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CABINET
24/01/2022 at 6.00 pm



Present: Councillor Shah (Chair)
Councillors Akhtar, Chadderton, Chauhan, Jabbar, Mushtaq,
and Stretton

1 **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Moores.

2 **URGENT BUSINESS**

The Chair agreed to consider an Item of business – COVID-19 Additional Relief Fund as a matter of urgency in accordance with S.100 B (4) of the Local Government Act 1972; Urgent Cabinet approval was required as the approach detailed within the report would help provide an agreement to support the strict timescales being imposed by Central Government.

Approval had been given under Rule 14 of the Council's constitution by the Chair of Policy Overview and Scrutiny Committee to action this report as an urgent item. The report was considered at Item 10 of the agenda.

3 **DECLARATIONS OF INTEREST**

Councillor Jabbar declared an other registerable interest at Item 6 of the agenda - Review of the Council's Wholly Owned Company: Unity Partnership Limited due the Council appointment as a Board Member. Councillor Jabbar took no part in the debate or vote thereon.

Councillor Roberts declared an other registerable interest at Item 8 Positive Steps Contract Extension for Targeted Youth Support lots 2 and 3 by virtue of her Council appointment to the Board of Positive Steps. Councillor Roberts took no part in the debate or vote thereon.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **MINUTES OF THE CABINET MEETING HELD ON 13TH
DECEMBER 2021**

RESOLVED – That the minutes of the Cabinet meeting held on the 13th December 2021 be approved.

6 **REVIEW OF THE COUNCIL'S WHOLLY OWNED
COMPANY: UNITY PARTNERSHIP LIMITED**

Consideration was given to a report of the Chief Executive which provided the Cabinet with details of an Annual Review undertaken in September 2021 to determine the viability of the company, confirm whether it is fit for purpose in terms of service delivery and value for money for Oldham residents and the Oldham pound and that the ambitions of the company align to those of the Administration as set out and endorsed at Full Council in May 2021.

In February 2018 Cabinet agreed to the reshaping of Unity Partnership Limited (UPL). To support the Cabinet in making this decision, the Council had undertaken an options appraisal of the arrangements between UPL and Kier Partnership Limited. The outcome of that appraisal saw UPL become wholly owned by the Council. At the time, the intended purpose of UPL was to assure the sustainability and performance of services provided to the Council to increase the likelihood of the sustainability of UPL and deliver efficiencies.

As part of UPL becoming wholly owned by the Council a Partnership Agreement was entered into and this confirmed that annual reviews of the arrangements would be undertaken. The Agreement provided details of the services provided by UPL on behalf of the Council and consisted of:

- Highways
- Property Services
- Revenues and Benefits (Exchequer Services)
- Contact Centre
- ICT
- Payroll (including Recruitment)
- Consultancy (Business Change Services)

An updated Agreement from September 2019 was due to expire at the end of the initial term on 31 August 2020, but a Deed of Variation was entered into to extend the Agreement for a further period of five years, subject to annual review.

Due diligence in respect of all options had been undertaken by a team of council officers representing the key relevant areas; the outcomes of which are set out in various sections in this report. This review was now complete, and the report set out the outcome and recommended approach going forward for the Council.

Members spoke upon and welcomed the report.

Options/alternatives considered

Option 1 – Continue as is. For the reasons set out earlier in this paper – this option is not recommended.

Option 2 – mixed model of delivery. A mixed model of services provided by the Council and UPL could be developed where either additional Council Services transfer to UPL and/or more services transfer back to the Council. Again, for reasons set out in this paper – this option is not recommended.

Option 3 – Transfer services back to the Council and retain UPL as a wholly owned company for a minimum period of 12 months whilst the Council considers its delivery vehicle for Traded Services.

RESOLVED – That:

1. The position outlined in this report in relation to the review and the subsequent options arising from this be noted.
2. The options set out for the direction of travel and future model for services currently provided by UPL to the Council were considered and noted.
3. The Chief Executive in consultation with the Director of Finance, Director of Legal and Director of Workforce and Organisational Design be given delegation to undertake appropriate consultation with all staff, Trade Unions and

Partners setting out the view to transition staff and services provided by Unity Partnership Limited to the Council under TUPE arrangements.

