an important public health priority to provide every child with the best possible start in life and provides short and long-term health benefits for both the mother and baby. Whilst breastfeeding rates are improving in Oldham, they remained significantly below national rates. It was important that there would be provision for a community Infant Feeding Peer Support Service.

The current contract for the current Infant Feeding Peer Support Service is due to expire on 31<sup>st</sup> March 2026, currently with no further options to extend. Therefore, the Director of Public Health was seeking permission to continue to maintain and build on the successful partnership with Tameside Council to commission a high-quality Infant Feeding Peer Support service that meets the needs of local residents. Tameside will be the lead commissioner and there would, if approved, be a new contract which was to commence on 1<sup>st</sup> April 2026 for a period of three years, with an option to extend for up to two further years.

It was intended that an additional report be submitted for approval by the Director of Public Health, in consultation with the Cabinet Member for Adult Social Care and Health, following completion of the tender process. The budget was to be reviewed and based on the current service model for 2025 to 2026.

Options/alternatives considered:



The Options and alternatives were detailed in the Confidential 'Part B' report that was to be considered at agenda item 13.

Resolved:

That the Cabinet will consider the confidential recommendations, detailed in the report, at agenda item 13.

9

## **GREATER MANCHESTER JOINT MINERALS AND WASTE PLAN: DECISION MAKING PROCESS**

The Cabinet considered a report of the Executive Director of Place/Deputy Chief Executive that sought approval from Members to delegate to the AGMA Executive Board the formulation and preparation of a joint development plan document with the other nine Greater Manchester councils (Bolton Bury, Manchester, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan), to cover planning for minerals and waste across Greater Manchester insofar as such matters were executive functions.

The leaders of the Greater Manchester authorities, at the Association of Greater Manchester Authorities (AGMA) Executive Board meeting on 28<sup>th</sup> March 2025, had agreed to the production of a statutory Greater Manchester Joint Minerals and Waste Plan (GMJMWP). The submitted report considered the necessary steps required in relation to seeking approval from all the Greater Manchester districts to commence preparation and to delegate its preparation to the AGMA Executive Board.

The existing Greater Manchester Minerals and Waste Plans was required to be updated in full because they were currently out of date having previously been adopted over a decade ago. Their replacement, with a single, joint minerals and waste plan would ensure efficient compliance with national planning policies.

Options/Alternatives considered:

Option 1: Following the approval in principle of the above recommendation by Council to the making of a joint development plan document with the other 9 Greater Manchester councils (Bolton, Bury, Manchester, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan), to cover planning for minerals and waste across Greater Manchester, Cabinet is recommended to:

Delegate to AGMA Executive Board the formulating and preparing of the joint development plan document to cover planning for minerals and waste across Greater Manchester insofar as such matters are executive functions.

This option is the most efficient option and will ensure an up-to-date minerals and waste plan. There are no disadvantages to this option.

Option 2: To not delegate to the AGMA Executive Board, the formulating and preparing of the joint development plan document to cover planning for minerals and waste across Greater Manchester insofar as such matters are executive functions. This will mean that the minerals and waste plan would be unable to be delegated to the AGMA Executive Board by all

ten districts, which will put at risk the timely progression of the minerals and waste plan.

Option 1 was the preferred Option.

The Cabinet was informed that as this matter was a key decision, the proposal will be considered by the Place, Economic Growth and Environment Scrutiny Board at its meeting on 24<sup>th</sup> July 2025, which was after this Cabinet meeting. It was therefore proposed that the Cabinet Member for Neighbourhoods, be granted delegated authority to take the final decision on the delegation, having considered any comments made thereon by the Place, Economic Growth and Environment Scrutiny Board on 24<sup>th</sup> July 2025.

Resolved:

That following the approval in principle by Council to the making of a joint development plan document with the other nine Greater Manchester councils (Bolton, Bury, Manchester, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan), to cover planning for minerals and waste across Greater Manchester, the Cabinet is recommended to:

1. Subject to recommendation 3 below, delegate to AGMA Executive Board the formulating and preparing of the joint development plan document to cover planning for minerals and waste across Greater Manchester insofar as such matters are executive functions.
2. Note that the following **are the sole responsibility of the Council:**
  - a) Responsibility for giving of instructions to the Cabinet to reconsider the draft plan submitted by the Cabinet for the authority's consideration.
  - b) The amendment of the draft joint development plan document submitted by the Cabinet for the Council's consideration.
  - c) The approval of the joint development plan document for the purposes of submission to the Secretary of State for independent examination.
  - d) The adoption of the joint development plan document.
3. Note that the item will be exempt from call-in, under Rule 14 of the Constitution, as the matter will be considered by the Place, Economic Growth and Environment Scrutiny Board on 24<sup>th</sup> July 2025.
4. Grant delegated authority to the Cabinet Member for Neighbourhoods to take the final decision on the delegation to AGMA Executive Board, having considered any comments made by the Place, Economic Growth and Environment Scrutiny Board on 24<sup>th</sup> July.

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## **OPEN SPACE INTERIM PLANNING POSITION PAPER**

The Cabinet considered a report of the Executive Director of Place/Deputy Chief Executive that was seeking approval of the Open Space Interim Planning Position Paper, for publication on the council's website, to assist in the interpretation and implementation of existing planning policies in Oldham's Local Plan.

The Interim Planning Position Paper supported the implementation of policy 23 'Open Spaces and Sports' within Oldham's Local Plan – The Joint Core Strategy and Development Management Development Plan Document, adopted November 2011. This paper superseded the previous 'Open Space Interim Planning Position Paper' published by the council in March 2012.

The submitted report established the council's updated position in relation to open space policy, including the threshold for policy application, the seeking of new and enhanced open space and playing pitches and outdoor sports provision.

It was intended to be read alongside the Local Plan as a whole, but in particular - Local Plan Policy 23 'Open Spaces and Sports'. It should also be read alongside Places for Everyone (PfE) policy JP-P7 'Sport and Recreation'.

The submitted report was also informed by the council's Open Space Study (2022) and the Playing Pitch and Outdoor Sports Strategy (PPOSS) (2025) as key evidence-based documents.

The Cabinet report provided updated evidence to inform the interpretation and implementation of the policies in Oldham's Local Plan. It was a material consideration and was intended to be used in decision making as appropriate.

The council's approach to updated national guidance and local evidence was to be considered further and to inform policy preparation as part of the Local Plan Review.

Options/alternatives considered:

Option 1 - To approve the Open Space Interim Planning Position Paper for publication on the council's website, to assist in the interpretation and implementation of policy 23 'Open Spaces and Sports' in Oldham's Local Plan.

The advantages to Option 1 were that approving the Open Space Interim Planning Position Paper for publication would ensure effective and consistent decision-making which is in line with local evidence and local and national planning policy. It will provide guidance to developers and planning officers on the interpretation and implementation of open space policy within the current Local Plan.

There were no reported disadvantages to Option 1.

Option 2 - To not approve the Open Space Interim Planning Position Paper for publication on the council's website.

There were no reported advantages to Option 2.

The disadvantages to Option 2 were that not approving the Open Space Interim Planning Position Paper for publication could affect consistent decision-making and adversely impact the effective implementation of local planning policy.

Option 1 was the preferred Option.

The Cabinet was informed that as this matter was a key decision, the proposal will be considered by the Place, Economic Growth and Environment Scrutiny Board at its meeting on 24<sup>th</sup> July 2025, which was after this Cabinet meeting. It was therefore proposed that the Cabinet Member for Neighbourhoods, be granted delegated authority to take the final decision on the delegation, having considered any comments made thereon by the Place, Economic Growth and Environment Scrutiny Board on 24<sup>th</sup> July 2025.

Resolved:

That the Cabinet:

1. Approves the Open Space Interim Planning Position Paper for publication on the council's website, to assist in the interpretation and implementation of existing planning policies in Oldham's Local Plan.
2. Notes that the item will be exempt from call-in, under Rule 14 of the Constitution, as the matter will be considered by the Place, Economic Growth and Environment Scrutiny Board on 24<sup>th</sup> July 2025.
3. Grant delegated authority to the Statutory Deputy Leader and Cabinet Member for Neighbourhoods, in consultation with the Executive Director of Place/Deputy Chief Executive, to take the final decision on approval of the Open Space Interim Planning Position Paper for publication, having considered any comments made by the Place, Economic Growth and Environment Scrutiny Board on 24<sup>th</sup> July 2025.

11

## **TRANSPORT CAPITAL PROGRAMME 2025/26**

The Cabinet received a report of the Director of Environment regarding the Transport Capital Programme 2025/26.

Members were advised, that with the strategic approach for the 5-year City Region sustainable transport settlement (CRSTS) programme approved by the Cabinet in March 2022, which was attached as an Appendix to the submitted report, this report was seeking approval for formal acceptance of the CRSTS funding, as well as the acceptance of the Vision Zero, DfT Additional Funding, DfT Incentive Funding & Integrated Transport Block (ITB), and approval of the programmes recommended for delivery utilising these funds in full, for 2025/26.

Options/alternatives considered:

Option 1 - the proposed programme of schemes which would fully utilise the expected City Region Sustainable Transport Settlement (CRSTS), Vision Zero, DfT Additional Funding, DfT Incentive Funding and Integrated Transport Block (ITB) allocations available for 2025/26 as per the formal grant notifications from GMCA.

Option 2 – the proposed programme of schemes which would fully utilise the expected City Region Sustainable Transport Settlement (CRSTS), Vision Zero, DfT Additional Funding, DfT Incentive Funding and Integrated Transport Block (ITB) allocations available for 2025/26 as per the formal grant notifications from GMCA.

Option 1 was the preferred Option.

Resolved:

That the Cabinet approves:

1. The allocation of CRSTS, Vision Zero, Additional Funding, Incentive Funding and ITB Maintenance funding as shown in the tables below:

## Funding

ITB	CRSTS	CRSTS Drawdown	Vision Zero	DfT Additional Funding	DfT Incentive	Total
£ 707,000	£ 3,067,000	£ 2,250,000	£ 200,000	£ 973,000	£ 324,000	£ 7,521,000

## Scheme Delivery

£ Drainage	£ Footway	£ Structures	£ Carriageway	£ Road Safety	Total
£ 100,000	£ 400,000	£ 3,905,000	£ 2,209,000	£ 907,000	£ 7,521,000

2. The proposed programme of schemes, which would fully utilise the City Region Sustainable Transport Settlement (CRSTS) highway maintenance, Vision Zero, DfT Additional Funding, DfT Incentive Funding & Integrated Transport Block (ITB) allocations available for 2025/26 as per the formal grant notification from 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, Executive Director of Resources and Director(s) (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. That any underspend generated as the programme progresses (as detailed in the report's Appendices) 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 there is no need to gain further approvals to deliver additional schemes, ensuring they can be delivered as soon as practically possible.

## EXCLUSION OF THE PRESS AND PUBLIC

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

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

13

**INFANT FEEDING PEER SUPPORT SERVICE – NEW CONTRACT**

The Cabinet considered the commercially sensitive information in relation to agenda item 8: 'Infant Feeding Peer Support Service – new contract'.

Resolved:

That the Cabinet approves the continuation of the collaborative commissioning agreement with Tameside Council, by providing approval to:

1. Continue to work with Tameside Council and delegate authority to Tameside Council to commission an Infant Feeding Peer Support Service on our behalf, through STAR Procurement.
2. Delegate authority to the Cabinet Member of Adult Social Care and Health and the Director of Public Health to approve the outcome of the Procurement Tender exercise, on behalf of Oldham.
3. Grant authority to Tameside Council to award the contract to provider with the most advantageous tender following STAR's procurement exercise.
4. Entering into a new collaboration agreement with Tameside council for the new service to commence on 1<sup>st</sup> April 2026, for a period of three years with the option to extend for an additional two years.

The meeting started at 6.00pm and ended at 6.15pm



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

1           **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Mohon Ali.

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 for this Cabinet meeting to consider.

5           **TREASURY MANAGEMENT OUTTURN REPORT 2024/25**

The Cabinet received a report of the Director of Finance which advised Members of the performance of the Treasury Management function for the Council for 2024/25 and provided a comparison of performance against the 2024/25 Treasury Management Strategy and Prudential Indicators.

Members were informed that the Council is required to consider the performance of the Treasury Management function in order to comply with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2021). This outturn report provided an update and included the new requirement in the 2021 Code, mandatory from 1<sup>st</sup> April 2023, of quarterly reporting of the treasury management prudential indicators. This report therefore set out the key Treasury Management issues for Members' information and reviews and outlines:

- An economic update for 2024/25.
- A review and updates of the Council's current treasury management position.
- Council Borrowing.
- Treasury Investment Activity.
- Treasury Performance for 2024/25; and
- Treasury Management Prudential Indicators.

The submitted report had previously been presented to and considered by the Audit Committee at its meeting on 23<sup>rd</sup> July 2025. The Audit Committee has responsibility for scrutinising all of the Council's treasury management arrangements. All questions and issues raised at the meeting were addressed to the satisfaction of the Committee Members. The Committee was content to recommend the report to Cabinet. After consideration by the Cabinet, the report was due to be presented to the Council on 17<sup>th</sup> September 2025.

Options/alternatives considered: In order that the Council complies with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management, the Audit Committee, at its meeting on 23<sup>rd</sup> July 2025, had no option other than to consider and approve the contents of the report. Therefore, no options/alternatives have been presented.

Resolved:

1. That the Cabinet approves the Treasury Management Outturn report for 2024/25 and the Treasury Management activity and commends the report to Council.
2. That the Cabinet approves the proposed increases in the Operational Boundary and Authorised Limit in relation to PFI and Finance Lease debt liabilities as detailed in section 2.5 of the report and accordingly commends it to Council.

The meeting started at 6.00pm and ended at 6.05pm





## Report to Cabinet

# Revenue Monitor and Capital Investment Programme 2025/26 Quarter 1 – June 2025

**Portfolio Holder:** Councillor Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance, Corporate Services and Sustainability

**Officer Contact:** Lee Walsh, Director of Finance

**Report Author:** Vickie Lambert, Finance Manager

**22 September 2025**

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### Reason for Decision

The report provides Cabinet with an update as at 30 June 2025 (Quarter 1) of the Council's 2025/26 forecast revenue budget position, the financial forecast of the Dedicated Schools Grant and the Housing Revenue Account (at Annex 1) alongside the financial position of the capital programme together with the revised capital programme 2025/26 to 2029/30 (at Annex 2).

### Executive Summary

#### Revenue Position

The forecast overspend position for 2025/26 at the end of Quarter 1 is estimated to be £20.822m without any mitigation to bring expenditure down.

As this financial monitoring report reflects the financial position at the end of Quarter 1, it can be regarded as an early warning of the potential year end position if no further action is taken to reduce net expenditure.

As with previous early period monitoring reports, a cautious approach is generally taken when preparing forecasts. In particular, assumptions are made that vacant positions will be filled successfully, which as the year progresses does not always transpire.

The management actions initiated in 2024/25 across all service areas have continued into 2025/26 with further mitigations to reduce the in-year pressure identified. Details are included in Annex 1 of this report. These mitigations have been or are in the process of being implemented and it is anticipated that by the financial year end, the current outturn deficit position should reduce.

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

### **Capital Position**

The report outlines the most up to date capital spending position for 2025/26 to 2029/30 for approved schemes. The revised Capital Programme budget for 2025/26 is £116.579m at the close of Quarter 1. Actual expenditure to 30 June 2025 was £10.553m (9.05% of the forecast outturn).

### **Recommendations**

That Cabinet:

1. Notes the contents of the report.
2. Notes the forecast revenue position at the end of Quarter 1 at £20.822m with mitigations in place to reduce expenditure as detailed at Annex 1.
3. Notes the forecast positions for the Dedicated Schools Grant and Housing Revenue Account.
4. Approves the revised Capital Programme for 2025/26 including the proposed virements and the forecast for the financial years to 2029/30 as at the end of Quarter 1 as outlined in Annex 2.

**Revenue Monitor and Capital Investment Programme 2025/26 Quarter 1 – June 2025****1 Background**

- 1.1 The Authority's 2025/26 revenue budget was approved by Council on 6 March 2025 at a sum of £322.928m to be met by Government grants, Council Tax and Business Rates. This report sets out the updated revenue financial position at the end of Quarter 1.
- 1.2 As the year progresses the monthly and outturn projections will reflect the evolving position of the impact of management actions put in place to mitigate in-year pressures, new developments and changes in the profile of planned expenditure and any additional grants that are announced from the Government.

**2 Current Position**

- 2.1 This Quarter 1 revenue monitoring report can be used to give a general direction of travel and highlight any significant areas of concern which may not just impact on the current year, but also when preparing future budgets. A projected overspend based on the Quarter 1 budget is £20.822m which must be addressed urgently. Close financial management and management actions continue to be required in 2025/26 to address this position to ensure that there is minimal impact on setting the budget for 2026/27 and the limited general revenue reserves available.
- 2.2 The main areas of concern identified in the Quarter 1 monitoring report are:
- Adult Social Care with a forecast overspend of £10.165m,
  - Children's Services with an estimated overspend of £5.011m; and
  - Place with a forecast adverse position of £5.789m.
- 2.3 The projected net adverse variance is of concern and as a result, further management mitigations have been actioned. The mitigations implemented are detailed in Annex 1 and are essential to support the financial resilience of the Council.
- 2.4 Every effort must be made to reduce the forecast variance by the year end to mitigate any potential impact on the 2026/27 budget, together with the projected budget gap for the following year.
- 2.5 The in year deficit forecast position for the Dedicated Schools Grant at the end of Quarter 1 is £8.634m. This would reduce to an overall deficit by the close of the financial year of £7.452m after the application of the DSG surplus at £1.182m held within usable reserves. Details of this position are included within the report.
- 2.6 The Housing Revenue Account forecast shows a projected drawdown from the HRA reserve at the financial year end of £0.804m, with further details included in Annex 1.
- 2.7 The original Capital Programme for 2025/26 totalled £108.501m. The revised capital programme as at Quarter 1 taking into account any approved carry forwards, approved new funding, new schemes and variations and proposed variations/ re-phasing gives projected revised expenditure of £116.579m. Actual expenditure at

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Quarter 1 was £10.553m (9.05% of the forecast outturn). Further details of expenditure and schemes within the capital programme can be found in Annex 2.

- 2.8 The Annual Review of the capital programme will be taking place during the summer months. This is likely to lead to further reprofiling of planned expenditure and the realignment of capital resources between schemes. Its findings and recommendations will be reported later in the financial year.

### **3 Options/Alternatives**

- 3.1 The options that Cabinet might consider in relation to the contents of this report are;
- a) to consider the forecast revenue and capital positions presented in the report including proposed changes
  - b) to propose alternative forecasts

### **4 Preferred Option**

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

### **5 Consultation**

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

### **6 Financial Implications**

- 6.1 The full financial implications are detailed in the report.

### **7 Legal Services Comments**

- 7.1 There are no legal issues at this time.

### **8 Co-operative Agenda**

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

### **9 Human Resources Comments**

- 9.1 There are no Human Resource implications.

### **10 Risk Assessments**

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

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## **11 IT Implications**

11.1 There are no IT implications.

## **12 Property Implications**

12.1 There are no Property implications.

## **13 Procurement Implications**

13.1 There are no Procurement implications.

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

14.1 There are no Environmental and Health and Safety implications.

## **15 Equality, Community Cohesion and Crime Implications**

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

## **16 Implications for Children and Young People**

16.1 There are no direct implications for Children and Young People

## **17 Equality Impact Assessment Completed**

17.1 An equality impact assessment has been included at Annex 3.

## **18 Key Decision**

18.1 Yes

## **19 Key Decision Reference**

19.1 FCR-07-25

## **20 Background Papers**

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

File Ref: Revenue Background Papers are contained in Annex 1 including, Appendices 1

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File Ref: Capital Background Papers are contained in Annex 2 including Appendices A to J

Officer Name: James Postle

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## 21 Appendices

### **Annex 1 Revenue Budget Monitoring Report 2025/26 Quarter 1 - June 2025**

Appendix 1 2025/26 Directorate Summary Financial Positions at 30 June 2025

### **Annex 2 Capital Investment Programme Report 2025/26 Quarter 1 - June 2025**

Appendix A SUMMARY – Month 3 - Community Health & Adult Social Care

Appendix B SUMMARY – Month 3 - Children's Services

Appendix C SUMMARY – Month 3 - Communities

Appendix D SUMMARY – Month 3 – Heritage, Libraries & Arts

Appendix E SUMMARY – Month 3 - Place

Appendix F SUMMARY – Month 3 – Housing Revenue Account (HRA)

Appendix G SUMMARY – Month 3 – Corporate / Information Technology

Appendix H SUMMARY – Month 3 – Capital, Treasury and Technical Accounting

Appendix I SUMMARY – Month 3 – Funding for Emerging Priorities

Appendix J SUMMARY – Month 3 – Proposed changes

### **Annex 3 Equality Impact Assessment- Financial Monitoring 25-26 (Q01)**

**REVENUE BUDGET MONITORING REPORT 2025/26****Quarter 1 – June 2025****1 Background**

- 1.1 The Authority's 2025/26 revenue budget was approved by Council on 6 March 2025 at a sum of £322.928m to be met by Government grants, Council Tax and Business Rates. This report sets out the updated revenue financial position at the end of Quarter 1.
- 1.2 Under established budget procedures all services are required to monitor and review their approved budgets during the financial year. As part of this process, a forecast of the year-end position has been prepared by all services. The services forecasts include all known commitments, issues, and any planned management actions required.

**2 Outlook and Budget Context**

- 2.1 The challenging economic and fiscal conditions experienced nationally and locally over the last few years continued to have an impact when setting the 2025/26 revenue budget. The lingering impact of the Covid 19 pandemic and the ensuing cost of living crisis has meant that locally demand for services and the cost of providing those services has been increasing since 2020 which has placed significant strain on the Council's budgetary position. In addressing these pressures, the Council approved savings of £26m to help balance the need to provide services and to set a balanced budget. 2025/26 was the first revenue budget for some time that did not rely upon the application of a budgeted use of general revenue reserves to balance the position, protecting the Council's financial resilience.
- 2.2 In July 2024 a general election was held with a Labour Government being appointed. Since this election, discussions between central government and local government have taken place regarding how the sector is funded against a backdrop of the increasing and continued reliance on the services Councils provide. It was acknowledged that reform of the funding formula was required but due to the time needed to consult with all parties, the Government would not be able to implement fundamental changes in time for Councils to set their 2025/26 budgets. As such a one-year finance settlement was announced in December 2024. This Settlement did award a Recovery Grant of £8m which was allocated based on a high needs and low tax base model and the Council benefitted from this change in allocating central government resources.
- 2.3 In June 2025 the Government released the Fair Funding Review 2.0 Consultation looking at a revision to how Councils are funded from 2026/27 onwards. This consultation ran until the 15 August 2025 and the Council submitted a response.
- 2.4 At the 7 August Monetary Policy Committee (MPC) meeting, the Bank of England voted to cut the Base rate by 0.25% from 4.25% to 4.0%. The Bank of England has continued its policy of cutting the base rate first commenced in August 2024. This latest cut comes 12

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months after the MPC lowered the base rate from 5.25% to 5.0%. Since August 2024, the MPC has cut the base rate by 0.25% every three months which leaves the current rate at 4.0%. Even though inflation rose to 3.6% in June 2025, the MPC decided to cut the rate with the aim to help boost the economy and encourage growth. Many commentators and market analysis expect further cuts later in the financial year however, the MPC will need to strike a careful balance between supporting growth and controlling inflation and if inflation remains high in September 2025 any future cuts to the base rate may need to wait until inflation get closer to the target of 2%. Whilst inflation is still significantly lower than previous highs and does bring a slight relief to households and business within the borough, that have been struggling with higher mortgage costs and debt repayments, future interest rate cuts in the short term remain uncertain. Given the latest inflation data and as previously mentioned, many commentators are now indicating that the pace of previously anticipated cuts will ease and a more gradual approach to reducing the Bank Rate could be taken by the Bank of England. Markets are now expecting that the base rate is more likely to be 3.75% at the end of 2025 as opposed to the previous forecast of 3.5%, therefore indicating any changes will be slower and more measured. Moreover, the impact of high inflation on the cost of utilities, fuel and food is such that these costs remain significantly higher than they were a couple of years ago which presents an ongoing challenge in boroughs like Oldham where high levels of deprivation are widespread. The pressures are unlikely to reduce, and the impact is such that these will continue to affect budget setting for future years.

### **3 Current Position**

- 3.1 The current net controllable revenue budget of £322.928m remains unchanged from that which was agreed at Budget Council in March 2025.
- 3.2 The details within this revenue monitoring report for the first quarter outlines the general direction of travel for this financial year and highlights any significant areas of concern which may not just impact on the current year, but also when preparing future budgets. A forecast overspend position based on the Quarter 1 revenue controllable budget is £20.822m. As in previous years, it is critical that the Council delivers a balanced budget to avoid any unnecessary drawdown from its limited reserves. A projected outturn overspend at this level demonstrates that close financial management is needed during 2025/26 considering the already significant budget gap in the Medium Term Financial Strategy for 2026/27 and 2027/28 and the limited Earmarked Reserves.
- 3.3 As with previous early period monitoring reports, a cautious approach is generally taken when preparing forecasts. In particular assumptions, are made that vacant positions will be filled successfully, which as the year progresses does not always transpire.
- 3.4 Management actions implemented during 2024/25 such as a recruitment freeze and controls on discretionary expenditure have been continued into 2025/26, and the impacts of these actions are included within this revenue forecast position.
- 3.5 The effectiveness of management actions will continue to be closely monitored by Management Teams throughout the financial year. As the forecast adverse position at the end of Quarter 1 is significant, further management actions will be explored with the Senior Leadership Team to mitigate the pressures being reported. Any further management



actions implemented will be reported to Members through the regular financial monitoring reports submitted to Cabinet during the remainder of this financial year.

- 3.6 The Local Government Act 1988 specifies that a Local Authority must set and maintain a balanced budget. Failure to do so results in the Council's Section 151 officer having to issue a Section 114 notice to indicate that a Council's forecast income is insufficient to meet its forecast expenditure for that year.
- 3.7 The forecast revenue position at the end of Quarter 1 is detailed in the table below. Increased demand for Council services continues to have an impact on the projected position despite the continuation of previously implemented management actions. Officers are continuing to seek out and implement further actions wherever possible to reduce this gap with service mitigations detailed within this report. These mitigations will be monitored regularly with an expectation that this work will reduce the overall revenue overspend position for this financial year. Non-delivery of these mitigations would have an impact on the budget gap for the 2026/27 financial year and the level of general revenue Earmarked Reserves and therefore the overall financial resilience of the Council and should be avoided.

**Table 1 – Summary of Quarter 1 Forecast Revenue Budget Position**

Directorate	Annual Budget £000	Annual Forecast £000	Annual Variance reported at Quarter 1 £000
Adult Social Care	82,634	92,800	10,165
Children's Services	85,807	90,818	5,011
Public Health	23,515	23,288	(227)
Place	72,972	78,761	5,789
Corporate Services	31,965	32,263	84
Capital, Treasury and Technical Accounting	26,034	26,034	-
<b>NET EXPENDITURE</b>	<b>322,928</b>	<b>343,965</b>	<b>20,822</b>
<b>Financed By:</b>			
Locally Generated Income	(181,158)	(181,158)	-
Government Grants	(142,800)	(142,800)	-
Collection Fund Deficit	1,030	1,030	-
<b>TOTAL FINANCING</b>	<b>(322,928)</b>	<b>(322,928)</b>	<b>-</b>
<b>OVERALL PROJECTED VARIANCE</b>			<b>20,822</b>

#### Significant revenue variances by Directorate

- 3.8 There are significant variances contained within the projected net overspend position and a breakdown of these across type of variance is shown below.

**Table 2 – Summary of Quarter 1 Revenue budget variance analysis**

Directorate	Non-Delivery of Savings (Red & Amber) £000	Expenditure Variance £000	Income Variance £000	Annual Variance reported at Quarter 1 £000
Adult Social Care	4,003	5,197	965	<b>10,165</b>
Children's Services	4,214	505	292	<b>5,011</b>
Public Health	-	(191)	(36)	<b>(227)</b>
Place	323	(3,087)	8,553	<b>5,789</b>
Corporate Services	92	110	(118)	<b>84</b>
<b>NET EXPENDITURE</b>	<b>8,632</b>	<b>2,534</b>	<b>9,656</b>	<b>20,822</b>

3.9 As reported over the last two financial years, there are three areas which continue to forecast significant pressures;

- Adult Social Care is reporting a pressure of £10.165m at the end of Quarter 1.
- Children's Services is reporting a pressure of £5.011m at the end of Quarter 1.
- Place is reporting a pressure of £5.789m at the end of Quarter 1.

3.10 Approved at Budget Council in March 2025, significant growth was added to the revenue base budget at £43.185m of which Adult Social Care was allocated £15.264m (35%) and Children's Services was allocated £16.831m (39%). At the same Council meeting budget savings were approved across all Directorates. When these savings are applied, the overall **net increase** was **£6.776m for Adult Social Care** and **£13.170m for Children's Services**.

#### **Adult Social Care adverse variance at the end of Quarter 1 at £10.165m**

3.11 As shown at Table 2, the forecast overspend position for this directorate can be broken down as follows:

- Non- Delivery of Budget Reductions (Red and Amber) £4.003m
- Expenditure Variance £5.191m
- Income Variance £0.965m

Further details for the expenditure and income variances are included in the following paragraphs, with details on budget reductions included at Section 4.

3.12 The Community Health and Adult Social Care service is reporting significant pressures forecast to be £4.905m at the end of Quarter 1. These pressures predominantly relate to clients with physical disabilities accessing care at home (£2.1m), short stays following a

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hospital stay (£0.7m), costs for supported living placements (£0.9m) and under-recovery of income due to a delay in the completion of financial assessments (£0.9m).

- 3.13 The Learning Disability service is reporting an overspend position of £3.224m at the end of June 2025. The largest contributing areas to this forecast position are Care at Home which is forecasting an overspend position of £1.4m with £1.26m for Supported Living. There are two high-cost placements which are driving an adverse variance against the budget for residential care with other smaller variances across this divisional area.
- 3.14 The Mental Health service is reporting an adverse position of £2.020m at the close of Quarter 1 with costs for Supported Living being the largest contributing factor to this position (£1.67m). There are other smaller variances for nursing, residential and short stay placements which drive the overall position.
- 3.15 While activity levels across the Directorate have remained broadly consistent with the previous year, costs continue to rise. This is driven by:
- Increasing complexity of care packages
  - Constrained availability within the care market
  - A growing number of double-cover care packages, particularly for those supporting hospital discharges
- 3.16 These trends indicate a higher level of acuity among individuals requiring care.

### **Adult Social Care – Planned Mitigations**

- 3.17 There are planned mitigations that are in the process of being developed and / or embedded to reduce the forecast overspend position for this directorate. A summary of these are as follows:
- Client Finance project focusing on clearing backlogs, timely assessments and improved income recovery
  - Optimise Oldham Total Care by utilising its bed base to repatriate clients back to the borough
  - Review of short stay provision to ensure timely assessments are completed for people discharged from hospital and to reduce those in temporary care placements for extended periods of time
  - Further develop the Transitions Hub to prepare young people with disabilities for adulthood
  - Develop an Assistive Technology offer to support care provision and enhance digitalisation
  - Review the provision for Learning Disability & Mental Health placements including future proofing through the capacity and demand work programme
  - Engagement of external provider to clear significant assessment backlog with expected benefits to be realised from Quarter 3.
- 3.18 Work continues to implement planned mitigations and current indications are that these are having a positive impact on the adverse variance with the expected overspend position
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to be reduced to around £9.9m at the end of Month 4. This indicates a positive movement, but the pace of implementation needs to be expedited to ensure this position can be mitigated to a balanced position by the end of the financial year.

### **Children's Services adverse variance at the end of Quarter 1 at £5.011m**

3.19 The forecast overspend position for this directorate area as at 30 June 2025 can be broken down as follows:

- Non- Delivery of Budget Reductions (Red and Amber) £4.214m
- Expenditure Variance £0.505m
- Income Variance £0.292m

Further details for the expenditure and income variances are included in the following paragraphs, with details on budget reductions included later within this report.

3.20 Children's Services are reporting a £5.011m forecast adverse variance at the end of Quarter 1 of which £4.214m is due to the non-delivery of budget reductions, namely the Children's Investment Plan.

3.21 The remaining £0.797m pressure is mainly due to additional costs for Children with Disabilities short breaks and the loss of Continuing Health Care (CHC) income due to the change in cohort and those children who are eligible for this funding.

### **Children's Services – Planned Mitigations**

3.22 There are planned mitigations that are in the process of being developed and / or embedded to reduce the forecast overspend position for this directorate. A summary of these are as follows:

- Continued work on reducing agency staffing engagements
- Placements review for the Children with Disabilities service
- Clearance of backlog of 60+ audits that are awaiting approval without the need to re-review
- Service review of legal fee commitments
- Review of School insurance contract to mitigate emerging issue
- Reviewing operating model for the Music Service

3.23 In this area, current indications are that the implementation of mitigations across the Directorate are having a positive impact on the adverse variance with the expected overspend position to be reduced to around £4.1m at the end of Month 4. This is a positive movement and work should continue to reduce this further as the financial year progresses.

### **Public Health favourable variance of (£0.227m) as at the end of Quarter 1**

3.24 Public Health is projecting a favourable position by the financial year end of £0.227m. This position is due to vacancies held across Public Health and Leisure services.

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### Place adverse variance as at 30 June 2025 of £5.789m

3.25 The forecast overspend position for this directorate area as at the end of Quarter 1 can be broken down as follows:

- Non- Delivery of Budget Reductions (Red and Amber) £0.323m
- Expenditure Variance (£3.087m)
- Income Variance £8.553m

Further details for the expenditure and income variances are included in the following paragraphs, with details on budget reductions included later within this report.

