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CABINET
23/01/2017 at 6.00 pm

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

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**

Councillors Brownridge, Jabbar and Stretton declared a personal interest at Items 9 and 11 by virtue of their membership of the Foxdenton Joint Venture Board.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **MINUTES OF PREVIOUS MEETING**

RESOLVED- That that the minutes of the Cabinet meeting held on 19th December 2016 be approved as a correct record.

6 **COUNCIL TAX AND NON-DOMESTIC RATES TAX BASES 2017/18**

Consideration was given to a report of the Director of Finance which presented the Cabinet with the Council Tax and provisional Non-Domestic (NDR) Tax Bases for 2017/18 for use in budget deliberations and sought delegated authority in determining the final Non-Domestic Rates (Business Rate) tax base figures.

It was reported that after applying adjustments for the Local Council Tax Support scheme and to reflect charges to empty properties and an anticipated increase in the number of properties to be included in the valuation list over the year, the number of band D equivalent properties reduced to 56,667.6. The final Council Tax base after the application of the anticipated collection rate of 96.89% was 54,905 which was an increase of 499 over the Council Tax base for 2016/17. The Tax base for Saddleworth Parish Council of 8,458 and for Shaw and Crompton Parish Council of 5,316 had been calculated on the same basis.

It was further reported that under the current government finance system, local billing authorities were required to prepare and submit to the Department of Communities and Local Government (DCLG) a locally determined and approved Business Rates forecast through the National Non-Domestic Rates 1 return by January 31 each year. This forecast was to be used to determine the 2017/18 "demand" and payment schedule for Business Rates between the Oldham Council, Central

Government and the Greater Manchester (GM) Fire & Rescue Authority. The Council was only able to retain 49% of the income with 1% being paid to the GM Fire & Rescue Authority and 50% to Central Government. Under the terms of the 100% rates retention pilot, the Council would retain 99% of the rating income assuming 1% continued to be paid to the Greater Manchester Fire and Rescue Authority.

The estimated rating income for 2016/17 attributable to Oldham Council was £26.437m. Delegation was being sought from Cabinet to enable changes to the Business Rates Tax Base to be made in accordance with information available on 31 January 2017.

Options/Alternatives

The Council has little discretion in the calculation of the number of properties incorporated into the Council Tax base given the legislative framework. There is however some discretion over estimating the number of new properties that could be included on the Council Tax register during 2017/18. A prudent view had been taken in this regard. The main area for an alternative approach was over the level of assumed collection rate. An increase in the collection rate would boost anticipated Council Tax income and a decrease in the rate would decrease income. There would have to be a reasoned argument to support an alternative collection level hence No alternative Council Tax base was presented.

RESOLVED – That:

1. The Council Tax Base for 2017/18 at 54,905 Band D equivalent properties be approved.
2. The final estimated net Business Rate yield and subsequently Oldham Council's estimated 2017/18 Business Rates Tax Base at £26.437m be approved.
3. The decision to vary the final Business Rates forecast and hence the Business Rates Tax Base, if required, be delegated to the Cabinet Member for Finance and HR in consultation with the Executive Director of Corporate and Commercial Services and the Director of Finance.
4. The exemption of this report from call in, on the basis that the implementation of the recommendations contained within the report are required before the expiry of the call in period be approved.
5. The Tax Bases for Saddleworth and Shaw and Crompton Parish Councils of 8,458 and 5,316 respectively be noted.

7

OPTIONS TO REDESIGN THE LINK CENTRE SERVICE

The Cabinet gave consideration to a report of the Executive Director Health and Wellbeing and Executive Director Economy and Skills and Neighbourhoods which outlined potential options for the Link Centre service following a period of consultation from 6th September 2016 - 29th November 2016.

It was reported that as part of the Council's budget planning process officers were asked to explore an option to decommission the Link Centre Service and explore future

options for the use of the building to enable adult social care to achieve £250,000 of savings during 2017/18 financial year. As a result of a service review commissioned in February 2016 with a purpose of clarifying the future purpose and role of the Link Centre due to footfall being down and the centre being underused, a range of options for the future viability of the centre were highlighted. (Appendix 1&2).

