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CABINET
25/07/2016 at 6.00 pm



Present: Councillor Stretton (Chair)
Councillors Akhtar, Brownridge, Chadderton, F Hussain and
Moores

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Harrison
and Councillor Jabbar.

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.

5 **MINUTES OF PREVIOUS MEETING HELD ON THE 27TH
JUNE 2016**

RESOLVED that the minutes of the meeting held on 27th June
be approved as a correct record.

6 **2015/16 ANNUAL STATEMENT OF ACCOUNTS**

Consideration was given to a report of the Director of Finance
that advised the Cabinet of the recently approved 2015/16
audited Statement of Accounts and the External Audit (Grant
Thornton) Audit Findings report.

The report was very positive, highlighting:-

- The excellent Audit Findings report, with an unqualified opinion and no material misstatements for the seventh successive year.
- All audit judgements had a green rating and a very positive Value for Money (VFM) opinion.
- The overall financial position for 2015/16, which was a surplus of £0.425m when comparing the revenue budget to the outturn. This was a slight increase in the forecast underspend reported in the last financial monitoring report approved by Cabinet on 21 March 2016.
- The speed of the preparation of the accounts to the high standard set by the Finance Service in previous years.
- The performance of the Finance Team in closing the Council's accounts and its focus on continuous improvement of its processes.

Options/Alternatives considered:

That Cabinet did not note the final accounts, the audit report and the items outlined in the report or refer them on to Council.

RESOLVED – That Cabinet noted the final accounts, the auditor’s reports and the comments in the report, and commended them to Council.

7

TREASURY MANAGEMENT REVIEW 2015/16

Consideration was given to a report of the Director of Finance, that the Council was required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2015/16. This report met the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

The report demonstrated full compliance with the reporting requirements and provided details of the outturn position for treasury activities, highlighting compliance with the Council’s policies previously approved by Members.

Actual capital expenditure was less than the revised budget estimate, due primarily to delays in both start and development of some of the capital schemes that were expected to progress during the year. The planned expenditure had therefore slipped into 2016/17. No borrowing was undertaken during the year. This was because of the policy of self-financing which was employed due to the uncertainty around interest rates and the availability of cash which caused the Council to use cash reserves rather than incur additional borrowing costs.

The Director of Finance also confirmed that the statutory borrowing limit (the authorised limit) was not breached.

The financial year 2015/16 continued the challenging investment environment of previous years, namely low investment returns.

Options/Alternatives considered:
No options/alternatives were presented.

RESOLVED – That Cabinet agreed to:

- 1) Approve the actual 2015/16 prudential and treasury indicators in this report
- 2) Approve the annual treasury management report for 2015/16
- 3) Commend this report to Council

8

LOCAL GOVERNMENT PENSION SCHEME ADMITTED BODIES

Consideration was given to a report of the Director of Finance that set out a proposal for engagement with external bodies that were applying to join the Local Government Pension Scheme as an Admitted Body backed by a Council guarantee.

Working in partnership with private and third sector organisations could lead to the transfer of former and current Council employees from one organisation to another. The transfer of responsibilities for undertaking particular services could also give rise to employee transfers. To ensure transferring employees could remain a member of the Local Government Pension Scheme (LGPS), their new employer must apply to become an Admitted Body (A scheme employer in the LGPS) and specific arrangements with regard to Admitted Bodies could leave the Council bearing additional risks. This report highlighted those risks and proposed an approach for engaging with those organisations seeking admitted body status.

Options/Alternatives considered:-

1. Adopt a default position of operating non-pooled arrangements on a closed scheme basis.
2. If was appropriate to seek different terms, the rationale for agreeing them would be disclosed as part of the business case for entering into the arrangement. The decision to approve such specific individual pension fund transfer and/or pooling arrangements would be approved by either Cabinet or the appropriate Cabinet Member where the decision has been delegated, in conjunction with the Cabinet Member for Finance and HR.

RESOLVED – That Cabinet agreed to:

- 1) Approve as default, the position of operating non-pooled arrangements on a closed scheme basis for engaging with organisations (or their associates) that were seeking Admitted Body status;
- 2) Approve the flexibility to depart from this default in circumstances where there were clear statutory, policy, service or value for money grounds for an alternative decision;
- 3) Approve the measures to limit the Council's liabilities which may arise from pension strain costs or default by the Admitted Body;
- 4) Approve that the pension arrangements which would accompany and apply to TUPE transfers, should be the subject of consultation with the recognised trade unions on a case by case basis.

9

LA POLICY ON ACADEMY CONVERSION AND GUIDANCE FOR SCHOOLS

Consideration was given to a report of the Director of Education and Early Years seeking approval for the policy and its application in all cases where maintained schools convert to academy status. The Council currently had no policy or guidance on managing the implications and risks associated with Academy conversion.