### Environment

3.26 The Environment service area is forecast to be in an adverse position of £2.207m by the financial year end. Expenditure pressures across the division for staffing costs including agency and additional fleet costs are being forecast in this area. Within Environmental Management unbudgeted costs for the purchase of bins due to a change in legislation have been incurred. There are also several income targets not expected to be achieved across each area particularly security services which are driving this forecast overspend position.

### Economy

3.27 The Economy Division is reporting a £3.568m projected adverse variance by the financial year end. The largest driver of this forecast position (£2.186m) is within property management. Decisions adversely affecting the recoupment of income across the economic estate alongside additional running costs for the corporate estate are having the largest impact. The Estates service area is reporting an adverse position of £1.283m pressures within repairs and maintenance budget and the impact of additional costs due to delays in the disposal of assets.

### Communities

3.28 The Communities service area includes Strategic Housing which incorporates costs for Temporary Accommodation (TA). This has been an area of concern for the Council, particularly in 2024/25. As part of the budget setting process for 2025/26, growth was allocated to the Directorate of £3.000m to provide additional base funding for these costs. Alongside this additional investment, the service has also worked hard to reduce the numbers utilising this service provision. The resultant impact is a projected overspend position of £0.218m for 2025/26 which is due to increased costs for nightly provision at two paid provisions. Work is ongoing to bring this service area to a break-even position by the end of the financial year end.

### Place - Planned Mitigations

3.29 There are planned mitigations that are in the process of being developed and / or embedded to reduce the forecast overspend position for this directorate. A summary of these are as follows:

- Review in train of fleet replacement timelines and issues with equipment not lasting within the expected timeframe
- Continued transfer of agency workers from off contract engagements to on contract provider / permanent or fixed term recruitment
- Reports being progressed around asset transfers to reduce maintenance costs and generate rental income
- Maximisation of income streams wherever possible including grant income and attracting external income i.e. for events, new trade customers
- Minimise the gap between an assets useful economic life and its replacement to reduce / remove additional hire costs
- Review of charging model for security services to maximise income potential

### **Corporate Services forecast adverse variance at the end of Quarter 1 of £0.084m**

3.30 The forecast overspend position for this directorate area as at the end of Quarter 1 can be broken down as follows:

- |  |           |
|--|-----------|
| • Non- Delivery of Budget Reductions (Red and Amber) | £0.092m   |
| • Expenditure Variance                               | £0.110m   |
| • Income Variance                                    | (£0.118m) |

Further details for the expenditure and income variances are included in the following paragraphs, with details on budget reductions included at Section 4.

3.31 The key driver for this forecast overspend position is additional agency costs for services across the Directorate, but within legal services, and constitutional services in particular. There are also pressures within the ICT service due to licence costs. These additional costs are being offset by vacancies across other service areas such as Audit, Transformation and HR services.

### **Corporate Services – Planned Mitigations**

3.32 There are planned mitigations that are in the process of being developed and / or embedded to reduce the forecast overspend position for this directorate. A summary of these are as follows:

- Continued transfer of agency workers from off contract engagements to on contract provider / permanent or fixed term recruitment
- Review of webcast services for Council meetings once moved to the new Home of Democracy
- Review of all ICT Licences, software contracts and ways of working for the organisation
- Accelerate the move to e-billing for all Council Tax and Business Rates invoices with full implementation to be in place by April 2026

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## Capital, Treasury and Technical Accounting – no variance at the end of Quarter

3.33 The Capital, Treasury and Technical Accounting directorate holds the budgets associated with the Council's Treasury Management activities including interest payable on borrowing and interest receivable on investments and is reporting no variance as at the 30 June 2025.

3.34 A detailed revenue table is attached at Appendix 1.

### 4 Progress on the delivery of the 2025/26 Approved Budget Savings

4.1 Table 3 below presents the progress on the delivery of the 2025/26 approved Budget savings which has been updated to reflect the position at the end of Quarter 1. For savings rated as Red and Amber, work is ongoing to achieve the saving or alternative delivery and in year mitigations are being identified to cover any potential shortfalls which may occur. It is imperative that all 2025/26 approved budget savings **must** be delivered given the limited earmarked reserves availability.

4.2 In terms of savings, £17.952m of the £26.584m approved budget reduction targets are either delivered or on track to be delivered (Green) representing 68% of the total savings target. 8% are expected to be achieved (Amber) and a further 24% or £6.615m with a high risk of not being achieved within this financial year (Red). The table below summarises the progress by Directorate:

**Table 3 – Summary on progress on delivery of 2025/26 Approved Budget Reductions**

2025/26 Impact of Approved Budget Reductions	Green £000	Amber £000	Red £000	Total £000
Adult Social Care	(4,485)	(1,931)	(2,072)	(8,488)
Children's Services	(3,438)	(86)	(137)	(3,661)
Place	(3,790)	0	(323)	(4,113)
Public Health	(465)	0	0	(465)
Corporate	(4,302)	0	(92)	(4,394)
Capital, Treasury & Technical Accounting	(4)	0	0	(4)
TOTAL	(16,484)	(2,017)	(2,624)	(21,125)
Children's Investment Plan	(1,468)	0	(3,991)	(5,459)
TOTAL	(17,952)	(2,017)	(6,615)	(26,584)



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## Significant Budget reduction variances by Directorate

### Adult Social Care

- 4.3 Of the £8.488m of budget savings approved for the Adult Social Care Directorate, £2.072m of them are rated Red and off track. Four budget savings drive this variance as follows:

- Achieving Better Outcomes £0.807m
- Adults, Health & Wellbeing £0.145m
- Focused Transitions Team £0.560m
- Assistive Technology £0.560m

### Children's Services

- 4.4 As can be seen in the table above, £4.128m of Children's Services budget reductions are rated Red with 96% relating to the Children's Investment Plan. The non-delivery of the Children's Investment Plan is predominately due to pressures around the reduction of high-cost placements and release of agency staff. The other Red rated saving of £0.137m relates to Social Work Services.

### Place

- 4.5 For this Directorate, 8% of the total approved budget reductions for this area are rated Red as follows:
- Environment - Service Review / Income Generation £0.282m
  - Highways Operations - (potholes and gulleys) £0.011m

### Corporate Services

- 4.6 There are two approved budget savings for 2025/26 where a proportion are rated as off track. These are:
- Review of Governance function £0.042m
  - Centralisation of Business Intelligence functions £0.050m

### Mitigations / Planned Actions for non-delivery of budget reductions

- 4.7 During the last financial year, a Financial Sustainability Delivery Board (FSDB) chaired by the Leader of the Council was established to provide additional scrutiny and challenge to the organisation around the non-delivery of agreed savings. This has been continued into 2025/26.
- 4.8 The organisation has also implemented a new budget delivery template requiring services to identify clear and measurable mitigations for all Red rated budget reductions. These documents are shared with FSDB on a regular basis with Directors required to present achievement of milestones for the required mitigations. Any slip against timelines are



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explored and challenged with a requirement for actions to be brought back on track to ensure the delivery of the saving.

- 4.9 As previously mentioned, all approved budget reductions must be delivered in full by the end of the financial year to ensure there is no further impact on the Council's financial resilience.

## **5 Mitigation of Current forecast Budget Position**

- 5.1 Throughout this report, corporate and service mitigations have been detailed with the aim of reducing the forecast adverse variance from the position reported at the end of Quarter 1.

- 5.2 As the financial year progresses, further management actions may be required as a matter of urgency. For example, further restrictions around recruitment and any discretionary expenditure may be required. Services must continue to review their ways of working, structures and costs to reduce spend as follows:

- Centralising, restructuring and reducing corporate and support services;
- Reviewing and reducing management and administration;
- Reviewing service operations and processes;
- Income maximisation; and
- Reviewing placements, contracts and commissioned services.

- 5.3 The effectiveness of all management actions and corporate procedures will continue to be closely monitored by Management Teams up until the end of this financial year. Current indications are that the overall adverse variance at the end of Month 4 will be reduced but work needs to continue at pace to embed mitigations and bring forward a balanced position by the end of the financial year. Further updates will also be included within future monitoring reports presented to this meeting.

## **6 Reserves and Balances**

- 6.1 On 1 April 2025, general reserves totalled £33.774m, split between Earmarked Reserves of £31.564m and Revenue Grant Reserves of £2.210m. The General Fund Balance stood at £18.865m.

- 6.2 Reserves and Balances are a key element of the Council's financial resilience and it is important that their use is kept to an absolute minimum.

- 6.3 As detailed within the Council's approved Reserves Policy, the use of general reserves can only be approved by the Chief Executive and the Section 151 Officer with a full and robust business case provided for any request.

- 6.4 During the first quarter of the financial year, four applications for the use of general reserves from the Place and Economic Growth Directorate have been made as follows:

- Earmarked Reserves **£0.506m**
  - *Adverse Weather Reserve at £0.252m*
  - *Creating a Better Place Reserve at £0.254m*
- Revenue Grant Reserves **£0.130m**
  - *Local Plan Reserve at £0.080m*
  - *Digital Planning Improvement Fund at £0.050m*

- 6.5 These requests have been considered and have been approved with the forecast use of these reserves to be included within the Month 4 revenue monitoring report which is to be presented to a future meeting. These approvals will reduce the general reserves total to a projected year end balance of £33.138m.
- 6.6 It should be noted by Members, that whilst there are significant management actions being implemented to address the projected in year deficit and the delivery of all budget reductions, to the extent that mitigations do not cover the deficit, there would need to be a further unbudgeted call on reserves. Any additional use of reserves to offset any unmitigated forecast deficit in year will adversely impact the financial resilience of the Council and is not sustainable.

## 7 Dedicated Schools Grant

- 7.1 The Quarter 1 Dedicated Schools Grant (DSG) position, as reported to the Schools Forum in June 25 is an in-year overspend of £8.634m, which is an adverse movement of £2.677m compared to the previously reported position in March 25. The overall DSG deficit position is therefore, currently forecast to be £7.452m at the year end. The most significant pressure remains within the High Needs Block (HNB), which has deteriorated by £2.403m since last reported to the Forum in March 25.

**Table 4 - Dedicated Schools Grant: Quarter 1**

	Budget £000	Forecast £000	Variance £000	Movement since March 2025 £000
Schools Block	274,777	276,157	(1,380)	48
Central School Services Block (CSSB)	2,559	2,559	0	0
Early Years Block	39,964	40,286	(322)	(322)
High Needs Block	66,954	73,886	(6,932)	(2,403)
Sub Total	384,254	392,888	(8,634)	(2,677)
Deficit/ Surplus Brought Forward		1,182	1,182	
Cumulative Deficit/ Surplus		394,070	(7,452)	(2,677)

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7.2 The main points to note are as follows:

- There was a 2024/25 DSG surplus of £1.182m carried forward into 2025/26, this included £1.380m of Growth Fund underspend within the Schools Block. This is fully committed in 2025/26 and accounts for the forecast overspend within the schools Block in the current financial year.
- Expenditure within the Central Services Block is currently forecast to budget.
- There is a projected overspend of £0.322m within the Early Years Block; an increase in funding of £0.123m is offset by an increase in planned expenditure of £0.445m. This offsets the underspend carried forward from 2024/25 recommitted for 2025/26.
- Had both the above underspends not been recommitted for 2025/26 the final DSG outturn for 2024/25 would have been in a deficit position at the end of 2024/25 by £0.520m.
- There is an increased pressure of £2.150m within the High Needs Block (HNB) increasing to £2.403m with an anticipated downward adjustment to funding of £0.253m anticipated in July. The largest single contributor is an increase of £1.817m in the cost of Special Schools. In addition, there are increases in pressures relating to Resourced Provision (£0.212m), Post 16 (£0.064m) and Central services within the HNB (£0.057m).
- The DSG is a ringfenced account and there is currently a statutory override which excludes the deficit from being counted against the Council's reserves position. The government has announced that it will extend this statutory override to keep Councils' spending deficits for Special Educational Needs and disabilities (SEND) off their balance sheets for another two years until the end of 2027/28.

## 8 Housing Revenue Account

### Housing Revenue Account Budget & Forecast 2025/26 – Quarter 1

	Original Budget	Revised Budget	Spend as at Q1	Forecast Outturn	Variance From Budget
	£000	£000	£000	£000	£000
<b><u>Income</u></b>					
Dwelling Rents	(10,579)	(10,571)	(449)	(10,621)	(50)
Service Charges & Other Income	(1,354)	(1,503)	(71)	(1,491)	12
PFI Credits	(18,799)	(18,798)	-	(18,798)	-
Interest on Balances	(200)	(200)	-	(200)	-
<b>Total Revenue Income</b>	<b>(30,932)</b>	<b>(31,072)</b>	<b>(520)</b>	<b>(31,110)</b>	<b>(38)</b>
<b><u>Expenditure</u></b>					
Repairs & Maintenance	52	51	26	152	101
Utilities	788	778	133	878	100
Rents & Rates	117	116	(106)	118	2
RCCO	3,193	1	-	-	(1)
PFI Management Costs inc. MRP	27,405	27,602	5,436	27,576	(26)
Supervision and Management	1,015	1,002	-	1,002	-
Central Overheads	984	892	-	892	-
Other Miscellaneous	787	776	128	841	65
Depreciation	80	307	-	305	(2)
Adjustments to the Loss Allowance	0	136	-	150	14
<b>Total Revenue Expenditure</b>	<b>34,421</b>	<b>31,661</b>	<b>5,617</b>	<b>31,914</b>	<b>253</b>
<b>Total HRA (Surplus)/Deficit</b>	<b>3,489</b>	<b>589</b>	<b>5,097</b>	<b>804</b>	<b>215</b>

### Housing Revenue Account (HRA)

- 8.1 The HRA for 2024/25 produced a surplus of £3.34m which was transferred to the HRA Reserve at year end. The main reason for such a significant variance was PFI management costs – these were reported as lower than expected due to a change in the accounting treatment. Effectively, this has resulted in additional monies being transferred to the reserve, and this will be required to pay off associated debt in future years.
- 8.2 The original budget for 2025/26 was prepared in January 2025 and has subsequently been revised to reflect changes where appropriate. The greatest change is a reduction in the Revenue Contribution to Capital Outlay (RCCO) budget, which has reduced by over £3m due to a delay in the expected requirement to contribute towards the refurbishment of Metropolitan House.

8.3 The latest HRA forecast for 2025/26 shows a required drawdown of £0.804m from the HRA reserve, compared to a revised budgeted drawdown of £0.589m. The main areas where the forecasts vary from budget are as follows:

- Income (Rents and Service Charges) – income £0.038m higher than budgeted
- Repairs and Maintenance – based on expenditure in Quarter 1 (mainly heating repairs at Holly Bank)
- Utility Costs – Currently forecast to be £0.100m higher than the budget, although most costs come through in Quarters 3 and 4

### **HRA Capital Programme**

8.4 There was negligible capital expenditure (£1k) during 2024/25, and it is anticipated that this will remain the case during 2025/26. Capital expenditure consists of:

- works to properties outside of the PFI agreements
- works to PFI properties that are outside the scope of the PFI agreement.

### **HRA Reserves Position**

8.5 Reserves at the start of 2025/26 stood at £24.5m, and the forecast balance would see this reduce to £23.6m.

8.6 The level of reserves is required to meet future commitments in the Housing Revenue Account, and to ensure that the PFI schemes can be funded as the corresponding Government credits do not increase to take account of inflationary pressures.

8.7 In addition, a change in the way that interest repayment on the two PFI schemes is accounted for has resulted in £2.273m of the current reserves being specifically earmarked for repayment of interest after the PFI contracts have ended.

HRA Balance	£000
Balance brought forward from 2024/25	(24,447)
Forecast Transfer from Reserve 2025/26	804
Forecast Balance at 31/03/2026	(23,643)

## **9 Summary**

9.1 The current projected position as at the end of Quarter 1, shows a potentially significant overspend position by the end of the financial year. The demand for services in both Adults and Children's Social Care has continued into this financial year. This is a concern for the Council as significant additional funding was included within the 2025/26 revenue base budget in these areas as approved at Budget Council in March 2025. Both these Directorates have substantial mitigation and cost reduction programmes in place which should reduce the adverse position by year end. The Place Directorate is also seeing a significant forecast overspend position, with the largest driver of this forecast position within

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Estates and Property Management. As the Estates service takes over the full responsibility for the management and operational running of Spindles and Old town Hall assets (previously an external agent) further mitigations will be developed and implemented which should reduce the forecast adverse position by year end.

- 9.2 The Council has previously faced in-year financial pressures and highlighted these during the first quarter of the financial year with actions being taken to reduce the position by the end of the year, however it is concerning that after the unplanned use of general reserves for 2023/24 and 2024/25 to balance the in-year position, the Council is once again reporting a significant forecast overspend at this stage. This must be addressed as a priority, and the forecast position must be reduced by year end to limit the impact it has on the financial sustainability of the Council.
- 9.3 It is positive that the 2025/26 revenue budget was the first year for some time that a budgeted use of general reserves was not required to balance the revenue budget. Any use of general reserve, either planned or unplanned must be kept to an absolute minimum.
- 9.4 Whilst 78% of savings are on track to be delivered or are delivered, given the overall financial pressures facing the Council, the uncertainty around the deliverability of the remaining 22% of savings is still of concern and the non-achievement of savings has an impact on the current year and implications on future years budgets. Delivery of all budget reductions must be achieved for 2025/26 to ensure no unbudgeted use of general revenue reserves are required and this will be closely monitored through the monthly Delivery Board meetings.
- 9.5 In view of the adverse variance reported it is important that mitigations are continued to be found and implemented to address the in-year position but also to reduce any impacts on the 2026/27 position.

## APPENDIX 1 – 2025/26 Directorate Summary Financial Positions at 30 June 2025

DIRECTORATE	SERVICE AREA	Qtr 1 Annual Budget £000	Qtr 1 Annual Forecast £000	Annual Forecast Variance £000
Adult Social Care	Commissioning	12,976	13,030	64
	Community Business Services	686	654	(38)
	Clusters	2,720	2,700	(24)
	Community Health & Social Care	26,145	29,857	4,455
	Director Adult Social Care	1,352	1,326	(31)
	Learning Disability	15,039	17,726	3,224
	Mental Health	9,229	11,288	2,470
	Safeguarding	714	752	45
<b>Adult Social Care Total</b>		<b>68,862</b>	<b>77,333</b>	<b>10,165</b>
Children's Services	Children in Care	43,447	47,477	4,836
	Childrens Safeguarding	2,943	2,745	(238)
	Fieldwork & Family Support	9,719	10,381	795
	Children's Services Intergration	2,367	2,250	(140)
	Central Education Services	706	706	0
	Community / Adult Learning	251	251	0
	Inclusion Service	(359)	(359)	0
	Learning Services	211	211	0
	Learning Services - Early Years	(11)	(11)	0
	Post 16 Service	37	37	0
	School Support Services	31	31	0
	SEND Services	6,601	6,659	69
	Skills and Employment	67	67	(0)
	Early Help	3,890	3,691	(238)
	Troubled Families	1,607	1,547	(72)
	Schools	0	0	0
<b>Children's Services Total</b>		<b>71,506</b>	<b>75,682</b>	<b>5,011</b>
Public Health	Public Health (Client and Delivery)	16,781	16,622	(191)
	Leisure Services	2,815	2,785	(36)
<b>Public Health Total</b>		<b>19,596</b>	<b>19,407</b>	<b>(227)</b>
Place & Economic Growth	Business Growth	0	0	0
	Creating a Better Place	(211)	(65)	174
	Estates	385	1,454	1,283
	Facilities Management	(291)	(287)	5
	Planning	299	195	(124)
	Property Management	(1,893)	(71)	2,186
	Strategic Housing	257	235	(26)
	Town Centre and Markets	1,214	1,271	69
	Building Control	57	322	318
	Environmental Management	6,193	6,620	512
	Fleet Management	(219)	(221)	(2)
	Highways	3,269	3,489	265
	Public Protection	960	1,329	444
	Strategic Transport	14,772	14,772	0
	Street Lighting	3,597	3,599	2
	Waste Disposal Authority	15,233	15,233	0
	Waste Management Service	3,781	4,337	668
	Heritage, Libraries and Arts	5,197	5,181	(18)
	Community Safety	426	365	(73)
	District Partnerships	924	858	(79)
	Strategic Housing	6,043	6,222	214
	Stronger Communities	116	102	(17)
	Youth Services Client	705	695	(13)
<b>Place &amp; Economic Growth Total</b>		<b>60,810</b>	<b>65,635</b>	<b>5,789</b>

DIRECTORATE	SERVICE AREA	Qtr 1 Annual Budget £000	Qtr 1 Annual Forecast £000	Annual Forecast Variance £000
Corporate Services	Partnership Support (Borough and GM)	1,524	1,524	0
	Strategic Customer Service	248	248	0
	Democratic and Civic Services	1,741	1,855	137
	Communications and Research	595	579	(18)
	Customer Services	1,549	1,519	(37)
	ICT	4,743	4,910	201
	Democratic and Civic Services	274	292	22
	Audit	2,118	2,061	(69)
	Commissioning and Procurement	526	395	(157)
	Democratic and Civic Services	393	348	(53)
	External Funding	(22)	(22)	(0)
	Finance	2,047	2,064	21
	Housing Benefit Payments	328	328	0
	Revenues and Benefits	3,661	3,661	0
	Transformation and Reform	214	(69)	(340)
	HR Strategy	2,298	1,964	(400)
	Organisational Development	347	347	0
	Democratic and Civic Services	1,838	1,999	193
	Elections	0	0	0
	Legal	1,548	2,059	612
	Registrars	(73)	(176)	(124)
	Strategy and Performance	741	821	96
Corporate Services Total		26,638	26,708	84
Capital Treasury and Technical Accounting	Corporate Expenses	11,105	11,105	0
	Interest and Investment Expenditure and Income	9,420	9,420	0
	Corporate and Democratic Core	836	836	0
	Parish Precepts	333	333	0
Capital Treasury and Technical Accounting Total		21,695	21,695	0
Grand Total		269,107	286,459	20,822



# CAPITAL INVESTMENT PROGRAMME

## 2025/26 MONITORING REPORT

### Quarter 1– June 2025

#### 1 Background

- 1.1 The original Capital Programme for 2025/26 reflected the priorities outlined in the Capital Strategy as approved at Cabinet on 17 February 2025 and confirmed at the Council meeting on 6 March 2025.
- 1.2 The position at the end of Month 3 (June 2025) is highlighted in this report.
- 1.3 For the remainder of the financial year, the programme will continue to be monitored and revised to take account of any new developments and changes in the profile of planned expenditure.

#### Current Position

- 2.1 Table 1 below shows the Capital Programme for 2025/26 and a further four years to 2028/29, and reflects the priorities outlined in the Capital Strategy.

**Table 1 – 2025/30 Capital Strategy**

Directorate Budget	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000
Community Health and Adult Social Care	4,106	3,000	3,000	-	-	10,106
Children's Services	10,482	3,151	2,000	-	-	15,632
Communities	338	-	-	-	-	338
Place	80,617	14,997	15,501	2,055	-	113,170
Housing Revenue Account (HRA)	3,193	206	210	215	219	4,043
Corporate/Information Technology	3,165	3,123	2,595	1,877	-	10,760
Capital, Treasury & Technical Accounting	3,600	2,628	4,373	2,500	5,000	18,101
Funding for Emerging Priorities	3,000	2,885	2,000	-	-	7,885
<b>Total Expenditure</b>	<b>108,501</b>	<b>29,990</b>	<b>29,680</b>	<b>6,647</b>	<b>5,219</b>	<b>180,037</b>

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

Funding	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	Total £000
Grant & Other Contributions	(60,800)	(9,736)	(9,558)	(780)	-	(80,874)
Prudential Borrowing	(39,855)	(17,480)	(17,660)	(3,343)	(3,000)	(81,338)
Revenue Contributions	(3,193)	(206)	(210)	(215)	(219)	(4,043)
Capital Receipts	(4,653)	(2,567)	(2,252)	(2,309)	(2,000)	(13,781)
<b>Grand Total</b>	<b>(108,501)</b>	<b>(29,990)</b>	<b>(29,680)</b>	<b>(6,647)</b>	<b>(5,219)</b>	<b>(180,037)</b>

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

- 2.2 Following the 2024/25 Month 12 outturn report which was approved at Cabinet on 21 July 2025, the 2025/26 Capital Programme was revised to reflect anticipated reprofiling and consequently increased to £114.170m.

## 2025/26 Capital Programme

2.3 Following the approval of the Capital Strategy in March 2025, a small number of year- end reprofiling adjustments and new approvals have taken place as follows:

### *Rephasing*

2.4 Rephasing of expenditure carried forward from 2024/25 has resulted in an increase of £5.669m for 2025/26, of which £2.164m was budget underspends on completed projects. The remaining £3.505m is due to schemes slipping into future years.

2.5 Year end slippage together with additional funding and schemes phased across the 2025-2030 Capital Programme has resulted in an increase of £32.994m to a total of £212.981m. New funding and schemes relating to 2025/26 comprise of as illustrated in Table 2 below.

2.6 These comprise:

- £19.9m of Community Regeneration Partnership capital grant
- £0.352m an additional grant relating to a higher than anticipated grant award for the Disabled Facilities Grant
- £2.047m Northern Roots acceleration from future years
- £1.827m Wrigley Head Solar Farm acceleration from future years
- £0.590m Alexandra Park Depot acceleration from future years
- £0.204m of other smaller funding allocations across the programme.

2.7 The phasing of these additional funding streams in the 2025/26 Capital Programme and together with acceleration of funding from future years provisions for projects starting earlier than originally anticipated leaves the revised 2025/26 Capital Programme at £116.579m, a net increase of £2.409m (£24.920m-£22.511m), which is broken down in the Table 2 below.

**Table 2**

Directorate Budget	Capital Strategy 2025-30 £000	Year End Rephase £000	Approved Virements (to M03) £000	Proposed Virements (to M03) £000	Current Budget (M03) £000	Spend to M03 £000
Community Health and Adult Social Care	4,106	210	766	(500)	4,582	651
Children's Services	10,482	2,167	1,505	(7,797)	6,357	215
Communities	338	146	(239)	-	245	-
Heritage, Libraries and Arts	-	449	-	-	449	1
Place	80,617	1,326	24,139	(9,718)	96,364	9,526
Housing Revenue Account (HRA)	3,193	199	1	(1,990)	1,403	-
Corporate/Information Technology (IT)	3,165	(212)	626	-	3,579	160
Capital, Treasury & Technical Accounting	3,600	1,384	(1,384)	-	3,600	-
Funding for Emerging Priorities	3,000	-	(494)	(2,506)	-	-
<b>Grand Total</b>	<b>108,501</b>	<b>5,669</b>	<b>24,920</b>	<b>(22,511)</b>	<b>116,579</b>	<b>10,553</b>

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

- 2.8 Given that this is the position as at Month 3 and in view of the current challenges being faced including the pressure caused by the economic position, there must remain an element of uncertainty about the forecast position. A further breakdown of Table 3 on a service-by-service area basis is shown at Appendices A to I.
- 2.9 Actual expenditure to 30 June 2025 was £10.553m (9.05% of the proposed forecast outturn). This spending profile is lower than last year's (11.70%). The position will be kept under review and budgets will be managed in accordance with forecasts.
- 2.10 The revised Capital Programme for 2025/26 to 2029/30, considering all the above amendments in arriving at the revised forecast position, is shown in Table 3 together with the projected financing profile.

**Table 3 – 2025/26 to 2029/30 Current Capital Programme**

Directorate Budget	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	TOTAL £000
Community Health and Adult Social Care	4,582	3,000	3,500	-	-	11,082
Children's Services	6,357	7,786	6,456	2,184	-	22,783
Communities	245	-	-	-	-	245
Heritage, Libraries and Arts	449	-	-	-	-	449
Place	96,364	17,647	15,441	1,955	-	131,408
Housing Revenue Account (HRA)	1,403	7,195	2,220	215	219	11,252
Corporate/Information Technology (IT)	3,579	2,514	2,595	1,877	-	10,565
Capital, Treasury & Technical Accounting	3,600	2,640	4,373	2,500	5,000	18,114
Funding for Emerging Priorities		2,577	2,000	2,506		7,083
<b>Grand Total</b>	<b>116,579</b>	<b>43,360</b>	<b>36,586</b>	<b>11,237</b>	<b>5,219</b>	<b>212,981</b>

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

Funding	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	TOTAL £000
Grant & Other Contributions	(75,931)	(21,254)	(16,024)	(780)	-	(113,989)
Prudential Borrowing	(33,649)	(17,347)	(18,260)	(7,933)	(3,000)	(80,189)
Revenue Contributions	(1,437)	(2,195)	(210)	(215)	(219)	(4,276)
Capital Receipts	(5,562)	(2,563)	(2,092)	(2,309)	(2,000)	(14,527)
<b>Grand Total</b>	<b>(116,579)</b>	<b>(43,360)</b>	<b>(36,586)</b>	<b>(11,237)</b>	<b>(5,219)</b>	<b>(212,981)</b>

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

### Capital Receipts

- 2.11 The Capital Programme requires the availability of £5.562m of capital receipts in 2025/26 for financing purposes. This includes £2.600m to support transformational activity in the General Fund using the flexibility allowed by Government.

The total net usable capital receipts currently received in year is £0.260m, the first call being the £2.600m outlined above.

2.12 The capital receipts position as at 30 June 2025 is as follows:

**Table 4 – Capital Receipts 2025/26**

	£000	£000
Capital Receipts Financing Requirement		5,562
Usable Capital Receipt b/fwd.	-	
Actual capital receipts received to date	(260)	
Identified in year capital receipts	(6,750)	
<b>Anticipated surplus in 2025/26</b>		<b>(1,488)</b>

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

- 2.13 Given the significant amount of capital receipts needed to finance the Capital Programme in this and future years it is imperative that the capital receipts/disposal schedule is adhered to. This is monitored at the monthly Capital Receipts meeting and will be subject to on-going review throughout the year. It is of course recognised that the ongoing economic instability with high interest rates and the impact on borrowing costs, coupled with the increase cost of living will continue to impact on business/economic activities making capital disposals more challenging.
- 2.14 The Capital Strategy and Capital Programme 2025/30 incorporates an expectation of the level of receipts that is anticipated in each of the respective years and therefore an estimate as to the resultant level of over or under programming in order to present a balanced budget. As can be seen below, the most recent review has produced a forecast which is below the financing projections included in Table 5. Should the currently estimated position prevail then the position would be as illustrated in the table below:

**Table 5 – Capital Receipts 2025/26 to 2029/30**

Capital Receipts	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000
Capital Receipts Carried Forward	-	(1,448)	(4,975)	(5,710)	(3,400)
Identified Capital Receipts	(6,750)	(6,090)	(2,827)	-	-
Received in year	(260)				
<b>Total Receipts</b>	<b>(7,010)</b>	<b>(7,538)</b>	<b>(7,802)</b>	<b>(5,710)</b>	<b>(3,400)</b>
Capital Receipts Financing Requirement	5,562	2,563	2,092	2,309	2,000
<b>Over/(Under) programming</b>	<b>(1,448)</b>	<b>(4,975)</b>	<b>(5,710)</b>	<b>(3,400)</b>	<b>(1,400)</b>

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

- 2.15 The capital receipts forecast is currently higher than the required amount, given that this is the month 3 position and there is the opportunity for the forecast to change, at this stage it is considered appropriate to retain the original forecast and review this during the course of the current year. The consequence should the level of capital receipts fall is either, a corresponding increase in the level of prudential borrowing and hence an impact on the revenue budget, or a reduction in the overall Capital Programme.

### **Annual Review of the Capital Programme**

- 2.16 In accordance with previous practice, there is once again a review of the Capital Programme over the summer months (the Summer Review). This is examining any further opportunities to reallocate, decommission or reprofile resources. It will also include an in-depth analysis of capital receipts to support a revised forecast.

### **3 Conclusion**

- 3.1 Whilst the current projected position is showing the outturn to match the budget, a detailed review of the Capital Programme (the Annual Review) is being undertaken to establish if there are any surplus resources that can be realigned or any further re-profiling required. It is therefore likely that there will be further rephasing across all years to reflect developments relating to individual projects/schemes.
- 3.2 The Capital Programme is being continually monitored and is reported to Members on a regular basis.

