

OVERVIEW AND SCRUTINY PERFORMANCE AND VALUE FOR MONEY
SELECT COMMITTEE
27/08/2020 at 6.00 pm



Present: Councillor Phythian (Vice-Chair, in the Chair)
Councillors Stretton, Salamat, Byrne, Harkness and Shuttleworth

Also in Attendance:

Anne Ryans	Director of Finance
Matthew Bulmer	Programme Director - Opportunity Area
Andy Collinge	Head of School Support Services
Lori Hughes	Constitutional Services
Gerard Jones	Managing Director Children and Young People
Chris Kelsall	Unity Financial Controller
David Shaw	Assistant Director SEND
Councillor Abdul Jabbar MBE	Cabinet Member for Finance and Green
Councillor Shaid Mushtaq	Cabinet Member for Education

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Ahmad and Councillor Haque.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

Councillor Byrne declared a personal interest at Items 9 and 10 by virtue her role as a Governor at Saddleworth School.

Councillor Phythian declared a personal interest at Items 9 and 10 by virtue of his role as a Governor at St. Paul's Primary School, Royton.

Councillor Stretton declared a personal interest at Items 9 and 10 by virtue of her role as a Governor at Limehurst Primary School.

Councillor Shuttleworth declared a personal interest at Items 9 and 10 by virtue of his role as a Governor at Limehurst Primary School.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **MINUTES OF PREVIOUS MEETING**

RESOLVED that the minutes of the Performance and Value for Money Select Committee held on 25th June 2020 be approved as a correct record.

6 **MINUTES OF THE GMCA CORPORATE ISSUES AND REFORM OVERVIEW AND SCRUTINY COMMITTEE**

RESOLVED that the minutes of the GMCA Corporate Issues and Reform Overview and Scrutiny Committee meeting held on 16th June 2020 be noted.



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7 **MINUTES OF THE GMCA ECONOMY, BUSINESS GROWTH AND SKILLS OVERVIEW AND SCRUTINY COMMITTEE**

RESOLVED that the minutes of the GMCA Economy, Business Growth and Skills Committee meeting held on 12th June 2020 be noted.

8 **MINUTES OF THE GMCA HOUSING, PLANNING AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE**

RESOLVED that the minutes of the GMCA Housing, Planning and Environment Committee meetings held on 11th June 2020 and 9th July 2020 be noted.

9 **DELIVERY OF ADDITIONAL SCHOOL PLACES AND ADMISSIONS**

The Select Committee gave consideration to a report which provided information and an update on the delivery of additional school places and admissions.

The report provided an update on the delivery of additional school place and the work of the Admissions team which included the following:

- Pupil Numbers;
- Allocation of school places by preference;
- The percentage of residents who were offered a school place of choice (1st, 2nd and 3rd preferences);
- The number of parents who missed the school places application deadline;
- An overview of schemes and initiatives designed to assist parents when applying for a school place;
- Overview of the current school place plans; and
- Future plans to increase parental choice.

The demand for school places in Oldham had increased significantly, in 2019 there were around 42,000 school age children, by 2024 this will have increased to 45,000 and by 2028 to almost 47,000 pupils. The Council had a statutory role to ensure that every child in the borough had a school place. The Council had an Education Provision Strategy for 2020 to 2024 which outlined the approach to school places.

The report detailed School Allocation Data for both primary and secondary schools. In 2019, 91% of parents had been allocated a place in their referred first choice of primary school. In 2020, 75% of parent had been allocated a place in their preferred first choice of secondary schools. There had been increasing pressure on place in the secondary sector in recent years due to an increasing population and the rapid expansion on a number of primary schools and the closure of two

secondary schools. Further works was being undertaken to provide additional places in Oldham which were outlined in the report.



Members were informed that late applications would run to the end of August, to the year's final total was not yet know. However, when compared to the secondary late applications from the previous year's figures, it was very encouraging. The Admissions Teams had worked to chase up partly completed applications, increased market and reintroduced their attendance at open evenings. Constant communications also took place between the team and primary schools to increase focus on families who had not applied for school places. The school admissions website contained comprehensive information and advised parents of 'help' sessions that were available. Support had halted when national lockdown measures had been introduced. The admissions team call parents pack who need to speak whilst the working from home arrangements were in place which was running well.

Members were informed about the number of underperforming secondary schools which was having an impact on preferences, two new secondary schools were in the pipeline.

