

Report to Governance, Strategy & Resources Board

Conservative Budget Amendment Proposals 2025/26

Proposer: Councillor L.Quigg

Officer: Chris Kelsall, Assistant Director of Finance

06 February 2025

Reason for Decision

This Report presents to Governance, Strategy & Resources Board the Conservative Group proposals for amendments to the Administration's Budget for 2025/26.

Executive Summary

This Report presents to the Board a series of amendments in addition to those proposals already presented by the Administration in the 2025/26 Budget. This report proposes, for another consecutive year, a freeze in Council Tax.

We would like to thank the Assistant Director of Finance and the Conservative group researcher for their efforts in helping pull much of the information that is provided in this report.

We are the only Party and Group in Oldham Council who has consistently called for a freeze in taxation. We note the comments of the now Prime Minister, Sir Keir Rodney Starmer who said freezing council tax was "a tax cut for the 99% of working people."

We have proposed the following amendments to the Administration's Budget which are focused on **reducing waste, cutting politicians pay, investing in neighbourhoods, and more importantly FREEZING Council Tax.**

Details of the proposals can be found in the below sections and in summaries in the Appendices.

These proposals are presented to Governance Strategy & Resources Scrutiny Board which is requested to commend them to Cabinet.

Recommendations

The Board recommends:

1. Freezing Council Tax.
2. Investment in Highways, Environment and Neighbourhoods.
3. Shrinking waste, cutting politicians pay and reducing the debt.
4. Creating a DOGE

Conservative Budget Amendment Proposals 2024/25

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.

2. 2025/26 Revenue Budget Proposals

- 2.1 With several Councils having issued Section 114 notices banning all non-essential spending, the safe stewardship of the Council's resources and supporting deliverable priorities has become ever more important. These amendments ensure a balanced budget.
- 2.2 We believe that greater efficiencies are needed and that a radical new approach is needed in Oldham Council. We believe that the Council should create a Director of Greater Efficiencies (DOGE) within the existing staffing structures at no additional cost to the Council, with the powers necessary to move across departments and strike down wasteful spending as well as focusing on reducing the burdens on local business, cutting red tape, reduce the burden of taxation on bill payers, increasing procurement efficiencies and reducing the costs of delivering local services.
- 2.3 We believe that it is time for the politicians in the Council chamber who have for over a decade made difficult financial decisions to now make themselves subject to those same decisions. It is why we have suggested some of the most far-reaching savings be made by elected members. Simply put we believe that it is time to take money from politicians' pockets and put it back into the people of Oldham's pockets.
- 2.4 We are also reducing wastage costs by implementing savings to photocopying and postage charges.
- 2.5 Given the reluctance to take up Article 4 directions to better regulate HMO's we are looking at increasing the costs associated with this to limit the expansion of such institutions in our Borough.
- 2.6 We will abolish the 'Working for you' Newspaper. Propaganda on the rates by the Administration and of the cult of personality of the Leader of the Council.
- 2.7 We have also frozen senior executive pay for two years (those on over £100k), rationalised senior executive posts, reduced the use of agency staff, reduced management entitlements, and reduced duplication. We are clear that we need to put the people of the Oldham Metropolitan Borough first. These are difficult decisions, which we are having to take to help reduce the burden on taxpayers who have faced years of Council tax rises by the current Labour and now Labour- Independents administration.
- 2.8 Looking to other local authorities, businesses and online we can look to raise new income without reducing levels of service. The Council can earn increasing amounts

of income from advertising and maximising its fleet to that effect. We do not live in Socialist state where all advertising must be government propaganda. We believe that there are more innovative and effective ways of increasing income for the Council. With a public/private partnership the Council can adapt to this opportunity to help local public services.