### **4 Appendices**

- 4.1 Appendix A - SUMMARY – Month 3 - Community Health and Adult Social Care  
Appendix B - SUMMARY – Month 3 - Children's Service  
Appendix C - SUMMARY – Month 3 - Communities  
Appendix D - SUMMARY – Month 3 - Heritage, Libraries and Arts  
Appendix E - SUMMARY – Month 3 - Place  
Appendix F - SUMMARY – Month 3 - Housing Revenue Account (HRA)  
Appendix G - SUMMARY – Month 3 - Corporate/Information Technology  
Appendix H - SUMMARY – Month 3 - Capital Treasury and Technical Accounting  
Appendix I - SUMMARY – Month 3 - Funding for Emerging Priorities  
Appendix J - SUMMARY – Month 3 - Proposed Changes

**SUMMARY – Month 3 (June 2025) - Community Health and Adult Social Care****APPENDIX A**

Service area	Original Budget £000	2024/25 Rephasing/ Acceleration	Approved Virements 2025/26	Proposed Virements 2025/26	Revised Budget (M03)	Expend to M03
Adult Services	4,106	210	766	(500)	4,582	651
<b>Community Health and Adult Social Care Total</b>	<b>4,106</b>	<b>210</b>	<b>766</b>	<b>(500)</b>	<b>4,582</b>	<b>651</b>

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

**SUMMARY – Month 3 (June 2025) – Children’s Services****APPENDIX B**

Service area	Original Budget £000	2024/25 Rephasing/ Acceleration	Approved Virements 2025/26	Proposed Virements 2025/26	Revised Budget (M03)	Expend to M03
Children, Young People and Families (CYPF)	1,000	199	179		1,378	130
Schools - General Provision	6,473	250	2,840	(7,195)	2,368	37
Schools – Primary	-	1,269	327	(602)	994	31
Schools – Secondary	3,009	439	(1,840)		1,608	1
Schools – Special	-	10	-		10	
Schools – New Build	-	-	-		-	16
<b>Children’s Service Total</b>	<b>10,482</b>	<b>2,167</b>	<b>1,505</b>	<b>(7,797)</b>	<b>6,357</b>	<b>215</b>

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

**SUMMARY – Month 3 (June 2025) – Communities****APPENDIX C**

Service area	Original Budget £000	2024/25 Rephasing/ Acceleration	Approved Virements 2025/26	Proposed Virements 2025/26	Revised Budget (M03)	Expend to M03
Local Investment Fund	338	146	(239)	-	245	-
<b>Communities Total</b>	<b>338</b>	<b>146</b>	<b>(239)</b>	<b>-</b>	<b>245</b>	<b>-</b>

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

## SUMMARY – Month 3 (June 2025) – Heritage, Libraries and Arts

## APPENDIX D

Service area	Original Budget £000	2024/25 Rephasing/ Acceleration	Approved Virements 2025/26	Proposed Virements 2025/26	Revised Budget (M03)	Expend to M03
Heritage, Libraries and Arts	-	449	-	-	449	1
<b>Heritage, Libraries and Arts Total</b>	<b>-</b>	<b>449</b>	<b>-</b>	<b>-</b>	<b>449</b>	<b>1</b>

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

## SUMMARY – Month 3 (June 2025) – Place

## APPENDIX E

Service area	Original Budget £000	2024/25 Rephasing/ Acceleration	Approved Virements 2025/26	Proposed Virements 2025/26	Revised Budget (M03)	Expend to M03
Asset Management – Corporate Premises	2,670	1,565	101	-	4,336	456
Asset Management - Education Premises	1,148	559	-	-	1,707	28
Boroughwide Developments	28,177	(4,471)	10,908	(9,718)	24,896	3,586
Boroughwide District Projects	17	10	-	-	27	-
Cemeteries and Crematorium	-	-	-	-	-	-
Countryside	80	(40)	-	-	40	-
Parks	13	583	60	-	656	290
Playing Fields & Facilities	-	49	-	-	49	16
Parks & Playing Fields	11	-	-	-	11	-
Private Housing	5,677	-	6,569	-	12,246	16
Strategic Acquisitions	1,647	500	-	-	2,147	669
Town Centre Developments	27,593	(4,275)	6,502	-	29,820	4,035
Accident Reduction	744	399	-	-	1,143	3
Bridges & Structures	4,107	3,672	-	-	7,779	109
Fleet Management	175	73	-	-	248	-
Highway Major Works/Drainage schemes	8,498	2,185	-	-	10,683	303
Minor Works	60	409	-	-	469	16
Miscellaneous	-	109	-	-	109	-
<b>Place Total</b>	<b>80,617</b>	<b>1,326</b>	<b>24,140</b>	<b>(9,718)</b>	<b>96,364</b>	<b>9,526</b>

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



**SUMMARY – Month 3 (June 2025) - Housing Revenue Account (HRA)****APPENDIX F**

Service area	Original Budget £000	2024/25 Rephasing/ Acceleration	Approved Virements 2025/26	Proposed Virements 2025/26	Revised Budget (M03)	Expend to M03
Housing Revenue Account	3,193	199	1	(1,990)	1,403	-
<b>HRA Total</b>	<b>3,193</b>	<b>199</b>	<b>1</b>	<b>(1,990)</b>	<b>1,403</b>	<b>-</b>

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

**SUMMARY – Month 3 (June 2025) – Corporate/Information Technology (IT)****APPENDIX G**

Service area	Original Budget £000	2024/25 Rephasing/ Acceleration	Approved Virements 2025/26	Proposed Virements 2025/26	Revised Budget (M03)	Expend to M03
Information Technology	3,165	(212)	626	-	3,579	160
<b>Information Technology Total</b>	<b>3,165</b>	<b>(212)</b>	<b>626</b>	<b>-</b>	<b>3,579</b>	<b>160</b>

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

**SUMMARY – Month 3 (June 2025) – Capital Treasury and Technical Accounting****APPENDIX H**

Service area	Original Budget £000	2024/25 Rephasing/ Acceleration	Approved Virements 2025/26	Proposed Virements 2025/26	Revised Budget (M03)	Expend to M03
Cross Cutting /Corporate	3,600	1,384	(1,384)	-	3,600	-
<b>Capital Treasury and Technical Accounting Total</b>	<b>3,600</b>	<b>1,384</b>	<b>(1,384)</b>	<b>-</b>	<b>3,600</b>	<b>-</b>

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

**SUMMARY – Month 3 (June 2025) - Funding for Emerging Priorities****APPENDIX I**

Service area	Original Budget £000	2024/25 Rephasing/ Acceleration	Approved Virements 2025/26	Proposed Virements 2025/26	Revised Budget (M03)	Expend to M03
Funding for Emerging Priorities	3,000	-	(494)	(2,506)	-	-
<b>Funding for Emerging Priorities Total</b>	<b>3,000</b>	<b>-</b>	<b>(494)</b>	<b>(2,506)</b>	<b>-</b>	<b>-</b>

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

# SUMMARY – Month 3 (June 2025) Proposed Changes

# APPENDIX J

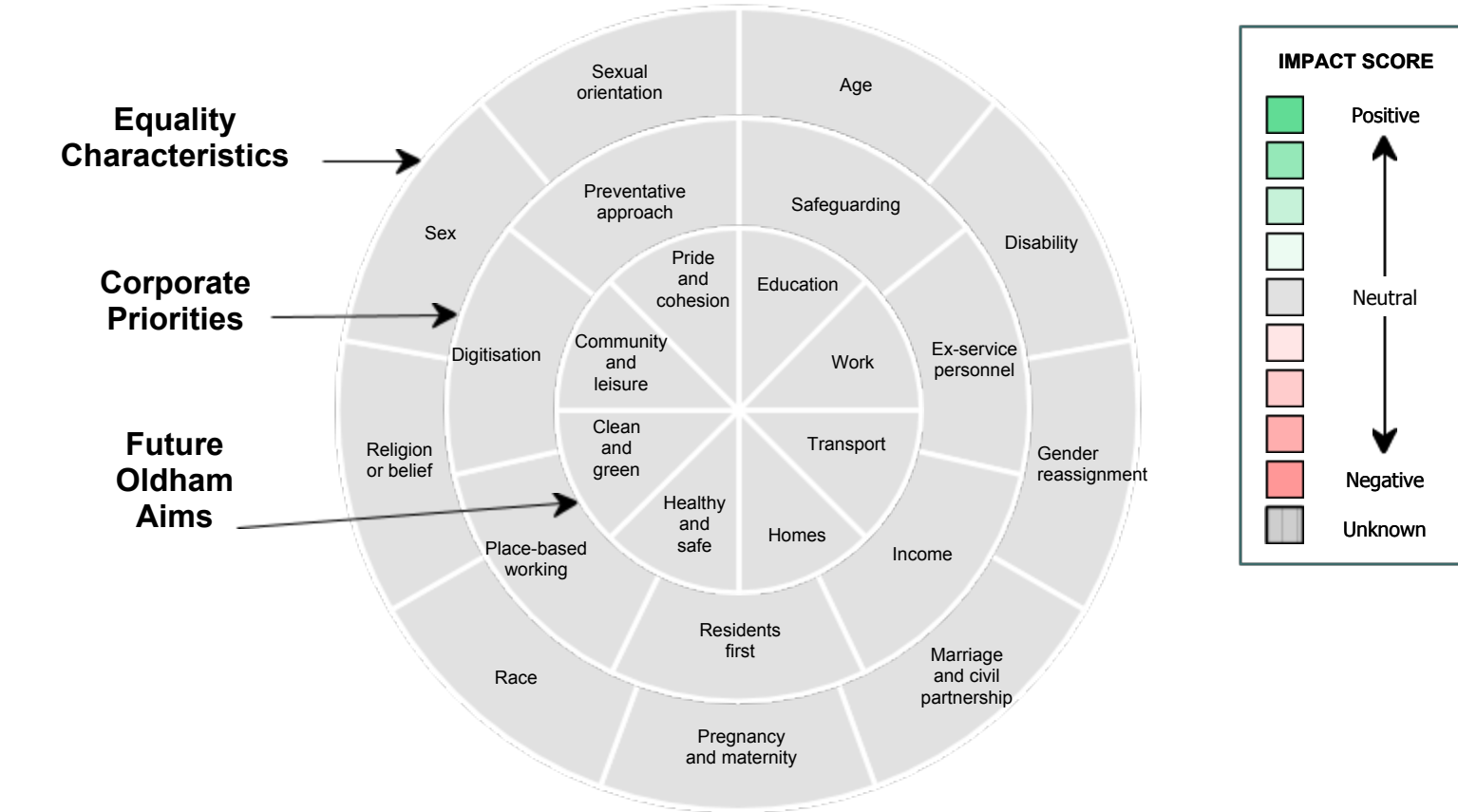
EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 JUNE 2025	2025/26	2026/27	2027/28	2028/29	TOTAL	Comments
Directorate / Scheme	£000	£000	£000	£000	£000	
<b>People – Community Health and Adult Social Care</b>						
Social Care- General Provision	(500)	-	500	-	-	Rephase to future years
<b>People – Community Health and Adult Social Care TOTAL</b>	<b>(500)</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>-</b>	
<b>People – Children’s Service</b>						
Education Basic Need General Provision	(2,184)	-	602	2,184	602	Realign & Rephase to future years
SEND - Special Provision Capital Fund (SPCF)	(5,000)	2,500	2,500	-	-	Rephase to future years
Health Pupil Capital Fund (HPCF) - General Provision	(12)	-	-	-	(12)	Realign to Funding for Emerging Priorities
Clarksfield Primary (Oasis Academy) Expansion	(258)	-	-	-	(258)	Realign to Education Basic Need General Provision
Royton Hall classroom conversion	(144)	-	-	-	(144)	Realign to Education Basic Need General Provision
St Margaret’s School - Additional Classroom Extension	(196)	-	-	-	(196)	Realign to Education Basic Need General Provision
Spring Brook Lower - Additional School Places	(4)	-	-	-	(4)	Realign to Education Basic Need General Provision
<b>People - Children’s Service TOTAL</b>	<b>(7,797)</b>	<b>2500</b>	<b>3102</b>	<b>2,184</b>	<b>(12)</b>	
<b>People TOTAL</b>	<b>(8,297)</b>	<b>2,500</b>	<b>3,602</b>	<b>2,184</b>	<b>(12)</b>	
<b>Place - Boroughwide Developments</b>						
Flexible Housing Fund	(1,708)	1,708	-	-	-	Rephase to future years
Northern Roots	-	1,000	-	-	1,000	Realigned from Green Shoots
Green Shoots (Rhodes Bank)	(8,010)	-	-	-	(8,010)	Realign to Northern Roots & Metropolitan Place Redevelopment
<b>Place - Boroughwide Developments TOTAL</b>	<b>(9,718)</b>	<b>2,708</b>		<b>-</b>	<b>(7,010)</b>	

<b>Place and Economic Growth TOTAL</b>					<b>(7,010)</b>	
<b>EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 JUNE 2025</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>TOTAL</b>	<b>Comments</b>
<b>Housing Revenue Account (HRA)</b>						
Metropolitan Place Redevelopment	(1,990)	6,990	2,010	-	<b>7,010</b>	Realign & Rephase to future years
<b>Housing Revenue Account TOTAL</b>	<b>(1,990)</b>	<b>6,990</b>	<b>2,010</b>	<b>-</b>	<b>7,010</b>	
<b>Funding for Emerging Priorities</b>						
Funding for Emerging Priorities	(2,506)	12		2,506	<b>12</b>	Realign & Rephase to future years
<b>Funding for Emerging Priorities Total</b>	<b>(2,506)</b>	<b>12</b>		<b>2,506</b>	<b>12</b>	
<b>TOTAL</b>	<b>(22,511)</b>	<b>12,210</b>	<b>5,612</b>	<b>4,690</b>	<b>-</b>	

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

<b>FINANCING BUDGETS TO BE REPROFILED AS AT 30 JUNE 2025</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>TOTAL</b>
<b>Fund Source</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Grants and Contributions	14,494	(9,383)	(5,112)	-	-
Prudential Borrowing	6,027	(837)	(500)	(4,690)	-
Revenue Contribution (HRA)	1,990	(1,990)		-	-
Capital Receipts	-	-	-	-	-
<b>TOTAL</b>	<b>22,511</b>	<b>(12,210)</b>	<b>(5,612)</b>	<b>(4,690)</b>	<b>-</b>

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



Annex 3- EIA: Financial Monitoring 25/26 (Qtr 1)				
	Impact	Likelihood	Duration	Comment
Equality Characteristics				
Age	Neutral	Possible	Short Term	The report considers the 2025/26 financial position of the Council at Quarter 1 (30 June 2025) and as such, in isolation has no direct impact on Equality
Disability	Neutral	Possible	Short Term	As Above
Gender reassignment	Neutral	Possible	Short Term	As Above
Marriage and civil partnership	Neutral	Possible	Short Term	As Above
Pregnancy and maternity	Neutral	Possible	Short Term	As Above
Race	Neutral	Possible	Short Term	As Above
Religion or belief	Neutral	Possible	Short Term	As Above
Sex	Neutral	Possible	Short Term	As Above
Sexual orientation	Neutral	Possible	Short Term	As Above
Corporate Priorities				
Safeguarding	Neutral	Possible	Short Term	The report considers the 2025/26 financial position of the Council at Quarter 1 (30 June 2025) and as such, in isolation has no direct impact on Equality
Ex-service personnel	Neutral	Possible	Short Term	As Above
Income	Neutral	Possible	Short Term	As Above
Residents first	Neutral	Possible	Short Term	As Above
Place-based working	Neutral	Possible	Short Term	As Above
Digitisation	Neutral	Possible	Short Term	As Above
Preventative approach	Neutral	Possible	Short Term	As Above
Future Oldham Aims				
Education	Neutral	Possible	Short Term	The report considers the 2025/26 financial position of the Council at Quarter 1 (30 June 2025) and as such, in isolation has no direct impact on Equality
Work	Neutral	Possible	Short Term	As Above
Transport	Neutral	Possible	Short Term	As Above
Homes	Neutral	Possible	Short Term	As Above
Healthy and safe	Neutral	Possible	Short Term	As Above
Clean and green	Neutral	Possible	Short Term	As Above
Community and leisure	Neutral	Possible	Short Term	As Above
Pride and cohesion	Neutral	Possible	Short Term	As Above

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## **Report to CABINET**

# **Introduction of Article 4 Direction for Houses of Multiple Occupation**

**Portfolio Holder:** Cllr Elaine Taylor, Deputy Leader and Cabinet Member for Neighbourhoods

**Officer Contact:** Emma Barton, Deputy Chief Executive (Place)

**Report Author(s):**

Elizabeth Dryden-Stuart (Strategic Planning Team Leader)

Lauren Hargreaves (Senior Planning Officer, Strategic Planning)

**22 September 2025**

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## **Reason for Decision**

This report sets out the current issues and position regarding Houses in Multiple Occupation (HMOs) across the borough. It is in response to the recent motions that have been presented to full Council on the matter and it provides information to Cabinet on the options to introduce a boroughwide Article 4 Direction to remove the permitted development right allowing the conversion of dwelling houses (Use Class C3) into HMOs for up to six residents (Use Class C4).

## **Recommendations:**

The Cabinet is recommended to:

- 1) Consider the evidence presented in this report and the information provided in respect of the options for the introduction of a boroughwide Article 4 Direction for Houses in Multiple Occupation (HMOs);

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- 2) Make a Non-Immediate Article 4 Direction to remove permitted development rights for the change of use from Use Class C3 (dwelling houses) to Use Class C4 (small houses in multiple occupation) on a boroughwide basis, in line with the details set out in the report and the Article 4 notice presented at Appendix 5;
  - 3) Consider that a further report to be brought back to Cabinet at the first available opportunity to consider the outcome of the consultation and thereafter to determine if the Article 4 Direction should be confirmed and come into effect on the 1 January 2026 or such other later date as considered appropriate.

## **Executive Summary**

Over the last few years, and more recently through council motions, members have highlighted their concern with the number of Houses of Multiple Occupancy (HMOs) that are currently being introduced across the borough. It is recognised that HMOs provide a much-needed source of housing for various groups in need within the borough, including young people, students, and single person households. However, poorly managed and maintained HMOs, especially where clusters of HMOs arise in one place, can have a detrimental impact on local areas.

To address these concerns, where appropriate, the Council can adopt an Article 4 Direction to remove the permitted development rights that enable a C3 dwelling to be converted to a C4 “small” HMO. This would require such conversions to first apply for planning permission for the change of use. Requiring the submission of a planning application for such proposals will not necessarily reduce the number of C4 HMOs being created, but it does allow for the proper consideration of the effects of a proposed HMO on an area's amenity and local community, before issuing any planning permission and, in doing so, we are able to influence the quality of the HMO through the planning process.

This report:

- Outlines the recent motions presented at council on the 9 April and subsequently 21 July 2025 on the introduction of an Article 4 Direction for HMOs;
- Sets out the legislation regarding Article 4 Directions and the process for implementation;
- Outlines the current position and evidence regarding HMOs across the borough; and
- Identifies the options available for the introduction of an Article 4 Direction for HMOs, specifically whether it focuses on specific areas or is boroughwide.

Informed by the evidence presented in this report the preferred option (as recommended) is to introduce a Non-Immediate Article 4 Direction on Houses of Multiple Occupation that will be implemented borough-wide. If this is agreed by Cabinet, a period of consultation from 29 September to 9 November 2025 for 6 weeks will take place, after which the Cabinet Member for Neighbourhoods will then consider whether to confirm the Direction and bring it into effect on 1 January 2026, having considered all consultation comments received.

This approach is the preferred option for the following reasons:

- 
- a) It would enable the Council to assess the impact of all HMOs on a case-by-case basis, having regard to the individual circumstances and location of the development, and to better manage HMO concentration and prevent the formation of imbalanced communities, as well as reduce any negative impact on local amenity. It would also give residents a voice and a transparent process to ensure that their views are heard.
  - b) A non-immediate Article 4 Direction with the six-week period of consultation proposed and a commencement date of 1 January 2026 will provide sufficient notice to landlords (and prospective landlords) who have already purchased a C3 property with the intention to convert it to a C4 HMO.
  - c) Adopting a borough-wide approach reflects the evidence available and will avoid any effects of displacement as witnessed by other GM districts and ensures a consistent approach going forward.



## Houses of Multiple Occupation Article 4 Direction

### 1 Introduction

- 1.1. Over the last few years, and more recently through council motions, members have highlighted their concern with the number of Houses of Multiple Occupancy (HMOs) that are currently being introduced across the borough.
- 1.2. It is recognised that HMOs provide a much-needed source of housing for various groups in need within the borough, including young people, students, and single person households. However, poorly managed and maintained HMOs, especially where clusters of HMOs arise in one place, can have a detrimental impact on local areas.
- 1.3. In general terms, a HMO is a property rented out by at least three people who are not related and who share facilities like the bathroom and/or kitchen. The type of accommodation that could be classed as a HMO includes:
  - A number of bedsits in one building;
  - A hostel;
  - Halls of residence (private);
  - A shared house;
  - A block of converted flats; and
  - Individual shared self-contained single cluster flats.
- 1.4. However, to emphasise, the above is only classed as a HMO if they involve three or more unrelated people living together and sharing a bathroom and / or kitchen. Some accommodation in the above list can involve completely self-contained residential units that do not involve sharing facilities, and so, in that instance, they are not a HMO.
- 1.5. Under current planning legislation, HMOs are divided into two Use Classes, which are often referred to as 'Small' and 'Large' HMOs:
  - Small HMOs are houses or flats occupied by between 3 and 6 unrelated individuals who share basic amenities such as a kitchen or bathroom. These are classified as a 'C4' use within the Use Classes Order; and,
  - Large HMOs comprise houses or flats occupied by more than 6 unrelated individuals who share basic amenities such as a kitchen or bathroom. These are classified as Sui Generis (a use that does not fall in any use class).
- 1.6. Currently, single family dwellings, defined within use class C3 can change to a C4 use without the need for planning permission under permitted development rights. Similarly, a C4 HMO can be converted to a C3 dwelling at any time under permitted development rights. Whereas the conversion of any use other than C3 to a C4 HMO use (or the new-build development of a C4 HMO) does require planning permission.

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- 1.7. The conversion (or new-build) of any property to create a Sui Generis “large” HMO requires planning permission in all cases.
- 1.8. There are also some HMOs that are covered under the ‘C3 dwelling houses’ use, such as those where there are up to six people living together as a single household and receiving care, and some groups of people (up to six) living together as a single household (e.g., a small religious community or homeowners living with a lodger).
- 1.9. Where appropriate and justified by evidence, the Council can adopt an Article 4 Direction to remove the permitted development rights that enable a C3 dwelling to be converted to a C4 “small” HMO. This would require such conversions to first apply for planning permission for the change of use.
- 1.10. Requiring the submission of a planning application for such proposals will not necessarily reduce the number of C4 HMOs being created, but it does allow for the proper consideration of the effects of a proposed HMO on an area's amenity and local community, before issuing any planning permission, and in doing so influence the quality of the HMO through the planning process. This is especially important for 3 and 4 person HMOs as they do not require a HMO Licence and are subject to less statutory regulation, and so the quality of such HMOs cannot be monitored properly currently.
- 1.11. This report:
- Outlines the recent motions presented at council on the 9 April and subsequently 21 July 2025 on the introduction of an Article 4 Direction for HMOs;
  - Sets out the legislation regarding Article 4 Directions and the process for implementation;
  - Outlines the current position and evidence regarding HMOs across the borough; and
  - Identifies the options available for the introduction of an Article 4 Direction for HMOs, specifically whether it focuses on specific areas or is boroughwide.
- 1.12 The introduction of an Article 4 Direction on Houses of Multiple Occupation links to the Council's Plan priorities of Healthier Happier Lives and Great Place to Live.
- 1.13 In terms of the purpose of the report there are no / limited implications for:
- Community Cohesion Implications, including crime and disorder implications under Section 17 of the Crime and Disorder Act 1998 – the introduction of a borough-wide Article 4 Direction would enable the Council to better manage HMO concentration and prevent the formation of imbalanced communities, as well as reduce any negative impact on local amenity.
  - Risk Assessments – the introduction of a non-immediate Article 4 Direction with a period of six weeks consultation will raise awareness that the implementation of the Direction is forthcoming. This can help to reduce the risk
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associated with introducing the Direction, minimising potential exposure to compensation claims as the Council's decision to introduce the Direction and the date on which this is to be confirmed will be in the public domain at the earliest opportunity. Notwithstanding this there is a risk compensation claims will be made against the Council for the introduction of the Article 4 Direction.

- Co-operative Implications, Human Resource Implications, IT implications, Property Implications, Procurement Implications and Environment and Health and Safety Implications – none.

## **2 Current Position**

### **2.1. *Recent motions presented to Council***

- 2.1.1. A Motion was submitted to Council on 9 April 2025 by Councillor Taylor, and seconded by Councillor Davis, requesting the Council calls on the new Labour Government to reverse the changes introduced by the Conservative and Liberal Democrat Coalition Government in 2010 which removed the requirement for planning permission for small houses of multiple occupation. The full version of this motion can be found at Appendix 1 to this report.
- 2.1.2. An amended motion was then proposed, and approved<sup>1</sup>, at Council on 9 April 2025 by Cllr Sam Al-Hamdani and seconded by Cllr Mark Kenyon. In addition to that in paragraph 2.1.1 this amended motion requested a report back on whether a case can be made for an Article 4 direction, to continue efforts to establish that case, and to report back on a regular basis. The full version of this motion can be found at Appendix 2 to this report.
- 2.1.3. Subsequently, a further motion was proposed by the administration and approved at Council on 21 July 2025.
- 2.1.4. The motion acknowledges residents' concerns regarding the number of HMOs which are currently being introduced across the borough and that, whilst it is not possible to prevent full planning applications from being submitted, the Council can act to close the loophole that allows for permitted development rights for HMOs where between three and six unrelated people share basic amenities, such as a kitchen or bathroom. Requiring a planning application to be submitted for change of use from class C3 to C4, and ensuring that due process is applied, gives residents a say in what happens in their communities.
- 2.1.5. Specifically, the motion requested that the Council resolves to:
1. As soon as possible, Cabinet to consider and make a direction pursuant to Article 4(1) of the Town and Country Planning (General Permitted Development) Order 2015 on a boroughwide basis. Withdrawing the permitted development rights to convert a dwellinghouse (C3) to a House in

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<sup>1</sup> See minutes from Council meeting on 9 April 2025 available online at <https://committees.oldham.gov.uk/ieListDocuments.aspx?CIId=132&MIId=9176&Ver=4>

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Multiple Occupation (C4) is appropriate, and justified, to prevent harm to local amenity and promote the wellbeing of the aforementioned areas.

2. To delegate authority to OMBC Planning Department to carry out all necessary consultation and to notify the Secretary of State in accordance with statutory requirements.
3. That the boroughwide Article 4(1) Direction will come into effect once made.
4. To put existing and prospective HMO landlords on notice that OMBC will look to implement the Article 4(1) Direction on 1st January 2026.

- 2.1.6. The full version of this motion (as amended) can be found at Appendix 3 to this report. The alternative motions presented at Council on 16 July 2025 can be found as part of the published agenda at <https://committees.oldham.gov.uk/ieListDocuments.aspx?CId=132&MIId=9600&Ver=4>.

## **2.2. *Legislation and process for introduction of an Article 4 Direction***

- 2.2.1. Councils can remove permitted development rights by making an Article 4 Direction, provided they can demonstrate a clear need for such a measure. National planning policy<sup>2</sup> advises that an Article 4 Direction should only be used when absolutely necessary, and that they must be supported by strong evidence, aim to protect local amenity or community well-being, and should cover the smallest area possible.
- 2.2.2. There are two types of Article 4 Direction:
- Non-immediate Article 4 Direction: This type requires a minimum 21-day period of public consultation before it can be introduced. It must then be confirmed after the consultation period ends and brought into effect within 2 years of the start of the period of public consultation. The Secretary of State must be notified at the start of the period of public consultation and also when the direction is confirmed.
  - Immediate Article 4 Direction: This can take effect as soon as it is issued, removing permitted development rights immediately before consultation. However, it must be confirmed by the local authority within six months, and the Secretary of State must also be notified at the start of the period of public consultation and also when the direction is confirmed.
- 2.2.3. Schedule 3 of The Town and Country Planning (General Permitted Development) (England) Order 2015<sup>3</sup> (Procedures for Article 4 directions) sets out the procedures for Article 4 directions. Essentially, an Article 4 direction is

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<sup>2</sup> See paragraph 54 of the National Planning Policy Framework at [https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF\\_December\\_2024.pdf](https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf)

<sup>3</sup> Schedule 3 of The Town and Country Planning (General Permitted Development) (England) Order 2015 - <https://www.legislation.gov.uk/uksi/2015/596/schedule/3>

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made through a two-stage process within which there is a period of consultation, as set out below.

*Stage 1: The Local Planning Authority makes the direction.*

- 2.2.4. Once the Direction has been made the Council then notifies the Secretary of State and carries out consultation (see below). Under current legislation, the local planning authority must send a copy of the direction and notice, including a copy of a map defining the area to which it relates, to the Secretary of State on the same day that notice of the direction is first published or displayed.
- 2.2.5. In accordance with the legislative procedures for the publicity and consultation of an Article 4 direction, the following consultation will be undertaken:
- Advertisement of notice in the local press; and
  - The Article 4 Direction Notice will be displayed in all Oldham public libraries and the council's principal office.
- 2.2.6. The Regulations require notice to also be served on the owner and occupier of every part of the land to which the direction applies, except where the number of owners and occupiers to which the direction relates makes individual service impractical. As this proposal is for a boroughwide direction, individual service on owners and occupiers will be impractical and will not be undertaken. Instead, the notice will be published on the council's website and sent to all those on the council's Local Plan Mailing List as well as to all ward members, and statutory consultees and other bodies as may be appropriate.
- 2.2.7. Schedule 3 (paragraph 1(4) (d)) sets out that a period of at least 21 days must be allowed for any representations concerning the direction to be made to the local planning authority. In this instance a period of six weeks is proposed for the consultation, commencing no sooner than 29 September 2025. This length of consultation is considered appropriate given the significance of the change that the proposed Article 4 Direction would bring for landlords and to give more than adequate notice to landlords who have already purchased a C3 property to convert to a C4 HMO under the current permitted development rights. By providing this notice period, the council is also reducing the potential for compensation claims from landlords affected by the Article 4 Direction.

*Stage 2: The direction is confirmed and comes into effect*

- 2.2.8. In deciding whether to confirm the direction, the Council must:
- Consider representations received during the consultation period.
  - Subject to the consideration of the representations, the Direction would then be confirmed and, if it is, must come into effect no earlier than 28 days and no later than 2 years from the start of the consultation period.
  - The Secretary of State must then be notified that the direction is confirmed and has come into effect.
- 2.2.9. Given the proposed six-week consultation period and the need to ensure that an appropriate notice period is given, if Cabinet resolves to make an Article 4 Direction as a result of this report, it is anticipated that the Direction will come

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into effect in Oldham on the 1 January 2026 or such other later date as considered appropriate.

- 2.2.10. This proposed commencement date for the Direction to come into effect, coupled with the initial advertisement and notification after Cabinet's decision, should also provide sufficient notice to landlords (and prospective landlords) who have already purchased a C3 property with the intention to convert it to a C4 HMO, so that they are aware that, if they do not convert the property (i.e. have it occupied and let as a HMO) before 1 January 2026, they would need to apply for planning permission to make the conversion. This should reduce the risk to the Council of compensation claims under section 107 of the Town and Country Planning Act 1990 if that permission was subsequently refused and the landlord was therefore affected financially.

### **2.3. *Current position and evidence regarding HMOs across the borough***

- 2.3.1. As of July 2025, according to the best available evidence<sup>4</sup>, there are approximately 384 HMOs in the borough. 81 of these HMOs have secured a HMO Licence<sup>5</sup> or been issued a draft licence ready for the final licence to be issued, and 43 applications are in the process of being considered.
- 2.3.2. The number of HMOs represents 0.38% of the borough's total dwelling stock (98,912 dwellings, as of October 2024<sup>6</sup>).
- 2.3.3. The actual number of HMOs in the borough may differ somewhat. The Council is not currently notified of all conversions of C3 dwellings to small HMOs (as this is currently permitted development), but this figure is based on the best available evidence to us. Whilst it would be hoped those small HMOs would be picked up through Council Tax records (and many are), this is not always the case, depending on what information has been provided by the occupiers on Council Tax returns. Also, HMOs can change back to single family dwellings without notifying the Council.
- 2.3.4. Of the 384 existing HMOs in the borough, 74 have been granted planning permission. A further 19 applications for a HMO have been granted planning permission and are yet to be implemented, or they are under construction, and so the HMO is not yet occupied / in use.

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<sup>4</sup> Please note, the council hold housing and development data across several sources and systems. This data has been amalgamated across systems and checks have been undertaken, however anomalies or errors may be present. The number of HMOs can be difficult to ascertain, given existing permitted development rights, as such this data represents the best available data on the number of existing HMOs in the borough up to July 2025.

<sup>5</sup> A HMO license is required for HMOs with an occupancy of 5 or more people. Further information can be found at: [https://www.oldham.gov.uk/info/201198/help\\_for\\_landlords/258/houses\\_in\\_multiple\\_occupation](https://www.oldham.gov.uk/info/201198/help_for_landlords/258/houses_in_multiple_occupation)

<sup>6</sup> Source – Oldham Council, Council Tax data (October 2024).