A number of options had been identified via the consultation process with stakeholders which included partners, providers, members of the public and people who currently utilised the Centre and its services.

The options detailed in the subsequent sections provided a high level summary of the proposals. A detailed overview of the implications on the workforce, people who access the Centre, partners and the financial implications were attached at Appendix 5.

Option 1 - Lease the building to a provider, either part or whole at a commercial rent.

Leasing the building, either in part or on whole, would potentially yield a commercial income to the council of up to £100,000 per year, depending on the nature of the lease arrangements and area involved.

However, this would place additional burdens on the council in relation to relocation of existing staff and partner agencies, as well as consideration for how the existing Link Centre Services would be accommodated elsewhere to ensure that we met our equalities duties.

Albeit, that in terms of relocation of existing staff and partner agencies, alternative accommodation could be identified within the Council's corporate estate. In terms of alternative locations for service provision, this could similarly be explored within the existing estate, however it would be likely to be fragmented across localities rather than centralised, which was unlikely to be acceptable from a service delivery perspective.

Should the building be vacated by adult social care, it would become a Corporate Landlord responsibility, and any rental income generated would consequently be used to support the Council's corporate mainstream revenue budgets.

Option 2 - Asset transfer to an independent organisation
During the consultation period suggestions were made by consultees to develop a Centre for Independent Living (CIL), on a similar basis to the Glasgow City model.

The Glasgow CIL is a user-led organisation which is focused on delivering services for vulnerable adults, which supports the city's vision that by 2026 Glasgow would have evolved into a fully inclusive and accessible city where disabled people are able to achieve independent living. To support delivery of this vision, the CIL provides:

- Information, advice and signposting
- An Independent Living Service, which is a support service for people in receipt of direct payments and personalisation, similar to brokerage
- Payroll services
- Equality training services
- Payroll provision for people who employ a PA

- Housing advice, including advocacy provision for disabled people
- Employment support aimed at enhancing disabled peoples skills, qualifications and confidence
- Fully accessible conference facilities

The CIL model was explored and information on the funding arrangements was shared by Glasgow City Council (CC). Glasgow CC was currently reviewing its arrangements with the CIL and it was noted that investment by Glasgow CC into this model was higher than our current operational costs of delivering the Link Centre.

In addition to funding, there would need to be interest from an existing user-led group or coalition of groups, to establish themselves as an independent trust and commit to the operational running and maintenance of the building.

Discussions during the consultation with some existing groups reflected that they do not have the capacity, resources or appetite to commit to an asset transfer on this scale.

Option 3 - Lease to a service provider on a nil rent basis initially, aligned to a service delivery contract

The council was approached during the consultation period to consider an alternative model of delivery which would see elements of the Link Centre Service provided by another provider, at no cost to the council, in return for a non-rental income lease. This would mean that the council would seek to procure a provider, who would deliver key aspects of the current service, under a lease agreement for the Centre, who would not be required to pay commercial rental costs. However, they would be expected to deliver a level of service provision as outlined in the specification throughout the lease period.

To ensure value for money, it is proposed that an initial rent free period would be agreed, with a taper applied over the period of the agreement. This would provide the opportunity for the council to potentially generate additional income during the term. The rental income will form a key aspect of the specification.

The provider would deliver the following services in lieu of payment:

- Services the provider offers would be available at a cost and managed fully by the new provider
- Access to meeting rooms and facilities, with respective room rates being charged to access the facilities
- Provide café facilities and access to refreshments for visitors to the Centre
- Information, advice and signposting, across a range of health and social care issues
- A continued presence and accommodation as per the current arrangement for occupational therapists, moving & handling, memory team and MioCare (thus reducing any impact on deliverability of these services which require co-location and accessible premises.) However, consideration would be given over the next 12 months to how these services would need to align with the integration of health and social care services.

- Operational and maintenance management, to a defined council level, during the lifetime of the lease arrangements

As part of the specification, clear costs would be outlined which would be associated with the provision of services, including workforce and maintenance costs, to ensure the model offered value for money for the council and that the provider is clear on the requirements for the expected service model.

Adopting this approach would enable the council to mitigate any potential adverse or negative impact on people from protected characteristics, and ensure that we adhere to our equality and diversity requirements.