- 2.9 The priority of the Conservative Group is to keep taxation at the lowest possible level. While making Budget reductions, we do not directly impact any of the Council's statutory services and residents should not feel any direct result of them – that has been the priority of the Conservative Group. The Conservatives in Opposition are retaining resource in statutory services, which residents expect to be delivered well, whilst giving residents much-needed relief in freezing Council Tax.
- 2.10 We have included reducing the number of Councillors by 1/3 to future budget proposals.
- 2.11 We have decided to look to tackle the level of borrowing by accelerating the capital asset programme. Money spent on debt interest is money not being spent on local services.
- 2.12 We believe that greater efficiencies can be found in procurement and tendering. We have looked for additional savings of 0.5% in year 1 and 1% in year 2.

3. Budget Reduction Proposals

- 3.1 The Conservatives in Opposition are proposing a range of budget reduction proposals which will reduce spend on non-essential services in order to prioritise helping people deal with cost-of-living pressures. An explanation of these savings proposals is provided below supported with proformas and appendices.

Summary of Revenue proposals

Table 1 - Conservatives Revenue summary 2025/26 to 2026/27

Ref	Proposal	2025/26 £000	2026/27 £000
BR301	District Partnerships	714	952
BR302	Communications Savings	361	462
BR303	Additional Vacancy Factor	1,368	1,368
BR304	Senior Management	429	500
BR305	Procurement	1,000	2,000
BR306	Asset Sales	375	750
BR307	Admin/ Efficiencies	580	442
BR307	Members Allowances	306	306
BR307	Increased Income	104	104
	Total Proposed Savings	5,239	7,152

4. Capital proposals

- 4.1 We are also making key investments into neglected Royton in order to help bolster the growth in Royton's nighttime economy and local business growth. As well as a making a key investment for a local opportunity zone to help improve local neighbourhoods in Derker, Sholver, Moorside and Watersheddings with a local plan to be created with the ward members, Council, Greater Manchester Police and residents to help target local structural and economic problems. We have also allocated funding to help with a new health centre for Saddleworth.
- 4.2 It is also worth pointing out that Chadderton thanks to the last Conservative Government is receiving £20 million over the next decade, as part of the overlooked towns fund announced by the former Conservative Prime Minister in October 2023.
- 4.3 The Borough has seen a dramatic increase in fly tipping. We need to break the business model of fly tippers and stop the Council being merely a 'click and collect' service. As part of our commitment to help reduce and tackle the issue we believe we need to tackle the problem with more preventative measures, enforcement, and the use of technology to help deliver the best results with data and patterns where hotspots are prevalent. As well as co-ordinating more rapid legal action. This funding is there to make that happen.
- 4.4 We are also investing in our highways so we can help repair damaged roads and gully cleaning so they can be addressed more quickly with a targeted capital investment.

Table 2 - Conservatives Alternative Capital Programme 2025/26 to 2027/28

	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Funding				
Fund for Emerging Priorities (Cap prog)	3,000	2,885	2,000	7,885
Proposals				
1. Environmental Measures	300			300
2. Royton Precinct	1,500			1,500
3. Highways	1,150			1,150
4. Opportunity Zones	1,500			1,500
5. Saddleworth Health Centre		3,225		3,225
Total Proposed Capital Expenditure	4,450	3,225		7,675
Rephasing of Expenditure	(1,450)	(340)	1,790	-
Balance of Fund for Emerging Priorities	-	-	210	210

5. Director of Finance Comments

- 5.1 The savings proposed represent a significant degree of additionality over and above the £21m savings currently factored into the proposed budget. As articulated the proposals include some substantial and speculative savings. Further work would be required on these proposals to make an assessment of their viability and deliverability, so must be considered with caution.
- 5.2 The proposal to freeze council tax has longer term implications for the Council and its future revenue stream. By not increasing Council Tax, this reduces the Council's tax income on an ongoing basis and - under the current regime – will reduce the income that could be raised locally not only next year but also future years.

Sarah Johnson – Director of Finance

6. Options/Alternatives

- 6.1 With regard to the proposals set out in this report, the options available to the Governance, Strategy & Resources Board are to:
- Accept and recommend to Cabinet all of the recommendations of the report.
 - Accept and recommend to Cabinet some of the recommendations of the report and reject others.
 - Reject all of the recommendations of the report.