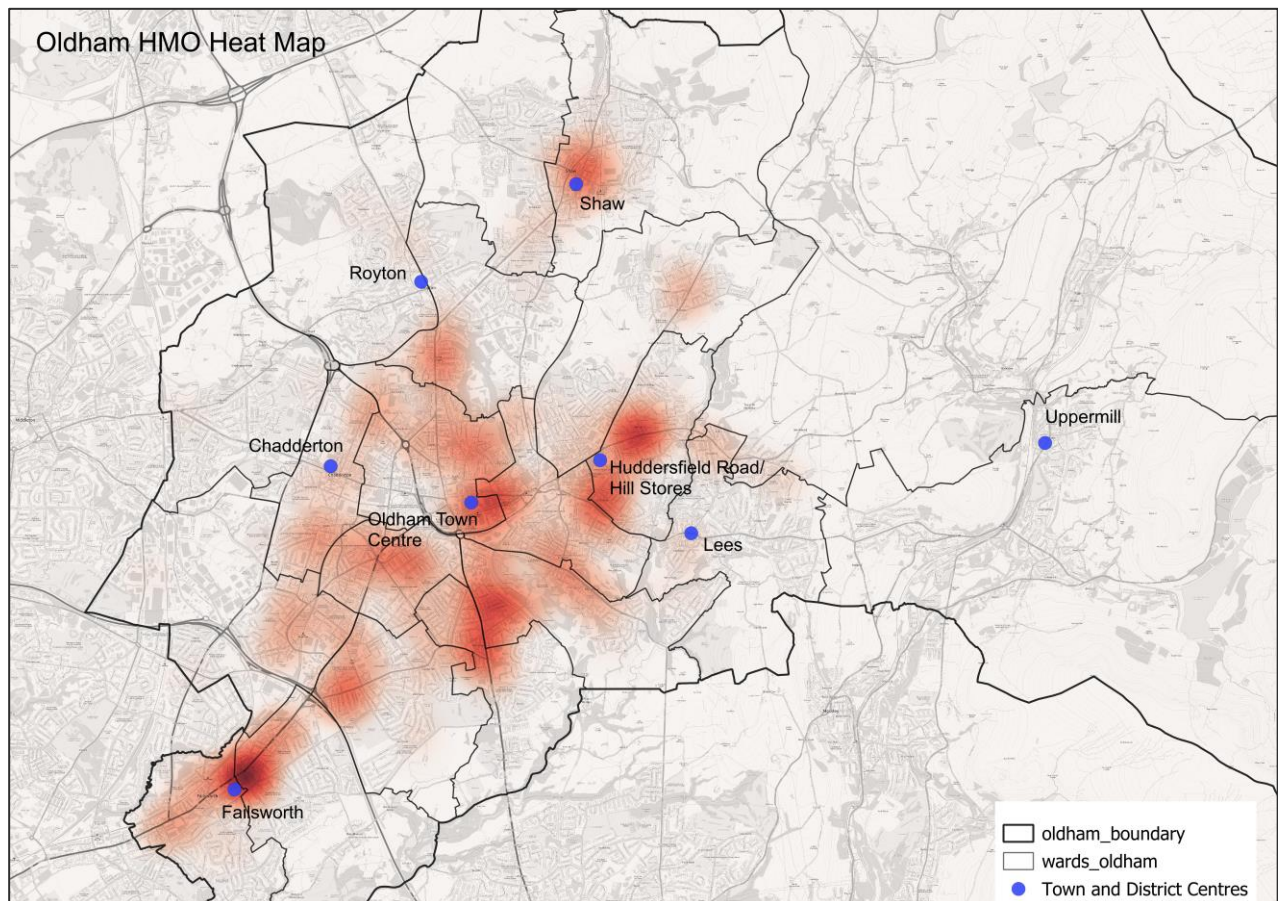


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- 2.3.5. It can be assumed that the majority of the existing HMOs in the borough are smaller HMOs, for less than 6 people. There are approximately 75 HMOs (of the total 384 existing HMOs) which are for 6 people or above (19%). We mainly know this because, as set out above, HMO development for 6 people and above is not permitted development and planning permission is required. Also, sometimes, the information is provided in an application to building control<sup>7</sup>.
- 2.3.6. Over 48% (185 properties) of the total 384 HMOs have been changed from a single household dwelling to a HMO. An additional 47 bedrooms have been created where a change of use from single household dwelling to HMO has occurred (and bedroom numbers are known).
- 2.3.7. Whilst this does not always equate to a loss of a residential unit (as per planning guidance some smaller HMOs can still exist under use class C3 – the same use class as a single household dwelling), it could mean the loss of a family home into smaller, single occupation uses.
- 2.3.8. The Local Housing Needs Assessment (LHNA) (2024) has identified a need for family housing, including larger family housing of 4+ bedrooms across the borough. The loss of family housing to HMOs can impact on the dwelling stock available for families, and the ability of the housing stock to meet local housing needs.
- 2.3.9. Where smaller homes are converted into HMOs (especially small HMOs which do not currently require planning permission), the units of individual accommodation that are created could be smaller and not meet the minimum space standards that we would like to see provided for. This could lead to overcrowded and substandard living conditions.
- 2.3.10. Other HMOs are typically created from change of use from shops, restaurants or commercial properties (which already requires planning permission).
- 2.3.11. The LHNA has identified that there is a need for smaller units of accommodation and affordable housing, which HMOs could provide. HMOs can also be suitable housing options for students or key workers. However, it is important that this housing provides a decent standard of living and does not contribute to overcrowding.
- 2.3.12. The heat map at figure 1 indicatively illustrates the spatial distribution of the recorded HMOs in the borough.

*Figure 1: Heat map showing spatial distribution of HMOs in Oldham*

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<sup>7</sup> Detailed data is not always required to be supplied for building control applications depending on the application/ approval type.



- 2.3.13. As shown in figure 1, the HMOs are predominantly located within inner Oldham, along key transport routes (e.g., the A62, which connects Oldham to Failsworth and Manchester) and within and around district centres.
- 2.3.14. In particular, there may be clusters of HMOs emerging within and around Failsworth district centre, Huddersfield Road district centre, Oldham Town Centre, Shaw district centre and within Greenacres/ Clarksfield and Hathershaw (along Ashton Road). There are also lesser numbers of HMOs located near Royal Oldham Hospital (within Coldhurst and Royton South) and within areas of Central and South Chadderton, Hollinwood and Werneth. Conversely there are very few HMOs located within Saddleworth wards.
- 2.3.15. The majority of the borough's existing HMOs are located in accessible locations. Just under half (191) of the borough's recorded HMOs (384) are located within 800m of a Metrolink station and 2 are located within 800m of a train station (Mills Hill and Moston). The vast majority are in walking distance of a bus stop. Typically, HMOs can be a lower cost form of accommodation, and as such appeal to those with lower incomes, where levels of car ownership are also likely to be lower. As such, it is important to ensure HMOs are located sustainably with access to public transport within a suitable walking distance

### 3 Options/Alternatives

- 3.1. This section of the report identifies the options available for the introduction of an Article 4 Direction for HMOs in Oldham.



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### **3.2. *Non-Immediate or Immediate Article 4 Direction***

- 3.2.1. The main benefit of an immediate direction is that the Council would gain control over the issue and respond to members and communities concerns from day one the direction is acknowledged. However, it is considered that:
- Introducing a Non-Immediate Article 4 Direction with a period of six weeks consultation will raise awareness that the implementation of the Direction is forthcoming. This can help to reduce the risk associated with introducing the Direction and minimising potential exposure to compensation claims, as the Council's decision to introduce the Direction and the date on which this is to be confirmed will be in the public domain at the earliest opportunity.
  - In addition, the introduction of an Immediate Article 4 Direction has a substantially higher evidence threshold whereby the local planning authority would be required to demonstrate that the development to which the direction relates would be prejudicial to the proper planning of the area or constitute a threat to the amenities of the area. It is not considered that this higher evidence threshold is currently being met anywhere in the borough.

### **3.3. *Borough-wide***

- 3.3.1. Evidence shows that, whilst there are several potential clusters beginning to form within and around inner Oldham, along key transport routes (e.g., the A62 corridor connecting Oldham to Failsworth and Manchester - and Ashton Road) and within and around several district centres, there is still a general spread of HMOs across many areas of the borough, as shown in figure 1 above. We are therefore unable to clearly define those areas disproportionately affected. Furthermore, whilst our monitoring processes are much improved, we cannot be certain that our evidence has captured all three and four person HMOs in the borough.
- 3.3.2. In addition, other authorities in Greater Manchester are using Article 4 Directions to have greater control on the location and quality of HMOs. This includes the introduction of borough-wide Article 4 Directions to address concerns of displacement that area-specific Article 4 Directions might cause. In Wigan, for example having introduced an Article 4 Direction in Swinley and central Leigh in 2020, they are finding evidence of a displacement effect where restrictions on HMOs in one area are leading to an increase of HMOs in neighbouring areas of borough. Salford City Council is also increasing the footprint of its current Article 4 Direction on HMOs to cover a much broader area, in response to a similar displacement effect, and Bolton Council has also just been through the process of introducing a borough-wide Article 4 Direction.
- 3.3.3. Therefore, given concerns around the proliferation of HMOs in various parts of Oldham, and that these are spread across many of areas of the borough, if Cabinet consider that the evidence does justify an Article 4 Direction, it is felt prudent to apply that Direction borough-wide. This will avoid any effects of

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displacement as witnessed by other GM districts and ensures a consistent approach going forward.

- 3.3.4. If Cabinet do decide to make an Article 4 Direction for HMOs in Oldham, planning applications for the conversion of C3 dwellings to C4 HMOs will, for the time-being, be considered on the same policy basis that planning applications for HMOs are already considered, having regard to issues such as amenity, character and highway safety. However, through the proposed new Local Plan for Oldham, updated policies will be included that allow a more nuanced approach to planning for HMOs in the borough, particularly geared toward avoiding clusters of HMOs on any given street and ensuring that the space and design standards of rooms in HMOs are adhered to, to avoid over-crowding and poor living conditions.

### **3.4 *Area-specific***

- 3.4.1. As evidenced, the data identifies several areas where clusters of HMOs appear to be forming within and around inner Oldham, along key transport routes and within and around several district centres. However, there is still a general spread of HMOs across many areas of the borough, and we are unable to clearly define those areas disproportionately affected. Coupled with concerns of potential displacement, it is considered an area-specific Article 4 Direction would not provide the consistency and control required to ensure that HMOs do not negatively impact on the amenity of our local communities and the character of the borough.

### **3.5 *No Article 4 Direction***

- 3.5.1. Having no Article 4 Direction in place would mean that small HMOs would continue to come forward as they do at present as permitted development. The council would therefore have limited control as to how and where these come forward. The council would still have some control over those HMOs that are for 5 to 6 people though as, whilst planning permission is not required for these, they would need to have a HMO Licence.
- 3.5.2. An Article 4 Direction would not stop HMOs coming forward in the borough, but it would mean that the Council is able to assess the impact of all HMOs on a case-by-case basis, having regard to the individual circumstances and location of the development. A Direction would enable the Council to better manage HMO concentration and prevent the formation of imbalanced communities, as well as reduce any negative impact on local amenity. It would also give residents a voice and a transparent process to ensure that their views are heard.

## **4 Preferred Option**

- 4.1. It is proposed to introduce a Non-Immediate Article 4 Direction on Houses of Multiple Occupation that will be implemented borough-wide, if confirmed following consultation.

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- 4.2. Following a period of consultation, commencing 29 September and running for six weeks until 9 November 2025, the Cabinet Member for Neighbourhoods will then consider whether to confirm the Direction and bring it into effect on 1 January 2026, having considered all consultation comments received.
- 4.3. This approach is the preferred option for the following reasons:
- a) Whilst an Article 4 Direction would not stop HMOs coming forward in the borough, it would mean that the Council is able to assess the impact of all HMOs on a case-by-case basis, having regard to the individual circumstances and location of the development. A Direction would enable the Council to better manage HMO concentration and prevent the formation of imbalanced communities, as well as reduce any negative impact on local amenity. It would also give residents a voice and a transparent process to ensure that their views are heard.
  - b) A non-immediate Article 4 Direction with the six-week period of consultation proposed and a commencement date of 1 January 2026 will provide sufficient notice to landlords (and prospective landlords) who have already purchased a C3 property with the intention to convert it to a C4 HMO.
  - c) Adopting a borough-wide approach reflects the evidence available and will avoid any effects of displacement as witnessed by other GM districts and ensures a consistent approach going forward.

## **5 Consultation**

- 5.1 A period of consultation, commencing 29 September and running for six weeks until 9 November 2025 is proposed. Following this, the Cabinet Member for Neighbourhoods will then consider whether to confirm the Direction and bring it into effect on 1 January 2026, having considered all consultation comments received.

## **6 Financial Implications**

- 6.1 A rise in planning applications for HMO conversions is expected, resulting in increased Planning workloads. Additional planning application fee income is therefore also anticipated and will help contribute to any additional staff costs. All planning application income and expenditure will be allocated from within the Development Control & Planning service budget.
- 6.2 The implementation of the Article 4 Direction, either immediate or non-immediate, could potentially give rise to compensation claims against the Council. These claims could be more prevalent under the immediate imposition of Article 4, as identified within the report.
- 6.3 Having consulted Legal and Risk & Insurance colleagues, they have confirmed there is no dedicated funding resource for any potential claims. Therefore, any such claims would be an additional pressure on the service which would need to be covered from within the service's general revenue budget.

## **7 Legal Implications**

- 7.1 Under Article 4 of the Town and Country Planning (General Permitted Development) (England) Order 2015, a local planning authority can restrict the scope of permitted development rights in relation to defined areas. It is a power of pre-emption rather than prohibition: by withdrawing the deemed permission under the Order, its effect is to require an application to be made for express permission for development proposals. If that permission is refused or granted subject to conditions other than those in the Order, the landowner is entitled to claim compensation for abortive expenditure and any loss or damage caused by the loss of rights. The National Planning Policy Framework advises that the use of Article 4 should be limited to situations where an Article 4 direction is necessary to protect local amenity or the well-being of the area and in all cases, be based on robust evidence, and apply to the smallest geographical area possible.
- 7.2 A decision about whether to withdraw permitted development rights is an executive function and can be dealt with by the Cabinet or a Cabinet Member.

(A Evans)

## **8 Oldham Equality Impact Assessment, including implications for Children and Young People**

- 8.1 The completed Oldham Equality Impact Assessment is attached at Appendix 6. The introduction of a borough-wide non-immediate Article 4 Direction on HMOs is found to have a moderate positive impact on the care leavers equality characteristic and the Council's corporate priorities for 'A Great Place to Live' and 'Happier Healthier Lives'. As HMOs can provide an affordable housing option for single person households such as care leavers and a borough-wide Article 4 Direction would enable the Council to better manage HMO concentration and prevent the formation of imbalanced communities, as well as reduce any negative impact on local amenity.

## **9 Key Decision**

- 9.1 Yes

## **10 Key Decision Reference**

- 10.1 HL/02/25

## **11 Background Papers**

- 11.1 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:

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National Planning Policy Framework at  
[https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF\\_December\\_2024.pdf](https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf)

Schedule 3 of The Town and Country Planning (General Permitted Development) (England) Order 2015 - <https://www.legislation.gov.uk/uksi/2015/596/schedule/3>

## **12 Appendices**

Appendix 1 – Original Motion submitted by Labour on Houses of Multiple Occupation, 9 April 2025

Appendix 2 – Amended and Approved Liberal Democrat Motion on Houses of Multiple Occupation, 9 April 2025

Appendix 3 - Motion (as amended) submitted by the administration to Council on 16 July 2025

Appendix 4 – Article 4 Direction Background Evidence Paper

Appendix 5 – Article 4 Direction Notice

Appendix 6 - Oldham Equality Impact Assessment

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## **Appendix 1 – Original Motion submitted by Labour on Houses of Multiple Occupation, 9 April 2025**

To be Moved by: Councillor Taylor

to be Seconded by: Councillor Davis

This Council notes with concern the increasing number of Houses of Multiple Occupation (HMOs) in Oldham and the impact this has on local communities, housing standards, and infrastructure. While HMOs can provide an important source of affordable accommodation, their proliferation in certain areas has led to issues including overcrowding, pressure on local services, and a decline in housing quality. In the past 5 years the number of licensed HMOs in Oldham has almost doubled.

This Council further notes that current national planning regulations allow certain HMOs (Class C4, up to six residents) to be established without the need for planning permission. This limits the ability of local authorities to manage their spread and ensure they are appropriately located and regulated.

This Council welcomes the recent announcement by the Chancellor of an additional £2 billion for social and affordable housing. This funding provides an opportunity to address the shortage of genuinely affordable homes and to ensure that people in Oldham have access to safe, secure, and high-quality housing.

This Council calls on the new Labour Government to reverse the changes introduced by the Conservative and Liberal Democrat Coalition Government in 2010 which removed the requirement for planning permission for small houses of multiple occupation.

This council further requests that the Chief Executive writes to the borough's 3 MPs and the Secretary of State for Housing, Communities and Local Government, asking for their support in reversing the aforementioned changes.

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## **Appendix 2 – Amended and Approved Liberal Democrat Motion on Houses of Multiple Occupation, 9 April 2025**

Proposed: Sam Al-Hamdani

Seconded: Mark Kenyon

This Council notes with concern the increasing number of Houses of Multiple Occupation (HMOs) in Oldham and the impact this has on local communities, housing standards, and infrastructure. While HMOs can provide an important source of affordable accommodation, their proliferation in certain areas has led to issues including overcrowding, pressure on local services, and a decline in housing quality. In the past 5 years the number of licensed HMOs in Oldham has almost doubled.

This Council also notes that

- on 1 November 2023, it resolved to direct officers to “collect and collate evidence on the number of HMOs in each ward across the Borough, identifying clusters and report back to the relevant cabinet member if any case can be made for an Article 4 direction”.
- current national planning regulations allow certain HMOs (Class C4, up to six residents) to be established without the need for planning permission. This limits the ability of local authorities to manage their spread and ensure they are appropriately located and regulated.
- no figures are currently available on the number of HMOs in the borough – only for the number of licenced HMOs (which meet one definition) or for HMOs which have received planning permission (which meet a separate definition).
- there are standard tests which allow the Council to define whether any building is an HMO, as defined under the Housing Act 2004.
- Councillors have been told that they cannot be informed of forthcoming HMOs for licensing, due to data privacy.
- Councillors have no right to make a representation to the Council on HMO licence applications and renewals.
- the Council has let licenses for HMOs lapse on multiple occasions, sometimes for up to a year.

This Council welcomes the recent announcement by the Chancellor of an additional £2 billion for social and affordable housing. This funding provides an opportunity to address the shortage of genuinely affordable homes and to ensure that people in Oldham have access to safe, secure, and high-quality housing.

This Council calls on the new Labour Government to reverse the changes introduced by the Conservative and Liberal Democrat Coalition Government in 2010 which removed the requirement for planning permission for small houses of multiple occupation.

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This council further requests that the Chief Executive writes to the borough's 3 MPs and the Secretary of State for Housing, Communities and Local Government, asking for their support in reversing the aforementioned changes.

This Council calls on the Cabinet Member responsible to provide a report back to Council at the soonest opportunity on the work that has been carried out to establish whether a case can be made for an Article 4 direction; to continue efforts to establish that case, and to report back on a regular basis.

This Council will wherever possible ensure that any building being used as an HMO is defined as such, with a view to ensuring that any work towards an Article 4 direction is provided with the best available information.

This Council will provide information on forthcoming HMO applications, with any personal information removed.

The Council will establish a right for Councillors to make representations to the Council on HMO licence applications and renewals.



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## **Appendix 3 – Motion (as amended) submitted by the administration to Council on 16 July 2025**

**Proposed by: Cllr Elaine Taylor**

**Seconded by: Cllr Davis**

### **Motion as Amended**

#### **Article 4(1) direction on small HMOs**

Residents are rightly concerned with the number of Houses of Multiple Occupancy (HMOs) which are currently being introduced across the borough.

We have always believed HMOs are a symptom of the housing crisis and not a solution. In some cases, exploiting some of the most vulnerable people within our community through substandard and unsafe accommodation.

Whilst it is not possible to prevent full planning applications from being submitted, we can act to close the loophole that allows for permitted development rights for Houses in Multiple Occupation (HMOs) where between three and six unrelated people share basic amenities, such as a kitchen or bathroom.

Oldham Council currently permits, without the need for planning permission under 'permitted development rights', the change of use of a typical dwelling house occupied by a single household in use class C3, to a property used as a 'small' HMO that is shared by between three and six unrelated people in use class C4.

The Council can, however, adopt an Article 4 Direction to remove these permitted development rights. This will require a planning application to be submitted for change of use from class C3 to C4. This means due process will be applied giving residents a say in what happens in their communities.

We had hoped the government would introduce new legislation to make HMO developers more accountable and give residents a greater say by making it mandatory for small HMO developers to be licensed with the local authority.

In addition, the government has stated it is committed to removing all asylum applicants (approximately thirty thousand) from temporary hotel accommodation. We believe this action will inevitably mean further demand for HMOs.

We acknowledge and accept that the implementation of Article 4 borough wide will have a significant impact on available resources particularly the Planning Department.

This Council resolves to:

1. As soon as possible, Cabinet to consider and make a direction pursuant to Article 4(1) of the Town and Country Planning (General Permitted Development) Order

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2015 on a borough wide basis. Withdrawing the permitted development rights to convert a dwellinghouse (C3) to a House in Multiple Occupation (C4) is appropriate, and justified, to prevent harm to local amenity and promote the wellbeing of the aforementioned areas.

2. To delegate authority to OMBC Planning Department to carry out all necessary consultation and to notify the Secretary of State in accordance with statutory requirements.
3. That, the Borough wide Article 4(1) Direction will come into effect once made.
4. To put existing and prospective HMO landlords on notice that OMBC will look to implement the Article 4(1) Direction on 1st January 2026.

Oldham Council does not intend to rely on or hide behind government legislation on this issue.

An Article 4(1) Direction can be used to manage HMO concentration and prevent the formation of imbalanced communities and negative impact on local amenity. As a resident focused Council, we value residents' opinions and put communities at the forefront of decision making. We are committed to giving residents a voice and a transparent process to ensure that their views are heard.

The adoption of this motion demonstrates to the people of the borough that the council is prepared to act in their interests.

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## **Appendix 4 – Article 4 Direction Background Paper**

See separate document

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## **Appendix 5 – Article 4 Direction**

See separate document

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## **Article 4 Direction**

### **Removal of permitted development rights for the change of use from Class C3 (Dwelling Houses) to C4 (Houses in Multiple Occupation)**

Background Document

September 2025

DRAFT

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# 1. Introduction

- 1.1. An Article 4 Direction is a legal process which allows local authorities to remove specified permitted development rights across a defined area.
- 1.2. This paper provides the background and evidence base for the introduction of an Article 4 Direction to remove the permitted development right for the change of use from dwelling houses (Use Class C3) to Houses in Multiple Occupation (HMOs) for up to six residents (Use Class C4).
- 1.3. The Article 4 Direction would be made under the provisions of the Town and Country Planning (General Permitted Development) Order 2015 (as amended) and would apply to the whole borough of Oldham.
- 1.4. The Article 4 Direction will enable the council to have greater control over the number, distribution and management of HMOs.
- 1.5. The following sections set out the policy context, background and local evidence to justify the introduction of the Article 4 Direction in Oldham.

## 2. Policy Context

- 2.1. The government defines a HMO as a property rented out by at least 3 people who are not from 1 'household' (for example a family) but share facilities like the bathroom and kitchen<sup>1</sup>.
- 2.2. Under current planning legislation<sup>2</sup>, HMOs are divided into two Use Classes, which are often referred to as 'Small' and 'Large' HMOs:
  - Small HMOs are houses or flats occupied by between 3 and 6 unrelated individuals who share basic amenities such as a kitchen or a bathroom. These are classified as a 'C4' use within the Use Classes Order; and
  - Large HMOs comprise houses or flats occupied by more than 6 unrelated individuals who share basic amenities such as a kitchen or bathroom. These are classified as Sui Generis (a use that does not fall in any use class).
- 2.3. Currently, the Town and Country Planning (General Permitted Development) England Order 2015 (as amended) (GDPO)<sup>3</sup> allows the change of use of a dwelling house (Use Class C3) to a small HMO (Use Class C4), without the need for planning permission under permitted development rights.
- 2.4. The change of use from any use other than C3 to a small HMO or the new-build development a small HMO, does require planning permission. Similarly, a small HMO can be converted to a C3 dwelling at any time under permitted development rights.

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<sup>1</sup> <https://www.gov.uk/find-licences/house-in-multiple-occupation-licence>

<sup>2</sup> The Town and Country Planning (Use Classes) Order 1987 (as amended):  
<https://www.legislation.gov.uk/uksi/1987/764/contents?view=plain>

<sup>3</sup> GDPO Class L of Schedule 2:  
<https://www.legislation.gov.uk/uksi/2015/596/schedule/2/part/3/crossheading/class-l-small-hmos-to-dwellinghouses-and-vice-versa>



- 2.5. The conversion (or new-build) of any property to create a Sui Generis “large” HMO requires planning permission in all cases.
- 2.6. There are also some HMOs that are covered under the ‘C3 dwelling houses’ use, such as those where there are up to six people living together as a single household and receiving care, and some groups of people (up to six) living together as a single household (e.g., a small religious community or homeowners living with a lodger).

#### Article 4 Directions

- 2.7. The Council can adopt an Article 4 Direction to remove the permitted development rights that enable a C3 dwelling to be converted to a C4 “small” HMO. This would require such conversions to apply for planning permission for the change of use.
- 2.8. Requiring the submission of a planning application for such proposals will not necessarily reduce the number of small HMOs being created. It does however allow for the proper consideration of the effects of a proposed HMO on an area's amenity and local community, before issuing any planning permission. In doing so the Council is able to influence the quality of the HMO through the planning process. This is especially important for 3 and 4 person HMOs as they do not require a HMO Licence, and so the quality of such HMOs cannot be monitored properly currently.
- 2.9. Article 4 Directions can be introduced on a temporary or permanent basis by local authorities. There are two types of Article 4 Directions:
- Non-immediate Article 4 Direction: This type requires a minimum 21-day period of public consultation before it can be introduced. It must then be confirmed after the consultation period ends and within 12 months of the original decision to introduce the direction, and the Secretary of State must be notified once it is confirmed.
  - Immediate Article 4 Direction: This can take effect as soon as it is issued, removing permitted development rights immediately before consultation. However, it must be confirmed by the local authority within six months, and the Secretary of State must also be informed.
- 2.10. The National Planning Policy Framework (NPPF) sets out that Article 4 Directions should be applied in a measured and targeted way and should be limited to situations where the direction is necessary to protect the amenity or local wellbeing of the area and should cover the smallest area possible<sup>4</sup>.
- 2.11. Both the type of restriction and the extent that the Article 4 will apply to, must be justified. The Secretary of State for Housing, Communities and Local Government can intervene to stop Article 4 Directions taking effect should they deem it appropriate.
- 2.12. The evidence section of this document sets out the local justification for the introduction of a borough-wide Article 4 Direction in relation HMOs across Oldham.

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<sup>4</sup> National Planning Policy Framework Paragraph 54:  
[https://assets.publishing.service.gov.uk/media/67aaf8f3b41f783cca46251/NPPF\\_December\\_2024.pdf](https://assets.publishing.service.gov.uk/media/67aaf8f3b41f783cca46251/NPPF_December_2024.pdf)

## Local Context

- 2.13. Oldham's Local Plan (the Joint Core Strategy and Development Management Development Plan Document, 2011)<sup>5</sup> sets out policy relating to housing and amenity which can be used in determining applications for HMOs.
- 2.14. Policy 3 'Address of Choice' supports the delivery of housing in suitable locations, including change of use and conversion. Policy 9 'Local Environment' sets out policy for improving and protecting local environmental quality and amenity and promoting community safety. This policy is heavily used in determining applications for HMOs. Policy 11 'Housing' sets out that HMOs shall not be permitted unless it can be demonstrated that the proposal does not adversely affect:
- The local character of the area;
  - The residential and workplace amenity of current, future and neighbouring occupants; and
  - Traffic levels and the safety of road users.
- 2.15. There are also other local plan policies and policies with the Places for Everyone Joint Development Plan (PfE) that can be used to determine HMO applications.
- 2.16. Oldham also has several Supplementary Planning Documents (SPD)<sup>6</sup> which can be useful for HMO applications, including the Oldham Town Centre Conservation Area Appraisal and Management Plan (CAAMP) SPD and the Vibrant Centres SPD.
- 2.17. Oldham does not currently have a specific HMO planning policy or a HMO SPD. However, the Draft Local Plan (published in December 2023)<sup>7</sup> contained a specific policy on HMOs (see policy H10). The policy set out several requirements for HMO development, including a requirement which sought to prevent an over-concentration of HMOs within a particular area.
- 2.18. There are also licensing requirements for HMOs. Part 2 of the Housing Act (2004)<sup>8</sup> sets out that a property must be licensed if it meets these conditions:
- 5 or more people live there, where there are two or more groups of people that are not living as a family, i.e. mother and son rent one room, female rents another room and two males rent another room, and they are not a family.
  - They share facilities such as bathrooms and kitchens.
- 2.19. Advice for landlords of HMOs is also set out on the council's website. The advice sets out that all HMOs need to be managed properly whether it is a licenced or non-

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<sup>5</sup> Oldham's Local Plan (Joint Core Strategy) (2011):

[https://www.oldham.gov.uk/info/201229/current\\_local\\_planning\\_policy/978/joint\\_core\\_strategy\\_and\\_development\\_management\\_policies\\_development\\_plan\\_documents\\_dpds](https://www.oldham.gov.uk/info/201229/current_local_planning_policy/978/joint_core_strategy_and_development_management_policies_development_plan_documents_dpds)

<sup>6</sup> Oldham's Supplementary Planning Documents (SPDs): [Supplementary Planning Documents | Oldham Council](#)

<sup>7</sup> Oldham's Draft Local Plan (2023): [https://www.oldham.gov.uk/info/201233/local\\_plan\\_review/3095/draft\\_local\\_plan](https://www.oldham.gov.uk/info/201233/local_plan_review/3095/draft_local_plan)

<sup>8</sup> Housing Act 2004 – Part 2: <https://www.legislation.gov.uk/ukpga/2004/34/part/2>

licensed HMO. It is up to the manager of the property to make sure this is done. A well-managed HMO should be clean and tidy, safe and suitable for living in.

2.20. Management Regulations ensure that:

- Provisions like washing and cooking facilities are adequate;
- There are adequate arrangements for the collection and proper disposal of rubbish;
- Water, gas and electricity are properly supplied and discharged; and
- Any repairs are carried out.

2.21. The law also says that the people who live in an HMO must make sure they don't cause damage, store and dispose of waste properly and cooperate with the manager of the property.

2.22. To guide development quality and proper management of HMOs the council has a HMO standards document which is available on request<sup>9</sup>.

2.23. Further information on HMO licensing requirements for HMOs is available online<sup>10</sup>.

2.24. Currently, Oldham also has five selective licensing areas in operation – within these areas any private-rented properties must be licensed. This includes HMOs, but also other privately rented properties. The aim of selective licensing areas is to improve the management of private rented properties through licence conditions to ensure they have a positive impact on the area.

2.25. The selective licensing areas are located mainly within inner Oldham – a map is available online<sup>11</sup>. The selective licensing areas would continue to operate independently of an Article 4 direction.

### 3. Background

3.1. Over the last few years council members have highlighted their concern with the number of HMOs that are currently being introduced across the borough.

3.2. It is recognised that HMOs provide a much-needed source of housing for various groups in need within the borough, including young people, students, key workers and single person households. However, poorly managed and maintained HMOs, especially where clusters of HMOs arise in one place, can have a detrimental impact on local character and amenity.

3.3. Recently, other local authorities within Greater Manchester have introduced borough-wide Article 4 Directions (or have extended existing area-specific Directions to apply borough-wide). Wigan Council are implementing a borough-wide Article 4 Direction (extending two area-specific directions). Salford City Council is also extending the coverage of its current Article 4 Direction to cover a much broader area. Both these authorities have stated that they have experienced a displacement effect with their

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<sup>9</sup> Further information available at:

[https://www.oldham.gov.uk/info/201198/information\\_for\\_landlords/258/houses\\_in\\_multiple\\_occupation\\_hmo](https://www.oldham.gov.uk/info/201198/information_for_landlords/258/houses_in_multiple_occupation_hmo)

<sup>10</sup> Further information can be found at:

[https://www.oldham.gov.uk/info/201198/help\\_for\\_landlords/258/houses\\_in\\_multiple\\_occupation](https://www.oldham.gov.uk/info/201198/help_for_landlords/258/houses_in_multiple_occupation)

<sup>11</sup> Oldham Selective Licensing Areas: [Selective Licensing of private landlords | Selective Licensing of private landlords | Oldham Council](#)

previous area-specific Article 4 Directions, whereby restricting HMO development in the specific areas has led to an increase in HMO development in other areas. As a result, these authorities are seeking borough-wide or much broader coverage Article 4 Directions as a result.

- 3.4. Bolton Council has also recently introduced a borough-wide Article 4 Direction. Manchester Council and Trafford Council also have existing Article 4 Directions applying to HMO development.
- 3.5. Other authorities in Greater Manchester are using Article 4 Directions to have greater control on the location and quality of HMOs. This includes the introduction of borough-wide Article 4 Directions to address concerns of displacement, that area-specific Article 4 Directions might cause. Therefore, given the concerns around the proliferation of HMOs in various parts of Oldham and that these are spread across many parts of the borough, it is considered that a borough-wide Article 4 Direction is appropriate for Oldham. This will ensure a consistent approach is applied to HMO development in the borough.

## 4. Local Evidence

### The number of HMOs in Oldham

- 4.1. At the 2021 Census the number of HMOs in Oldham was estimated to be 88<sup>12</sup>. At the time this represented 0.09% of the borough's total housing stock (estimated at 97,761 dwellings).
- 4.2. Nationally, at the 2021 Census, HMOs represented 0.07% of England's total housing stock. As such, at the time Oldham had a slightly higher number of HMOs than the national average.
- 4.3. 'In-house' monitoring of the number of HMOs in Oldham has been undertaken since 2020 to understand trends and impact on the borough's communities.
- 4.4. Over the years, data collection methods have been tested and refined to enable the collection of more accurate data. However, given existing permitted development rights, which allow the change of use of dwelling houses (C3 use) to small HMOs (C4 use), monitoring the number of HMOs can be difficult.
- 4.5. The data presented below has been gathered from a variety of sources, using several internal monitoring systems. Given the volume of data and data handling practices there may be some level of inaccuracy. As such the data should be considered as approximate and the best available.
- 4.6. Oldham Council has used data from licensing, planning and building control, council tax, temporary accommodation records and the Local Land and Property Gazetteer (LLPG) records to estimate the number of HMOs within the borough.
- 4.7. For the latest update of HMO data – July 2025 - a two-step verification process has been introduced to ensure that HMOs can be verified by at least two sources. This is to improve the accuracy of data. Further confirmation and checks on the data have

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<sup>12</sup> ONS Census 2021 – Number of dwellings that are houses in multiple occupation (HMO):  
<https://www.ons.gov.uk/datasets/RM192/editions/2021/versions/2#summary>.

