
Report to Overview and Scrutiny Performance and Value for Money Select Committee

Liberal Democrats Budget Amendment Proposals 2020/21

Portfolio Holder: Deputy Leader of the Main Opposition, and Lead Member for Finance and Corporate Services, Liberal Democrat Group, Councillor Chris Gloster

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Reason for Decision

The report presents to the Overview and Scrutiny Performance and Value for Money Select Committee (PVFM) the Liberal Democrats suggested amendments to the Administration's Budget proposals for 2020/21 and offers some forward looking proposals to achieve savings in future years.

Executive Summary

The report presents to PVFM a number of 2020/21 budget amendments in addition to those proposals already presented by the Administration to this Select Committee at its meeting on 23 January 2020.

This report identifies additional savings totalling £1.621m in 2020/21 and £0.267m in 2021/22 which can be considered individually or collectively. There are also initial investments that will be funded from the range of savings proposals put forward to offset the increased expenditure and suggested amendments to the Capital Programme. Details of the proposals can be found in section 3 and in summary at Appendix A. Business cases for the individual budget reductions can be found at Appendix B.

Recommendations

That the Overview and Scrutiny PVFM Select Committee recommends that:

1. The Investment and Savings proposals for 2020/21 as summarised at Appendix A are commended to Cabinet.

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2. The work required to deliver the 2021/22 proposals is started immediately so the opportunity to generate savings in future years is not compromised.
 3. The amendments to the Administration's proposed Capital Programme are implemented as set out in this report.

Overview and Scrutiny Performance and Value for Money Select Committee

Liberal Democrats Budget Amendment Proposals 2020/21

1. Background

- 1.1 The Council is required by legislation to produce a balanced budget each financial year. Aside from the legal requirements, financial plans are important because they set out the financial management of the Council's policies and guide officers on the areas where they should prioritise resources.
- 1.2 The Liberal Democrats produce an Alternative Budget to challenge key decisions set out by the Administration, identify other areas for revenue savings and propose alternative priority areas for the Council to concentrate its resources. There is also a review of the Administration's Capital Programme with the Liberal Democrats proposing alternative schemes to deliver their priorities.
- 1.3 In producing this Alternative Budget, the Liberal Democrats offer common-sense practical solutions to the borough's problems and challenge the Administration to cut waste and provide the value-for-money local services the public want. Throughout this document there is a focus on developing the borough and improving the health, wealth and wellbeing of residents.

2. Current Position

- 2.1 The context of the whole budget setting process continues to be the uncertainty of future Government funding, the scale of financial challenge the Council is facing and the additional service demand from the most vulnerable in the borough which has resulted in a considerable budget gap.
- 2.2 Considering these factors, the Administration has presented a series of savings proposals as part of the 2020/21 budget setting process. The Liberal Democrats recognise that difficult choices need to be made to ensure a balanced budget can be presented to Council, and therefore accept the proposals for 2020/21. However, there are several amendments from previous budget processes which the Liberal Democrats have reversed as part of this alternative budget. These are included as part of the Investment proposals detailed at section 3.
- 2.3 The proposal to increase Oldham Council's element of Council Tax by 0.99% for 2020/21 as well as the 2% increase for the Adult Social Care Precept is also accepted by the Liberal Democrats.
- 2.4 The Liberal Democrats believe that our actions in the coming weeks and months will have a direct impact on future generations, therefore collectively, want to ensure that the correct priorities at the forefront of decision making processes. As such the budget amendments included in this report can be categorised into broad themes based on Liberal Democrat priorities:

Tackling Health Deprivation

- 2.5 The English Indices of Deprivation 2019 published by the Ministry for Housing, Communities and Local Government (MHCLG) shows that Oldham is ranked the 16th most deprived Local Authority district in England. This position is significantly increased from the position published in the English Indices of Deprivation 2015 where Oldham was 27th. This is a worrying trend considering the profound effects deprivation has on residents.