Operational running costs for the Centre are in the region of £73,000 per annum and these would be the responsibility of the successful provider.

The successful provider would have the opportunity to minimise costs through the implementation of a charging policy. It should be noted that this was not different to the current approach by the council as there were existing income targets (circa £21k) set against these elements of income. However, this would see the Centre being run on an independent basis to develop a sustainable business model in the longer term.

It was proposed that existing partners services would remain on the second floor of the Centre and this arrangement would form a key aspect of the service specification of the successful provider. This would enable a range of services aimed at vulnerable adults to continue to be offered from a single location.

Whilst this approach would minimise some aspects of redundancy risks, it should be noted that 3 aspects of the existing Link Centre Service, will not form part of the proposed transfer of services; group development and capacity building, Volunteering for All and Translation and Interpretation services. It was proposed to transfer the volunteers and clients associated with the Volunteering for All project, to an alternative provider. However, there would be ongoing costs associated with this approach and as part of the review it has been quoted that annual costs to the council would be in the region of £30,000. To ensure appropriate support for vulnerable adults who are both volunteering and who receive volunteer support to meet their support needs, it was proposed to continue the volunteering scheme for a further 12 months to enable appropriate transitional arrangements to be adopted, thus minimising any negative impact.

For Translation and Interpretation Services, whilst it generated an annual income (circa £8k) this was not sufficient to enable the service to become cost neutral. A new business model was developed with a focus on developing an independent register of interpreters and translators and was dependent on the provision of the service becoming cost neutral. Following a detailed review of this model it is not felt sustainable in the short term and would require investment in the first 2 years. As a result it is proposed to disestablish this role.

This approach will also seek to minimise the number of staff at risk of redundancy, as the proposal would be that TUPE would apply to the existing 2FTE care takers.

The proposal to tender for a provider and develop a more business focused model are key themes identified from the consultation phase, where a clear message was that people understood the Centre needed to become sustainable and that we should seek to raise funds through income generation.

However, to manage this internally within the council would mean additional funds for the workforce, as outlined in section 2 in relation to the current workforce position.

However, due to the lead in times for procuring a new provider and development of robust contractual arrangements, for both the delivery of the service and lease arrangements, the savings identified against the Link Centre would not be deliverable for 1 April 2017, and would be likely to be delivered towards the end of the 2017/2018 financial year. Section 6 identifies the financial impact of this approach.

Option 4 - Generate additional income to offset the budget target
The proposal to generate additional income at the Link Centre was proposed through the consultation process.

Consideration had been given to this option, which has partially led to the development of option 3, but this is not a viable solution if this was managed by the council itself, due to the issues highlighted through sections 3.24 to 3.26.

The Link Centre already had income targets to deliver, and as outlined in section 2, during the previous financial year these were only partially achieved due to the vacant posts within the budget.

To enable the savings target to be delivered, this would require an additional £250,000 to be achieved on top of the existing £95,000 income target.

Where the existing target is not being achieved, increasing this target an additional 263% would not be realistic and would also require additional workforce investment to administer and manage the process of collecting income. This additional resource would likely cost £30,000 per year (including on-costs) which would increase the required income levels to an additional £280,000.

Option 5 - Close off part of the building and offer a limited Link Centre Service

Consideration has also been given to options for closing off part of the Link Centre building to accommodate a reduced service offer and to seek to lease out the remaining floors.

However, apart from the second floor which is predominantly staff or partner agencies, vulnerable adults and groups who access the Centre would have limited access to existing services.

To take this approach, the most appropriate solution would be to close off the ground floor and offer this as meeting space for groups. Whilst this would meet the needs of groups, following a period of investment in the existing open plan layout, to create smaller meeting areas and rooms, it means that services located in specific areas, such as sensory, assessment rooms and

bathing, would no longer be accessible, which is a key aspect of the Link Centre offer.

Initial investment would also be required if this option was pursued to enable the building to be separated and utilised for different services or rented to other agencies. This could potentially require investment in the region of £300,000 in the short term.

Option 6 - Decommissioning of the Link Centre and transfer of the asset back to corporate landlord

This approach would include transfer of management responsibility to Corporate Landlord, the Council and Unity; in addition to other service areas employing Caretaking and Cleaning staff. Therefore there is potential that the costs associated with facilities management of the building could be reduced but this would only apply if the Link Centre Service was fully decommissioned.