Members sought and received clarification on ward preferences. Members referenced the information regarding the closure to two secondary schools and recommended that clarification be provided that two should were not maintained but were free schools over which the local authority did not have control.

Members commented favourably on the out of borough places which had reduced by 18%. Members sought information regarding the increase in EHC plans and were informed that there was an increase in numbers being identified by the SEND team and better assessments being undertaken.

Members were informed that it was not just about buildings but the quality of schools and making sure the quality of teaching and learning in Oldham was sustainable which the Council could control.

Members were informed that understanding the process of applying for a school place needed clarification. Also, the perception of good schools needed clarification.

Members asked for further information on the appeals process and were informed about the individual sessions and the guidance being followed this year as the appeals were online and were difficult to assess. Members were informed about the work done by the Attendance Team to address late applications which had reduced the number of appeals and expressed thanks for the work which had been done.

RESOLVED that:

1. The update on the Delivery of School Places and Admissions be noted.
2. The PVFM Select Committee received an update in 12 months' time.

10

UPDATE ON THE SPECIAL EDUCATION NEEDS AND DISABILITY (SEND) INSPECTION REVISIT

The Select Committee were provided an update on progress to date which addressed the two remaining recommendations from the Written Statement of Action (WSOA) that had formed the priorities identified in the Accelerated Progress Plan (APP) being monitored by the Department for Education (DfE).

Following the reinspection in September 2019 and the identification of two remaining areas which required improvement, the APP was developed to ensure significant improvement continued to be made in relation to Area 3 (Education, Health & Social Care) (EHC) process and quality of plans) and Area 5 (Achievement of children and young people with SEND, including the high rates of fixed term exclusion and persistent absenteeism). The final draft of the APP was submitted to the DfE in March 2020 including 6 and 12 month milestones due to the rapidly escalating Coronavirus situation.

Due to the closure of all schools in England on 18th March 2020, the cancellation of national performance tables and national examinations for all key stages, it was not possible to review progress against the impact measures and milestones for Area 5 this academic year. It was recommended to the DfE Advisor in June 2020 that the actions identified in Area 5 should be amended and updated to reflect the changes and significant challenges presented by the Coronavirus situation ahead of schools returning in the Autumn term. This update was completed and shared with the DfE. The meeting on 31st July 2020 was positive and demonstrated the progress made to address the two remaining areas. A follow up meeting was arranged with the DfE Advisor to discuss and confirm the formal approval process for the APP and agreed access to DfE funded training for members of the partnership.

Despite the challenges of the Coronavirus situation, actions related to Area 3 had proceeded at pace through creative approaches, with the clear message of 'business as usual'. The fixed term additional team which delivered the annual review recovery plan had now been trained, inducted and were producing high quality EHC plans following annual reviews. The main education, health and care plan team continued to work effectively. Co-productive work continued across the partnership to provide challenging but constructive feedback to improve working practices and the quality of information included in the EHC plans. The quality assurance visit from the DfE SEND Advisory Team on 31st July 2020 confirmed this view.

The Select Committee were provided an example of the transformation journey taking place which was the national timeliness indicator. The number of EHC plans issued within 20

weeks based upon the DfE published data for the 2019 calendar year. The following improvement was shown:

- Excluding Exceptions – 43rd of 151 nationally, compared to 140th last year. Higher than 8 of the authority's statistical neighbours.
- Inclusion Exceptions – 47th of 151 nationally, compared to 139th last year. Higher than 8 of the authority's 10 statistical neighbours.

It was anticipated that due to the disruption caused by the Coronavirus situation, the SEND strategy would be updated in the Autumn term to reflect the current evaluation of emerging trends and priorities in the Autumn term ready to become operational from January 2021 – March 2024.

Members were asked to note the improvement around the quality of the EHC plans and engagement of parents in different ways. The accelerated progress plans had been reviewed and amended. Work continued to prepare for schools going back in September. Members were asked to note the meeting with the DfE Adviser and that the formal official process was still paused.

Members congratulated the SEND team on the improvements to EHC plans. The 96% figure was confirmed. The team had embraced different ways of working which included a session on the parent/carer forum which allowed feedback at the forum prior to escalation. The team were working hard to ensure that the figure remained high. Members were informed about particular issues during the Covid period around SEND and a range of issues related to vulnerable pupils. The delivery of the service was a budget pressure to be addressed.

SEND would be driven by the written statement of action, when the statement of action was delivered, good practice and culture would be embedded and not just driven by Ofsted but would part of the delivery of narrowing the achievement gap and for the maximum potential to be achieved.