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- 2.6 Health deprivation particularly can result in premature death and the impairment of quality of life through poor physical or mental health. The Liberal Democrats are committed to reversing this trend through the proposals set out in this report, including the building of 3 new health care centres across the borough.

Combatting Climate Change

- 2.7 The United Nations describes climate change as the defining issue of our time. From shifting weather patterns that threaten food production, to rising sea levels that increase the risk of catastrophic flooding, the impacts of climate change are global in scope and unprecedented in scale.
- 2.8 In March 2019, the Greater Manchester five-year Environment Plan was launched, which commits the city region to achieving 'carbon neutrality' by 2038. Following on from this the Council announced its commitment to be the UK's first Green New Deal Council in July 2019, with a target of carbon neutrality for the borough by 2030, and for the Council itself by 2025.
- 2.9 The decisions that are made on a national and a local level today will impact on how the planet looks for future generations. The Liberal Democrats believe that policies designed to combat climate change need to be incorporated within the Council's budget now in order to have an impact.
- 2.10 Whilst the Liberal Democrats acknowledge and welcome the work that the Council intends to do over the future period, they propose that additional funding is provided within the Capital Programme to expedite the benefits that combatting climate change will bring. Further details of the proposals can be found at paragraph 3.7.

Regeneration

- 2.11 Regeneration of the Oldham borough is key to the prosperity of residents and should focus on an improvement in physical structures, social infrastructure and the economy.
- 2.12 There needs to be a focus on bringing old abandoned buildings back into use or demolishing them to provide new opportunities for development particularly housing. Attention also needs to be given to the 'spaces between buildings', the green spaces and other areas where residents live their lives.
- 2.13 The main Opposition Party is aware of the requirements set by Central Government coupled with the needs of local people to build additional houses within the borough. However, the Liberal Democrats do not believe that any irreplaceable green space should be sacrificed to meet this need when there are other brownfield or otherwise vacant sites which could be used instead.
- 2.14 The Liberal Democrats propose the establishment of a specific fund to support the remediation of contaminated brownfield or otherwise vacant sites.
- 2.15 The Liberal Democrats recognise that these priorities will not be achieved in the short term, therefore there is a real focus on including both revenue and capital investment proposals that tackle this issue within this alternative budget.

3. 2020/21 Proposals

- 3.1 The Liberal Democrats propose a number of specific budget amendments to be considered this year. These are split into:
- An alternative Capital Programme 2020/21 to 2024/25

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- Investment proposals which would achieve significant benefits within the borough
 - Budget Reduction proposals where it is considered individual service areas can make new or additional savings in order to fund the Investment proposals put forward in this report.

3.2 If the investment proposals are unacceptable to the Administration, then they have the option to reduce the level of reserves required to support the budget improving the financial resilience of the Council.

Liberal Democrat Alternative Capital Programme 2020/21 to 2024/25

3.3 The Liberal Democrats are proposing a series of adjustments to the Council's Capital Programme in order to achieve the goals of tackling health deprivation for residents, combatting climate change and regenerating the borough.

3.4 The proposed amendments include a revision to planned allocation of resources within the Creating a Better Place strategy whilst rephrasing and expanding the Administration's programme by adding additional investment. Further details of these proposals are included below with a summary shown in Table 1.

A - New health centres in Shaw, Saddleworth and Chadderton to tackle the increasing health deprivation within the borough

3.5 The Liberal Democrats have often highlighted the importance of tackling health deprivation and inequalities across the Council and hold it as one of their core values. An expanding population and a persistent lack of investment in health infrastructure has resulted in overly stretched, under resourced services with several present Health Centres unable to cope with demand.