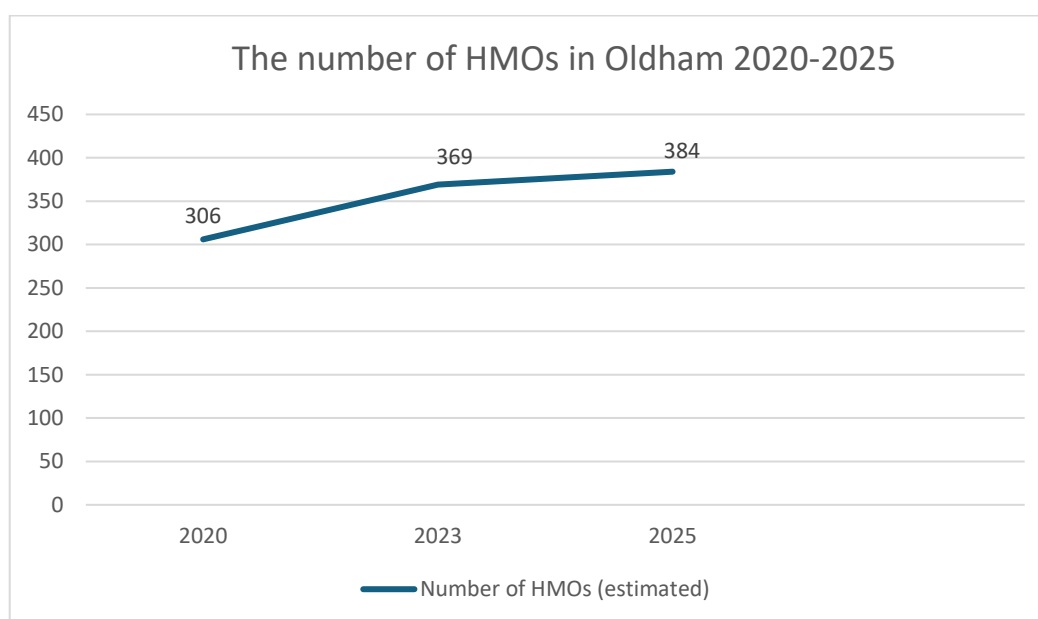
been carried out where necessary, including a desktop assessment (checking mapping systems, local property listings etc.). The number of HMOs which have planning permission and have not yet started and the number of HMOs which are under construction have also been recorded separately.

- 4.8. As of July 2025, the total number of HMOs estimated to be in use/ existing in the borough is approximately 384 (81 of which have secured a HMO Licence or been issued a draft licence ready for the final licence to be issued, and 43 licensing applications are in the process of being considered).
- 4.9. The total number of HMOs (as of July 2025) represents 0.38% of the total dwelling stock (98,912 dwellings, as of October 2024<sup>13</sup>). This is significantly higher than the national percentage of dwelling stock estimate of 0.07% (2021 Census).
- 4.10. Looking over a longer period, data on the number of HMOs in the borough was collected in December 2020 to inform the Local Plan Review – Issues and Options stage. The data identified that there were around 306 HMOs in the borough, which represented 0.31% of the borough's total housing stock at the time (97,079 dwellings as of October 2020).
- 4.11. Between December 2020 and October 2023, there was a 20% increase in the number of HMOs in the borough. In October 2023 the number of HMOs was estimated to be around 369, which represented 0.37% of the total housing stock at the time (98,567 dwellings).
- 4.12. As of the most recent available data, in July 2025 there was estimated to be 384 HMOs in Oldham. This represents a 4% increase from 2023 and a 25% increase from 2020.
- 4.13. The figure below highlights the increase in the number of HMOs across the five-year period. The figure shows that whilst the increase is not sharp, there has been a consistent increase over this period.

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<sup>13</sup> Source – Oldham Council, Council Tax data (October 2024).

Figure 1: Number of HMOs in Oldham 2020-2025



- 4.14. The significant difference in the 2021 Census data on the number of HMOs in the borough (88) and the number recorded in 2025 by the council (384) (and 306 in 2020, 369 in 2023) also highlights the difficulty in accurately identifying the number of HMOs in the borough. Census data on the number of HMOs in Oldham is clearly not an accurate source for the borough, as the internally gathered and verified data indicates that the number is much higher - highlighting the importance of internal monitoring.
- 4.15. Despite the evidence set out above, the actual number of HMOs in the borough may still differ somewhat from that identified. The Council is not currently notified of all conversions of C3 dwellings to small HMOs (as this is currently permitted development). Whilst it would be hoped those small HMOs would be picked up through Council Tax records (and many are), this is not always the case, depending on what information has been provided by the occupiers on Council Tax returns. Also, HMOs can change back to single family dwellings without notifying the Council. The figure set out above (384 at July 2025) is however based on the best available evidence.

#### HMO development

- 4.16. Of the 384 existing HMOs in the borough (July 2025), 74 have been granted planning permission. A further 19 applications for a HMO have been granted planning permission and are yet to be implemented, or they are under construction, and so the HMO is not yet occupied or in use.
- 4.17. There are approximately 75 HMOs (of the total 384 existing HMOs) which are for 6 people or above. We mainly know this because, as set out above, HMO development for 6 people and above is not permitted development and planning

permission is required. Also, sometimes, the information is provided in an application to building control<sup>14</sup>.

- 4.18. As such, it can be assumed that the majority of existing HMOs in the borough are smaller HMOs, for less than 6 people, and therefore those which do not currently require planning permission.
- 4.19. Over 48% (185 properties) of the total 384 HMOs have been changed from a single household dwelling to a HMO. This has resulted in an additional 47 bedrooms where a change of use from single household dwelling to HMO has occurred and bedroom numbers are known.
- 4.20. Whilst this does not always equate to a loss of a residential unit, (as per planning guidance some smaller HMOs can still exist under use class C3 – the same use class as a single household dwelling), it could mean the loss of a family home into smaller, single occupation uses.
- 4.21. The Local Housing Needs Assessment (LHNA) (2024)<sup>15</sup> has identified a need for family housing, including larger family housing of 4+ bedrooms across the borough. The loss of family housing to HMOs can impact the dwelling stock available for families, and the ability of the housing stock to meet local housing needs.
- 4.22. Where smaller homes are converted into HMOs (especially small HMOs which do not currently require planning permission), the units of individual accommodation that are created could be smaller and not meet the minimum space standards. This could lead to overcrowded and substandard living conditions.
- 4.23. Other HMOs are typically created through the change of use from shops, restaurants or commercial properties. The breakdown below notes the other changes of use (not C3) which have occurred for existing HMOs in the borough, where this is known:
- Class E (Commercial, retail, business and services, food and drink) – 31 properties;
  - F2 (Local community uses) – 2 properties;
  - Sui Generis (unique uses) – 5 properties<sup>16</sup>;
  - C1 (Hotels, boarding houses, guest houses) – 1 property;
  - C2 (Residential accommodation and care) – 1 property; and
  - B8 (Storage and Distribution) – 1 property.

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<sup>14</sup> Detailed data is not always required to be supplied for building control applications depending on the application/ approval type.

<sup>15</sup> Oldham Local Housing Needs Assessment (LHNA) (2024), available at:

[https://www.oldham.gov.uk/downloads/file/5590/housing\\_strategy\\_needs\\_assessment](https://www.oldham.gov.uk/downloads/file/5590/housing_strategy_needs_assessment)

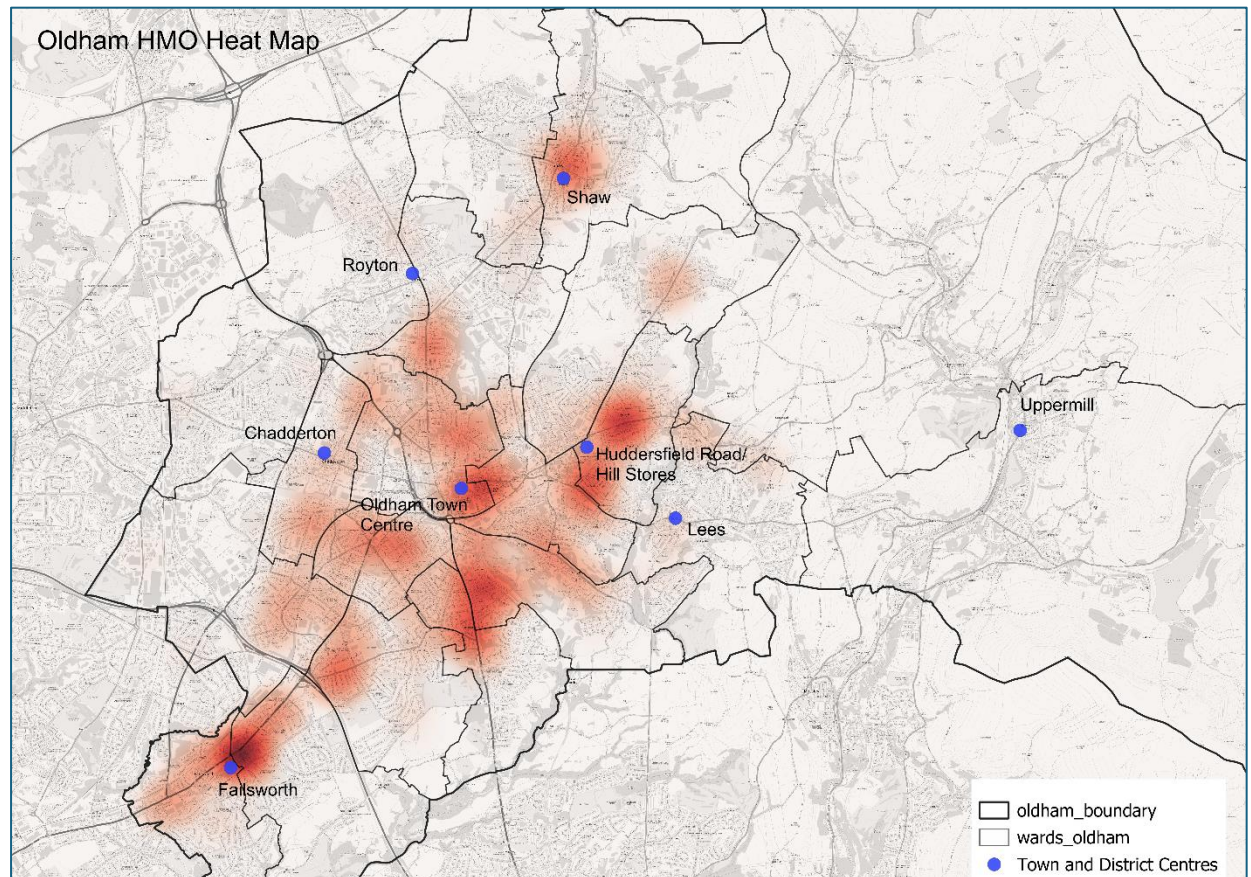
<sup>16</sup> Sui Generis use class includes large HMOs i.e. those for more than 6 unrelated individuals and also many other uses which do not fall within other defined use classes, for example betting shops, launderettes, and nightclubs. The number shown here only includes the properties which have changed from Sui Generis uses which are not HMOs.



## Distribution of HMOs

4.24. The heat map at figure 2 illustrates the spatial distribution of the recorded HMOs in the borough.

*Figure 2: Heat map showing spatial distribution of HMOs in Oldham*



4.25. As shown in Figure 2, HMOs are spread across many areas of the borough. There are particular clusters located within and around inner Oldham, along key transport routes i.e. the A62, which connects Oldham to Failsworth and Manchester, and within and around several district centres.

4.26. There are clusters of HMOs within and around Failsworth district centre, Huddersfield Road district centre, Oldham Town Centre, Shaw district centre and within Greenacres/ Clarksfield and Hathershaw (along Ashton Road). There are also HMOs located near Royal Oldham Hospital (within Coldhurst and Royton South) - and within areas of Central and South Chadderton, Hollinwood and Werneth. Conversely there are very few HMOs located within Saddleworth wards, and within the more rural fringes of the borough.

4.27. The majority of the borough's existing HMOs are located in accessible locations. Just under half (191) of the borough's recorded HMOs are located within 800m of a Metrolink station and 2 are located within 800m of a train station (Mills Hill and Moston). The vast majority are in walking distance of a bus stop. Typically, HMOs can be a lower cost form of accommodation, and as such appeal to those with lower incomes where levels of car ownership are also likely to be lower. As such, it is

important to ensure HMOs are located sustainably with access to public transport within a suitable walking distance.

### Demographics

- 4.28. According to the latest official population projections<sup>17</sup>, Oldham's population is continuing to increase. The projections show that the borough's total population is estimated to increase by around 14,000 people from around 248,000 in 2025 to 263,000 in 2047.
- 4.29. Compared to the England average, Oldham has a younger population and higher than average levels of children. Although in recent years there have been falling birth rates - a trend that is expected to continue.
- 4.30. Levels of deprivation in the borough are generally ranked among the highest in the country. According to the Indices of Multiple Deprivation (IMD)<sup>18</sup>, some areas of Oldham rank within the bottom 10% of local authorities in England. Oldham's levels of deprivation have maintained a steady downward trend since 2004<sup>19</sup>. In the 2010 IMD Oldham ranked 32 out of 326 local authorities. In the 2019 IMD Oldham ranked 16 of 317 local authorities.
- 4.31. Figure 3 below shows areas of high deprivation within Oldham. Oldham currently has four areas within the borough which are among the top 1% of the nation's most deprived areas. The majority are centred in and around the town centre, particularly within the wards of St Mary's, Coldhurst and Alexandra. Only the wards of Crompton, Saddleworth North and Saddleworth South do not contain any areas that fall within the nation's top 20% most deprived.

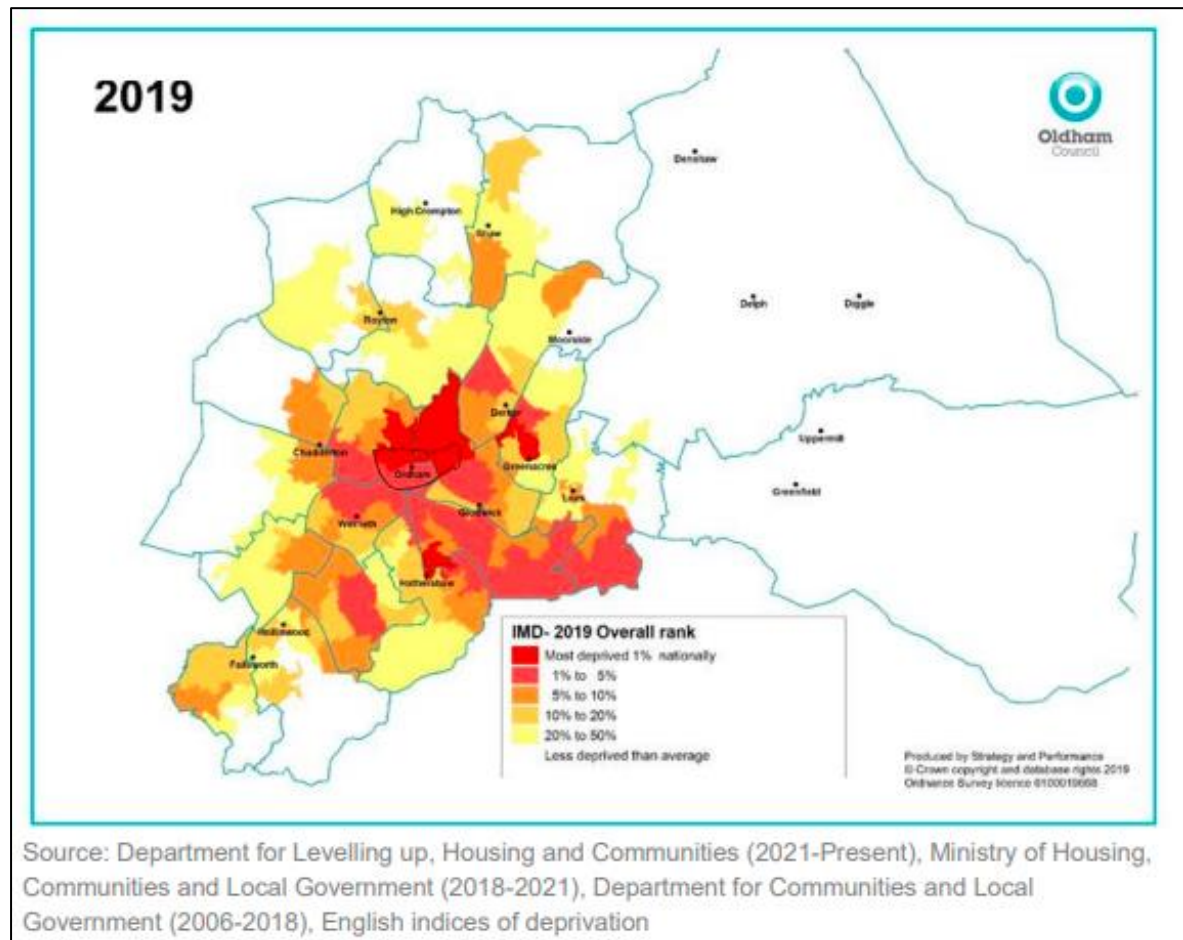
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<sup>17</sup> 2022 based Population Projections released by the Office for National Statistics (ONS) on 24 June 2025.

<sup>18</sup> The Indices of Multiple Deprivation provide statistics on relative deprivation which are reported at a small area level (Lower Super Output Areas – LSOAs) across all local authorities in England. It looks at a combined measure of income, employment, health, education, crime, barriers to housing and services and the living environment. It also considers income deprivation affecting children and older people.

<sup>19</sup> Source: Oldham in Profile 2024, Oldham Council.

Figure 3: Areas of Deprivation in Oldham<sup>20</sup>

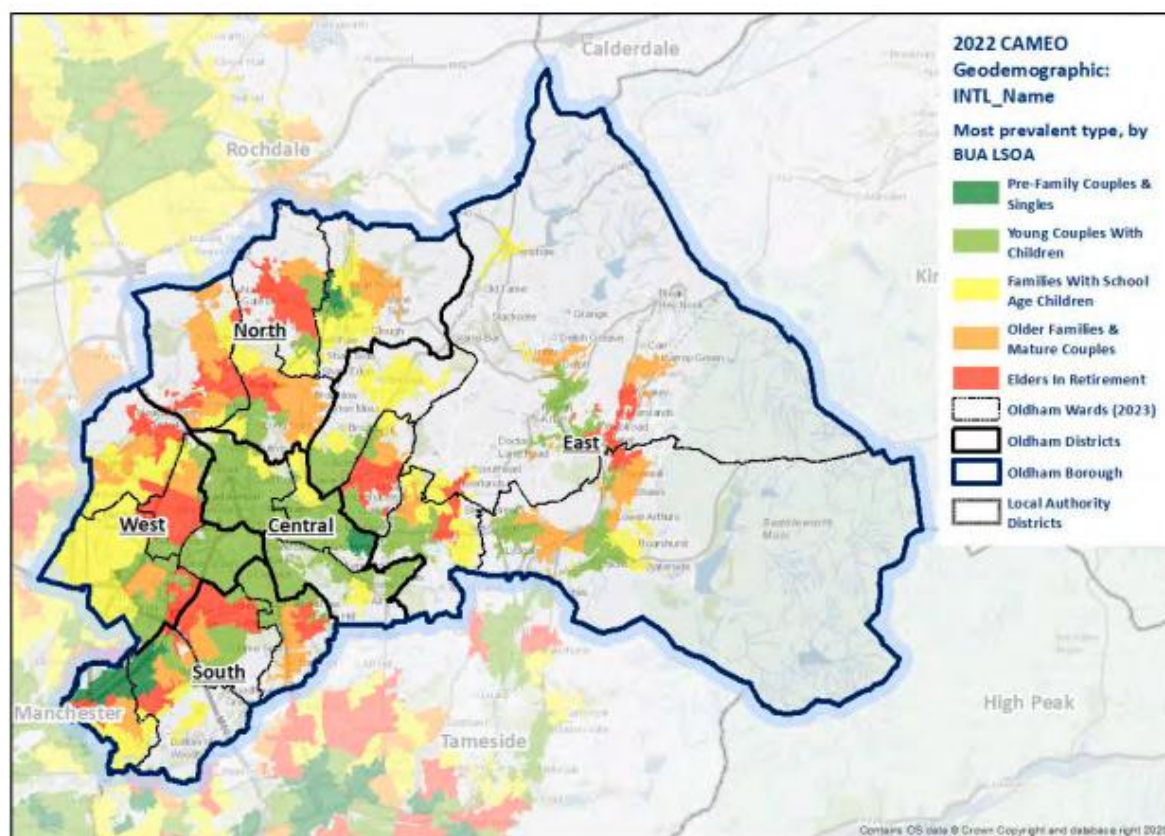


- 4.32. Since 2010 Oldham's deprivation score has improved in measures of deprivation affecting older people, employment and health, however it has worsened in all other measures, including barriers to housing.
- 4.33. HMOs can be a key source of housing for younger and single person households. Figure 4 below, identifies the household types most prevalent in each LSOA. As is shown, the most prevalent household type within central and inner Oldham is young couples with children. Around Failsworth district centre singles and pre-family couples are the most prevalent. Around the fringes of the borough and in Saddleworth the most prevalent household types are families with school age children and mature couples/ families. Pockets of elders in retirement, as the most prevalent household type, are found in most areas of the borough.

<sup>20</sup> Source: Extracted from Oldham in Profile 2024, Oldham Council.



Figure 4: Household characteristics: Household Type by LSOA<sup>21</sup>



Source: CAMEO UK

### Housing Stock

- 4.34. As set out above, there are estimated to be around 98,912 dwellings<sup>22</sup> and 93,152 households<sup>23</sup>. More than one household can live within one dwelling – for example in the case of HMOs you may have several households living within one dwelling unit.
- 4.35. The majority of Oldham's dwelling stock is houses (77.5%) of which terraced houses represent 44.7%. Oldham has the highest proportion of terraced housing stock in Greater Manchester and a large portion is within inner Oldham<sup>24</sup>.
- 4.36. Oldham's housing stock tends to be smaller than the Greater Manchester, North-West and National averages, with fewer dwellings of 4 bedrooms or more<sup>25</sup>. Across the borough, 52.2% of dwellings are 1 or 2 bedrooms.
- 4.37. There are issues of overcrowding in some areas of Oldham. The 2021 Census identified that 7.5% of households in Oldham are overcrowded compared to 4.4% nationally.

<sup>21</sup> Extracted from LHNA (2024) – Map 2.3 'Household characteristics: household type by LSOA', 2022 CAMEO. Map shows the most prevalent household type for each LSOA.

<sup>22</sup> Source: Oldham Council – Council Tax data (October 2024)

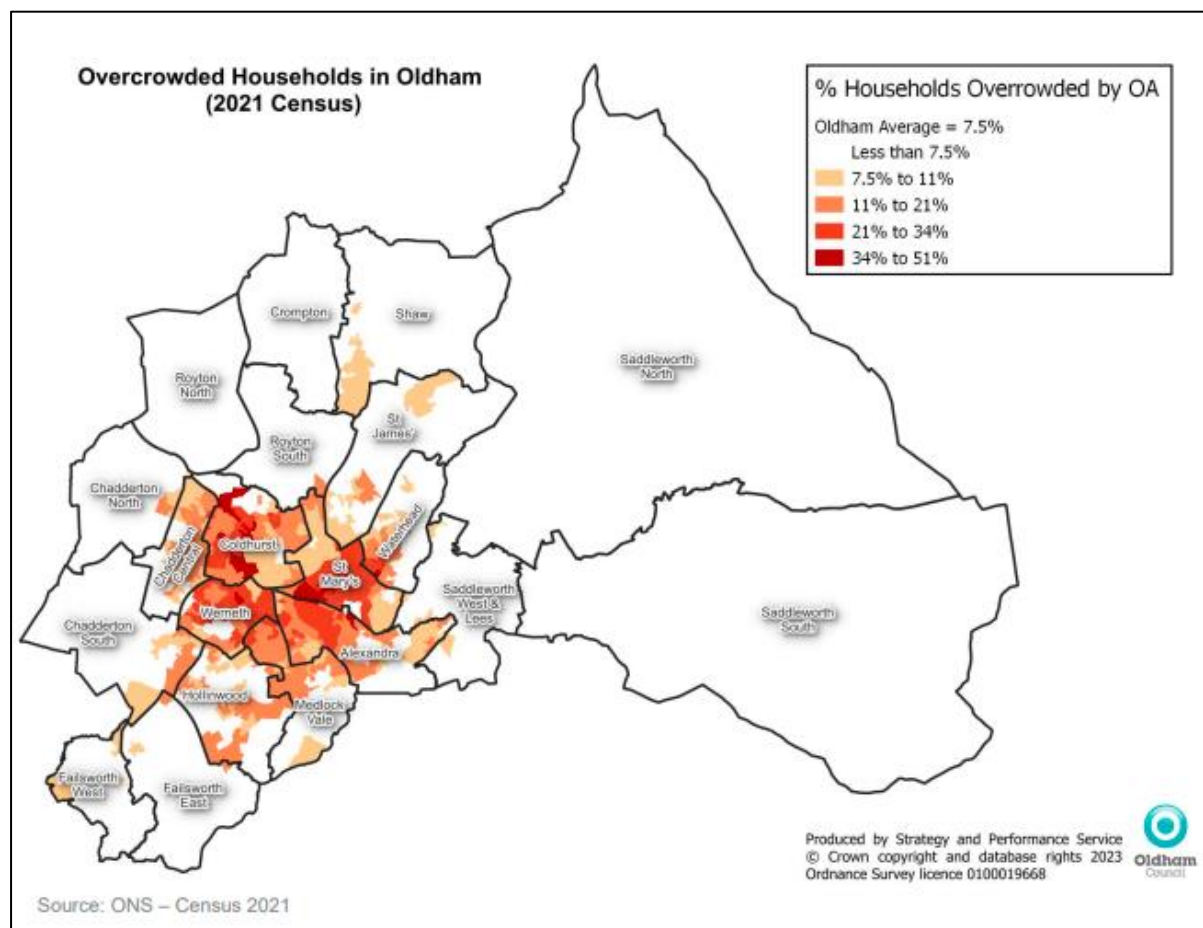
<sup>23</sup> Source: Oldham LHNA (2024).

<sup>24</sup> See Map 2.1 in Oldham (LHNA 2024).

<sup>25</sup> See Table 2.3 in Oldham LHNA (2024).

4.38. Overcrowding is most prevalent in areas with a high proportion of terraced housing stock. Figure 5 shows the distribution of households classed as overcrowded. The map shows that the distribution of overcrowded households is uneven, but there are large concentrations of overcrowded homes located within inner Oldham - around the outskirts of the town centre, particularly in the wards of Coldhurst, St Mary's and Werneth.

Figure 5: Overcrowded Households in Oldham (2021 Census)<sup>26</sup>



4.39. The LHNA (2024) has assessed housing conditions and repair problems with data gathered from a household survey. The LHNA found that households expressing the highest levels of dissatisfaction by characteristics were households:

- living in Central Oldham (22.4%);
- private renting (19.1%);
- living in affordable housing (22.7%);
- living in flats (18.7%), maisonettes (17.6%), and terraced housing (12.8%);
- living in pre-1919 dwellings (13.5%);
- that had an income of less than £200 each week (19.8%); and

<sup>26</sup> Source: Extracted from Oldham in Profile (2024), Oldham Council - ONS 2021 Census.

- that had a young person residing <sup>27</sup> aged 15-24 (20.9%).
- 4.40. Households containing someone with an illness/disability were more likely to be dissatisfied (13.8%) compared with 10.4% overall.
- 4.41. 55.8% of households living in affordable housing, 52.6% of private renters, and 39.7% of owner-occupiers stated there were repair problems with their property.
- 4.42. The main repair problem reported among owner-occupier households was with the roof (34.6%) and dampness/mould growth (32.0%). Across the private rented sector a concerning 51.8% of respondents mentioned dampness/mould growth, and across the affordable housing sector, dampness/mould growth was mentioned by 40.7% and windows by 36.8% of respondents.
- 4.43. As set out in this section, there are issues with the borough's dwelling stock and disparities across areas in the borough. Terraced houses make up a large proportion of Oldham's housing stock, particularly within inner Oldham. There are areas of Oldham, again particularly within inner Oldham, which are experiencing overcrowding. Also, there are housing repair problems reported across all tenures, particularly those living in private rented and affordable housing.
- 4.44. In this context, it is important that HMOs are appropriately managed and monitored to ensure housing quality and avoid overcrowding.
- 4.45. The size of HMO accommodation should be sufficient and should not perpetuate issues of overcrowding. The council's HMO Standards apply to the development of HMOs in the borough<sup>28</sup> - the HMO Standards provide detail on amenity and design, including appropriate room sizes (and shared spaces/ facilities). PfE policy JP-H3 also sets out that all new dwellings should comply with the Nationally Described Space Standards (NDSS)<sup>29</sup>. Where practicable the NDSS should apply to conversions and changes of use, such as to a HMO.
- 4.46. It's also important that HMOs do not lead to the loss of a larger family home, which are needed in Oldham (see paragraph 4.49 below).

### Housing Tenure and Affordability

- 4.47. In terms of tenure, the LHNA (2024) identified that the majority of Oldham's households are owner-occupiers (60.4%). 21.6% live in affordable housing tenures and 18.0% rent housing privately.
- 4.48. Many HMOs are rented privately. The private rented sector has become an important tenure in both meeting people's housing needs and providing flexible housing options for those moving for employment or to respond to changing circumstances and provides a housing option for those on low incomes.

<sup>27</sup> This is defined as age of Household Reference Person (HRP).

<sup>28</sup> The HMO Standards are available on request, for further information see:

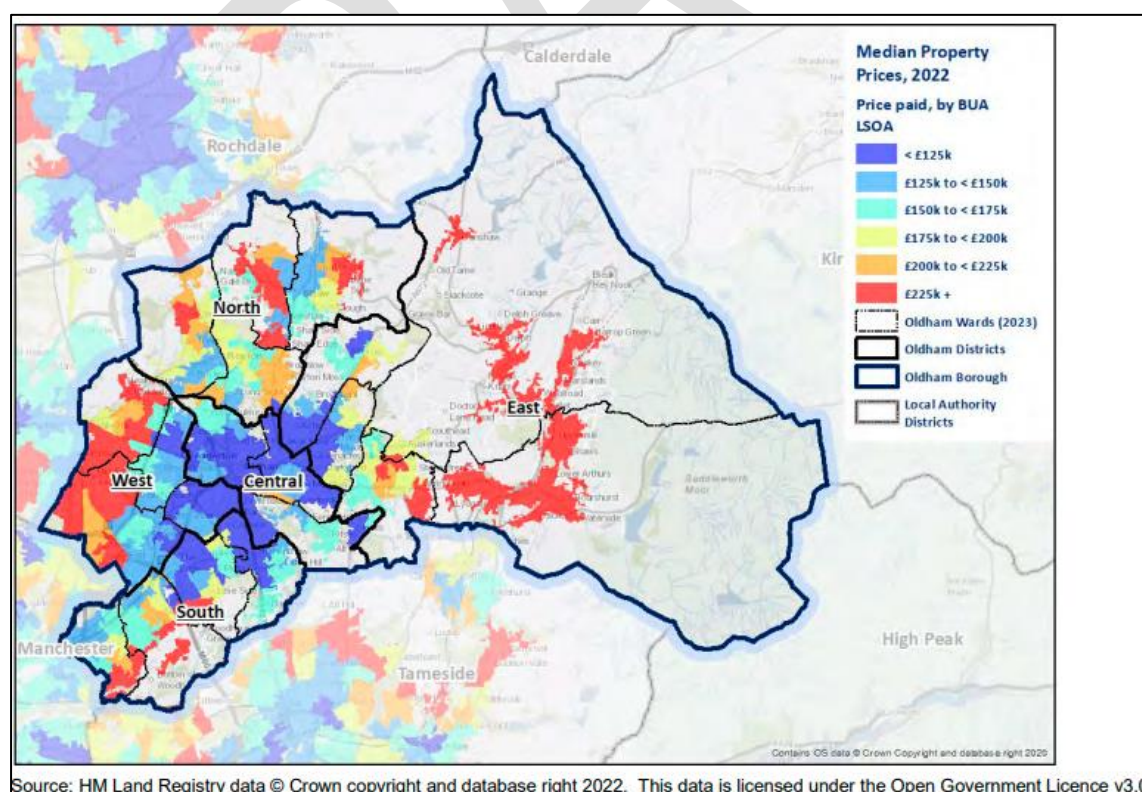
<https://www.oldham.gov.uk/info/201198/information-for-landlords/258/houses-in-multiple-occupation-hmo>

<sup>29</sup> Nationally Described Space Standard: <https://www.gov.uk/government/publications/technical-housing-standards-nationally-described-space-standard>



- 4.49. Across Oldham, the proportion of households privately renting increased considerably from 8.7% in 2001 to 18% in 2021 (ONS Census data). The districts of Central and South Oldham have higher than borough average levels of privately rented housing.
- 4.50. Between 2001 and 2021, there has been growth in the rental market for both 'active choice' renters and 'frustrated would-be' homeowners. Tenure reform and less accessible social rented housing are also likely to be an increasing factor to the growth in the private rented sector and the sector clearly now plays a vital role in meeting housing need and affordable need, as well as providing an alternative to homeownership.
- 4.51. Local authorities have an important enabling and regulatory role in ensuring that the private rented sector helps to meet housing need and encouraging good quality management.
- 4.52. In terms of house prices, the LHNA (2024) notes that house prices in Oldham are consistently lower than the North-West and England averages. However, the growth in house prices in Oldham over the past 22 years (318.6%) has been higher than that experienced across the North-West (+248.7%) and England as a whole (+217.1%)<sup>30</sup>. In 2000 the median house price in Oldham was £43,000, in 2022 the median house price in Oldham was £180,000.