RESOLVED that:

1. The Local Partnership be commended for the significant improvement in the timeliness identified in the national data and the ongoing improvements to quality and consistency of EHC plans being delivered and quality assured through effective partnership.
2. An update report be provided to the PVFM Select Committee in February 2021 on the revisions made to the APP and progress made to address the two areas of the original written statement of action not signed off in the revisit letter.

Consideration was given to the Unity Partnership Limited Annual Report for 2019/20.



Unity Partnership (the Company) was a separately legal entity that was governed under the regulations laid down in the Companies Act and within the Articles of Association for the Company. There were regular updates on service delivery, financial reporting and performance provided to the directors of the company at Board meetings and periodically to the Shareholder Committee, which also considered matters and decision that were reserved to the Shareholders.

There was a requirement to deliver a summary of Company key activity and performance to Shareholders following the end of the year. This was separate to the formal Annual Return and Full Company Accounts for a Limited Company which was required to be sent to Companies House as directed under the Companies Act 2006.

A consolidated End of Year Annual Report has now been produced for the full 2019/20 period which had been considered and approved by the Board of Directors and shared with the Shareholder Committee.

The following was highlighted to members:

- 2019/20 had been a successful year with a change in culture from profit driven to service delivery;
- In financial terms, a dividend of £1.35m had been generated; in addition to a saving of £250k;
- Highways Design, Engineering and Traffic Network had a very large capital programme;
- Response to service requests had fallen due to the impact of COVID but was now back up to 90%;
- Property management were designing strategy to rationalise assets and delivery major schemes;
- Council tax and business rate collection was below target, extra resources had been brought in. COVID had made collection more challenging and would be a major focus;
- A new payroll system was due to come into services, the implementation had been delayed due to COVID but should be in place in November;
- IT had been delivered and included deployment of new pcs and Office 365 which had enabled home working; and
- Unity had employed 19 apprentices and 17 work experience placements which had been successful.

COVID-19 had impacted on a few projects which had been put on hold and affected income. The year had set a strong foundation for future delivery with most performance objectives achieved with exceptions.

Members asked about the implementation of the new payroll system and the costs incurred in terms of the previous A1 system. The information was not available. The biggest issue was the transfer of data between systems. There would be two parallel runs before going live in November. If the run in October did not work, this would be re-evaluated. Until there was a successful run, the new system would not go live. Members questioned if all payroll would be transferred at the same time and it was clarified that the Council and teaching payroll would go live together. MioCare and Unity may be postponed.

Members asked about the significant rise in sickness due to mental health and stress and the possible cause. Members were informed that health and wellbeing was promoted. The particular reason was not known, but there was a lot of face-to-face contact and training had been introduced on the protection of staff. This had changed since COVID with remote. The sickness issue was being reviewed.

Members sought and received clarification on the purchase of Unity.

Members congratulated Unity on the quality of services addressing flooding and highways.

Members sought information on the collection of debts and how this was being addressed. Members were informed that reminders were currently being sent. Enforcement services were not currently taking place. Unity was ensuring that resources were available to ensure that benefit changes were processed quickly. The Council were working with Unity to address the issue of collection rates which was in a challenging position as the normal process could not be pursued. There was an initiative to be proactive in text messaging with reminders to pay. There was a payment holiday if needed in April, May and June but payments recommenced in July and reminders were being sent. In overall terms, performance on collection was not one of the highest and did require a lot of effort to work collaboratively to put improvements in place. It was noted that there were more people entitled to benefits and the amount of council tax to be collected reduced.

RESOLVED that the Unity Partnership Limited End of Year Reports including the summary of performance be noted.

12

FINANCE UPDATE - BUDGET 2020/21 AND 2021/22 AND REVENUE MONITOR AND CAPITAL INVESTMENT PROGRAMME 2020/21 (QUARTER 1 - JUNE 2020)

The Select Committee gave consideration to a report of the Director of Finance which provided an update on the deployment of additional revenue and capital grants received in 2020/21 and advised of the financial challenge for the Council arising from the COVID-19 pandemic. The Select Committee were also provided with an update on the Council's 2020/21 forecast revenue budget position and the financial position of the

capital programme as at 30 June 2020 (Quarter 1) together with the revised capital programme 2020/25. The reports had been included on the Cabinet agenda on 24th August 2020.



The report was presented with two appendices which enabled the review of the financial position of the Council.