3.6 Within the Administration's proposed Capital Programme for the period 2020/21 to 2024/25 is a potential future allocation of £6.000m to support a new healthcare centre in 2024/25. The Liberal Democrat Group is pleased that the Administration has finally recognised the need for further investment in our health centres. In their 2019/20 Budget Amendment, the Liberal Democrats proposed that an Earmarked Reserve, amounting to almost £1.200m, be created over four years to support the development of a new, much needed, Crompton Health Centre in Shaw, financed by savings identified elsewhere. The Liberal Democrats support the proposed allocation for the new healthcare centre, however, to deal with the increasing health deprivation in the borough, propose to bring this investment forward to 2021/22 with Shaw being identified as the priority. It is also proposed that two additional healthcare centres in Saddleworth and Chadderton, at an additional capital investment of £12.000m, are developed to ensure consistency of health provision across the whole of Oldham; one in 2022/23 and another in 2024/25.

B - Expedite the work around Green Energy and invest in solutions to address Climate change and to ensure carbon neutrality

3.7 The Liberal Democrat Group has long been active in advocating that prompt and effective action be taken by this Council to address Climate Change and reduce this organisation's Carbon Footprint. We have introduced numerous proposals in Council including identifying the measures needed to abandon the use of single-use plastics, to promote of the take-up of electric vehicles, and to utilise geothermal and other renewable energy sources.

3.8 Despite the fact that the Climate Change Act 2008 did not include a statutory duty for Local Authorities to develop plans or deliver cuts to emissions, the Council announced its commitment, as detailed in paragraph 2.8, to be the UK's first Green New Deal Council in July 2019, with a target of carbon neutrality for the borough by 2030 and for the Council itself by 2025. It is also creditable that, at the instigation of the Liberal Democrat Group, the Council

joined many other UK Local Authorities in declaring a Climate Emergency in September 2019. The Liberal Democrat Group both welcomes, and supports these developments; the Group will do everything that it can to support the Administration in their realisation. Accordingly, we also welcome the recent re-establishment of a cross-party group, to enable elected members from all parties to work together on this strategic issue

- 3.9 Whilst the Administration has a number of schemes planned to tackle Climate Change, such as increasing the number of electric vehicle charging points across the whole of the borough and significantly increasing the installation and use of solar panels across all Council buildings, the Liberal Democrats believe that more can be done and done earlier to deal with this issue. It is therefore proposed that additional capital investment be made available for this purpose of £6.500 million over the period 2020/21 to 2024/25; £2.500m in 2020/21 with £1.000m in each year thereafter up to 2024/25.

C - Provide a specific fund to remediate brownfield sites to make areas available for development and protect valuable green space

- 3.10 The Greater Manchester Spatial Framework aims to focus on making the most of Greater Manchester's brownfield sites, prioritising redevelopment of town centres and other sustainable locations to help address the housing crisis in the region.
- 3.11 Oldham's Greenbelt land is irreplaceable, and the Liberal Democrats have consistently opposed plans to build on it. Although it is recognised that the borough will need more homes and areas for business development, brownfield or otherwise vacant sites should be developed before the Greenbelt is encroached on.
- 3.12 Within Oldham, there are a number of brownfield sites that would be suitable for redevelopment however, due to the condition of these sites they cannot currently be used for building. The Liberal Democrats are therefore proposing to establish a specific fund within the Capital Programme for the remediation of brownfield sites across the borough at a value of £6.500m over the period 2020/21 to 2020/24; £2.500m in 2020/21 with £1.000m allocated for each year thereafter to 2024/25.

D - Create a specific investment fund for the borough's footpaths and bring them up to standard

- 3.13 This has been a proposal of the main opposition party over a number of years, however there is still no specific fund to provide for footpaths. It is therefore proposed by the Liberal Democrats that a specific investment fund of £2.500m for the period 2020/21 to 2024/25 be made available within the Capital Programme. This would equate to £0.500m per financial year over this period.
- 3.14 The additional capital investment required to deliver the above would be £12.500m. Further details of this is detailed in the table below:

Table 1 - Liberal Democrats Alternative Capital Programme 2020/21 to 2024/25

Scheme	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	TOTAL £000
Administration's proposed Capital Programme which the Liberal Democrats propose to reverse or re-phase	(5,000)	(6,500)	(3,500)	0	(6,000)	(21,000)
Liberal Democrats Proposed Capital Programme						
A - New Health Centres - Shaw, Saddleworth and Chadderton	0	6,000	6,000	6,000	0	18,000
B - Climate Change	2,500	1,000	1,000	1,000	1,000	6,500
C - Remediate brownfield sites	2,500	1,000	1,000	1,000	1,000	6,500
D - Specific fund for improving footpaths across the borough	500	500	500	500	500	2,500
	5,500	8,500	8,500	8,500	2,500	33,500
Additional Capital Investment	500	2,000	5,000	8,500	(3,500)	12,500

- 3.15 The additional revenue cost to deliver this additional £12.500m capital investment would be as follows. Whilst the cost for 2021/22 has been addressed, future years implications will be dealt with in the context of the budget setting arrangements for those years.

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Additional revenue cost of capital investment	28	142	425	906	708*

*The reduction in 2025/26 reflects the reduction in the capital investment required in that year.

Investment Proposals

- 3.16 The Liberal Democrats are proposing to spend £1.621m of the savings identified in 2020/21 to invest in a range of proposals aimed at improving the lives of residents within the borough. Details of the individual investment proposals are provided below.

Provide a revenue fund to assist the Oldham Clinical Commissioning Group (CCG) work up detailed business cases for the proposed new health centres in Shaw, Saddleworth and Chadderton (£0.750m)

- 3.17 This investment proposal is similar to that made in the Liberal Democrats Alternative Budget for 2019/20. Revenue funding (held by the Oldham CCG) of £0.850m has been awarded to progress an outline business case for these health centres which, if viable, could be used to develop a full business case.

- 3.18 The Liberal Democrats are proposing to provide revenue funding of £0.750m to assist the Oldham CCG with the development of these business cases.

Reverse the Administration decision to reduce District Expenditure and continue investing in local priorities (£0.120m)

- 3.19 As part of the Administration's budget for 2019/20, Council approved the reduction in district expenditure whilst increasing individual Councillor budgets to £0.006m per annum. The Liberal Democrats opposed this budget reduction when it was proposed by the

Administration and feel that this reduction has impacted on the valuable work that Councillors do alongside ward residents. It is therefore proposed to reinstate this funding for 2020/21 onwards.

Reverse the Administration's reduction in Parish Council Grant funding (£0.015m)

- 3.20 The Liberal Democrats propose to reinstate a prior reduction of Parish Council Grant funding for both Saddleworth and Shaw & Crompton Parish Councils at a value of £0.015m. The Administration began the reduction in Parish Council funding as part of the 2017/18 budget setting process and has reduced the grant in line with the reductions in Revenue Support Grant imposed by Central Government.
- 3.21 The Liberal Democrats have always believed that Parish Councils are an essential part of the structure of local democracy and have a vital role in acting on behalf of the communities they represent and therefore propose the full reinstatement of this funding for 2020/21 to ensure activities such as the following can continue to:
- give views, on behalf of the community, on planning applications and other proposals that affect the parish.
 - undertake projects and schemes that benefit local residents.
 - work in partnership with other bodies to achieve benefits for the parish.
 - alert relevant authorities to problems that arise or work that needs to be undertaken.
 - maintain community buildings and land.

Create a dedicated fund to replace and maintain signage across the borough and other road safety measures (£0.100m)

- 3.22 In 2018 there were 427 reported casualties from road traffic incidents in Oldham (Department for Transport statistics), this includes 5 fatalities. In an effort to reduce road traffic incidents the Liberal Democrats have consistently promoted investment in highways infrastructure, a policy which has now been adopted by the Administration. To continue these improvements to road safety the Liberal Democrats propose to create a specific fund to replace and maintain signage across the borough. Currently, there is no specific provision within the Administration's budget to replace signage including Vehicle Activated Signs (VAS) when required. There is also none to maintain and clean existing signage across the borough. Signage which is clear and well maintained will be more visible to drivers which is particularly important during the winter months when visibility is already poor due to low light levels and road traffic incidents typically increase. The Liberal Democrats would also propose that some of this budget would be made available to support the establishment and maintenance of Lorry Watch and Community Speedwatch schemes where these are warranted.