Figure 6: Median House Prices in Oldham<sup>31</sup>



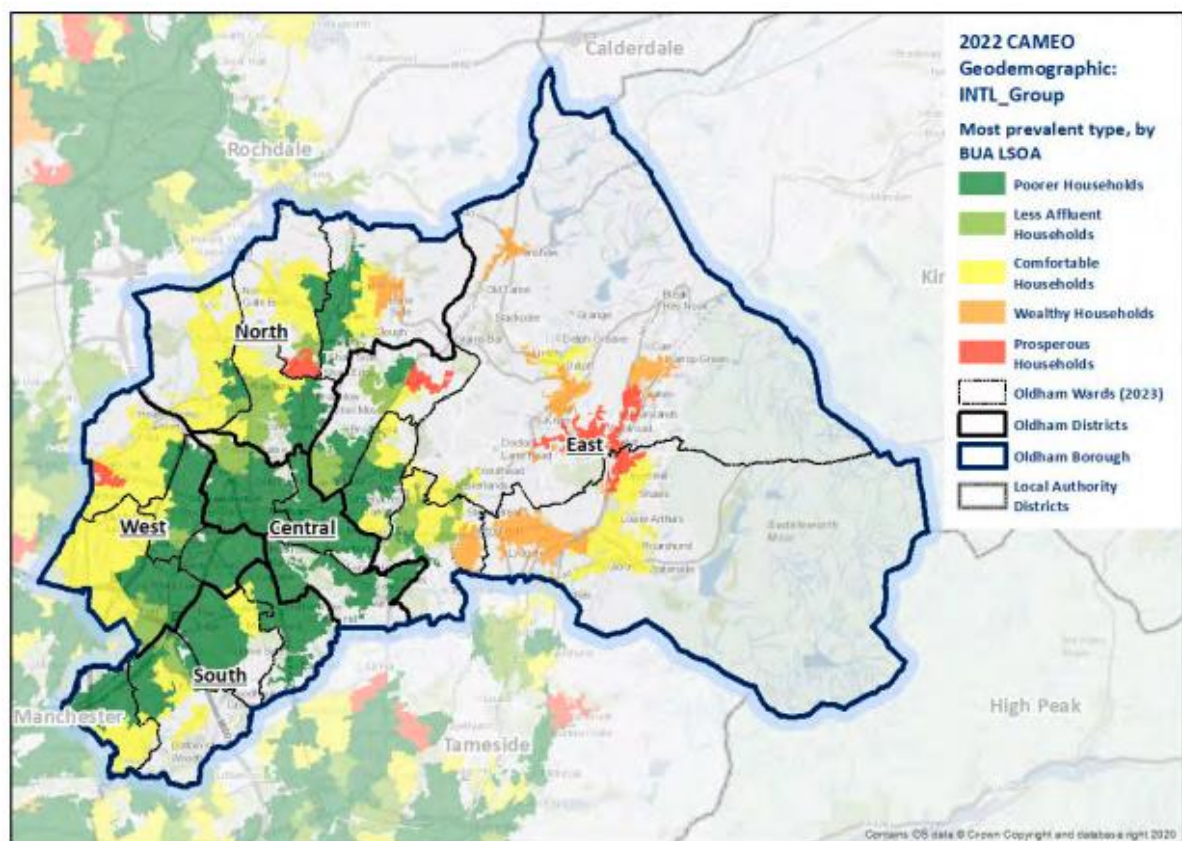
<sup>30</sup> Across the period of 2000-2022.

<sup>31</sup> Median house prices by built up areas (BUA) within the LSOAs of Oldham borough. Extracted from Map 3.2 Oldham LHNA (2024).



- 4.53. As shown in figure 6 the areas with lower average property prices in Oldham are generally those within inner Oldham, mainly Central and South districts. The East and West districts tend to have higher house prices.
- 4.54. Rental prices of properties in Oldham have also increased – between 2010 and 2022 lower quartile rents have increased by 39.8% and median rents have increased by 53.4%.
- 4.55. Compared to other Greater Manchester areas, Oldham is relatively affordable. Oldham is the third most affordable local authority area compared with other areas of Greater Manchester and neighbouring districts to Oldham - the affordability ratio for Oldham is 5.69, compared to the Greater Manchester average of 6.74.
- 4.56. Despite this, the LHNA (2024) has found that there is a shortfall of affordable housing across the borough, which equates to a need for approximately 669 additional affordable homes each year over the next 10 years. Whilst PPG is clear that only a portion of this need will be met through the planning system, the LHNA reinforces the significance of affordable housing need in Oldham. Also, when this need is compared to the findings of the previous LHNA (2019), which identified a need for approximately 204 additional affordable homes each year, it is evident that the need for affordable housing is increasing.
- 4.57. Further demonstrating the need for affordable housing, the number of households in Temporary Accommodation in the borough is significantly higher than five years ago. Similarly, the number of households on the Social Housing Register is much higher than previous recent years.
- 4.58. There are disparities in the affordability of housing in parts of the borough, with some areas distinctly lacking adequate affordable housing provision to meet local needs.
- 4.59. Related to affordable housing need, income is also an issue in areas of Oldham. Oldham has traditionally had low wage levels in terms of both residents and workplace earning potential (as measured by median weekly wage levels). This is likely due to the industry mix within Oldham, and the relative skill levels of the local workforce.
- 4.60. Figure 7 below shows the levels of income within the borough. As shown, there is a distinct distribution of lower income households within inner Oldham – particularly within Central, West, and South districts. Higher income households are predominantly located within the fringes of the borough and within Saddleworth districts.

Figure 7: Household characteristics: Income Type by LSOA<sup>32</sup>



Source: CAMEO UK

- 4.61. Looking at private renting, a rent is considered affordable if it costs no more than 25% of household income. Notable affordability pressures for private rented housing are identified in the South district, where the proportion of lower quartile income needed for lower quartile rents was generally above 55%. Private renting was also generally unaffordable for those in key worker occupations and those on minimum or living wage, with most having to spend more than 25% of income on rent. Single earners on minimum/living wage spend in excess of 40% of their income on lower quartile rents.
- 4.62. There are also identified deficiencies for smaller affordable accommodation in the form of 2 and 3 bed houses. However, this is indicative of a lack of choice in the market and respondents' expectations, as Oldham's local housing register indicates a need for larger family housing in certain areas of the borough also.
- 4.63. There are issues with attracting and retaining young professionals and families. In some parts of the borough there are not suitable affordable homes for people to live in the area in which they grew up, leading to an out-migration of these households to neighbouring boroughs. There is also a lack of smaller single person affordable housing and affordable housing for older people and disabled people. Suitable affordable housing is also needed for key workers.

<sup>32</sup> Extracted from LHNA (2024) – Map 2.4 'Household characteristics: income type by LSOA', 2022 CAMEO. Map shows the most prevalent income type for each LSOA.

4.64. HMOs can provide an important source of affordable housing, especially for those on lower incomes and in need of affordable housing. The evidence set out above has shown a distinct need for affordable housing in this sector – and across all sectors. As affordability worsens, the level of people in need of affordable housing increases. This could lead to increasing numbers of households turning to HMOs as a housing option, and increased levels of HMOs as a result. As such it is important that this housing is appropriately located and of high-quality.

#### Comparing evidence

- 4.65. As is set out in figure 8 below some links can be identified between the spatial distribution of HMOs in the borough and levels of deprivation, overcrowding and income, as well as household types and house prices.
- 4.66. As shown in figure 2, the distribution of HMOs in the borough is spread across many areas, and higher proportions are present within and around inner Oldham and along the A62, especially within the Failsworth area.
- 4.67. Areas of high deprivation and overcrowding follow a similar pattern and are especially prevalent within and around inner Oldham. As such, it is important to ensure that HMOs are appropriately located and designed, with appropriate room sizes, and considering amenity, so as to not perpetuate issues of deprivation and overcrowding, especially within areas which are already experiencing these issues.
- 4.68. Perhaps more pronounced are the similarities in the distribution of HMOs and lower income households. Given that HMOs can be an important source of housing, particularly for lower income households, it is therefore expected that HMOs would operate within lower income areas (this is also where house prices tend to be lower (see figure 6)).
- 4.69. There are also similarities in the distribution of HMOs and the spread of single person and pre-family couple's household types, particularly within Failsworth. HMOs can be an important source of housing for younger and single person households. However, over concentrations within defined areas can be detrimental to local character and amenity. It is also important to ensure a mix of house types in areas, to promote housing choice and community cohesion. As such, HMOs should be appropriately located, considering the proliferation of uses within a defined area.

Figure 8: Data maps for comparison (combining figure 2, 3, 4, 5, 6 and 7)

Figure 2: Heat map showing spatial distribution of HMOs in Oldham

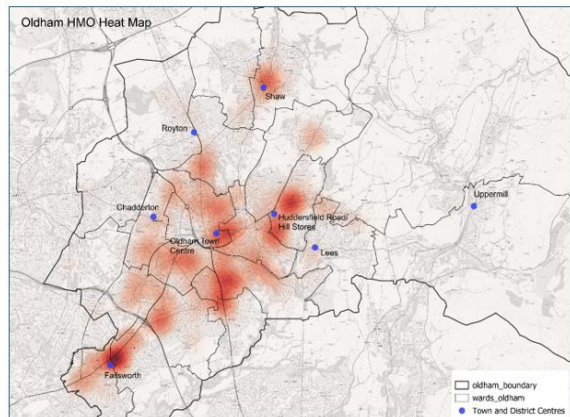
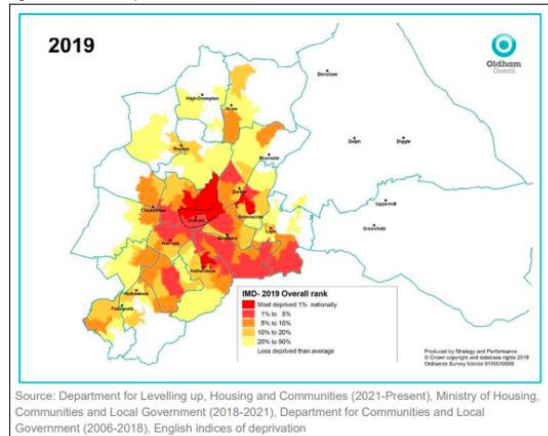
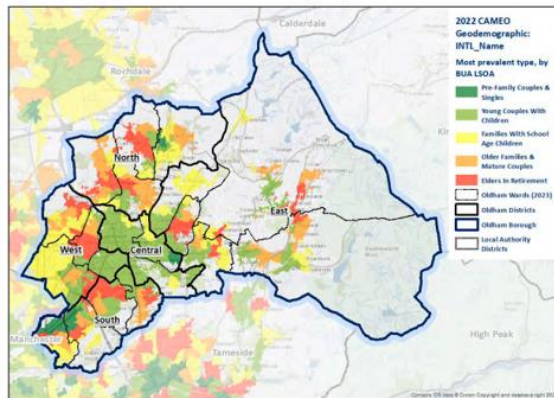


Figure 3: Areas of Deprivation in Oldham<sup>20</sup>



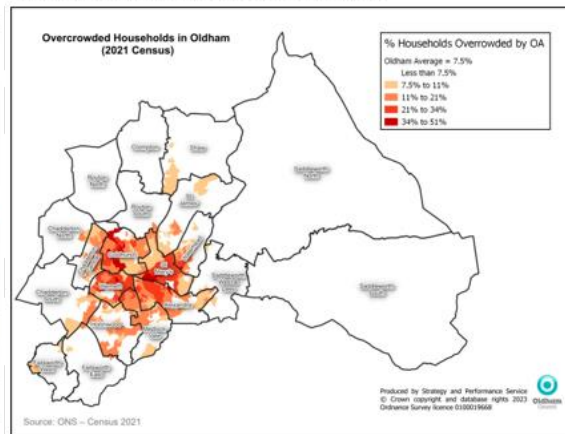
Source: Department for Levelling up, Housing and Communities (2021-Present), Ministry of Housing, Communities and Local Government (2018-2021), Department for Communities and Local Government (2006-2018), English indices of deprivation

Figure 4: Household characteristics: Household Type by LSOA<sup>21</sup>



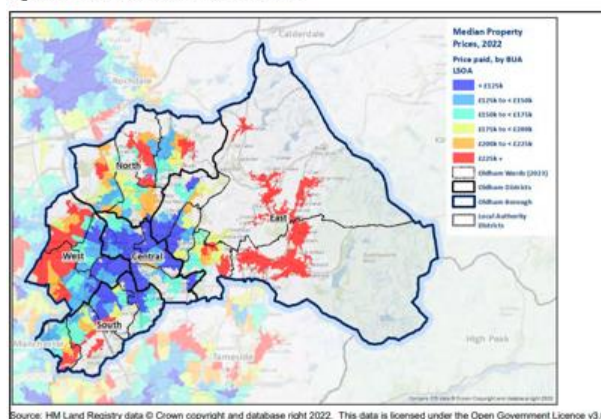
Source: CAMEO UK

Figure 5: Overcrowded Households in Oldham (2021 Census)<sup>22</sup>



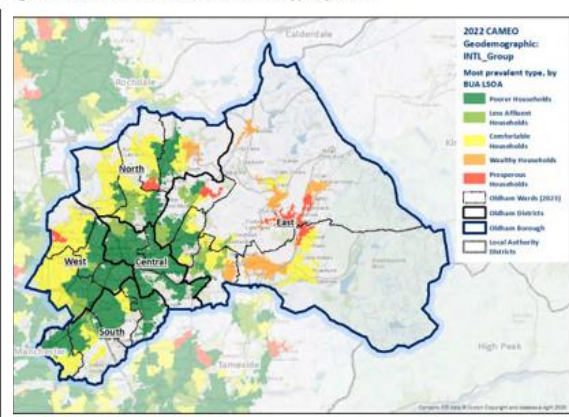
Source: ONS - Census 2021

Figure 6: Median House Prices in Oldham<sup>31</sup>



Source: HM Land Registry data © Crown copyright and database right 2022. This data is licensed under the Open Government Licence v3.0

Figure 7: Household characteristics: Income Type by LSOA<sup>32</sup>



Source: CAMEO UK

## Impact on local communities

4.70. Where applications come through the planning system for HMO development, they often receive negative representations from local residents and councillors. Of the existing HMOs in the borough which have planning permission, there are several issues raised as part of the application consultation, including:

- Inadequate car parking provision/ impact on existing provision;
- Increased traffic;
- Limited access/ impact on highway safety;
- Proliferation and concentration within a defined area;
- Loss of a family home;
- Amenity – including noise, disturbance, waste disposal/ storage, pests loss of privacy;
- Size of accommodation – inadequate facilities, outdoor space, overcrowding;
- Fire safety;
- Management of accommodation/ shared facilities;
- Impact on character of an area;
- Impact on a conservation area;
- Unsustainable development;
- Social concerns/ community cohesion issues;
- Anti-social behaviour and, crime;
- Impact on viability of neighbouring uses;
- Impact on value of existing homes;
- Strain on local services/ facilities; and
- Inappropriate location owing to neighbouring uses.

4.71. Complaints which have come through environmental health relating to HMOs often cite the following concerns<sup>33</sup>:

- The HMO is unregistered/ unlicensed;
- The HMO does not have planning permission or approval for associated building works;
- There are not adequate bins provided for the number of occupiers;
- The state and condition of the property; and

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<sup>33</sup> An analysis of complaints which mention HMOs over a 12-month period (2022-2023) has been undertaken. Future monitoring will continue in this area to monitor the impact of HMOs on local communities.



- Fire safety regulation.

4.72. A recent motion<sup>34</sup> to Oldham Council regarding HMOs also cites several concerns, including that HMOs provide ‘substandard and unsafe accommodation’. The motion goes on to state that the introduction of an Article 4 Direction will ensure transparency, giving communities the opportunity to have a say and raise their concerns, in line with the Council’s values as a resident focused council.

4.73. In some cases, it can be difficult to ascertain the actual level of negative impact of HMOs on communities, particularly in terms of amenity and local character, compared to other types of housing. However, the proliferation of any use, particularly those which introduce increased numbers of occupiers such as HMOs, should be carefully monitored and considered.

4.74. Furthermore, as it can be difficult to monitor the number of smaller HMOs, which do not currently come through planning or licensing systems, the true impact of HMOs on local communities may be hidden, particularly as there is no forum (like a planning application consultation) to express concern or raise issues.

## 5. Summary of Evidence

5.1. This paper has set out the background and evidence base for the introduction of an Article 4 Direction to remove the permitted development right for the change of use from dwelling houses (Use Class C3) to HMOs for up to six residents (Use Class C4).

5.2. As set out in the section above, there are approximately 384 HMOs identified in Oldham, as of July 2025. This represents 0.38% of the borough’s total dwelling stock and is considerably higher than the national average of 0.07%. The actual number of operating HMOs may well be higher, as the number of smaller HMOs, i.e. those for 3 and 4 people, are difficult to accurately monitor.

5.3. There has been a consistent increase in the number of HMOs in the borough over a five-year period with 306 HMOs identified in 2020 and 269 identified in 2023.

5.4. Analysis of the spatial distribution of HMOs (figure 2) shows that HMOs are spread across many areas of the borough. There are clusters located within and around inner Oldham, along key transport routes i.e. the A62 and Ashton Road, and within and around several district centres.

5.5. Oldham has several demographic and housing issues. Parts of Oldham, particularly within and around inner Oldham, have high levels of deprivation and lower levels of income. There are also issues of overcrowding within some areas of the borough. This is compounded by Oldham’s housing stock which is generally smaller than other boroughs (both within Greater Manchester and nationally) and is largely made up of terraced houses. There are also issues of disrepair and poor conditions within the borough’s housing stock.

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<sup>34</sup> Oldham Council Motion (16 July 2025) – item 10, available to view at: [Oldham Council](#)

- 5.6. There has been an increase in the private-rented sector (HMOs are often privately rented), which evidence highlights is both due to private renting being an active choice for renters, but also a necessity for would-be homeowners who struggle to enter the property ownership market. Notably, private renting is becoming increasingly unaffordable for some households in the borough, including key workers and those on lower incomes.
- 5.7. Oldham has lower than average house prices, yet the need for affordable housing is increasing in the borough. There are particular disparities in the affordability of housing in parts of the borough to meet local housing needs. There is a need for affordable family housing, as well as affordable housing for single people and key workers.
- 5.8. There are several concerns raised by local communities and council members on the proliferation, location, quality and management of HMOs in the borough, and the impact they may be having on local character, communities and amenity.
- 5.9. Whilst HMOs are spread across many areas, there is evidence that clusters of HMOs are present in the borough, and many of the areas with high numbers of HMOs, also correlate with areas experiencing issues such as deprivation and overcrowding. The proliferation of any use, particularly those which introduce increased numbers of occupiers such as HMOs, should be carefully monitored and considered.
- 5.10. Given the evidence set out in this paper, is it considered that a borough-wide Article 4 Direction can be justified. The Article 4 Direction will require conversions of dwellings to small HMOs (C4 use) to first apply for planning permission for the change of use. Requiring the submission of a planning application for such proposals will not necessarily reduce the number of small HMOs being created, but it does allow for the proper consideration of the effects of a proposed HMO on an area's amenity and local community, before issuing any planning permission, and in doing so we are able to influence the quality of the HMO through the planning process.
- 5.11. It is considered that this increased control will help to reduce the housing issues being experienced within the borough yet will still ensuring that HMOs which are of a high quality and appropriate for users, are available to those who need them. Recognising that HMOs are a key source of housing for those on lower incomes, single family households, younger people and students and key workers.

## **Oldham Metropolitan Borough Council**

Town and Country Planning (General Permitted Development) (England)  
Order 2015 (as amended)

### **Public Notice**

Notice of non-immediate Direction made under Article 4(1) of the Town  
and Country Planning (General Permitted Development) (England)  
Order 2015

Oldham Metropolitan Borough Council made a Non-Immediate Direction on 22 September 2025, under Article 4(1) of the Town and Country Planning (General Permitted Development) (England) Order 2015 ("the 2015 Order").

The Article 4(1) Direction relates to development within the Borough of Oldham consisting of a change of use of a building from a use falling within Class C3 (dwellinghouses) of Part C of Schedule 1 of the Town and Country Planning (Use Classes) Order 1987 (as amended) ("the 1987 Order") to a use falling within Class C4 (houses in multiple occupation) of Part C of Schedule 1 of the 1987 Order, being development comprised within Class L (small HMOs to dwellinghouses and vice versa) of Part 3 (Changes of use) of Schedule 2 to the 2015 Order and will remove permitted development rights for this type of development from 1 January 2026, should it be confirmed.

Planning permission will therefore be required for change of use from Class C3 to Class C4 once the Article 4(1) Direction is in force. The Article 4(1) Direction applies to that part of the Borough of Oldham outlined in black on the attached plan. For the avoidance of doubt this covers the whole of the Borough of Oldham (except that part which falls within the Peak District National Park).

A copy of the Article 4(1) Direction and a plan showing the area to which it relates may be inspected at the following:

- Oldham Council, First Floor Reception, Spindles Shopping Centre, Oldham, OL1 1LA
- The Borough's public libraries (for opening times please visit <https://hla.oldham.gov.uk/libraries/local-libraries/>)
- The Oldham Council website at [https://www.oldham.gov.uk/info/201231/emerging\\_planning\\_policy](https://www.oldham.gov.uk/info/201231/emerging_planning_policy)

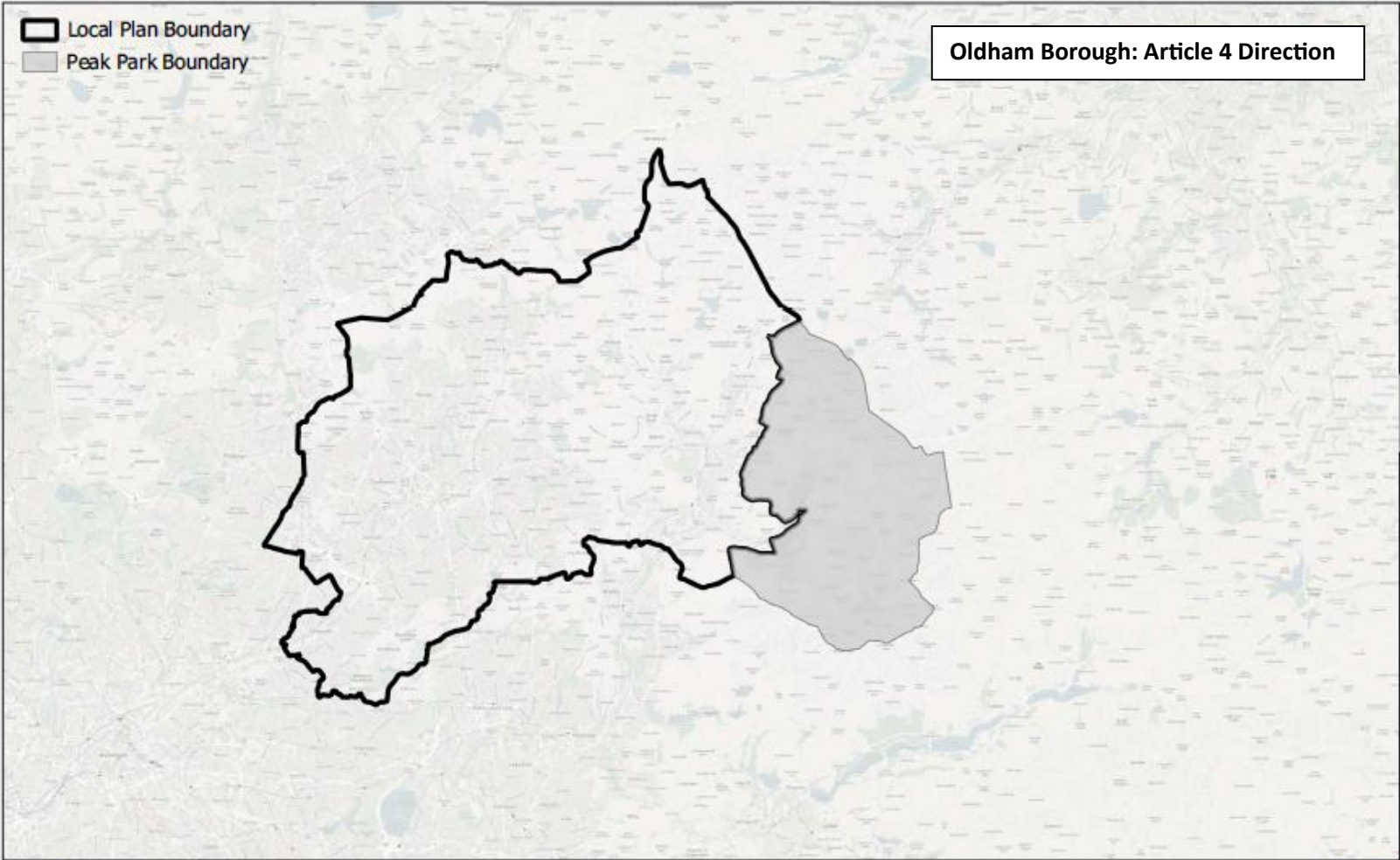
Representations concerning the Article 4(1) Direction and the plan showing the area to which it relates may be made between 29 September and 9 November 2025.

Representations should be made online at <https://bigoldhamconvo.oldham.gov.uk/>.

Alternatively, comments can be emailed to [SPI.Consultations@oldham.gov.uk](mailto:SPI.Consultations@oldham.gov.uk)

Or addressed to: Strategic Planning and Information, Oldham Council, Spindles Shopping Centre, Oldham, OL1 1LA.





Drawn By:	JB
Division:	
Date:	06.08.2025
Drawing No.	

Oldham Council  
Spindles Shopping Centre  
West Street  
Oldham  
OL1 1LF

1:129,629



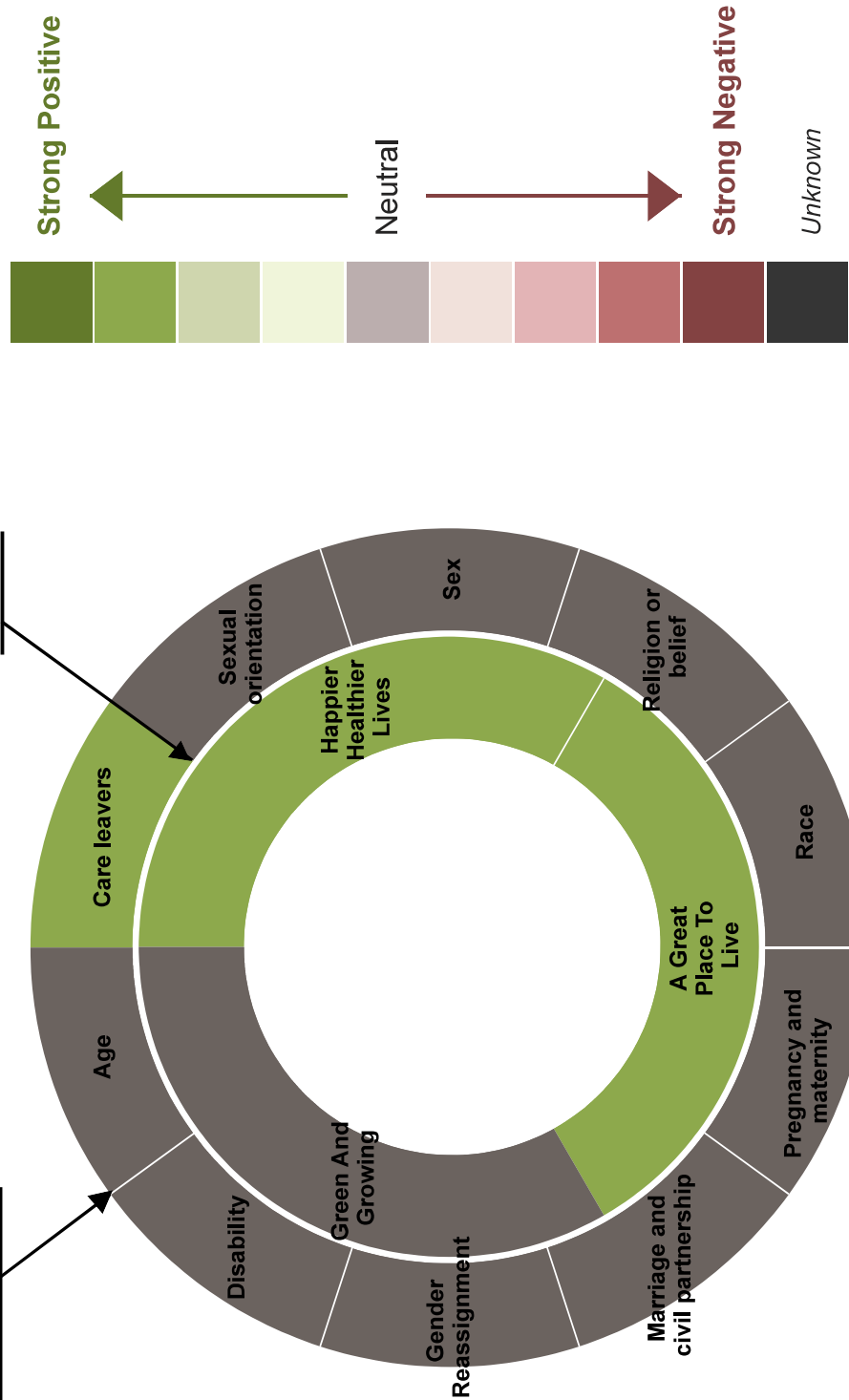
# Introduction of borough-wide Article 4 Direction for Houses of Multiple Occupancy

completed/last updated by Elizabeth Dryden-Stuart on 06/08/2025

Portfolio	
Decent Homes	
Directorate	
Place	
Service/Team	
Economy	
Is this IA related to a Budget Reduction proposal?	<input type="checkbox"/> No

Equality Characteristics

Our Mission



## Equality Characteristics

Category	Impact	Likely	Duration	Impact Score	Comment
Age	Neutral	Select Likelihood	Select Duration		comment required
Disability	Neutral	Select Likelihood	Select Duration		comment required
Gender	Neutral	Select Likelihood	Select Duration		comment required
Reassignment	Neutral	Select Likelihood	Select Duration		comment required
Marriage and civil partnership	Neutral	Select Likelihood	Select Duration		comment required
Pregnancy and maternity	Neutral	Select Likelihood	Select Duration		comment required
Race	Neutral	Select Likelihood	Select Duration		comment required
Religion or belief	Neutral	Select Likelihood	Select Duration		comment required
Sex	Neutral	Select Likelihood	Select Duration		comment required
Sexual orientation	Neutral	Select Likelihood	Select Duration		comment required
Care leavers	Moderate Positive	Very Likely	Long Term	4	Houses of Multiple Occupation can provide an affordable housing option for single person households such as care leavers. A borough-wide Article 4 Direction would enable the Council to better manage HMO concentration and prevent the formation of imbalanced communities, as well as reduce any negative impact on local amenity.

## Our Mission / Corporate Priorities

Category	Impact	Likely	Duration	Impact Score	Comment
Green And Growing	Neutral	Select Likelihood	Select Duration		comment required
A Great Place To Live	Moderate Positive	Very Likely	Long Term	4	Houses of Multiple Occupation can provide an affordable housing option for single person households. A borough-wide Article 4 Direction would enable the Council to better manage HMO concentration and prevent the formation of imbalanced communities, as well as reduce any negative impact on local amenity.
Happier Healthier Lives	Moderate Positive	Very Likely	Long Term	4	Houses of Multiple Occupation can provide an affordable housing option for single person households. A borough-wide Article 4 Direction would enable the Council to better manage HMO concentration and prevent the formation of imbalanced communities, as well as reduce any negative impact on local amenity.

## 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?
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## 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)
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## Report to CABINET

# Asylum Dispersal Grant

**Portfolio Holder:** Councillor Elaine Taylor, Cabinet Member for Neighbourhoods

**Officer Contact:** Deputy Chief Executive – Place

**Report Author:** Lorraine Kenny – Assistant Director Community Safety and Cohesion

**22 September 2025**

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### Reason for Decision

To seek approval to formally accept £898,800 award from the Home Office in Asylum Dispersal Grant for the period 2025/26.

### Executive Summary

Oldham Council has been awarded £898,800.00 in respect of Asylum Dispersal Grant. This is an annual payment for the financial year 1 April 2025 to 31 March 2026 and paid by the Home Office to local authorities to facilitate Local Authorities to assist with costs of supporting Asylum Seekers.

The Asylum Dispersal Grant is a 'burdens' grant to mitigate the pressure of asylum dispersal and therefore does not have to be spent specifically or solely for expenditure on asylum seekers.

This report seeks approval to accept £898,800 award from the Home Office in Asylum Dispersal Grant for the period 2025/26.

### Recommendations

**Option 1 – Accept the grant award of £898,800.** This will enable the council to mitigate the pressure on services and provide further funding to increase capacity in services to support all Oldham residents.



**Asylum Dispersal Grant****1 Background**

- 1.1 The UK government uses dispersal to allocate asylum seekers to accommodation across the country to distribute costs among local authorities. This policy of asylum dispersal was introduced under the Asylum and Immigration Act 1999 and aimed to reduce pressure on the Southeast of England.
- 1.2 In April 2022 the Home Office announced the new policy of 'Full Dispersal' where all local authorities in England, Scotland and Wales were informed they would house people seeking asylum and become dispersal areas.
- 1.3 Asylum seekers cannot choose their location and may be moved anywhere in the UK. There is recognition that the number of arrivals, and statutory responsibility on the Home Office to support asylum seekers who would otherwise be destitute, have placed pressure on the asylum and housing systems.

**2 Current Position**

- 2.1 Oldham Council has been awarded £898,800.00 in respect of Asylum Dispersal Grant. This is an annual payment for the financial year 1 April 2025 to 31 March 2026 and paid by the Home Office to local authorities to facilitate Local Authorities to assist with costs of supporting Asylum Seekers.
- 2.2 The Asylum Dispersal Grant is a 'burdens' grant to mitigate the pressure of asylum dispersal and therefore does not have to be spent specifically or solely for expenditure on asylum seekers. The funding instruction states that it can be spent on:
- Statutory services; for example: education services, children's and adults' social care, waste collection, public health services, planning and housing services, road maintenance or library services, or
  - Non-statutory services; for example: leisure services, community initiatives, wellbeing services, interpreting provision, intervention services and signposting/ orientation services.
  - Ineligible spend includes party political lobbying or funding to support or promote activities of an exclusively religious nature. This will not include activity designed to improve inter-faith relationships or working.
- 2.3 Local authorities will be expected to provide monitoring information to the Home Office in respect of spend.

**3 Options/Alternatives**

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3.1 **Option 1 – Accept the grant award of £898,800.** This will enable the council to mitigate the pressure on services and provide further funding to increase capacity in services to support Oldham residents. It is recommended that the council approves this option.

3.2 **Option 2 – Do not accept the grant award of £898,800.** At a time of increasing pressures on services this will mean that the option to provide additional capacity in services is lost. It is not recommended that the council approves this option.

#### 4 **Preferred Option**

4.1 **Option 1 – Accept the grant award of £898,800.** This will enable the council to mitigate the pressure on services and provide further funding to increase capacity in services to support Oldham residents. It is recommended that the council approves this option.