The Financial Update – Budget 2020/21 and 21/22 were attached at Appendix 1 of the report and provided detail of the additional grant funding which had been received since the Cabinet meeting of 23 April 2020 that included the range of significant grants to provide support related to the COVID-19 pandemic. Details was also provided on the financial information that the Council provided to the Ministry of Housing, Communities and Local Government (MHCLG) on a monthly basis and the on-going impact of COVID-19 on the financial position of the Council in 2020/21 and future years.

The Revenue Monitor and Capital Investment Programme 2020/21 Quarter 1 report attached at Appendix B of the report presented the current forecast outturn position for 2020/21. Information on the Quarter 1 position of the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and the Collection Fund was also outlined in the report. The report also outlined the most up-to-date capital spending position for 2020/25 for approved schemes.

The reports enabled the Select Committee to review how the Council was dealing with the financial challenge of the COVID-19 pandemic, how the various additional grants had been applied and how that translated to the forecast revenue budget position for 2020/21 and future years.

Cabinet at its meeting on 23 April 2020 considered and approved a report which provided a financial update and an outline of a range of grants that had ben received from Central Government. The report attached at Appendix A provided an update on the information and details of the most recent:

- COVID related unringfenced revenue grants received
- COVID related ringfenced revenue grants received
- Other ringfenced revenue grants
- Other unringfenced revenue grants
- Capital grants including those received since April

The report advised on the impact of COVID-19 on the financial position of the Council. The July return to MHCLG highlighted an in-year pressure of £17.112m in excess of funding currently available. There was also the requirement to increase the budget reduction target for 2021/22 and the measure that were being taken in 2020/21 to control expenditure given the financial pressure in year presented by the response to the pandemic. The Cabinet Member for Finance and Green introduced the report and included information related to the grants which had been received, the allocation of the grants and the projected

deficit of £30m for 2020/21 and an anticipated gap of £41m in the following year.



Members were informed that the position of the authority was not as anticipated when the budget was set in February from both an operational and financial perspective. In the context of the financial challenge, the amount of expenditure was being reviewed as well as the impact of the lost income. The financial pressures were highlighted with a focus on adult and children social care, costs associated with waste collection disruption, and the impact on capital and treasury because of interests in dividend income. The Dedicated Schools Grant (DSG) remained in deficit, the grant had not been impacted by COVID but needed to be brought back into balance. The Housing Revenue Account (HRA) had not been impacted particularly. The collection fund had a deficit. The Capital Programme reflected an increase in the grant but had seen little movement in the financial year and was being monitored.

Members raised a question related to the Minister's letter which was appended to the report which stated at the outset that funding would be provided asked how accurate the statement was. Members were informed that initially the government had said funding would be provided, then further information was later received about sharing the burden. There would not be full compensation for commercial income. This had led to the £30m reduction in the budget on top of losing £215m over the austerity period. There was a difficult financial challenge. Letters had been sent to the Government from the Leader of Council, Cabinet Member for Finance and Green, the Greater Manchester Mayor and MPs.

Members asked a question related to business rates and the Autumn spending review, referred to the motion at the Council meeting in July and the petition which challenged the government and asked if there had been any response and the use of reserves being sustainable based on current projections. Members were informed that with regard to financial sustainability there were sufficient reserves. There were also management actions in place to reduce expenditure. The S.151 Officer would determine the judgement. Assumptions were being made related to government funding which would need to be revisited. Reserves could only be used once. Members were informed of a local authority who had approached the MHCLG for support in a financially challenged position which included an option to capitalise expenditure. CIPFA had issued guidance on issuing notices.

Members asked it was fair to say that this was another u-turn and put local authorities in the firing line. Members were informed that no response had yet been received from government. Local government had borne the brunt of the cuts with many authorities at breaking point. Local services were co-ordinated by Councils during the pandemic and had played a key role on a daily basis.

RESOLVED that the Select Committee note the financial position of the Council as outlined in the report and the information provided.



13 **PVFM WORK PROGRAMME**

The PVFM Select Committee gave consideration to the Committee's work programme.

RESOLVED that the PVFM Select Work Programme be noted.

14 **KEY DECISION DOCUMENT**

The PVFM Select Committee gave consideration to the latest published Key Decision Document.

RESOLVED that the Key Decision Document be noted.

15 **DATE AND TIME OF NEXT MEETING**

RESOLVED that the date and time of the next Performance and Value for Money Select Committee to be held on Thursday, 1st October 2020 at 6.00 p.m. be noted.

The meeting started at 6.00 pm and ended at 7.50 pm