Increase the investment in tackling environmental crime to combat issues such as fly tipping and dog fouling across the borough (£0.571m)

- 3.23 The Liberal Democrats believe that visible incidences of environmental crime such as fly tipping, littering and dog fouling create an environment that encourages further acts, e.g. a culture where 'because they've done it, I can too'. Focusing on the prevention of these crimes and quickly remedying any acts that do occur helps to create a positive atmosphere and encourages residents to have pride in where they live, which will then in turn reduce future infractions. It is therefore proposed to increase the previous Administration investment in tackling environmental crime by £0.571m in 2020/21 and a further £0.239m in 2021/22.

School Holiday Food Clubs (£0.050m)

- 3.24 Low-income parents are at a particular risk of experiencing financial difficulties during school holidays, because of extra childcare costs and the absence of free school meals for their children. Save the Children and other children's welfare organisations have raised concerns

about the adverse impact that school holidays can have on the nutrition of children living in families on a low-income. The Parliamentary All-Party Group on Hunger 'Hungry Holiday' report of 2017 cited research estimating that the loss of free school meals adds between £30 and £40 per week to parents' outgoings during school holidays. The report also estimated that up to 3 million children are at risk of going hungry in the school holidays (1 million children who receive free school meals during term time and another 2 million children who are ineligible for free school meals but are growing up in households with in-work poverty).

- 3.25 The Liberal Democrats have long been concerned with food poverty in this Borough, particularly amongst children, and have frequently raised this issue in Council and with the Administration. The Group welcomes any initiative that will help address school holiday hunger and our proposal is to make a specific investment of £0.050m to allow school holiday food clubs to run throughout Oldham during the school holidays, providing this Borough's neediest children with healthy, nutritious meals and an opportunity for social interaction.

Allocate a specific dedicated resource to fund the annual Saddleworth Band Contest (£0.015m)

- 3.26 The Liberal Democrats place a high value on the Saddleworth Whit Friday Band Contest. This is an annual event which is not only popular amongst the residents of this Borough but enjoys an international reputation. Last year, 119 bands from far and wide competed and a significant number of day visitors and tourists came to watch and listen. This brings prestige to the Borough and a considerable amount of additional income to help sustain Oldham and Saddleworth businesses. Accordingly, the Liberal Democrats believe that this event should be funded centrally by Oldham Council under the Corporate Priorities budget as are town centre events, such as the Big Bang. The Liberal Democrats would establish within the Town Centre Management Budget a specific sum of £0.015m annually to use to meet the costs of this event.

4. Liberal Democrat Alternative Budget Reduction Proposals

- 4.1 The Liberal Democrats are proposing a range of challenging budget reduction proposals which will reduce spend on non-essential or non-statutory services in order to reprioritise the funds into proposals which will improve the lives of people in the borough. Brief summaries of the savings proposals are provided below with full proformas at Appendix B.

OPP-BR1-201 - Additional Vacancy Management factor to achieve greater efficiency including limiting the present use of agency staff and consultants (£0.500m)

- 4.2 For the 2019/20 budget, the Administration agreed to apply a vacancy factor at a rate of 1.5% (£0.800m saving) to all mainstream employee budgets based on the assumption that some posts would become vacant or would be held vacant during that financial year due to staff turnover.
- 4.3 To assist in reducing the number of agency staff and consultants used across the Council further, the Liberal Democrats propose that a further saving for 2020/21 should be applied at a rate of 1% to all Council mainstream employee budgets. This 1% vacancy management factor would generate a saving of £0.500m.

