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## CABINET

12/12/2022 at 6.00 pm



**Oldham**  
Council

**Present:** Councillor Chadderton (Chair)  
Councillors Akhtar, Ali, Brownridge, Jabbar, Moores, Mushtaq,  
Roberts and Taylor

1           **APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

2           **URGENT BUSINESS**

There were no items of urgent business received.

3           **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4           **PUBLIC QUESTION TIME**

There were no public questions received.

5           **MINUTES OF THE CABINET MEETING HELD ON 14TH  
NOVEMBER 2022**

RESOLVED – That the minute of the Cabinet meeting held on  
14<sup>th</sup> November 2022 be approved.

6           **CHILDREN'S SERVICES INVESTMENT PROPOSALS**

Consideration was given to a report of the Managing Director,  
Children and Young People, (DCS) which sought approval of the  
proposed investment into children's services and the invest to  
save strategy aligned with it

In May 2022, Annual Council adopted the Administration's  
priorities for 2022/23. One priority area for the Council was to  
have a relentless focus on children and young people to ensure  
that they enjoy a happy, healthy and safe childhood. In  
September 2022, the Council further declared children and  
young people to be its number one priority, underpinning the  
organisation's new five-year corporate plan.

As part of this focus the Council's Children's Social Care and  
Early Help services had embarked upon a challenging "Getting  
to Good" programme that would see the Council improve the  
quality of its vital social work and safeguarding services and the  
experiences and outcomes of those in need of them.

To support both our overall priority for children and young  
people and the continuous improvement of our existing services  
the Council was proposing a significant investment into services  
that support and safeguard children, young people, and their  
families.

The proposal Cabinet was being asked to approve was to invest  
£14.7 million into vital children's social care and family support  
services in the borough. This investment would;

- Provide better support for families, at an earlier stage, to  
avoid the need for social care involvement, including:

- The targeting of £3 million of external funding to provide a greater range of services, support and activities at key children's centres
- The targeting of £2.7 million of external funding to target support for families currently struggling and needing less intensive support
- Extra work with schools, colleges and with voluntary, community and faith organisation's to improve the amount and level of support available for families in local communities
- Provide the very best care for Oldham's most vulnerable children and young people by:
  - Investing in additional capacity in the teams assessing and making-decisions on vulnerable children and young people's care and support needs
  - Increasing the teams, supporting fostering and special guardianship orders so that more children and young people have a home within a family setting
  - Increasing the amount of move-on accommodation available in Oldham to support those young people ready to leave care to live independently
  - Establishing a scheme to provide deposits and first month's rent and/or acting as guarantors for young people ready to move into independent accommodation and housing
  - Establishing a new council-run children's home for local children and young people with learning disabilities so fewer children need to be cared for outside of the borough
- Make Oldham one of the best places to be a social worker by:
  - Recruiting 50 more permanent social workers to ensure manageable caseloads and reduce the need for agency social workers as much as possible
  - Recruiting 17 new Social Work Support Officers to free up social workers for more time with children and families
  - Reviewing current pay and conditions for children's social work staff to ensure the Council was able to attract and retain the most talented social workers
- Recognise, reward and better support Oldham's Foster Carers by;
  - Increasing allowances and skills payments by 10%
  - Recruiting five highly trained specialist foster carers to offer additional training, support and advice to foster carers across the borough – focusing on supporting those who care for some of the most vulnerable children and young people to help them remain in foster care.

○  
Options/alternatives considered

Option 1 – Approve the investment as detailed within the report which aimed to improve services for children, young people and families and to support quality social work and reward foster carers.

Option 2 – Not to invest in the service as detailed within the report. This would removed the ability to tackle rising demand for support leading to spiralling costs to deliver quality children’s services.

RESOLVED – That:

1. The proposed investment into children’s services and the invest to save strategy aligned with it as detailed within the report be approved.
2. The decisions resulting from the implementation of the invest to save strategy be delegated to the Managing Director of Children’s Services and the Director of Legal Services.

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## **BUDGET FORECASTS FOR FINANCIAL YEARS 2023/24 AND 2024/25**

Consideration was given to a report of the Director of Finance which sought approval of the updated forecast budget reduction requirement for 2023/24 and 2024/25, having regard to the financial position reported at Budget Council on 2 March 2022, the changing events which had impacted on the finances of the Council in the period leading up to 17 November 2022 when the Autumn Statement was announced by the Chancellor and the subsequent Government funding indications included in the Autumn Statement.

The Medium Term Financial Strategy covering the five year period 2022/23 to 2026/27 was agreed by Council on 2 March 2022. At that time, the financial outlook both globally and nationally was significantly different.