The recommended policy on conversions outlined the criteria the LA should insist on for any sponsor hoping to run a school

within Oldham, which included working in partnership with the LA and working with the Oldham Education and Skills Commission to develop and improve the education offer for parents, young people and the community.



The principle issues in relation to conversion were: the transfer of staff; transfer of land; and transfer of Assets and Contracts. These matters were dealt with in two main documents, a Commercial Transfer Agreement (CTA) and Lease Agreement, together with supporting ancillary documentation, although it was noted that conversion could take place even if these agreements were not concluded. The suggested policy on Academy Conversion was clear that these agreements must be in place and agreed by the LA before any conversion could take place.

The advantage to the LA in completing these agreements was that the interests of the LA could be protected as much as possible. If a lease agreement was not concluded, the Secretary of State could direct a form of disposal of the land under their powers under the Act. This could result in terms less favourable to the LA than those contained within the Lease Agreement. The Commercial Transfer Agreement contained certain indemnities and warranties that protected the LA against certain future liabilities. If the agreement was not concluded, the LA would not have the benefit of these. The agreements provided clarity and certainty with regard to the obligations between the parties.

The report also recommended that authority be delegated to the Cabinet Member for Education to amend the policy as and when required by changes to primary legislation and that authority be delegated to the Director of Education and Early Years, after consultation with the Cabinet Member for Education, to authorise the completion and execution of the necessary agreements required for future academy conversions.

Options/Alternatives considered:

- to continue to manage each conversion separately without an approved set of criteria, or
- adopt a singular approach to conversion by reference to an approved policy which outlined the LA's expectations with regard to preferred sponsors, expectations placed upon those sponsors and clear written agreements covering all aspects of capital works, finance, leases, warranties and liabilities.

RESOLVED – That Cabinet agreed that:

- 1) The policy and guidance be approved for distribution to all maintained schools within the borough

- 2) The authority be delegated to the Cabinet Member for Education to amend the policy as and when required by changes to primary legislation
- 3) The authority be delegated to the Director of Education and Early Years, after consultation with the Cabinet Member for Education, to authorise the completion and execution of the necessary agreements required for future academy conversions.

10

LOCAL DEVELOPMENT SCHEME UPDATE

Consideration was given to a report of the Strategic Planning and Information Team Leader that provided an update on the Council's Local Development Scheme (LDS).

The Cabinet was informed that the Council had to prepare a Local Plan to provide a comprehensive planning framework to support the Borough's economic, environmental and social objectives. The Local Development Scheme (LDS) was the project plan for the Local Plan. It set out details and timetables about the planning documents the Council would prepare, including:

- The Greater Manchester Spatial Framework; and
- Oldham's Local Plan (incorporating site allocations).

Following enactment of relevant parts of the Localism Act relating to planning matters (effective from 15 January) the Council was no longer required to seek the Secretary of State's approval for changes to the LDS; they only needed to be notified them of any changes that had been made.

Options/Alternatives considered:

- a. Option 1 – To update the LDS.
 - Advantages – updating the LDS meant that people would have certainty over the timetable for preparing planning documents; National Planning Practice Guidance (PPG) on Local Plans stated that the LDS must be kept up to date.
 - Disadvantages – there were no disadvantages to updating the LDS.
- b. Option 2 – Not to update the LDS.
 - Advantages – there were no advantages in not updating the LDS.
 - Disadvantages – not approving the LDS meant that people would have less certainty and confidence in planning documents coming forward; not updating the LDS meant the Council would not be in line with Government guidance.

RESOLVED – That Cabinet agreed that:

- 1) The revisions to the LDS be approved and
- 2) The LDS would have effect from 26 July 2016.

11

PROCUREMENT EXERCISE FOR THE SUPPLY OF WASTE CONTAINERS (WASTE MANAGEMENT)

Consideration was given to a report of the Executive Director Economy, Skills & Neighbourhoods seeking authority to award a 3-year contract for the ongoing supply of plastic waste containers.

It was noted that Oldham Council currently delivered an average of 14,000-16,000 rubbish and recycling bins annually to households across the borough and the change in collections was expected to lead to an increase in demand. This contract would put in place measures to meet that demand.

Options/Alternatives considered:

- To award the contract to MGB Straights. This option was within budget and would ensure continuity of the provision of goods.
- To not award the contract. This option would leave the Council with no formal contract in place, prompting a new procurement exercise. This would increase the timescales in implementing a formal contract, leaving the Council open to risk

RESOLVED – That Cabinet agreed that a three-year contract be awarded to MGB Straight.