OPP-BR1-202 - Increase the Flexible use of capital receipts by revising the transformation programme to focus on the Opposition's priority areas (£0.500m)

- 4.4 As part of the 2019/20 and 2020/21 budget processes the Administration have taken advantage of the flexibility to fund transformational expenditure through capital receipts at a value of £3.000m in 2019/20 and at a proposed value of £3.750m in 2020/21. The Liberal Democrats propose the extension of the flexibility by £0.500m in 2020/21 and 2021/22 to fund revenue transformational activities which focus on the priority areas of the main

opposition. It is recognised that the availability of this funding opportunity currently ceases at the end of 2021/22, so if there is no extension of this Government initiative, future budgets will be prepared accordingly.

OPP-BR1-203 - Reduction in the amount of stationery purchased across the authority (£0.002m)

- 4.5 The purchase of stationery is completed by individual teams across the organisation on an ad hoc basis which does not always ensure best value for money through economies of scale.
- 4.6 It is suggested that stationery could be centralised in particular locations across the borough i.e. at the Civic Centre. This would ensure that better value for money was being achieved through increased understanding of which items are required, volumes etc. As such, the Liberal Democrats propose a budget reduction of £0.002m for 2020/21 with work to be completed during the financial year to determine if any future financial efficiencies can be realised in this area.

OPP-BR1-204 - Reduce the number of meetings where refreshments are provided (£0.004m)

- 4.7 Refreshments such as tea and coffee are provided on a regular basis at meetings across the Council. It is suggested that not all of these meetings require refreshments and as such, the Liberal Democrats propose to reduce the refreshment and hospitality mainstream budgets by 10% for 2020/21 with a further 10% reduction in 2021/22.

OPP-BR1-205 - Reduce in travel budgets to ensure the most efficient method of transport is used for essential Council business (£0.005m)

- 4.8 The Liberal Democrats propose to reduce travel expenditure by ensuring officers use the most efficient and cost effective method for necessary travel. In April 2018, the Council received a Freedom of Information (FOI) request asking for details of all flights paid for by the Council within the period 1 January 2015 and 31 March 2018. Within this period Oldham Council reported a number of flights to differing destinations domestically and beyond. A significant number of these flights were funded by external sources however some costs were incurred by the general fund and so there is scope to reduce the impact on Council mainstream funding.
- 4.9 The Liberal Democrats believe this move to more cost effective modes of transport would reasonably achieve a saving of circa £0.005m per annum.

OPP-BR1-206 - Review of car allowances as previously promised to reduce the amount paid as a lump sum to staff doing zero or minimal mileage (£0.037m)

- 4.10 A lump sum of £500 is paid annually to essential car users with 557 members of staff receiving this allowance in 2018/19. 46% of users subsequently recorded zero mileage.
- 4.11 The Liberal Democrats believe that a review of the posts which attract essential car user status should be undertaken with the intention of removing the lump sum payment from posts where users routinely record zero, or very few miles. Removal of the allowance from 100 employees would result in a £0.050m saving. Due to the consultation requirements only a part year saving of £0.037m would be generated in 2020/21 with full year effect being applied in 2021/22.
- 4.12 It is disappointing to see that, despite this Select Committee recommending at its meeting of 5 February 2019 and Council accepting this recommendation at the Budget meeting of 27

February 2019, that consideration of car allowances should be undertaken as part of a wider review of the Council's reward and recognition package, no progress has yet been made.

OPP-BR1-207 - Reduce the subsidisation of Trade Union support provided by the Council following a reduction in membership (£0.038m)

- 4.13 The Liberal Democrats are proposing to reduce the trade union subsidy provided by the Council following a consistent reduction in trade union membership as evidenced by decreasing numbers of staff opting to pay membership through payroll. This would result in a reduction of approximately 50% to the base budget resulting in a total saving £0.075m which, due to the consultation required, would be achieved over 2 financial years resulting in a £0.037m saving in 2020/21 and a further £0.038m in 2021/22.