4. The Partnership Agreement between the Council and UPL be terminated and in doing so, the Director of Legal Services or their nominated representative be authorised to sign all appropriate documentation necessary for the purpose of implementing the recommended option.
5. The Unity Partnership Limited Company would continue to trade for a minimum period of 12 months whilst a review of how the Council delivered Traded Services was undertaken. It was expected this review would be presented for consideration before January 2023.
6. The Chief Executive and Head of Paid Service of the Council be appointed the Council's Shareholder representative of Unity Partnership Limited whilst it continued to trade.

7

COUNCIL TAX TAX BASE AND NON-DOMESTIC RATES TAX BASE FORECAST 2022/23

Consideration was given to a report of the Director of Finance which provided the Cabinet with the Council Tax Tax Base and provisional Non-Domestic Rates (NDR) Tax Base forecast for 2022/23 which would underpin the forthcoming Council Budget and Medium-Term Financial Strategy scheduled for consideration at Budget Council on 2nd March 2022.

The report also sought delegated authority to finalise the 2022/23 Non-Domestic Rates (Business Rates) forecast in order to reflect up to date Non-Domestic Rates details to be submitted to Central Government via the annual NNDR 1 return by the statutory deadline of 31 January 2022.

The report set out information on the Council Tax Tax Base for 2022/23 using the most up to date valuation list and all other information and estimates available.

The total number of chargeable properties included in the Council Tax Tax Base calculation in Oldham for 2022/23 was 95,640. This figure was reduced to 86,700.8 after allowing for discounts and exemptions and translates to the equivalent of 68,910.7 Band D properties. After applying adjustments for the Local Council Tax Support scheme offset by the additional charging for empty properties and an anticipated increase in the number of properties to be included in the valuation list over the forthcoming year, the number of Band D equivalent properties reduced to 59,379.8. The final Tax Base after the application of the anticipated collection rate of 96.75% was 57,450 which was an increase of 250 when compared to the Council Tax Tax Base for 2021/22 of 57,200.

The 2022/23 Tax Bases for Saddleworth and Shaw and Crompton Parish Councils of 8,833 and 5,548 respectively, were been calculated using the same methodology.

Statute required local billing authorities to prepare and submit to the Department of Levelling Up, Housing and Communities (DLUHC) a locally determined and approved Business Rates forecast through the NNDR 1 return by 31 January each year. This forecast would be used to determine the 2022/23 "demand" and payment schedule for Business Rates between Oldham

Council and the Greater Manchester Combined Authority. Being a participant in the Greater Manchester 100% Rates Retention Pilot Scheme which was confirmed for the financial year 2022/23 in the Provisional Local Government Finance Settlement announced on 16 December 2021 meant the Council no longer paid a share of Business Rates to Central Government. Instead, Oldham currently retained 99% of the income with 1% being paid to the Greater Manchester Combined Authority for Fire and Rescue services.

The estimated rating income for 2022/23 attributable to Oldham Council was currently £48.605m which was a decrease of £2.014m compared to 2021/22. This was due to Business Rates reliefs being announced thus reducing the sum billed with the Council receiving compensating grant instead.

Delegation was sought to enable the Business Rates forecast to be updated to take account of up to date Non-Domestic Rates information, enabling the submission to Central Government of the annual NNDR 1 return by the statutory deadline of 31 January 2022.

As the 100% Business Rates retention regime was continuing, the Council had assumed a benefit of approximately £2.720m from the pilot scheme for 2022/23. The Council could retain 50% of this benefit with the balance attributable to the GMCA. The Council's share, £1.360m would be made available to support the 2022/23 budget whilst the GMCA share would be transferred to a reserve to be paid to the GMCA once the final position had been agreed. These figures would only be confirmed at the end of 2022/23.

The preparation of Council Tax and Business Rates taxbases was being undertaken during a period of unprecedented uncertainty and volatility.