7. Preferred Option

- 7.1 The preferred option is that the Governance, Strategy & Resources Board accepts and recommends to Cabinet all of the recommendations.

8. Consultation

- 8.1 Heads of Service have been consulted in compiling the proposals set out in this report and the proposals have been agreed within the content of the business cases attached in Appendix Two. The presentation of the Conservative Budget Amendment proposals to the Governance, Strategy & Resources Board on 6 February 2025 will be the first stage of the budget consultation process.

9. Equality, community cohesion and crime implications

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

10. Equality Impact Assessment Completed

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

11. Financial Implications

- 11.1 Financial implications are included within this Report.

12. Legal Services Comments

- 12.1 The proposals involve a change to officers' and members' employment terms and conditions, appropriate HR processes will need to be followed in accordance with the Council's policies and procedures.
- 12.2 Any proposal to reduce the number of Councillors must be approved by the Local Government Boundary Commission (LGBC). It should be noted that the LGBC made recommendations in 2022 which were introduced for subsequent elections.

Alex Bougatef Interim Borough Solicitor

13. Key Decision

- 13.1 No.

14. Key Decision Reference

- 14.1 Not a Key Decision.

15. Background Papers

- 15.1 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 One and Two
Officer: Chris Kelsall, Assistant Director of Finance

16. Appendices

- 16.1 Appendix One: Table of Amendments to the Administration's Revenue Budget Proposals.
- 16.2 Appendix Two: BR1 forms.

Appendix 1		2025/26	2026/27	BR301	BR302	BR303	BR304	BR305	BR306	BR307		
TOTAL		5,239,653	7,151,028	714,000	360,973	1,368,000	429,125	1,000,000	375,000	580,800	306,955	104,800
Ref	Proposal	Annual Financial Implication	Annual Financial Implication	Districts	Comms	Additional Vacancy Factor	Senior Management	Procurement	Asset Sales	Admin / Efficiencies	Members Budgets / Allowances	Increased Income
1	Restructure of the District Teams. (Keeping Caseworkers and Business Support Officers through rationalisation)	714,000	952,000	714,000								
2	Reconsideration of Council priorities with regards to the Working for You Newspaper	48,180	48,180		48,180							
3	Marketing and advertising for Town Centre Events	9,043	9,043		9,043							
4	Reconsideration of Council priorities with regards to the Marketing and Communications Service. To reduce spend on this non-statutory service and proposed a redesign of the Communications and research team	303,750	405,000		303,750							
5	Additional Vacancy Management factor to achieve greater efficiency including limiting the present use of agency staff and consultants.	1,368,000	1,368,000			1,368,000						
6	Abolish Assistant Chief Executive Role	143,250	143,250				143,250					
7	Executive Management restructuring and efficiency (merge Directors of Economy & Digital, Communities & Environment posts)	214,875	286,500				214,875					
8	Freeze salary increases over £100,000 for 2 years	66,000	66,000				66,000					
9	Scrap the car allowance for senior management to zero	5,000	5,000				5,000					
10	Reduction in the General Training Budget	60,800	60,800							60,800		
11	Reduce photocopier charges by 20%	37,400	37,400							37,400		
12	Reduce postage charges by 15%	76,800	76,800							76,800		
13	Reduce staff in the Leaders office by 2 FTE	43,500	87,000							43,500		
14	Stationery be centralised in particular locations across the Borough to ensure better VFM through increased understanding of which items are required, volumes etc.	19,000	19,000							19,000		
15	Trade union facility time	75,000	75,000							75,000		
16	Cut the number of Councillors by 20		220,000									
17	Abolish District Lead and Deputy District Lead Allowances	35,471	35,471								35,471	
18	Scrap Deputy Cabinet posts	57,344	57,344								57,344	
19	Scrap Chairman's allowances	78,640	78,640								78,640	
20	Sell the ABU 1J number plate & Mayoral car	10,000	10,000								10,000	
21	Scrap the Deputy Mayoral Allowance	3,129	3,129								3,129	
22	Reduce Mayoral allowance by 50%	8,568	8,568								8,568	
23	Leader of the Opposition allowance 50% cut in allowance	8,192	8,192								8,192	
24	Deputy Main Opposition Leader abolition of allowance	6,553	6,553								6,553	
25	Minority Opposition Group Leader abolition of allowance	9,830	9,830								9,830	
26	Chairman of the Standards Committee (Abolition of allowance)	763	763								763	
27	Reduce Cabinet Members Allowances by half	88,466	88,466								88,466	
28	Review of car allowances, as previously promised to reduce the amount paid as a lump sum to staff doing zero or minimal mileage	50,000	50,000							50,000		
29	Reduction in mileage budgets to reflect change in work practices	80,300	80,300							80,300		
30	Advertising on the side of a bin wagon- £1800 per annum per vehicle	55,800	55,800									55,800
31	Advertising on Council land at £1175 per site per annum x12 sites	14,400	14,400									14,400
32	Allowing adverts (with necessary restrictions) to feature on the Council website through the Council Advertising Network.	1,000	1,000									1,000
33	Advertising on Council owned vehicles - similar to taxis (How many LGV's and Cars are there in the fleet)	18,600	18,600									18,600
34	Increase in fees for Houses of Multiple Occupation Licence	15,000	15,000									15,000
35	LIF Surplus 24/25	138,000	0							138,000		
36	Procurement and tendering efficiencies of an additional 0.5%	1,000,000	2,000,000					1,000,000				
37	Accelerated capital asset sales (assume £5m next year, £10m thereafter)	375,000	750,000						375,000			