OPP-BR1-208 - Reduction in the General Training Budget agreed in 2018/19 to be made permanent (£0.150m)

- 4.14 In 2018/19 the Administration implemented a one-off reduction to the Council's general training budget of £0.150m. The Liberal Democrats propose to make this budget reduction a permanent one and reduce the general training budget by £0.150m from 2020/21 on an ongoing basis.

OPP-BR1-209 - Reconsideration of Council priorities with regards to the Marketing and Communications Service (£0.275m)

- 4.15 Whilst the Administration has reviewed the Communications and Research service as part of its Design and Assurance work, the Liberal Democrats feel that there is further scope in this area to reduce spend on this non statutory service and re-prioritise this to other areas.
- 4.16 As such, the Liberal Democrats propose to redesign the Communications and Research team generating a total budget reduction of £0.275m in 2020/21. This will enable the reprioritisation of funding towards front line services. This reduction would be generated by halting production of the Borough Life magazine and disestablishing 6 vacant posts within the team. It is proposed to generate income of circa £0.005m by selling advertising on the Council's website similar to that which is done in a neighbouring authority.

OPP-BR1-210 - Utilise available digital platforms within Libraries to access newspapers and magazines rather than purchasing hardcopies (£0.010m)

- 4.17 Across the Library service, hard copies of newspapers and magazines are purchased and made available for visitors to read. The average cost per annum spent on this type of expenditure is circa £0.018m.
- 4.18 As newspapers and magazines are widely available using an online platform, the Liberal Democrats suggest that the budgetary provision for this can be reduced by £0.010m, with the remaining budget of £0.008m being used to fund any online subscriptions necessary or buy those publications that are not available digitally. It is also suggested that an assessment of the actual use of any hardcopy newspapers or magazines (not available online) is undertaken during 2020/21 with a view to reduce the budget further in future years.

OPP-BR1-211 - Increase income target with regard to Section 38 and Section 278 inspections within the Highways service (£0.100m)

- 4.19 Following consistent overachievement of the income target for the highways related inspections covered by Section 38 and Section 278 of the Highways Act 1980, the Liberal Democrats propose to formally increase the income target in this area by £0.100m for 2020/21.

5. Items for Future Consideration

- 5.1 In addition to the proposals set out in section 3 there are also areas which the Liberal Democrats believe should be investigated as part of future budget processes. These are set out below.

Reduction in the number of Councillors

- 5.2 The proposal is to reduce the number of elected members from 60 to 40. The current basic allowance is £0.009m per annum (plus National Insurance costs) and therefore this would represent a saving of £0.190m per annum. The Liberal Democrats have consistently proposed this reduction in Opposition Budget Amendment since 2012. The Liberal Democrat Group welcomes the Oldham Council electoral review currently taking place and recognises that this proposal will need to be reconsidered following the Boundary Commission's Review.

6. Review of previous Liberal Democrat Budgets

- 6.1 As part of the 2019/20 Opposition Budget process the Overview and Scrutiny Performance and Value for Money Select Committee recommended the following proposals to Cabinet at its meeting of 5 February 2019:
- a) OPP-BR1-106 Review of car allowance as previously promised to reduce the amount paid as a lump sum to staff doing zero or minimal mileage
 - b) OPP-BR1-108 Additional Bus Lane Enforcement to ensure consistency of provision within the Council controlled area
- 6.2 As detailed in paragraph 4.12, to date there has been no reduction in the payments of lump sum car allowances either individually or as part of a wider review of reward and recognition packages. Service data suggests the number of individuals in receipt of allowances has increased year on year. In this tough financial climate these are the areas which need to be considered in order to protect front line services.
- 6.3 As noted above, the implementation of the Additional Bus Lane Enforcement was to be reviewed during 2019/20 to ascertain if this could be applied to other routes in 2020/21. Despite another option being currently available to the Administration, no additional proposal has been made and therefore represents a loss of potential income for the Council. At a time when the maximisation of income generation is a key area for Local Authorities, it is disappointing to see that Administration have not acted upon the recommendation.
- 6.4 PVFM also recommended that:
- “An in-depth review of recycling rates within the borough be undertaken by the Select Committee with a view to identifying suggested improvements which would have the long-term impact of potentially reducing the levy to support future budgets. This was agreed as an agenda item for a future meeting of the Select Committee.”*
- 6.5 Whilst it is noted that a report was considered by this Select Committee on 9 January 2020, it is disappointing that there do not appear to be any significant plans to improve recycling rates across the Borough by the Administration.
- ### Summary
- 6.6 After considering all investment and savings proposals there is a balanced position as can be seen in Appendix A.