12

SPECIAL EDUCATIONAL NEEDS (SEN) TRANSPORT SERVICES

The Cabinet gave consideration to a report of the Executive Director Economy, Skills & Neighbourhoods that advised on the procedure undertaken with regards to the Home to School Transport Tender, with routes to commence on the 1st September 2016.

Transport was currently provided to approximately 500 pupils with special educational needs across the borough, who were eligible for transport between home and school. The service operated over 190 school days as determined by the Pupil Holiday Pattern published by People Communities and Society, taking into account other occasional days determined by individual schools' governing bodies. Many pupils with SEN were provided with free home to school transport in accordance with the Council's Home to School/College Transport Policy.

The report provided details of the EU-compliant selection process and the outcomes.

Options/Alternatives considered:

- a. Option 1 – To award 58 contracts to those who were successful via the online submissions and approach the incumbent supplier to continue undertaking the routes that could not be awarded at the same price over the



contract period. If this was not possible, three quotations would be obtained for the 12 routes that could not be awarded. This would;

- Provide a continuation of the service from September 2016.
- Offer a saving on the current spend for these contracts with the exception of the 12 routes which will either be undertaken by the current contractor at the same rate currently being paid, or with the supplier who gives the cheapest quotation.

b. Option 2 – Not to award the 58 routes and re tender in an attempt to be able to award all contracts via the tendering process. This would;

- Allow the 12 routes not allocated via the tendering process to possibly be allocated to another contractor.
- Not allow sufficient time for contracts to be allocated in time for the commencement in September 2016.

c. Option 3 – To award all contracts that could be allocated via the tender and retender the unallocated route. This would:

- Allow the award of the evaluated contracts providing a continuation of the service in September 2016.
- Put the unallocated route at risk of not being filled by the commencement date of September 2014.

RESOLVED – That Cabinet would consider the confidential information contained at Item 15 of the agenda before making a decision.

13

SUPPORTED HOUSING FOR ADULTS WITH A LEARNING DISABILITY AND/OR COMPLEX BEHAVIOUR

Consideration was given to a report of the Executive Director of Health & Wellbeing which set out proposals for the Council to develop a specialist supported housing scheme for adults with learning disabilities and/ or complex behaviour. Cabinet approval was sought to make use of Housing Revenue Account resources to build approximately 20 supported homes and, in addition, bid for Homes and Communities Agency funding to contribute towards the capital cost.

In 2014 a joint strategic needs assessment had identified that individuals with learning disabilities and complex needs and their families felt that they had a lack of housing choices available to them in the borough. In particular, there was a demand for supported independent living accommodation with access to some form of shared communal facilities. A review of the use of corporate property by Adult Social Care services in November 2015 highlighted that some of the Council's existing assets, currently used by Adult Social Care, could be better used to meet future service demands and needs.

Subject to Homes and Communities Agency funding, it was proposed to procure a registered provider of social housing to construct and manage on behalf of the Council this new specialist supported housing. The Council would also work with Miocare as the council-owned provider of services to adults with learning disabilities and/or complex behaviours, to develop the service delivery model.

Subject to gaining all the necessary approvals, funding and a compliant tender exercise, the new development could begin in late 2017.

Options/Alternatives considered:

- a. Option 1- Do Nothing
 - There was a need for specialist supported housing for adults with learning disabilities in the borough which would not be met.
- b. Option 2- Find alternative site
 - Whilst possible, this would lead to further delays and potentially increased costs and impact negatively on the planned approach. It would mean that the Council would be unlikely to meet the Homes and Communities Agency deadlines.
- c. Option 3- Support the recommendations
 - Support the submission of a bid to the Homes and Communities Agency towards the capital costs of the supported housing and the use of Housing Revenue Account funding to develop new supported housing for adults with a learning disability and/or complex behavior having sought approval to appropriate the land for an alternative use. This proposal provides an opportunity to make improved use of the site as it will be redeveloped as specialist supported housing.

RESOLVED – That Cabinet would consider the confidential information contained at Item 16 of the agenda before making a decision.

14

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 paragraph 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.

15

SPECIAL EDUCATIONAL NEEDS (SEN) TRANSPORT SERVICE

The Cabinet gave consideration to the commercially sensitive information in relation to Item 15 – Special Educational Needs (SEN) Transport Service.

RESOLVED – That the contracts for the provision of Home to School Transport be awarded to the preferred bidders as detailed within the report.



Oldham
Council

16

SUPPORTED HOUSING FOR ADULTS WITH A LEARNING DISABILITY AND/OR COMPLEX BEHAVIOUR

The Cabinet gave consideration to the commercially sensitive information in relation to Item 16 - Supported Housing for Adults with a Learning Disability and/or Complex Behaviour.

RESOLVED – That all of the recommendations in the report be agreed.

The meeting started at 6.00 pm and ended at 6.18 pm

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