Reference: **OPP-BR1-301**Responsible Officer: **Neil Consterdine**

Service Area:	District Partnerships
Budget Reduction Title:	Reduction in the District Partnership Service

Budget Reduction Proposal - Detail and Objectives:

The proposal is that the Council will reduce this service.

Restructure of the District Teams (Keeping Caseworkers and Business Support Officers). This will mean reducing the team by 19 posts of which three are currently vacant.

The Council is duplicating provision that is provided already elsewhere. This reduction and restructuring will reduce management costs and make the team more efficient and district focused.

2024/25 Service Budget and Establishment	£000
Employees	1,062
Other Operational Expenses	221
Income	(146)
Total	1,137

Current Forecast (under) / overspend	-
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Number of posts (Full time equivalent)	-
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	2025/26	2026/27	2027/28
Proposed Budget Reduction (£000)	(714)	(238)	0
Proposed Staffing Reductions (FTE)	19	0	0

Is your proposal a 'one-off' in 2025/26 or is it ongoing?	On-going
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Consultation required?	Yes
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BR1 - Section A

Service Area:	Communications and Research
Budget Reduction Title:	Communications and Research Service Redesign

Budget Reduction Proposal - detail and objectives:

The role of the Communications and Research service is to communicate and engage with a wide range of audiences both within Oldham and beyond; in order to ensure residents are aware of Council news and services; to attract visitors and investors; and to enable our residents and stakeholders to participate in decision-making.

The Communications and Research service currently has 12 permanent FTE staff working across disciplines including digital and web, design, social media, video creation, media relations, internal communications, media relations, marketing, engagement and consultation. One of these posts is currently vacant.

Our proposal is to reduce spend on this non-statutory service and propose a redesign of the communications and research team. The Council needs to make efficiencies and the core communication of Council services and online digital communications of those services does not need vast amounts of resources. We would reduce staffing resources to save £0.405m per annum. This is in addition to the savings proposed by the current administration. We believe any impact on essential areas can be mitigated by prioritising resources appropriately and have not been presented with any evidence to the contrary.

This reduction would be supplemented by a further saving of £0.048m through ceasing the publication of the three issues of Oldham Council, 'Working for You'.

In addition, it is proposed to save £9k through ceasing marketing and advertising for town centre events.