#### 5 **Consultation**

5.1 Consultation has been undertaken with all relevant stakeholders, including elected Members and senior officers. Specifically, input has been sought from the Portfolio Holder for Neighbourhoods, the Director of Communities, representatives from Finance and Legal Services. All parties have expressed their support for accepting the funding to enable the council to increase capacity in services to support Oldham residents.

#### 6 **Financial Implications**

6.1 This report seeks approval to accept the Home Office Asylum Dispersal Grant for the financial year 2025/26. The total funding secured is £898,800, which has already been allocated to the appropriate cost centre.

As outlined in the body of this report, the primary purpose of this grant is to provide 'burdens' funding, intended to mitigate the financial pressures associated with asylum dispersal. However, it is important to note that the funding does not need to be spent exclusively or specifically on services for asylum seekers, allowing for flexibility in addressing broader local authority pressures.

Finance will conduct monthly monitoring to ensure that spending remains within the funding envelope. There are no additional financial implications arising from this proposal.

(Waheed Rehman – Accountant)

#### 7 **Legal Implications**

7.1 The funding must not be used for any purpose other than achieving delivery of outcomes detailed in the Funding Instructions for Local Authorities: Asylum Grant 2025-26. The expected outcomes are minimising public services pressures and recognising the role of wrap-around funding in supporting asylum seeker wellbeing, mental health and community cohesion. The Council is required to manage and administer the quality and level of delivery relating to the support it provides to

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asylum seekers. If the Council fails to comply with the funding conditions the Home Office may reduce, suspend or withhold payments or require all or part of the payments to be repaid within 90 days of receiving demand for the repayment. (A Evans)

**8 Equality Impact, including implications for Children and Young People**

8.1 Yes

**9 Key Decision**

9.1 Yes

**10 Key Decision Reference**

11.1 HL/03/25

**12 Background Papers**

12.1 None

**13 Appendices**

13.1 None



## **Report to CABINET**

# **Young People's Sexual Health and Substance Misuse Service – Contract Extension**

**Portfolio Holder:** Councillor Barbara Brownridge, Cabinet Member for Health and Social Care

**Officer Contact:** Dr Rebecca Fletcher, Director of Public Health

**Report Author:** Dr Lois Hall-Jones, Acting Consultant in Public Health

**22<sup>nd</sup> September 2025**

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## **Reason for Decision**

To seek approval to enact the option to extend the contract for the Young People's Sexual Health and Substance Misuse Service by a period of 2 years, from 1 April 2026 to 31 March 2028, as per the provision made in the original award of the contract for the delivery of the service.

## **Executive Summary**

Having a high functioning sexual health and substance misuse offer for young people is an essential component of the range of activity required to achieve better population health and reduce demand on health and social care services. As per Public Health funding conditions and mandated responsibilities, we are required to deliver drug and alcohol services and ensure access to sexual health services for young people.

In January 2021, the award for the provision of Young People's Sexual Health and Substance Misuse Service was awarded to Early Break (in partnership with HCRG Care Group and The Proud Trust) for an initial period of three years (from 1 April 2021 to 31 March 2024) with an option to extend for a further period of two years plus two years dependent on performance, achievement of key performance indicators (KPIs), continued

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funding and local need. A contract extension of two years was approved for 1st April 2024 to 31<sup>st</sup> March 2026.

The provider has been delivering the service to the requirements set out in the specification and meeting performance requirements through the contract to date. They have received positive feedback from service users and professional partners.

It is proposed that we enact the option to extend the contract with the current provider by a final two years (up until 31 March 2028) to ensure the continuation of high-quality service provision for our local young people. The total value of the proposed two-year extension would be £940,500 (£470, 250 per year).

### **Recommendations**

It is recommended that Cabinet agree to the proposal to enact the provision to extend the current contract for a period of 2 years from 1 April 2026 to 31 March 2028. This will ensure that there is continued delivery of drug and alcohol services and ensure access to sexual health services for young people in the borough, in line with our public health funding conditions and mandated responsibilities.

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**Young People's Sexual Health and Substance Misuse Service – Contract Extension****1 Background**

- 1.1 Adolescence is a crucial time for physical, emotional and social development, and good quality advice, information and support for young people on sexual health and substance misuse has an important contribution to make to health, wellbeing, education and wider social outcomes. Having a high functioning sexual health and substance misuse offer for young people is an essential component of the range of activity required to achieve better population health and reduce demand on health and social care services. As per Public Health funding conditions and mandated responsibilities, we are required to deliver drug and alcohol services and ensure access to sexual health services for young people.
- 1.2 There is a relationship between sexual health behaviour and drug and alcohol use among young people. Research has shown that alcohol consumption can result in lowered inhibitions and poor judgements regarding sexual activity and risky sexual behaviours in young people. It was also found that young people want to understand the influence of alcohol on sexual behaviours and where to get confidential support to manage their emotions if they make a bad decision as a result of drinking. We, therefore, recognised the need for the implementation of a more holistic approach to sexual health and drugs and alcohol through an integrated service.
- 1.3 Oldham has poor outcomes in relation to sexual health and substance misuse and remains consistently worse than GM, NW and England rates for under 18 conceptions, abortion rates, LARC uptake, STI diagnosis (including Chlamydia detection rates) and hospital admissions due to substance misuse and alcohol (15-24 year olds).
- 1.4 In January 2021, the Director of Public Health (in her delegated capacity as approved by Cabinet) agreed to award the contract for the provision of Oldham's Young People's Integrated Sexual Health and Substance Misuse Service to Early Break (in partnership with HCRG Care Group and The Proud Trust) from 1 April 2021 for an initial period of three years up until 31 March 2024, with an option to extend for a further period of two years plus two years dependent on performance, achievement of key performance indicators (KPIs), continued funding and local need.
- 1.5 The Meeting Your Needs Oldham (MYNO) service, delivered by Early Break (in partnership with HCRG Care Group and The Proud Trust), offers specialist support for sexual health, contraception, and the prevention and treatment of substance misuse for young people. This enables young people to access high-quality information, advice and treatment for both their sexual health and substance use in a single location and transaction.
- 1.6 MYNO is an integrated offer for young people aged under 19 (or aged 19-25 if they are a child looked after by the local authority or care leaver, or SEND), providing a holistic service addressing young people's health and wellbeing, specifically providing advice, information and treatment for both sexual health and substance misuse. The service:

- 
- Provides support to the wider Oldham system (including schools, youth services, and children's social care) to deliver Tier 1 substance misuse interventions, information and advice, and relationship and sex education.
  - Provides information, advice and guidance for young people attending the service, through outreach activities, and to a wider audience through digital channels, including a website which aims to improve knowledge and understanding of sexual and reproductive health and drugs and alcohol among young people living in Oldham.
  - Supports young people in contact with the service to develop their knowledge and understanding of sex and relationships, skills and confidence to protect or improve their sexual health.
  - Provides Tier 2 and Tier 3 substance misuse services for young people who misuse substances (including psychoactive substances, illicit or prescribed drugs and/or alcohol).
  - Provides support for young people who misuse substances to access Tier 4 services, where their needs cannot be met in the community (provision of tier 4 services is out of scope for this contract)
  - Provides support to young people whose parents misuse substances, including young people who act as carers for parents with substance misuse issues.
  - Helps address offending and anti-social behaviour in young people linked to substance misuse in young people through effective interventions.
  - Supports and work with other agencies to provide intensive interventions to families where parental and/or young people's substance misuse is identified as problematic.
  - Works with adult services, specialist drug and alcohol, and sexual health services and universal services such as primary care, to ensure a seamless transition for young people who are approaching the age limit for the service.
  - Provides clinical contraception and sexual health services through clinic-based and outreach (community based) activities.

1.7 The Service is expected to contribute to the following outcomes:

- Increased access to contraception, including LARC.
- Reduction in under-18 conception rates
- Reduction in under-18 abortion rate
- Controlling the transmission of STIs/HIV
- Reducing the prevalence of STI, including HIV via improved diagnosis rates
- Reduction in number of alcohol and drug misuse related admissions to hospital and deaths
- Improved recovery rates and increased number of successful completions
- Reduced harm and improved resilience amongst young people, including vulnerable groups.

- 
- 1.8 The original contract value for the delivery of the service was £600,000 per annum, funded by the Public Health core budget. As part of the ongoing corporate budget challenge, it was agreed in February 2023 to reduce the budget for the provision of the service by £150,000 (over two years, to be achieved by end of financial year 2024/25). In applying the budget reductions, the provider worked to minimise the impact on front line delivery and service deliverables. The provider primarily focused on creating efficiencies in back office and running costs, and in the sexual health element of the service, with due regard being made to avoid any reduction in investment in substance misuse service delivery in line with OHID substance misuse grant conditions. The contract value was then increased in line with uplifts across public health commissioning, to £470,250. The revised contract value remains in line with other neighbouring and comparable authorities for the delivery of this type of service and presents good value for money.

## 2 Current Position

- 2.1 Early Break (in partnership with HCRG Care Group and The Proud Trust) has been delivering the service since April 2021, under the service name Meeting Your Needs Oldham (MYNO), and is meeting the majority of the key performance indicators, and in some instances exceeding them, especially in relation to numbers in substance misuse treatment where Oldham has been identified by the Office of Health Improvements and Disparities as an exemplar and area of good practice
- 2.2 Last year, the service engaged 315 young people in structured Tier 2 and 3 substance misuse treatment per year, primarily supporting around cannabis and alcohol use but is seeing small numbers of young people using other substances such cocaine and ketamine. This was an increase in engagement from the previous year, and the service continues to increase its rate of engagement. The service has achieved successful discharges (clients reporting as drug free or occasional users) in 84% of Tier 3 clients and 97% of Tier 2 clients.
- 2.3 The substance misuse service works closely with schools and education settings and the outreach team works closely with the youth service and detached youth team to provide assertive outreach and brief interventions, advice and support to young people in our communities, based on local intelligence. The service flexes its delivery and approach to meet the needs of the young people they are working with, recognising that there are differing needs, stigma and complexities within different groups and communities.
- 2.4. Last year, 52 families a year access the innovative Holding Families programme provided by the service, which provides whole family support for children and family members affected by parental substance use. The service works with parents and carers at any stage of their recovery from drugs and alcohol use.
- 2.5. There have been recent data collection system issues for the specialist sexual health provision, which has posed a challenge in assessing contemporaneous performance in this area. Data up to December 2024 shows good achievement of targets, and client feedback has since remained positive.
- 2.6. A recent service evaluation (August 2025) demonstrated that the service is performing to a high standard, meeting or exceeding a broad range of targets across both sexual health and substance misuse provision. Two areas for improvement were identified; a need to increase the number of clients taking up repeat chlamydia test 3 months after testing positive, and to improve timely access to long acting reversible contraception (LARC) following client request. This is something that we will support the service to address for the remainder of the existing term, and will continue to do so if the contract extension is enacted.



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### 3 Options/Alternatives

#### 3.1 *Option 1: Enact the provision to extend the current contract for a period of 2 years from 1 April 2026 to 31 March 2028 (to complete a total contract length of 7 years)*

This is the preferred option. This will ensure that there is continued delivery of drug and alcohol services and ensure access to sexual health services for young people in the borough, in line with our public health funding conditions and mandated responsibilities.

The provider has embedded themselves within the local system in the time since contract award and has built effective pathways and strong working relationships with partners with both Early Break and HCRG Care Group acting as system leaders and change catalysts within their respective fields, playing fundamental roles locally, regionally, and nationally in strategic forums and influencing system and policy change.

The provider is delivering well against KPIs and achieving outcomes as set out in the specification and has been flexible in responding to emerging issues and working with commissioners throughout the contract term to date. The provider has also responded well to the agreed budget reduction and has been innovative and resident focused in their approach by focusing on different ways of working which has resulted in minimal impact on service delivery, quality and experience for our residents and what is available for our young people locally.

#### 3.2 *Option 2: Extend the current contract by 3 months from 1 April 2026 to 30 June 2026 to allow for a competitive tendering process to be undertaken.*

In order to undertake a full competitive open-market tendering process and allow sufficient time for there to be an effective mobilisation and implementation period (in the event there was a change of provider) then we would need to allow a period of 6 months, with activity commencing in January 2026.

This option is not recommended as the current provider is delivering the service to a good standard and meeting performance indicators. Feedback from service users is positive and the service has been recognised nationally as a centre for good practice. There is still demand for the service and we are mandated to provide drug and alcohol services and access to sexual health services for young people.

There is a risk to de-stablising the system, affecting staff morale and there being an impact of the young people accessing the provision, if there were to be a change of provider, as they may need to access provision differently and there could be changes to staffing which could mean any relationships that have been built between the young people and a trusted professional are affected.

There is also a risk that a new provider would not be able to deliver the same as the current provider for the revised budget as there would be potential start-up costs, plus we would not benefit from the economies of scale we currently do as a result of the same provider delivering both the young people's and all-age sexual health service.

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3.3 *Option 3: Do not extend the current contract or conduct a further tendering exercise and no longer have a specific young people's sexual health and substance misuse service but instead combine these elements into existing adults'/all age provision.*

This option is not recommended. As per Public Health funding conditions and mandated responsibilities, we would still be required to deliver drug and alcohol services and ensure access to sexual health services for young people so would need to alter the specification and budget of our commissioned adult/all age sexual health and substance misuse services to ensure provision and not risk poorer health outcomes.

There is also a risk that young people seek sexual health support from young people's specific sexual health services from outside of the borough, which the local authority would be charged for, at a higher cost per intervention than the cost of delivering these services as part of the current local contract. This could result in a budget pressure.

#### 4 **Preferred Option**

- 4.1 Option 1: Enact the provision to extend the current contract for a period of 2 years from 1 April 2026 to 31 March 2028.

#### 5 **Consultation**

- 5.1 The Director of Public Health, in her statutory capacity, and Cabinet Member for Health and Social Care have been consulted and fully briefed on the performance of the service, the proposed contract extension and next steps.

#### 6 **Financial Implications**

- 6.1 The preferred option, as outlined in paragraph 4.1, is to seek approval to extend the contract with Early Break (in partnership with HCRG Care Group and The Proud Trust) for the delivery of the Young People's Sexual Health and Substance Misuse Service for a further two years, from 1 April 2026 to 31 March 2028. This extension is in line with the provisions included in the original contract award in January 2021.
- 6.2 The total value of the proposed two-year extension is £940,500 (£470,250 per annum).
- 6.3 Provision exists within the Public Health base budget to fund the annual contract cost of £470,250.

(Matthew Kearns – Finance Manager)

#### 7 **Legal Implications**

- 7.1 The extension is permitted under Regulation 72(1)(a) of the Public Contracts Regulations 2015, as it was clearly provided for in the original procurement documents by way of an extension option. In addition, under the Council's Contract Procedure Rules, extensions are lawful, provided they were included in the original procurement and contract award and do not materially alter the scope or overall nature of the contract (CPR Rule 17.1(a)–(c)). In this case, the extension is within the maximum seven-year term originally advertised and awarded, and it does not change the service specification. It is therefore a compliant

modification and does not require a new procurement process. The required notices and extension process set out in the contract should be followed to effect the extension.

(Pamela Nsofor- Commercial and Procurement Solicitor)

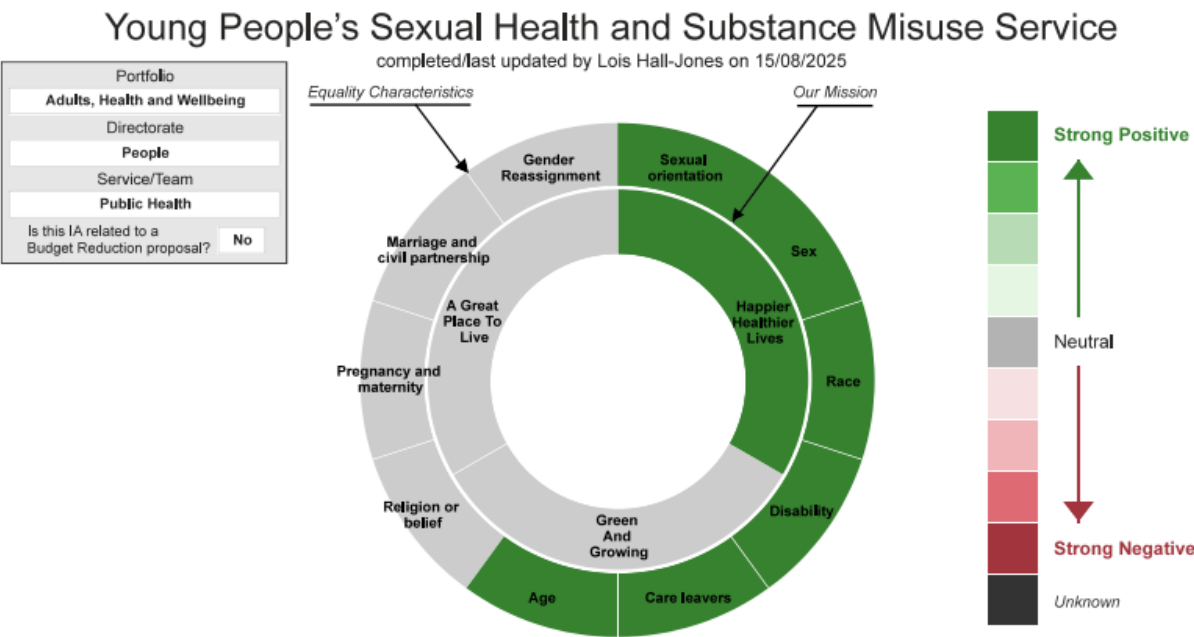
8      **Procurement Implications**

8.1      The service was originally tendered in 2020 through PCR2015 legislation. This was for 3 years initial term, with the option to extend for up to 2 years at a time, with a maximum term of 7 years. There was an extension of 2 years to take this from ending in March 2024 to March 2026. This means there is the option to extend by a further 2 years, up to end of March 2028, by providing the provider with six months written notice. It should be noted that this will be the final option to extend, so a new tender process should be planned for 2027 if services will still be required after March 2028.

(James England – Procurement Manager)

9      **Equality Impact, including implications for Children and Young People**

9.1      Yes/



10      **Key Decision**

10.1      Yes

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11      **Key Decision Reference**

11.1    HSC-12-25

12      **Background Papers**

12.1    To Extend the Contract for the Delivery of the Young People's Sexual Health and Substance Misuse Service

11th December 2023

Decision and report available at:

<https://committees.oldham.gov.uk/ieDecisionDetails.aspx?ID=5020>

13      **Appendices**

13.1    none

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## Report to CABINET

# Future Commissioning Arrangements for Care at Home, Extra Care Support, Night Provision Support Services

**Portfolio Holder:** Cllr Barbara Brownridge, Lead Member for Health and Social Care

**Officer Contact:** Jayne Ratcliffe, Director of Adults Social Services

**Report Author:** Ayshia Akhtar, Commissioning Manager, ASC Commissioning and Market Management

**22<sup>nd</sup> September 2025**

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## Reason for Decision

The Council's current contractual arrangements for the delivery of Care at Home, Extra Care and Specialist Care at Home Flexible Purchasing System commenced on 1 April 2019 and following the use of a two-year extension option, are due to expire on 31 March 2026.

Care at Home services are a critical component of the Council's statutory duties under the Care Act 2014, providing essential care and support to adults in Oldham with eligible needs. These services enable some of the borough's most vulnerable residents to live independently and safely in their own homes.

To ensure continuity of service delivery beyond March 2026 and to meet our statutory obligations, a full open tender process will be undertaken in line with the Council's Contract Procedure Rules. This will allow the Council to establish new contractual arrangements that reflect current and future service requirements, market conditions, and strategic objectives.

Recommissioning the service through a full competitive process will also support improvements in service quality and alignment with both local priorities and best practice in home care provision.

Approval is therefore sought to proceed with the procurement process for the re-tendering of Care at Home services, with the implementation of new arrangements from 1 April 2026.

## Executive Summary

Care at Home (CAH) services provide essential care and support to approximately 1,190 adults across Oldham, with around 10,850 hours of care delivered each week. The annual expenditure on

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CAH services is approximately £19.6million. In addition, Extra Care supports around 159 individuals weekly, delivering approximately 7866 hours weekly at an annual cost of £2.2million.

CAH services are currently delivered by 10 preferred cluster providers operating across the five geographical clusters of the borough. A further 3 back-up providers support delivery when additional capacity is required. There is currently no waiting list.

One separate provider delivers the Extra Care support across the six schemes located within the borough. Known locally as Extra Care Housing (ECH), it should be noted that this tender is for the care and support only. CAH services support the Council's commitment to a "home first" approach, helping people to live safely and independently in their own homes and reducing the need for hospital admissions or residential care placements.

In addition, night care provision is currently delivered through a legacy block contract with one of the existing commissioned framework providers. This arrangement predates the 2019 Flexible Purchasing System and remains in place as part of the Council's wider approach to ensuring overnight support for those who need it. The future commissioning of night services will need to be reviewed and incorporated into the new service model as part of the upcoming re-tender.

The current CAH contracts were awarded in April 2019 through a Flexible Purchasing System (ref: FPS DN37347) for a five-year term, with the option of two one-year extensions. These extensions have now been utilised, meaning that the contracts will expire on 31 March 2026.

This report seeks Cabinet approval to commence the re-procurement of Care at Home and Extra Care Housing support services, and night provision ensuring new contractual arrangements are in place from 1 April 2026. The proposed procurement will follow a compliant route in accordance with both the Council's Contract Procedure Rules and PA23 Regulations and will be designed to reflect current and future demand, market capacity, and best practice in domiciliary care.

These commissioning and procurement activities are critical to ensure the Council can continue to meet its statutory duties under the Care Act 2014, delivering timely, person-centred care that promotes independence and supports the wider health and social care system in Oldham.

## **Recommendations**

### **Option 2 is the Preferred Option**

1. Approval is requested for Oldham Council to proceed with a full procurement exercise to establish a new framework agreement for Care at Home and related services, including Care at Home, Extra Care support and night provision (Night Van). This Framework will replace the existing Flexible Purchasing System which expires on 31 March 2026.
2. Delegate the authority to approve the service specification to the Director of Adult Social Services and Community Commissioning and to award to successful providers after the tender outcome.
3. The Council acknowledges it no longer has access to using a Dynamic Purchasing System (DPS) or Flexible Purchasing System (FPS) under the current procurement regulations, as these have been replaced by Dynamic Marketplaces which do not permit below-threshold call-offs (under £663,540). On this basis, to procure under the PA23 Open or Competitive Flexible Procedure.
4. Approval is sought to allow for future changes to service providers, if required, to ensure continuity of provision. Any such changes would remain within the existing financial envelope and would solely involve provider substitution to address service delivery gaps.



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5. Approval to commence the re-tender for a new Care at Home service to start in April 2026 for a period of four years with the option to extend for one year plus one year, at a cost of approximately £19m a year.

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## 1 Background

### 1.1 The Contract Extension for Care at Home, Extra Care and Specialist Care at Home Flexible Purchasing System

1.2 The Care at Home service was tendered in November 2018, with the following Lots:

- Category 1 – Adults Care at Home Provision
- Category 2 – Adults Extra Care Provision
- Category 3 – Children’s Care at Home – SEND - Ceased
- Category 4 – Specialist Care at Home - Ceased
- Category 5 - Approved Provider List

1.3 Approval was given in early 2019 to award contracts to a maximum of 10 providers following a competitive mini-competition exercise under the provision of the Oldham Care at Home, Extra Care & Specialist Care at Home Flexible Purchasing System (Ref: FPS DN373470) to deliver Adults Care at Home services within the 5 clusters (2 providers were appointed per cluster). In addition to the 2 lead preferred providers appointed to work in each of the 5 clusters of the borough, there is also a small team of 3 back up providers who deliver packages across the borough and a provider specifically to deliver Extra Care Housing (ECH) services, these services are covered under lots 1,2 and 5 of the tender.

1.4 Lot 3 and 4 of the original procurement exercise made provision for Specialist Care at Home Services, and Children’s Care at Home Services however no activity has been undertaken since the award of this contract and approval was granted by DMT in January 2024 to cease Lots 3 and Lot 4.

1.5 Contracts for delivery of the above lots commenced in April 2019 and the service duration is 5 years, with an option to extend for up to a further 2 years.

1.6 At the time of this report our monitoring data showed the following data;

Service Area	Annual Spend	People Supported	Care Hours Delivered (Weekly)
Cluster & Back-up CAH Providers	~£19 million	Approx. 1,190 individuals	Approx. 15,200 hours
Extra Care Housing (ECH)	~£2.2 million	159 individuals per week	N/A

1.7 The commissioning and market management team are in frequent dialogue with the market and meet with them regularly through the hosting of provider forums and visits. The Oldham market is generally considered to be performing well, and we do not have a waiting list. We are aware that there are times when the market is under increased pressure which can impact a provider’s ability to accept packages in a timely manner, and at these peak periods (typically over the summer holidays and winter period) the

Oldham market has shown to be more responsive and flexible than some of the experiences shared by our counterparts across GM.

- 1.8 Whilst the Oldham market does face challenges (such as the ability to recruit and retain staff, which is a frequent challenge expressed by a number of our providers), we believe the generally positive performance can be attributed to the flexibility within the cluster model and the positive working relationship we have with the market. This is further supported by Oldham Council's commitment to paying the Real Living Wage Foundation Rate (LWFR), which helps providers attract and retain a stable workforce and reinforces our shared commitment to valuing the care sector.
- 1.9 However, we are aware that there are challenges that still need to be addressed. The cluster model works on the principle that two lead preferred providers in each cluster are offered work over alternate weeks, with the assumption that the work offered to each provider will be broadly even. In reality, we do have volume of work disparities between cluster providers, in some cases these are significant. We believe this is down to a number of factors, some of our lead providers only deliver limited volume, being unable to deliver double carer packages or serve their full cluster, and in practice are delivering less volume than back up providers (there is a plan to address this via the mini competition cluster recommendations in this report). We are also aware that some providers have a greater presence within certain communities and this is reflected in the packages they deliver, taking into account a clients preference to choose a particular provider.
- 1.10 Table 1 outlines the current CQC ratings for the 10 preferred cluster and 3 back up providers delivering CAH across Oldham. If at a later date, providers are rated as Requires Improvement, they will work to a Provider Improvement Plan and have the support of a Contract and Quality Monitoring Officer. (CQMO). Those that are not yet rated are awaiting their assessment from CQC – however, nationally, there is a delay in these being carried out and this is a recognised risk nationally. The two provider listed below were already on our previous framework and have subsequently changed their provider name, which requires a new CQC rating.

**Table 1 – CQC ratings of preferred cluster and back up providers**

Provider Cluster	Name of Provider	CQC Rating
West	Bridging the Gap Ltd	Good
West	Fogarty Care Service Ltd (Nightingales)	Good
Central	Choices Homecare (previously Safe Hands Support)	Good
Central	Delta Care Ltd	Good
North	Apex Prime Care Ltd (previously Nobilis)	Not Rated
North	Care 4 U Home care	Good
South	D&G Care Ltd (Care Mark Oldham)	Good
South	Comfort Call Ltd	Good
East	Care-Quality-Services	Not Rated
East	Newmark Care Ltd	Good
Back Up	Ambercare (North west) Ltd	Good
Back Up	Instant Care Ltd Rochdale	Good
Back Up	Unicorn1 Care Ltd	Good

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## 2 Current Position

- 2.1 The current Care at Home, Extra Care, and Specialist Care at Home contracts were commissioned under a Flexible Purchasing System (FPS) which commenced in April 2019 and is due to expire in March 2026, following the approval of a two-year extension. The FPS model allowed for flexibility in commissioning and managing provider arrangements, enabling the Council to respond to changing demand and provider capacity. However, due to changes in procurement regulations, this model is no longer available to the Council for future use.
- 2.2 Under new regulations, the Dynamic Purchasing System (DPS) and FPS models have been replaced with the Dynamic Marketplace, which also does not allow for below-threshold (£663,540) call-offs. Therefore, a new approach is required to recommission Care at Home and associated services in Oldham. In light of this, two potential procurement options have been identified that most closely replicate the benefits of the outgoing FPS model:
- (a) PA23 Open Framework, or
  - (b) PA23 Open or Competitive Flexible Procedure.
- 2.3 These new procurement arrangements will cover the delivery of core Care at Home services across five geographic clusters, Extra Care (ECH), and night provision (night van).
- 2.4 It is expected that the new arrangements will continue to allocate two lead providers per cluster, with additional overflow providers to ensure market resilience and service continuity. The model also allows for a back-up provider to step into the role of a lead provider if required, providing an additional layer of redundancy and safeguarding against any potential disruption in care delivery. The commissioning model will seek to address current disparities in care allocation volumes, provider capacity, and geographic coverage.
- 2.5 A multi-disciplinary steering group has been established by the commissioning team, comprising colleagues from Procurement, Legal Services, Adult Social Care Operations, and the Integrated Care Board (ICB), to support the co-production of the service specification, contract structure, and procurement documentation. Regardless of whether the PA23 Open Framework or the PA23 Open Tender (Competitive Flexible Procedure) is selected, the commissioning approach will prioritise person-centred care, legal and regulatory compliance, and long-term service resilience.
- 2.6 A market engagement event was held on 26 June 2025 to inform providers about the forthcoming procurement process and to gather valuable insight to help shape the approach. Feedback from providers indicated support for the use of the Competitive Flexible Procedure, as it offers more meaningful opportunities for service delivery compared to a framework model, which does not guarantee business and was considered to offer limited benefit. Providers also expressed agreement with the proposal to retain the current model of two preferred providers per cluster group, recognising the benefits of continuity and localised delivery. Further engagement with current service providers, stakeholders, and service users will continue throughout the process to shape the future service model and ensure it reflects local needs and expectations.

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- 2.7 The re-procurement process is scheduled to launch later in 2025, with new contracts anticipated to commence on 1<sup>st</sup> April 2026. The intention is to ensure a smooth transition of existing service users to the newly appointed providers, maintaining continuity of care following the expiry of the current Flexible Purchasing System (FPS) arrangements. Where there is a change in provider, TUPE (Transfer of Undertakings Protection of Employment) regulations should allow for the same carers to transfer, helping to ensure continuity for service users and minimise disruption. In preparation, commissioning officers will develop all required procurement documentation—including service specifications, evaluation methodology, and award criteria—with appropriate oversight and input from Legal Services and Procurement to ensure compliance and robustness throughout the process.

### 3 Options/Alternatives

- 3.1 **Option 1: Allow the existing Care at Home contract to cease on 31<sup>st</sup> March 2026 and continue with current providers delivering Care at Home and related services through ad hoc commissioning without retendering or establishing a new contractual agreement.**
- 3.2 Contracts under the existing Flexible Purchasing System (FPS) expires in March 2026. Continuing without formal commissioning arrangements breaches the Council's Contract Procedure Rules and procurement legislation. This would also leave the organisation open to legal challenge, with the risk of financial and reputational impacts.
- 3.3 Failing to re-procure prevents the Council from testing the market for innovation, quality, and value for money. Purchase order terms do not provide robust contractual protections or reflect the evolving complexity of care provision. Providers may lack confidence in future commissioning plans, affecting workforce retention and continuity of care.
- 3.4 **Option 2: Proceed with a full procurement exercise for the delivery of Care at Home and associated services in Oldham via an Open Tender process using the Open or Competitive Flexible Procedure model. This will replace the current Flexible Purchasing System (FPS), which expires on 31 March 2026. And Delegate authority to the Director of Adult Social Services and Community Commissioning to award the final contracts following the completion of the procurement process. (Preferred option)**
- 3.5 The scope of the new agreement will include:
- Care at Home (domiciliary care)
  - Extra Care Support
  - Night Provision
- 3.6 As the current services are functioning well, only minor amendments will be made to the specification to address challenges experienced under the previous contract and to ensure the new model remains responsive, effective, and fit for purpose.
- 3.7 Due to the replacement of previous mechanisms (DPS/FPS) by the Procurement Act 2023, which introduces Dynamic Marketplaces that do not allow below-threshold (£663,540) call-offs, the following compliant procurement option is proposed:
- (b) PA23 Open Tender using the Open or Competitive Flexible Procedure – this allows us to maintain the current preferred provider model, which works well, and reduces the

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increase in providers on an open framework where they are not guaranteed hours of work. Should we need to, the back up provider list can be used to achieve additional capacity.

- 3.8 The proposed approach provides a compliant, transparent, and flexible commissioning model that supports long-term market stability and workforce planning. It enables the proactive allocation of care based on assessed user needs, incorporates scope for innovation and the development of specialist provision, and aligns with regional best practice and the new requirements introduced.

3.9 **Option 3: Allow the existing Care at Home contract to expire on 31 March 2026 without replacement.**

- 3.10 Under this option, no new procurement exercise would be undertaken, and the current contract arrangements would cease upon expiry. This would result in the Council being unable to meet its statutory duties under the Care Act 2014 to provide domiciliary care and support to eligible residents.

- 3.11 This option is not recommended due to the significant risk of service disruption and legal non-compliance.

## 4 Preferred Option

- 4.1 **Option 2 – Proceed with a full procurement exercise to establish a new Agreement for the delivery of Care at Home and associated services in Oldham. This will replace the current Flexible Purchasing System (FPS), which expires on 31 March 2026.**

- 4.2 This option aligns with statutory obligations, procurement regulations, and best practices for service delivery. This approach provides the most flexible, compliant, and transparent solution for securing high-quality services for Oldham's most vulnerable residents.

## 5 Consultation

- 5.1 A consultation plan is in development to inform the future design and delivery of Care at Home and related support services in Oldham. The consultation will ensure that future service delivery continues to reflect the principles of the Care Act 2014, and supports individuals to:

- Remain independent in their own homes.
- Receive personalised, person-centred support.
- Exercise choice and control over the care they receive.
- Experience care that promotes dignity, safety, and wellbeing.

Stakeholder engagement will include:

- Existing Care at Home service users, their families, and carers.
- Providers currently delivering Care at Home and related services across Oldham.