The COVID-19 pandemic and recent Government announcements relating to extended retail relief had continued to reduce both the Council Tax and Business Rates income collected in 2021/22 to the extent that an income deficit of £7.741m was projected for the Council at the end of 2021/22 (this is initially accounted for in the Collection Fund). However as Central Government is providing grants in lieu of business rates, specifically for the provision of Extended Retail Relief, current estimates are that there will be grant received of £9.045m which removes the deficit and allows the use of £1.304m of additional resources to support the 2022/23 budget.

Options/alternatives considered

The Council has little discretion in the calculation of the number of properties incorporated into the Council Tax Tax Base given the legislative framework that is in place. However, there is some discretion in estimating the number of new properties that will be included on the Council Tax register during 2022/23 and the change to the number of claimants of Council Tax Reduction. A prudent view has been taken in this regard. The main area for an alternative approach is over the level of assumed collection rate. An increase in the collection rate would boost the anticipated Council Tax income and a decrease in the rate would decrease income. The Council has chosen to maintain its 2021/22 collection rate at 96.75%. This decision had

been influenced by prevailing economic circumstances and current trends in collection rates.

The NNDR1 return generated the figures upon which the Business Rates Tax Base was prepared. It is not therefore appropriate to consider an alternative approach. However, as the figures included on the NNDR1 return on 31 January 2022 may vary from the estimated level, delegation was sought to allow the opportunity to revise the Business Rates forecast and approve a revised and more accurate position for budget setting.

RESOLVED – That:

1. The Council Tax Tax Base for 2022/23 at 57,450 Band D equivalent properties be approved.
2. The latest estimate for 2022/23 Business Rates revenue that was attributable to Oldham Council as being £48.605m be approved
3. The drawing down from the Collection Fund of £2.720m of Business Rates retention gains anticipated for 2022/23, of which the Council would utilise £1.360m (50%) be approved.
4. The Tax Bases for Saddleworth and Shaw and Crompton Parish Councils of 8,833 and 5,548 respectively be noted.
5. The decision to vary the final Business Rates forecast and hence the Business Rates Tax Base, if required, be delegated to the Director of Finance in consultation with Deputy Leader and Cabinet Member for Finance and Low Carbon.

8

POSITIVE STEPS CONTRACT EXTENSION FOR TARGETED YOUTH SUPPORT LOTS 2 AND 3

Consideration was given to a report of the Director of Education, Skills and Early Years which sought approval to exercise an existing option to extend the contract for targeted Youth Support Lots 2 and 3 currently held by Positive Steps.

It was reported that the Council commissioned Positive Steps to deliver a range of services to support Oldham's young people under the overarching banner of Targeted Youth Services.

These included support services for young carers; delivery of missing from home return interviews; careers information advice and guidance as well as the Council's Youth Justice Service.

The current contracts would end on 31 March 2022 with an option to extend for up to a further twelve months up until 31 March 2023.

Permissions was sought for Cabinet to exercise the existing option to extend the contract for Targeted Youth Support (TYS) Lots 2 and 3 currently held by Positive Steps for up to a further 12 months from 1st April 2022. This was within the scope of the initial contract award and therefore is within Council Contract Procedure rules.

Options/alternatives considered

Option One - TYS Lots 2 and 3 be extended for a maximum period of twelve months up until 31 March 2023. This would be within the intent of the current contract award and is within corporate procurement rules

Option Two- Notice be given to cease either or both contracts on 31 March 2022.

RESOLVED – That the Cabinet would consider the commercially sensitive information at Item 12 before making a decision.

9

TEMPORARY STAFFING SUPPLY CONTRACT

Consideration was given to a report of the Director of Workforce which sought approval for the Council to re-contract for a Temporary Staffing Supply provider from the 29 January 2022 as part of an GM HR collaboration for the reasons outlined below.

It was reported that the Council was part of a Greater Manchester HR/OD Collaboration, established in 2008 and comprised the 10 Greater Manchester Local Authorities plus partners. The collaboration jointly procured a number of services one of which was the temporary staffing service.