2024/25 Service Budget and Establishment	£000
Employees	927
Other Operational Expenses	75
Income	(5)
Total	997

Current Forecast (under) / overspend	-
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Number of posts (Full time equivalent)	18
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	2025/26	2026/27	2027/28
Proposed Budget Reduction (£000)	(361)	(101)	
Proposed Staffing Reductions (FTE)	7	0	0

Is your proposal a 'one-off' in 2025/26 or is it ongoing?	Ongoing
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Consultation required?	Yes
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Signed Finance	31 January 2025
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BR1 - Section A

Portfolio:	Finance & Corporate Resources
Service Area:	Finance
Budget Reduction Title:	Introduction of a Vacancy Factor

Budget Reduction Proposal - Detail and Objectives:

The Council currently prepares its budget estimates on the approved FTE establishment of each service and cost centre. The proposal is to apply an additional vacancy factor at a rate of 1% to mainstream employee budgets. Some posts will become vacant during 2025/26 due to staff turnover, and it is a legitimate and reasonable action to create a budget reduction proposal to take advantage of this movement in staffing and the consequent impact of the recruitment process. The Council has a detailed recruitment review process. This should ensure the timing of the recruitment to posts is managed appropriately.

The staff budget is forecast to increase to c. £140m by 2025/26. Based on the estimated staffing budget requirements for 2025/26 this will generate an additional saving of approximately £1.4m. It is recognised that the Current Administration's proposed budget includes a Vacancy Factor of 1%, which was built into the 2024/25 budget and carried over into 2025/26. This was set last year before further measures were introduced this year to ensure that recruitment takes place only when absolutely essential and in particular the use of agency workers to fill vacancies on a temporary basis should be minimised. We believe that these controls should continue into 2025/26 and enhanced where appropriate with recruitment only being approved where it can be demonstrated that it is absolutely essential. This will also apply to agency workers.

The additional saving will therefore be £1.4m bringing the total saving to 2.4m. We understand that the savings achieved through vacancies in 2024/25 will be in excess of this figure and therefore there is no reason why this proposal cannot be delivered.

Directorates will be expected to manage any recruitment to permanent or temporary posts whilst remaining aware of their vacancy management targets.

2024/25 Service Budget and Establishment

	£000
Employees	138,000
Other Operational Expenses	0
Income	0
Total	138,000

Current Forecast (under) / overspend	0
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Number of posts (Full time equivalent)	
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	2025/26	2026/27	2027/28
Proposed Budget Reduction (£000)	(1,368)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2025/26 or is it ongoing?	Ongoing
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Consultation required?	No
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Responsible Officer:	Shelley Kipling, Chief Executive, Emma Barton, Deputy Chief executive, Place
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Service Area:	Chief Executives/ Place & Economic Growth
Budget Reduction Title:	Reduction in the Senior Management Team

Budget Reduction Proposal - Detail and Objectives:

The proposal will merge / delete the following roles, delivering a saving of £429,000.

- Deletion of the Assistant Chief Executive post
- Removing the Director of Communities and reverting to the 2023/24 structure
- Merge Director Economy with the Director of Environment

This will remove a high-cost layer of senior management without adversely impacting upon service delivery.

We believe that this is a one-off opportunity to merge these roles whilst there are so many senior vacancies within the organisation. This will also save on any agency fees that the administration may seek to incur until the posts are filled. Merging the roles together will allow for better strategic use of Council assets and delivery of public services from those Council assets.

The salaries of all staff earning in excess of £100,000 will be frozen for 2 years, delivering a saving of £66,000. We believe that as frontline staff face increasing pressures those at the top of the organisation should share the burden and as part of this we propose a salary freeze for two years in order to reflect the more than generous salary paid for by many who may never be able to reach such a wage.

Finally, we will scrap the car allowance for senior management, delivering a saving of £5,000. This will help reduce the impact on Council finances and the Council's commitment to meet its net zero targets. We believe that well remunerated officers do not need further remuneration.