This consultation will be carried out ahead of contract award to ensure that the final service model and specification reflect the needs, preferences, and lived experience of service users, as well as the insights and capacity of the market.

- 5.2 The consultation process will be shaped by co-production principles, with structured engagement designed to identify service strengths, address areas for improvement, and

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incorporate service user voice in shaping the new model. Feedback will be used to support inclusive and high-quality service delivery across Oldham.

- 5.3 A market engagement event with existing and potential providers has taken place on 26th June 2025. This session has marked the beginning of formal provider engagement to shape the forthcoming procurement exercise. Further engagement will follow throughout the procurement process, supported by a communications plan to ensure regular updates and opportunities for input from all stakeholders.

## **6 Financial Implications**

- 6.1 This report seeks approval to initiate a full procurement exercise for the delivery of Care at Home services and Extra Care Housing provision. The forecast expenditure for Care at Home in 2025/26 financial year is £19.6m and for the Extra Care Housing Contract is £2.2m (£0.5m core contract & £1.7m Care Act eligible hours).

- 6.2 Both contracts will be subject to annual inflationary uplifts. However, these uplifts will be determined by the outcome of the Council's annual care market fee report, rather than through bids submitted by prospective providers.

While the financial value of these contracts is significant, no additional costs are anticipated as a result of the re-tendering process. Therefore, there are no expected detrimental financial implications.

- 6.3 The Finance team, as members of the Care at Home Steering Group, will be actively consulted throughout the process to ensure financial oversight and alignment.

Danny Jackson - Finance Manager

## **7 Legal Implications**

- 7.1 The recommendation from the Report is to proceed with Option 2, which proposes the re-procurement of Care at Home and related services via a full, competitive process in line with current procurement legislation.

- 7.2 The report author has put forward their rationale for this approach, particularly in the context of the transition from the Public Contracts Regulations 2015 (PCR15) to the Procurement Act 2023 (PA23). It is evident that the previous commissioning tools, such as the Dynamic Purchasing System (DPS) and Flexible Purchasing System (FPS), are no longer legally valid routes under the new regime. This regulatory shift means that the Council must now use alternative, compliant procurement methods ahead of the current contract's expiry in March 2026.

- 7.3 Procurement colleagues have explored and discounted several alternative options:
- A Dynamic Marketplace was ruled out due to regulatory constraints on call-off thresholds, making it unsuitable for the flexible, below-threshold allocations required for domiciliary care.
  - An Open Framework was also considered, but rejected based on provider feedback during market engagement, where concerns were raised about being included on a framework but receiving no work due to the absence of a waiting list or planned call-offs.
  - Extending the current DPS was not viable due to the deterioration of its structure and the lapse of contracts for non-preferred providers, which would lead to similar operational risks as an open framework model.



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- 7.4 Following analysis by the client department in conjunction with procurement, the decision was to pursue an Open Process, structured as a 4-year contract with two 1-year extensions (4+1+1), this compliant with the Council's Contract Procedure Rules (CPRs) and the requirements under PA23.
- 7.5 Legal Services supports the recommendations under Option 2 based on the comments in the Report and from procurement colleagues.

Sukie Kaur – Solicitor

## **8 Procurement Implications**

- 8.1 Due to a change in regulations (PCR15 to PA23) we are no longer able to consider a DPS/FPS as a route to market. Whilst this is being looked at by government, it will take time to change, and our contract will have expired by then. The current alternatives were considered:
- Dynamic Market Place: Not considered suitable as all call-offs have to be over the threshold (£663,540 for LTR).
  - Open Framework: Considered to be the closest we could replicate the old FPS/DPS with. Considered, however following feedback from providers during market engagement, they were unhappy at being sat on a framework not being used (as we have no waiting list). They would rather have a contract award to the winning bidders and not be sat on a framework with no work from it.
  - Extension of current DPS was discussed but rejected on the basis of the current state of the DPS, with contracts having lapsed for non-preferred providers after the initial term due to lack of opportunities. It would also result in a similar setup to the Open Framework option which was rejected.
  - Open Process: Following discussion, it was determined this would offer the best option for the route to market, supported by providers. It allows the allocation of the providers to the relevant geographies and lots, and a process to manage provider failure of one of the providers, removing the need for a framework to maintain the capacity.
- 8.2 It has been decided to go for a 4+1+1 contract using an open process. This is compliant with the requirements of the CPRs.

James England – Procurement Manager

## **9 Human Resources implications**

- 9.1 Transfer of Undertakings (Protection of Employment) (TUPE)

## **10 Equality Impact, including implications for Children and Young People**

- 10.1 Yes

## **11 Key Decision**

- 11.1 Yes

## **12 Key Decision Reference**

- 12.1 HSC-13-25

## **13 Background Papers**

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13.1	N/A
14	<b>Appendices</b>
14.1	None

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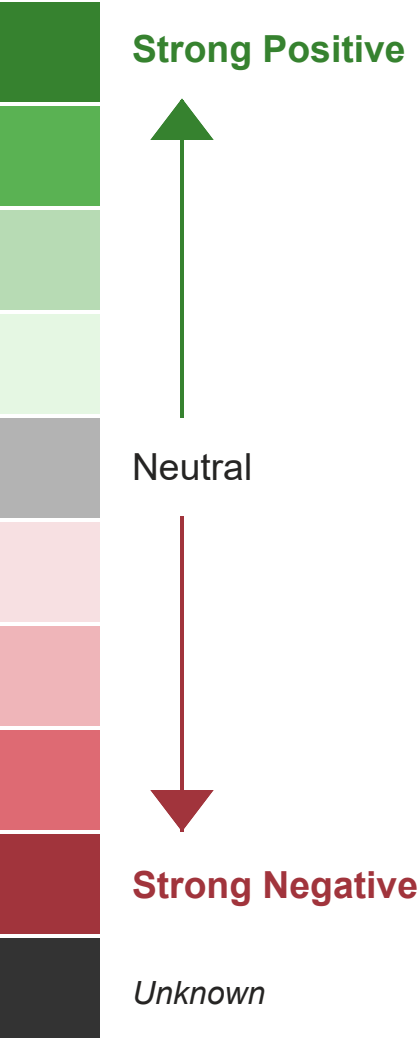
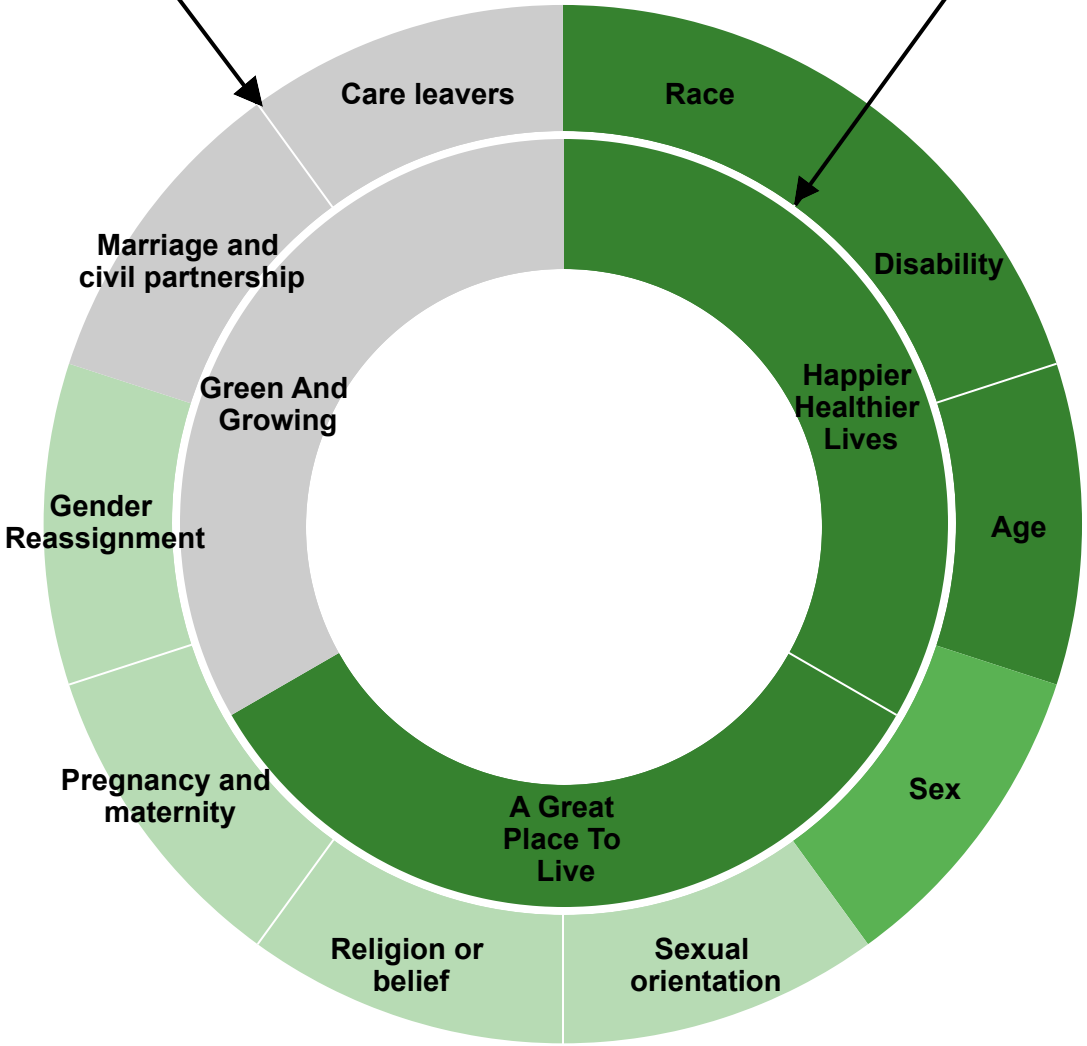
# Care at Home and Extra Care Support Tender

completed/last updated by Ayshia Akhtar on 06/08/2025

Portfolio	
Adults, Health and Wellbeing	
Directorate	
People	
Service/Team	
Adult Social Care	
Is this IA related to a Budget Reduction proposal?	<input type="button" value="No"/>

Equality Characteristics

Our Mission



Equality Characteristics

Category	Impact	Likely	Duration	Impact Score	Comment
Care leavers	Neutral	Possible	Short Term	0	Minimal direct impact, though there may be workforce opportunities for care leavers through contracts.
Marriage and civil partnership	Neutral	Possible	Long Term	0	No direct impact anticipated, though providers must uphold equal treatment and anti-discrimination.
Gender Reassignment	Moderate Positive	Possible	Long Term	2	Though numbers may be small, providers must ensure respectful, inclusive care practices for all individuals.
Pregnancy and maternity	Moderate Positive	Possible	Long Term	2	Relevant mostly to the workforce. Providers must ensure to support pregnant staff and uphold H&S regulations.
Religion or belief	Moderate Positive	Possible	Long Term	2	Providers should accommodate religious practices or belief in care routines, meal planning, and communication.
Sexual orientation	Moderate Positive	Possible	Long Term	2	Services must be inclusive and supportive of LGBTQ+ individuals, with zero tolerance for discrimination.
Sex	Moderate Positive	Very Likely	Long Term	4	Service users may prefer same-sex care based on religious or cultural practices or a personal preference. Providers must be flexible and supportive of personal dignity through diverse staffing.
Age	Strong Positive	Very Likely	Long Term	8	Older adults are the primary service users of care services. The proposed retender ensures that continuity, quality, and accessibility of care to avoid any negative impact.
Disability	Strong Positive	Very Likely	Long Term	8	Many recipients of care services have disabilities. New provider(s) must deliver inclusive, accessible, person-centred care to individuals.
Race	Strong Positive	Very Likely	Long Term	8	Care must be culturally competent, particularly in diverse communities. Language support and dietary awareness are key

Our Mission / Corporate Priorities

Category	Impact	Likely	Duration	Impact Score	Comment
Green And Growing	Neutral	Possible	Long Term	0	Indirect opportunity to include sustainability in service delivery (e.g., reduce travel, use eco-friendly products).
A Great Place To Live	Strong Positive	Very Likely	Long Term	8	Retendering supports independent living and community stability.
Happier Healthier Lives	Strong Positive	Very Likely	Long Term	8	Improved quality of home care directly impacts health, safety, and wellbeing of residents.

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**Report to CABINET**

## **Highways Maintenance Frameworks & Contracts**

**Portfolio Holder:**

Cllr C Goodwin – Cabinet member for Transport & Highways

**Officer Contact:**

Emma Barton – Deputy Chief Executive (Place)

**Report Author:**

Gordon Anderson – Head of Highways & Engineering

**22<sup>nd</sup> September 2025**

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### **Reason for Decision**

This report requests approval to establish new frameworks and contracts to deliver and facilitate Highways Maintenance in Oldham. The previous framework (Construction and Highways Works & Services Framework) ended in October 2024.

### **Executive Summary**

A review of the delivery of the Construction and Highways Works & Services Framework has identified that new agreements need to be established.

The proposal is to establish a mix of new frameworks and contracts that are required to cover the Council's highways maintenance work requirements. The Council needs to ensure that all procurement activity is compliant with Oldham Council Contract Procedure Rules and the Procurement Act 2023.

### **Recommendations**

That Cabinet approval is given to establish new frameworks and contracts.

## Highways Maintenance Frameworks & Contracts

### 1 Background

- 1.1 The previous Oldham Council Term Frameworks ended in October 2024. The Council needs to ensure all procurement activity is fully compliant with Oldham Council Contract Procedure Rules and the Procurement Act 2023.
- 1.2 This paper sets out the requirement to establish new frameworks and contracts, divided into various work categories as detailed below.

### 2 Current Position

- 2.1 The value of the new frameworks and contracts is estimated to be circa £70,000,000 - £100,000,000 over the full term of all agreements, as broken down below. These new frameworks and contracts will be acquired in compliance with the Councils Contract Procurement Rules and the Procurement Act 2023.
- 2.2 As a co-operative council, Oldham will ensure a fair and open process that delivers high performance. The frameworks and contracts will be acquired by either publishing a tender or via an existing, non-Oldham framework. Selection criteria will be a combination of Qualitative (ability, experience, capability and health & safety considerations), Commercial and Social Values offers.

### 3 Options/Alternatives

- 3.1 **Option 1** – To approve the report and allow Oldham Council Procurement to establish new frameworks and contracts to cover all highway maintenance delivery. This will ensure that delivery complies with Oldham Council Contract Procedure Rules and the Procurement Act 2023, whilst also delivering the best value for money.

The following requirements have been identified as needed to maintain the highways of Oldham Council to an acceptable standard. At this time, for most of the requirements, the final decisions regarding whether they will be openly advertised, acquired via a call-off from an existing, non-Oldham framework, or whether they will be individual contracts or frameworks has not been decided. These decisions will be fact based and will be the outcome of individual procurement strategies that will be completed for each requirement.

Requirement	Current Annual Spend	Anticipated full term value	Proposed length of new agreement	Number of suppliers required.	Anticipated Framework or Contract
Traffic Management (temp signals)	£30,000	£150,000 to £250,000	5 years	1	Contract
Road Markings	£200,000	£1,000,000 to £1,500,000	5 years	1 or 2	Framework
Surface Dressing (tar & chip)	£600,000	£3,000,000 to £5,000,000	5 years	1	Contract

Carriage way resurfacing	£3,000,000	£12,000,000 to £20,000,000	4 years	3	Framework
Plant hire (Small)	£20,000	£100,000 to £150,000	5 years	1	Contract
Plant hire (large with driver)	£3,000,000	£30,000,000 to £50,000,000	10 years	3 - 5	Contract
Minor Works - Highways	£1,000,000	£5,000,000 to £10,000,000	N/A	N/A	May use existing Manchester framework
Aggregates	£800,000	£6,000,000 to £8,000,000	8 years	3	Framework
Iron Works (drains gullies)	£30,000	£150,000 to £200,000	5 years	1	Contract
Annual Engineering Surveys	£50,000	£200,000 to £300,000	5 years	1	Contract

**Option 2** – Not to approve the report, which is not considered viable, as the consequence of this will leave the Council in breach of Oldham Council Contract Procedure Rules, unless each scheme is individually quoted or tendered for, which is considered an inefficient procurement method, and would not provide best value.

#### 4 **Preferred Option**

- 4.1 **Option 1** – To approve the report and allow Oldham Council Procurement to establish new frameworks and contracts to cover all highway maintenance delivery. This will ensure that delivery complies with Oldham Council Contract Procedure Rules and the Procurement Act 2023, whilst also delivering the best value for money.

#### 5 **Consultation**

- 5.1 N/A

#### 6 **Financial Implications**

- 6.1 There are no direct financial implications of setting up the new frameworks and contracts. However, the use of the frameworks should ensure that the Council complies with the Contract Procedure rules, and that the council receives value for money when procuring Construction and Highways Works and Services.

John Edisbury, Senior Accountant

#### 7 **Legal Implications**

- 7.1 This is a procurement on standard terms. We echo Procurements comments and should these be followed we have nothing further to add.

Michael Grocott, Solicitor Commercial Contracts.

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## 8. **Procurement Comments**

For each requirement, a procurement strategy will be written and agreed between the contract managers and the procurement category manager. All procurement strategies will be authorised by the head of the department as well as the head of procurement. The procurement strategy may change some minor aspects of this DDR, such as route to market or whether the requirement should be for a framework or contract, as well as the term of the agreement. This work is already underway with some strategies already completed.

Each procurement will be fully supported by procurement to ensure a fully compliant process is undertaken and that the Council obtains value for money.

Each procurement will maximise the potential to obtain the best level of Social Value outcomes based on the contract/framework requirements. E.G. services-based contracts will focus on people, quality of life, people's health and wellbeing plus the environment.

Procurement is keen to ensure that some 20 plus contracts do not all end at one time and will stagger the start and end dates of many of the new agreements.

The values listed in the table are for procurement purposes and will set out contract/framework value ranges and is not a defined amount of contract obligation.

It is anticipated that it will take in the region of 10 – 14 months to acquire new agreements for all of the previous framework Lots and work will be prioritised by value and risk to the Council, ensuring high value and greater risk contracts are dealt with as early as possible.

Jasmin Banks-Lee, Head of Procurement

## 9 **Equality Impact, including implications for Children and Young People**

9.1 Yes

## 10 **Key Decision**

10.1 Yes

## 11 **Key Decision Reference**

11.1 NEI/08/25.

## 12 **Background Papers**

12.1 N/A

## 13 **Appendices**

13.1 Appendix 1 – Equality Impact Assessment

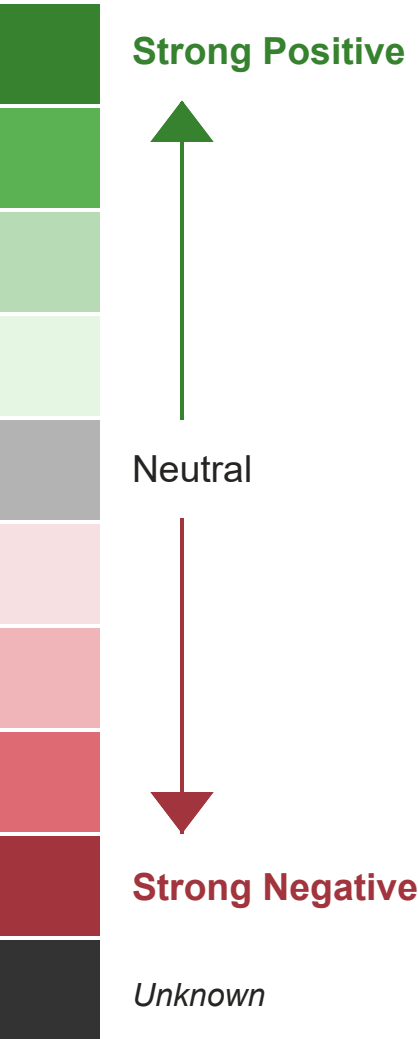
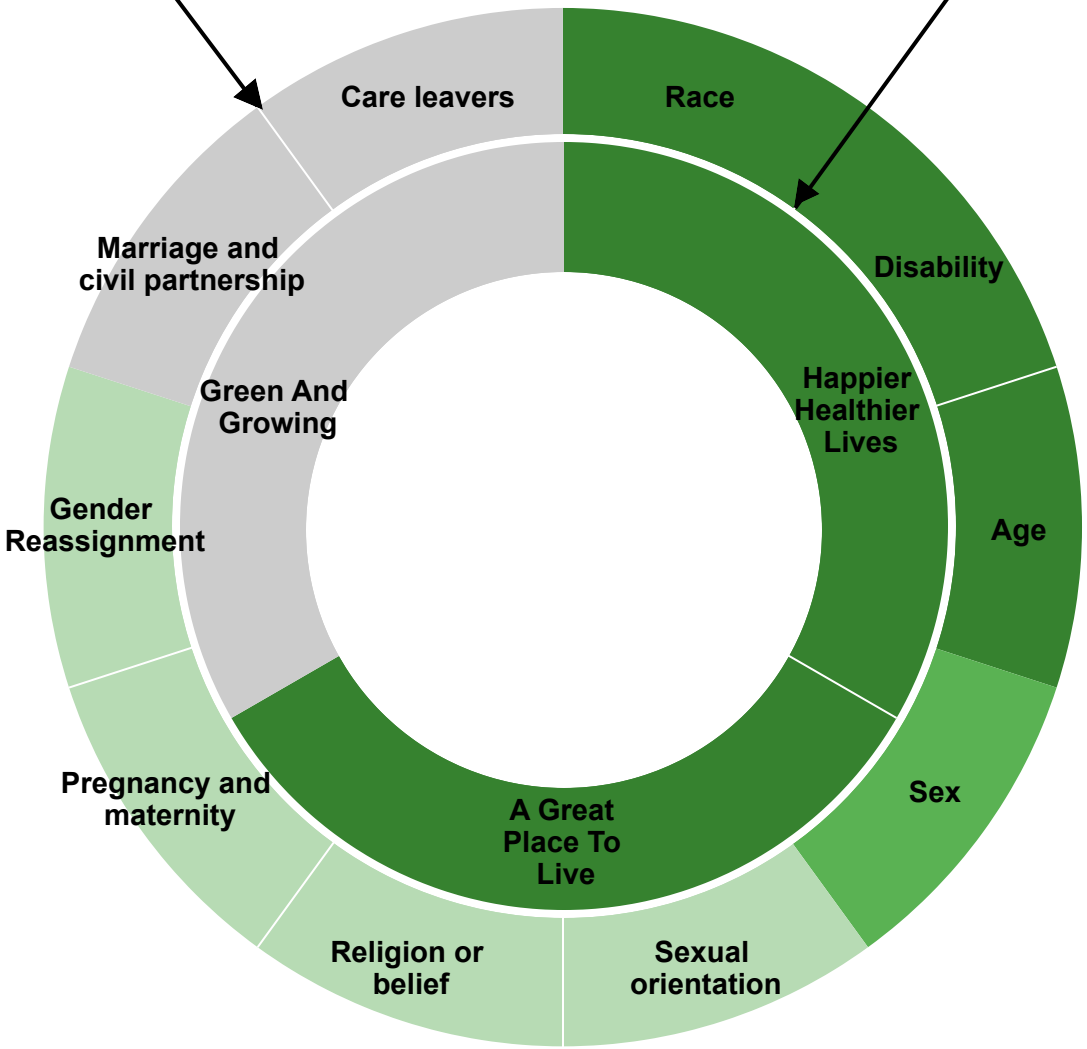
# Care at Home and Extra Care Support Tender

completed/last updated by Ayshia Akhtar on 06/08/2025

Portfolio	
Adults, Health and Wellbeing	
Directorate	
People	
Service/Team	
Adult Social Care	
Is this IA related to a Budget Reduction proposal?	<input type="button" value="No"/>

Equality Characteristics

Our Mission



Equality Characteristics

Category	Impact	Likely	Duration	Impact Score	Comment
Care leavers	Neutral	Possible	Short Term	0	Minimal direct impact, though there may be workforce opportunities for care leavers through contracts.
Marriage and civil partnership	Neutral	Possible	Long Term	0	No direct impact anticipated, though providers must uphold equal treatment and anti-discrimination.
Gender Reassignment	Moderate Positive	Possible	Long Term	2	Though numbers may be small, providers must ensure respectful, inclusive care practices for all individuals.
Pregnancy and maternity	Moderate Positive	Possible	Long Term	2	Relevant mostly to the workforce. Providers must ensure to support pregnant staff and uphold H&S regulations.
Religion or belief	Moderate Positive	Possible	Long Term	2	Providers should accommodate religious practices or belief in care routines, meal planning, and communication.
Sexual orientation	Moderate Positive	Possible	Long Term	2	Services must be inclusive and supportive of LGBTQ+ individuals, with zero tolerance for discrimination.
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## Report to CABINET

# **Grant Acceptance: City Region Sustainable Transport Settlement (CRSTS) – Reprioritisation of CRSTS1 funding**

### **Portfolio Holder:**

Councillor Goodwin, Cabinet Member for Transport and Highways

**Officer Contact:** Emma Barton, Deputy Chief Executive (Place)

**Report Author:** Joanna Ward, Strategic Transport Team Leader  
**Ext.** 1668

**22 September 2025**

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### **Reason for Decision**

To formally accept capital grant funding of £7.3m from CRSTS1 towards the delivery of two Oldham projects:

- Oldham Edge and Higginshaw Active Travel Link
- Oldham Town Centre Sustainable Connectivity Links

### **Executive Summary**

The Greater Manchester Combined Authority (GMCA) has agreed to reprioritise £190 million of CRSTS1 capital funding to address underspend and delivery challenges. This strategic adjustment supports the Bee Network, active travel and integrated transport goals across the region.

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As part of this process, 35 local authority-led schemes have been identified across GMCA, totaling £89.5 million in reprioritised funding. For Oldham, funding has been awarded for the development of Outline and Full Business Cases (OBC/FBC) for:

- Oldham Edge and Higginshaw Active Travel Link
- Oldham Town Centre Sustainable Connectivity Link

These schemes align with Oldham's strategic transport objectives and growth, and support wider GMCA ambitions for sustainable mobility and inclusive growth.

The allocation of funding will enable detailed design work and the commissioning of professional services to meet funding conditions and ensure readiness for future delivery stages. Cabinet approval is sought to integrate this additional resource into the transport capital programme and proceed with procurement and scheme development.

Furthermore, they complement our current CRSTS1 schemes, which have already received funding:

- St Mary's Way
- Mumps
- Broadway to Rochdale Canal Link
- Park Road / Kings Road

## **Recommendations**

- 1) That the grant offer from the City Region Sustainable Transport Settlement (CRSTS), for delivery of an outline/full business case (OBC/FBC) for the schemes at Oldham Edge and Higginshaw Active Travel Link and Oldham Town Centre Sustainable Connectivity Link, be accepted;
- 2) That approval is granted to enter into a Funding Delivery Agreement with TfGM in relation to the proposed schemes;
- 3) That the intention to bring the additional resource into the transport capital programme in 2025/26 and complete development of the scheme in the appropriate timescales be noted;
- 4) That approval is granted to procure and make tender awards relating to the necessary external support required to develop the outline/full business case (OBC/FBC) and design development, and that this is delegated to the Deputy Chief Executive (Place);
- 5) That approval is granted to use part of this resource to support Council teams, as required, to progress design options, stakeholder engagement and production of the full business case to secure further capital funding for Oldham; and
- 6) That approval to the Director of Legal Services or his nominated representatives be granted to execute and complete any contractual documents.

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**Grant Acceptance: City Region Sustainable Transport Settlement (CRSTS) – Reprioritisation of CRSTS1 funding****1 Background**

- 1.1 In April 2022, the Greater Manchester Combined Authority (GMCA) was awarded £1.07 billion through the City Region Sustainable Transport Settlement (CRSTS1) to support the delivery of its long-term transport ambitions, including the development of the Bee Network – an integrated system for buses, trams, walking, wheeling, and rail.
- 1.2 By 2025, due to national inflationary pressures and delivery challenges, GMCA undertook a re-baselining and reprioritisation of its CRSTS1 programme. This process was approved by Government in March 2024 and aimed to ensure realistic delivery within the funding period ending March 2027.
- 1.3 As part of this strategic adjustment, GMCA identified £190 million in capital funding available for reprioritisation.

**2 Current Position**

- 2.1 A total of 35 schemes across the GMCA area were selected to receive £89.5 million in redirected funding, supporting infrastructure that aligns with regional goals for net zero, inclusive growth, and transport connectivity.
- 2.2 Oldham Council secured funding through this process to develop Outline and Full Business Cases (OBC/FBC) for two priority schemes:
  - Oldham Edge and Higginshaw Active Travel Link (£4.5m)
  - Oldham Town Centre Sustainable Connectivity Link (£2.8m)
- 2.3 Funding has been secured to support the preparation of Outline and Full Business Cases (OBC/FBC) for both schemes. These projects are aligned with Greater Manchester's Bee Network and Integrated Pipeline, aiming to improve connectivity, promote active travel, and support regeneration. These additional schemes complement our existing CRSTS schemes.
- 2.4 Should the funding be accepted and the Grant Funding Agreement be entered into, this additional resource will be included in the transport capital programme in 2025/26 and utilised to fund development design and business case preparation, including appointing external support as necessary for this purpose.
- 2.5 Procurement of such support will be undertaken in accordance with the council's procurement policies and it is proposed that the approval for any procurement

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activity, including the award of contracts for any of these works, will be delegated to the Deputy Chief Executive (Place).

#### Strategic Partnership Agreement (Delivery Model)

- 2.6 For Oldham Council to meet the expectations and delivery timescales required under CRSTS we need to adopt a pro-active approach to procurement of a contractor to deliver works.
- 2.7 The Council has previously entered into a Strategic Partnership Agreement – ‘Accessible Oldham’ - with a medium-sized local contractor who are successfully delivering several works packages across the town centre to meet timescales put in place by funders. This agreement is working well and evidence that, once established, in conjunction with legal, procurement and finance colleagues, a Strategic Partnership Agreement can be used to negate the need for lengthy procurement exercises of up to 3-4 months for each package of works.
- 2.8 This successful model for the development and delivery of highway works is to be repeated for schemes coming forward through CRSTS allocations and means that individual projects will be procured via a Call Off procedure under the Strategic Partnership Agreement. The Call-Off procedure would be governed by the overarching agreement and each order for works (Call-Off) would be approved at Director level (in liaison with the Directors of Finance and Legal Services) rather than through individual Cabinet reports for each element of work over £400k.
- 2.9 Having a Strategic Partner in place assists the Delivery Team at key stages of the development of schemes and business cases through Early Contractor Involvement (ECI) and fast-track, where applicable, the construction of projects, to meet the expectations demands of the overseeing organisations.

### 3 **Options/Alternatives**

#### Option 1

- 3.1 That the grant offer from the CRSTS1 for the two schemes referred to is accepted, that a Grant Funding Agreement be entered into with TfGM for this funding and scheme development and that the additional funding is incorporated into the Transport Capital Programme for 2025/26 onwards and utilised to support council teams and procure external support to deliver the two schemes.

#### Option 2

- 3.2 That the grant offer from the CRSTS1 for the two schemes referred to is **not** accepted.
- 3.3 If the funding is not accepted and utilised in accordance with the subsequent Grant Funding Agreement and timescales of CRSTS1, the two schemes will not be able to be delivered. Acceptance of the funding now is crucial to allow progress with the design development and business case preparation.

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## 4 Preferred Option

4.1 This report recommends 'Option 1' is taken forward. That is, for Oldham Council to accept the CRSTS1 reprioritised capital funding and proceed with the development of the two identified transport schemes:

- Oldham Edge and Higginshaw Active Travel Link
- Oldham Town Centre Sustainable Connectivity Link

4.2 This option will enable the Council to:

- Secure funding for Outline and Full Business Case (OBC/FBC) development
- Integrate the funding into the 2025/26 Transport Capital Programme
- Procure necessary technical support to meet delivery milestones
- Align with GMCA's Bee Network and Integrated Pipeline priorities
- Protect future capital investment by ensuring readiness for implementation

4.3 Rejecting or delaying this option risks forfeiting the funding, missing the March 2027 delivery window, and undermining Oldham's strategic transport and regeneration objectives.

## 5 Consultation

5.1 The Portfolio Holder (Transport and Highways) and Senior Management were briefed in June 2025.

5.2 Engagement with senior stakeholders and ward members will continue as the schemes develop and will be supported with a detailed stakeholder engagement plan.

5.3 The stakeholder engagement plan will also take into account wider stakeholders including Council colleagues, residents, businesses, visitors, bus operators, taxi association and specific groups such as those that represent people with disabilities.

## 6 Financial Implications

6.1 The Council has secured £7.3m capital funding through the GMCA's reprioritization of £190 million of CRSTS1 capital funding to address underspend and delivery challenges.

6.2 £4.5m will be used to deliver the Oldham Edge and Higginshaw Active Travel Link scheme, which will deliver an off-road active travel link between Royton and Oldham Town Centre, supporting the regeneration of the town centre. The scheme will be phased over 3 years.

6.3 £2.8m will be used to deliver the Oldham Town Centre Sustainable Connectivity Link scheme, which is a series of projects aimed at improving accessibility and

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connectivity within and around Oldham Town Centre for all modes of transport, including pedestrians, cyclists, and public transport users.

6.4 This represents an increase in the transport capital programme, and new cost centres will be set up for each scheme to monitor spend against the budget.

6.5 The Council will utilise the Strategic Partnership Agreement – ‘Accessible Oldham’ to deliver the schemes. Once the maximum contract value been reached, the Council will move to its successor framework, Strategic Partnership Agreement – ‘Sustainable Oldham’.

(Leennie Wharton-Brown, Senior Accountant)

## 7 **Legal Implications**

7.1 This Grant does not have any subsidy control issues and will be carried out under a standard Grant Agreement. Legal support Option 1 as the preferred option.

(Michael Grocott, Solicitor)

## 8 **Equality Impact, including implications for Children and Young People**

8.1 N/A

## 9 **Key Decision**

9.1 Yes

## 10 **Key Decision Reference**

10.1 NEI/07/25

## 11 **Background Papers**

None

## 12 **Appendices**

None