The joint contract had been in place for 12 years and had been held by several suppliers in this time. The current supplier was REED Employment Agency. Following a stringent procurement process via the YPO Framework the contract was awarded to REED in January of 2016 for a 4-year term. In light of the pandemic and given the size of the contract and the amount of work that would be involved in a retender process, it was agreed that the contract would be extended for a further year utilising the COVID PPN which to January 2022. This provided the authorities with the ability to keep staff focused on priority COVID work and not having to deploy staff to an intensive retender process.

The report set out how the collaboration, which now consisted of Blackpool Council, Blackburn with Darwen Council, Bolton Council, Bury Council, Greater Manchester Police, Greater Manchester Combined Authority (including Fire Services), Oldham Council, Rochdale MBC, Salford City Council, Stockport MBC, Trafford Council, Warrington Borough Council and Wigan Council, had retendered the contract and selected a preferred supplier.

Option 1 – Do nothing. This was not an option and would result in the expiration of the Council's current service provision and lead to the loss of essential services to the Council.

Option 2 - Run a separate procurement process independently This would likely result in a more costly services and negate the benefits outlined in this report. This would also result in a period of service withdrawal given the timescales in which a new provider is required.

Option 3 - Join the GM HR Collaboration To contract the services of REED for the full contract period of three years (with option for a one-year extension). This would give the Council the operating model required to continue to engage temporary workers where required whilst working to reduce the reliance on agency staffing and consider alternative options.

RESOLVED – That the Cabinet would consider the commercially sensitive information contained at Item 13 of the agenda.

10

URGENT ITEM -COVID-19 ADDITIONAL RELIEF FUND

Consideration was given to a report of the Director of Finance which sought approval on the proposed approach to the administration of the COVID-19 Additional Relief Fund. It was reported that the Government had introduced a new temporary Business Rates Discretionary Relief Scheme, the COVID-19 Additional Relief Fund (CARF) and guidance for Local Authorities was issued on 15 December 2021. Oldham's allocation of the fund was £4,203,655. The scheme has been established to support those businesses impacted by the COVID- 19 pandemic and unable to adequately adapt to that impact. It was only available to reduce liability for Business Rates for the 2021/22 financial year and for those businesses who have not already received support via other relief schemes. This excluded businesses in the Retail, Leisure and Hospitality sectors and those who had received Nursery Discount. Local Authorities were required to devise a local discretionary scheme to administer this relief using existing powers under section 47 of the Local Government Finance Act 1988. The Government would re-imburse Local Authorities through Section 31 grants for expenditure properly incurred up to the funding allocation. The Government had requested that Local Authorities prioritise delivery of this support to businesses as soon as possible.

The Cabinet considered this as an urgent item due to the timeline required for implementation.

The criteria for applying for the business rate relief would be published on the Council's website.

Options/alternatives considered

Option 1 -To approve the proposed approach to the administration and delivery of the COVID- 19 Additional Relief Fund in Oldham

To delegate further decision making on the scheme, including the final allocation of the funding to the Director of Finance in consultation with the Deputy Leader and Cabinet Member for Finance and Low Carbon.

Option 2 This option would entail not utilising the Government funding available to support Oldham businesses impacted by COVID-19.

RESOLVED – That:

1. The proposed approach to the administration and delivery of the COVID- 19 Additional Relief Fund in Oldham be approved.
2. Further decision making on the scheme, including the final allocation of the funding, be delegated to the Director of Finance in consultation with the Deputy Leader and Cabinet Member for Finance and Low Carbon be approved.

EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED that, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they contain exempt information under paragraphs 3 of Part 1 of Schedule 12A of the Act, and it would not, on balance, be in the public interest to disclose the reports.

12 **POSITIVE STEPS CONTRACT EXTENSION FOR
TARGETED YOUTH SUPPORT LOTS 2 AND 3.**

The Cabinet considered the commercially sensitive information in relation to Item 8 Positive Steps Contract Extension for Targeted Youth Support lots 2 and 3.

RESOLVED – That the recommendations as contained within the commercially sensitive report be approved.

13 **TEMPORARY STAFFING CONTRACT**

Consideration was given tot the commercially sensitive information in relation to Item 9 - Temporary Staffing Contract.

RESOLVED – That the recommendations contained within the commercially sensitive report be approved.

The meeting started at 6.00pm and finished at 6.29pm