Since then there had been a wide range of developments which had impacted upon the financial forecasts presented to Council in March 2022.

On 17 October 2022, the Chancellor of the Exchequer delivered an Emergency Statement which reversed a number of the economic policy changes introduced by the previous Chancellor. This stabilised turbulence in the financial markets which had made financial planning difficult and which had resulted in a number of Local Authorities publicly declaring significant reductions in future financial resilience. The Chancellor also advised that there would be an Autumn Statement to follow shortly afterwards.

This was subsequently deferred until 17 November 2022.

The Autumn Statement has provided the Council with enough information to enable a review of its financial estimates in advance of the receipt of the Provisional Local Government Financial Settlement. As the Autumn Statement focussed on 2023/24 and 2024/25, it had enabled the financial forecasts for those years to be revised to give Members a more informed view of the financial position. This report therefore sets out the

updated estimates for 2023/24 and 2024/25 and details the assumptions supporting these projections.

Whilst the Autumn Statement confirmed Government departmental budgets would be maintained at the levels announced in the Spending Review of October 2021, it deferred an element of the planned adult social care reforms, whilst maintaining the level of funding previously announced for the implementation of the reform, thus easing some of the immediate financial concerns. The Government also announced extra support for adult social care and confirmed Local Government would be compensated for the freezing of the Business Rates multiplier. Whilst the exact financial impact will not be clear until the Provisional Local Government Financial Settlement is announced, it has enabled the financial projections to be updated based on the assumptions set out in this report. These assumptions have also incorporated the current financial projections for the 2022/23 outturn as reported elsewhere on this agenda.

Given the financial pressures which had emerged such as increased energy costs, extraordinary inflationary increases and the exceptional on-going demand for Adults and Children's Social Care services, the budget reduction requirement for the Council had increased from the previously reported position of £16.711m as set out in the Medium Term Financial Strategy agreed at 2 March 2022 Budget Council to £27.975m.

The report set out how the Council was proposing to bridge the budget gap by its programme of transformational change which would include demand management, income maximisation, budget reductions and the potential use of one off sources of funding.

The Provisional Local Government Finance Settlement was not expected to be published until the week commencing 19 December 2022. This would give the Council better information to refine its estimates for the budget reduction requirement for 2023/24 and 2024/25. The updated position would be reported to Members in January 2023.

#### Options/alternatives considered

Option 1 – To approve the updated financial projections as set in the report for 2023/24 and 2024/25 as at 12<sup>th</sup> December 2022.

Option 2 – To propose an alternative updated financial projection and revise the forecasts for 2023/24 and 2024/25.

RESOLVED - That the updated financial projections of the Council as set out in this report, identifying a budget reduction requirement of £27.975m for the financial year 2023/24 and £14.575m for the financial year 2024/25 be approved.

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### **REVENUE MONITOR AND CAPITAL INVESTMENT PROGRAMME 2022/23 QUARTER 2 - SEPTEMBER 2022**

Consideration was given to a report of the Director of Finance which provided Cabinet with an update on the Council's 2022/23 forecast revenue budget position at Annex 1 and the financial position of the capital programme as at 30 September 2022 (Quarter 2) together with the revised capital programme 2022/23 to 2026/27, as outlined in section two of the report at Annex 2.

The current forecast outturn position for 2022/23 was a projected deficit variance of £4.452m after allowing for approved and pending transfers to and from reserves. An operational deficit of £6.172m reduced by £1.720m with the anticipated effect of management actions and strengthened restrictions in relation to expenditure and recruitment.

The position included additional costs and pressures that have been identified by the Authority in this financial year as a direct result of the lasting impact of the COVID-19 pandemic.

There were two areas which continued to endure significant pressures attributed to the ongoing impact of the Pandemic; Community Health & Adult Social Care was reporting an adverse variance of £7.028m and Children's Social Care was recording £3.961m.

These pressures were being offset against a corporate provision of £12.000m COVID-19 Legacy funding which was set aside during the 2022/23 budget setting process.

An update on the major issues driving the projections was detailed at Annex 1 to the report.

The report outlined the most up to date capital spending position for 2022/23 to 2026/27 for approved schemes. The revised capital programme budget for 2022/23 was £68.318m at the close of Quarter 2, a net decrease of £31.930m from the original budget of £100.248m. Actual expenditure to 30 September 2022 was £18.842m (27.58% of the forecast outturn). Without doubt the forecast position would continue to change throughout the year with additional re-profiling into future years.

**RESOLVED – That:**

1. The Forecast revenue outturn for 2022/23 at Quarter 2 being a £4.452m adverse variance having regard to the action being taken to manage expenditure be approved.
2. The Forecast positions for both the Housing Revenue Account, Dedicated Schools Grant and Collection Fund be approved
3. The Revised capital programme for 2022/2027 as at Quarter 2 be approved.