A charging mechanism could be introduced, which would regularise occupations and seek to ensure that the operating costs were covered.

Part of the building could be let commercially, and part to a service provider, on an explicit arrangement regarding services to be provided.

It should be noted that further feasibility work was required regarding this option, in particular around how it would address our equalities duties.

Findings from the consultation reflect that vulnerable adults and groups are in strong objection with any proposal which would lead to the closure of the Link Centre Service.

Consideration would also be required about how this approach would mitigate any adverse impacts on protected characteristic groups identified as part of the equality impact assessment (see Appendix 3.)

To enable transition of vulnerable adults and groups to other alternative community facilities or services which may meet their required support needs, would require ongoing support and resourcing during 2017/2018.

RESOLVED – That:

1. Option 3 of the report, Lease to a service provider on a nil rent basis initially, aligned to a service delivery contract, be approved.
2. The following delegations be agreed:
 - a. For the Director of Adult Social Care to lead on the implementation of any new service offer for vulnerable adults at the Link Centre to include any tender of services and the award of a contract to the successful bidder;
 - b. For the Director of Adult Social Care to lead on the implications for the workforce, if any, in liaison with human resources;
 - c. For the Director of Economy and Skills to progress the estate requirements as part of the Corporate Portfolio, in liaison with the Leader of the Council, as Portfolio Holder for Corporate Property.

- d. For the Director of Legal Services to enter into and seal any documents or associated agreements including any leases.

8

SCHOOL ADMISSION ARRANGEMENTS 2018-2019

Consideration was given to a report of the Director Education and Early Years which provided the Cabinet with details of:

1. The Council's statutory obligations to determine the admission arrangements for community and voluntary controlled schools in Oldham for the academic year 2018-19.
2. The proposed Co-ordinated Scheme for admissions for 2018-19 as detailed at appendix A to the report.
3. To proposed admission arrangements for admission to community and voluntary controlled primary and secondary schools for the Academic year 2018-19 as detailed at Appendices B and C.
4. The continuation of the current arrangements for appeals to the Independent Appeal Panel.

Options/Alternatives considered

Option 1 – To approve the proposed coordinated scheme at Appendix A and the arrangements for admission to community and voluntary controlled primary and secondary schools as set out in Appendices B and C and continue the existing arrangements for Independent appeals.

Option 2 – To request changes to the proposed admission arrangements.

RESOLVED – That the Co-ordinated Scheme and arrangements for admissions to community and voluntary controlled primary and secondary schools, as set out in Appendices A to C and the current arrangements for appeals to the Independent Appeal Panel be approved for 2018-19.

9

FOXDENTON DEVELOPMENT, BROADWAY, CHADDERTON, OLDHAM.

The Cabinet gave consideration to a report of the Executive Director, Economy, Skills and Neighbourhoods which provided the Cabinet with details on the progress made with regard to the Foxdenton Development Scheme and sought approval for the Council to provide funding towards infrastructure works, in order that the development could start on site.

The Foxdenton scheme was being promoted by FO Developments LLP, a limited liability joint venture partnership between Seddon Construction and Grasscroft Property (Foxdenton LLP) and Oldham Council. FO Developments was formed with the sole aim of delivering a quality development on the Foxdenton site.

Options/Alternatives considered

Option 1 – The Council to give authority to the Joint Venture Company to exercise an option agreement and the council to provide funding towards infrastructure works.

Option 2 – Not to give authority to exercise the option agreement and not to provide funding to the infrastructure costs.

RESOLVED – That the Cabinet would give consideration to the commercially sensitive information detailed at Item 11 of the agenda before making a decision.

10

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.

11

**FOXIDENTON DEVELOPMENT, BROADWAY,
CHADDERTON, OLDHAM.**

The Cabinet gave consideration to the commercially sensitive information in relation to 9 of the agenda- Foxdenton Development. Broadway, Chadderton, Oldham.

RESOLVED – That recommendations 1-10 as detailed within the commercially sensitive report be approved.

The meeting started at 6.00pm and finished at 6.09pm

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