2024/25 Service Budget and Establishment

	£000
Employees	2,121
Other Operational Expenses	
Income	
Total	2,121

Current Forecast (under) / overspend

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Number of posts (Full time equivalent)

	13
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	2025/26	2026/27	2027/28
Proposed Budget Reduction (£000)	(429)	(71)	0
Proposed Staffing Reductions (FTE)	3	0	0

Is your proposal a 'one-off' in 2025/26 or is it ongoing?

	On-going
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Consultation required?	Yes
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BR1 - Section A

Portfolio:	Finance & Corporate Resources
Service Area:	Finance
Budget Reduction Title:	Procurement Savings

Budget Reduction Proposal - Detail and Objectives:

A report requested by the Conservatives covering all purchase orders raised by the Council over the last 12 months indicated that the value of orders raised by the Council for revenue related services was £283m.

We have been made aware that this does not directly relate to actual expenditure incurred but it does indicate that significant savings must be possible with better procurement.

We believe that the current procurement is under resourced and as a result purchases are being made and contracts awarded without procedures being in place to ensure costs are reduced as much as possible.

A reduction in costs of just 1% would reduce the above figure by £2.8m.

Our proposal assumes a saving of 0.5% in 2025/26 but offset by significant investment into the Council's procurement function, providing a net saving of £1m in 2025/26.

We believe the saving could increase to 1% in 2026/27 generating a further saving of approximately £1m

2024/25 Service Budget and Establishment

	£000
Employees	N/A
Other Operational Expenses	
Income	
Total	N/A

Current Forecast (under) / overspend	0
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Number of posts (Full time equivalent)	
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	2025/26	2026/27	2027/28
Proposed Budget Reduction (£000)	(1,000)	(1,000)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2025/26 or is it ongoing?	Ongoing
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Consultation required?	No
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BR1 - Section A

Service Area:	Economy
Budget Reduction Title:	Accelerated Asset Sales

Budget Reduction Proposal - Detail and Objectives:

We propose to accelerate the programme of assets sales to deliver savings over and above those delivered by the current administration.

We propose £5m in 2025/26 and a further £5m in 2026/26.

The interest and MRP savings alone will generate savings of £0.375m and £0.750m respectively.

We are currently working with the Director of Finance and Economy to finalise the list of assets to be put forward.

2024/25 Service Budget and Establishment	£000
Employees	N/A
Other Operational Expenses	
Income	
Total	N/A

Current Forecast (under) / overspend	0
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Number of posts (Full time equivalent)	
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	2025/26	2026/27	2027/28
Proposed Budget Reduction (£000)	(375)	(375)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2025/26 or is it ongoing?	Ongoing
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Consultation required?	TBC
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BR1 - Section A

Portfolio:	Finance & Corporate Resources
Service Area:	Finance
Budget Reduction Title:	Income & Efficiencies

Budget Reduction Proposal - Detail and Objectives:

Included with our savings proposal for 2025/26 totalling £0.852m are in respect of income & efficiencies. These have been allocated into themes as follows:

- Administration Efficiencies £0.580m
- Members' budgets & allowances £306m
- Increased Income £0.104m

The breakdown is included at Appendix 2a.

The admin/efficiencies element includes £0.138m in respect of LIF, which will impact 2025/26 only. It should be noted that our proposal last year to make this saving was rejected, yet minimal money appears to have been spent in 2024/25.

Within Members Budgets is a proposal to reduce the number of councilors by 20 - £220k. It is recognised that this will not be able to be enacted by next year but is included for future years.

2024/25 Service Budget and Establishment

£000

Employees	N/A
Other Operational Expenses	
Income	
Total	N/A

Current Forecast (under) / overspend

0

Number of posts (Full time equivalent)

	2025/26	2026/27	2027/28
Proposed Budget Reduction (£000)	(992)	(82)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2025/26 or is it ongoing?

Ongoing (LIF one-off)

Consultation required?

No

Signed RO

Signed Finance