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## **SCHOOLS NATIONAL FUNDING FORMULA**

Consideration was given to a report of the Director of Finance which provided detail regarding the resources available for School Funding for 2023/24 and required the Cabinet to consider how the funding for Schools and Academies should be distributed in 2023/24.

This report provided detail of the level of Dedicated Schools Grant (DSG) for 2023/24 together with its allocation across the three funding blocks for which information was currently available. The funding was based on October 2021 pupil numbers and would be subject to change once calculations have been updated to reflect October 2022 pupil numbers.

The report also provided information about the National Funding Formula (NFF) for Schools, the High Needs Blocks for Oldham and also presented a recommended approach for the distribution of the Schools Funding Block of the DSG to Schools and Academies for 2023/24.

In addition, the report presented the proposed option (Model 1 as detailed in Appendix 1) to move to the 2023/24 NFF cash values in full except for the Area Cost Adjustment (ACA) where it was proposed that the factor applied in Oldham was initially reduced from 1.00547 to 1.00000. However, Members were advised that if there are any resources available once funding allocations based on updated pupil numbers are received, then this additional funding will be allocated through an increase to the ACA.

The indicative Schools block allocations to Local Authorities were funded by multiplying a Primary Unit of Funding (PUF's) and Secondary Units of Funding (SUF's) cash value by each pupil. The PUF's and SUF's for 2023/24 have been calculated based on school and pupil characteristics data from the 2022/23 Authority Proforma Tool (APT) data which was based on October 2020 census information. They would not be updated for any characteristic changes to the October 2022 census until 2024/25. If there was a significant change in characteristics such as eligibility for free school meals, the factor values in the local formulae would be adjusted as necessary to meet any affordability pressures.

It was also proposed for the second year there was no movement of funding from the Schools Block to the High Needs Block as the DSG was forecast to be in surplus by the end of 2023/24 as required by the Department for Education.

#### Options/alternatives considered

In view of Oldham being at the National Funding Formula values and not proposing any change from the prior year funding, Members are not therefore presented with an alternative approach.

#### RESOLVED – That:

1. The model outlined in the report which reflected the 2023/24 NFF cash values in full except for the Area Cost Adjustment factor, which was reduced to 1.00000 be approved.
2. A reassessment of the allocation arrangements would take place once the actual 2023/24 funding allocations were received with a view to moving the full Area Cost Adjustment if sufficient resources were available.
3. A transfer of funding between the Higher Needs and Schools Blocks if this was required as a means of finding the Area Cost Adjustment be approved.
4. The adjustment of the model if there was a significant change in characteristics such as eligibility for free school meals to meet any affordability pressures be approved.

#### **AWARD OF CONTRACT FOR THE PROVISION OF SCHOOL SWIMMING TRANSPORT SERVICES**

Consideration was given to a report of the Assistant Director Youth, Leisure and Communities which sought approval to award a contract for the provision of the School Swimming Transport services following a full tender process.

The School Swimming Service delivered high quality, safe and structured swimming lessons for Oldham schools. The school's

benefit from the qualified teaching staff delivering the service at the Leisure Centre's across the Borough including events and competitions. The service also offered a range of personal survival and water safety support. The service works in line with the National Curriculum guidelines and in partnership with Swim England to deliver physical activity, increase participation in school sport and develops key essential life & water safety skills. The service could be utilised by pupils in Primary, Senior and Special Schools. Pupils are transported over 190 school days per year. There was a huge benefit for the service to provide and coordinate the transport and work in close partnership with transport providers to establish a transport schedule weekly. All transport cost incurred are recharged to Schools via Service Level Agreements

An open tender exercise for the school swimming transport provision was started via The Chest portal on 14 June 2022. The tender submissions were evaluated by a panel consisting of the School Swimming Manager, School Swimming Business Support Officer, and the Sport Leisure & Wellbeing Service Manager with the support of the procurement team.

Option/alternatives considered

Option 1 - Extend the current transport contract for a further 12 months

but the previous Delegated Cabinet Member Decision form (December 2021) Option 2 - The contract to go out to tender for procurement so that the Council could provide value for money

**RESOLVED** – That following on from an open and competitive tendering process, a contract with Matthews Travel (K Matt Coaches) based in Oldham be awarded for the School Swimming Transport Provision in accordance with the results of the tendering exercise which has been carried out through a robust evaluation process (based on technical ability & quality, social value, and price) for three years, with an option to extend for a further two years.

The meeting started at 6.00pm and finished at 6.21pm

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