7. Director of Finance Comments

7.1 I confirm in my role as Responsible Officer under Section 151 of the Local Government Act 1972 that the budget amendments as presented are robust and deliverable.

7.2 As it is an alternative set of budget options the opportunity for testing the risks associated with the proposals are more limited and it is therefore necessary to afford a level of caution in presenting these alternatives. (Anne Ryans)

8. Options/Alternatives

8.1 With regard to the consideration of the Liberal Democrat's alternative Capital Programme for 2020/21 to 2024/25, revenue investment proposals and revenue savings proposals for 2020/21 and 2021/22, the options available to the Select Committee are to:

- Accept all of the recommendations of the report
- Accept some of the recommendations of the report
- Reject all of the recommendations of the report

9. Preferred Option

9.1 The preferred option is that the Select Committee accepts all of the recommendations.

10. Consultation

10.1 Service Managers have been involved in compiling the proposals and the proposals have been agreed within the content of the business cases attached at Appendix B.

11. Financial Implications

11.1 The financial implications are included within the report.

12. Legal Services Comments

12.1 There are no immediate legal issues arising from the report save that where the proposals involve a change to officer's employment terms and conditions appropriate HR processes will need to be followed in accordance with the Council's policies and procedures. (Colin Brittain)

13. Co-operative Agenda

13.1 Revenue and Capital Investment and Savings proposals have been considered in conjunction with the Council's Co-operative Agenda and there are no adverse impacts.

14. Human Resources Comments

14.1 The Opposition proposals are noted.

14.2 The Service has submitted full business cases / responses to these proposals which are contained in the appendices. It is the Service's view that reduction of the General Training Budget and Trade Union Facility will impact the delivery of key organisational priorities such as transformation activity and integration across the wider public service system. The removal of car allowance, if treated as a standalone activity, is likely to increase turnover of current staff and hinder our ability to recruit talent. It is proposed that this is considered as part of a broader review of pay and reward to ensure that the Council remains able to attract and retain scarce skills and talent. (Martyn Bramwell)

15. Risk Assessments

15.1 The risks of deliverability have been considered and are thought to be minimal at this stage.

16. IT Implications

16.1 There are no specific IT requirements associated with the proposals that have not already been considered.

17. Property Implications

17.1 The Council's approach to its Medium - Term Property Strategy will involve the workstreams associated with i.e. regeneration, new investments and combating climate change and carbon neutral initiatives. It is acknowledged that the business cases for the health centres are already underway. (Peter Wood).

18. Procurement Implications

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

19. Environmental and Health & Safety Implications

19.1 There are no adverse environmental or Health and Safety implications associated with the proposals.

20. Equality, community cohesion and crime implications

20.1 There are no adverse equality, community cohesion or crime implications associated with the proposals.

21. Equality Impact Assessment Completed

21.1 These are not required at the present time for these proposals.

22. Key Decision

22.1 No.

23. Key Decision Reference

23.1 Not a Key Decision.

24. Background Papers

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

File Ref:	Background papers are contained in Appendices A and B
Officer Name:	Mark Stenson
Contact No:	0161 770 4783

25. Appendices

25.1 Appendix A: Summary Alternative Budget Proposals.
Appendix B: Business Cases for Alternative Budget Reduction Proposals.