

# Public Document Pack

**Date of meeting**      **Wednesday, 4th February, 2015**  
**Time**                      **7.00 pm**  
**Venue**                      **Committee Room 1, Civic Offices, Merrial Street,  
Newcastle-under-Lyme, Staffordshire, ST5 2AG**  
**Contact**                      **Julia Cleary 742227**

## **Cabinet**

### **AGENDA**

#### **PART 1 – OPEN AGENDA**

- 1      Apologies**
- 2      MINUTES** **(Pages 3 - 10)**  
To consider the minutes of the previous meeting.
- 3      DECLARATIONS OF INTEREST**  
To receive declarations of interest from Members on items included in the agenda.
- 4      Budget Performance Monitoring Report Quarter 3 2014-2015** **(Pages 11 - 24)**
- 5      Revenue and Capital Budgets and Council Tax 2015/16** **(Pages 25 - 28)**
- 6      Temporary Extension to Mechanical and Electrical Services Contract** **(Pages 29 - 32)**
- 7      Development of Locality Commissioning** **(Pages 33 - 58)**
- 8      Award of Domestic Energy Saving Service Contract** **(Pages 59 - 62)**
- 9      CIVIL PARKING ENFORCEMENT SERVICE DELIVERY**  
This report will be sent to follow.
- 10     URGENT BUSINESS**  
To consider any business which is urgent within the meaning of Section 100B(4) of the Local Government Act 1972.
- 11     Exclusion Resolution**
- 12     ATTENDANCE AT CABINET MEETINGS**

**Councillor attendance at Cabinet meetings:**

- (1) The Chair or spokesperson of the Council's scrutiny committees and the mover of any motion referred to Cabinet shall be entitled to attend any formal public meeting of Cabinet to speak.
- (2) Other persons including non-executive members of the Council may speak at such meetings with the permission of the Chair of the Cabinet.

**Public attendance at Cabinet meetings:**

- (1) If a member of the public wishes to ask a question(s) at a meeting of Cabinet, they should serve two clear days' notice in writing of any such question(s) to the appropriate committee officer.
- (2) The Council Leader as Chair of Cabinet is given the discretion to waive the above deadline and assess the permissibility if the question(s). The Chair's decision will be final.
- (3) The maximum limit is three public questions at any one Cabinet meeting.
- (4) A maximum limit of three minutes is provided for each person to ask an initial question or make an initial statement to the Cabinet.
- (5) Any questions deemed to be repetitious or vexatious will be disallowed at the discretion of the Chair.

**Members:** Councillors Mrs Beech, Kearon, Turner, Stubbs (Chair), Williams, Mrs Shenton (Vice-Chair) and Hambleton

**PLEASE NOTE:** The Council Chamber and Committee Room 1 are fitted with a loop system. In addition, there is a volume button on the base of the microphones. A portable loop system is available for all other rooms. Should you require this service, please contact Member Services during the afternoon prior to the meeting.

**Members of the Council:** If you identify any personal training/development requirements from any of the items included in this agenda or through issues raised during the meeting, please bring them to the attention of the Democratic Services Officer at the close of the meeting.

**Meeting Quorums :-** 16+= 5 Members; 10-15=4 Members; 5-9=3 Members; 5 or less = 2 Members.

Officers will be in attendance prior to the meeting for informal discussions on agenda items.

**CABINET**

Wednesday, 14th January, 2015

**Present:-** Councillor Mike Stubbs – in the Chair

Councillors Mrs Beech, Kearon, Turner, Mrs Shenton and Hambleton

**1. MINUTES**

**Resolved:** That the minutes of the previous meeting be agreed as a correct record.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**3. REVIEW OF CONCURRENT FUNDING AND FUNDING FOR TOWN AND PARISH COUNCILS**

Cllr Stringer introduced the report and thanked those who had been involved in the process including Members of the Parish and Town Councils.

The aim of the review had been to examine the existing process of funding by the Borough Council to parish/town councils to avoid the prospect of 'double taxation' (where a service which could be provided by either the Borough Council or a parish/town council was financed from the parish precept in a parished area and by the Borough Council in non-parished areas with no corresponding reduction in Council Tax for the parished areas) and also to examine the levels of funding in light of the financial pressures faced by the Borough Council.

Cllr Stringer outlined the reasons for the recommendations contained within the report.

The Leader thanked Cllr Stringer and all parties that had been involved in the work carried out by the Task and Finish Group.

**Resolved:**

a) That Cabinet notes the contents of this report and, in particular, the findings and recommendations from the Town/Parish Councils – Review of Concurrent Funding Task and Finish Group (see Appendix A) established by the Finance, Resources and Partnerships Scrutiny Committee (FRAPS) in June 2014 to review concurrent funding of parish and town councils in the Borough by NULBC

b) That Cabinet decides whether it wishes to support the all or some of the recommendations of the Task and Finish Group (as endorsed by FRAPS in November 2014) namely:

- To establish a cross-party monitoring group by NULBC
- To require all parish and town councils to provide proof to the above monitoring group of use and purpose of their grant from 2015/16 before receiving any further grant for 2016/17

- Further to the above recommendation from the Task and Finish Group, that any town/parish council not spending their NULBC grant in full will have any identified underspend from 2015/16 removed from their grant for 2016/17

c) That Cabinet remove 25% of the section 136 funding made available to Parish Councils in the next financial year.

#### **4. MIDWAY MULTI-STOREY CAR PARK**

Cllr Kyle Robinson presented a question to Cabinet in relation to the item regarding the reasons why there was a significant increase in suicide rates across the West Midlands in relation to other parts of the United Kingdom.

The Portfolio Holder for Safer Communities agreed that the most effective way to help solve the current problems relating to suicide rates was to tackle the underlying problems. These underlying problems were varied and people using the Midway car park to attempt or commit suicide were known not just to come from the local area. The Portfolio Holder agreed that he would liaise with the LAPs regarding the issue.

Concerns were raised by Members regarding the publicity given to the Midway car park by the press and it was agreed that this could be detrimental to the current situation.

The report provided an overview of suicide attempts at the Council owned/managed Midway multi storey car park over the last four years and sought Cabinet approval for actions identified to implement further suicide prevention measures at this location.

#### **Resolved:**

a) That officers be authorised to take all necessary actions to proceed with proposals for the installation of physical control measures on the building at the earliest opportunity.

b) That officers be authorised to identify key non-health agency partners with a view to jointly procuring appropriate training, the details of which shall be approved by the relevant officer and Portfolio Holder.

#### **5. CAPITAL STRATEGY**

A report was submitted requesting Cabinet to consider the Capital Strategy 2015 to 2019. The Capital Strategy set out how the Council proposed to deploy its capital resources in order to assist it to achieve its corporate and service objectives.

#### **Resolved:**

a) That the Capital Strategy be agreed and forwarded to Council with a recommendation for approval.

b) That in the future the Capital Strategy be agreed by Cabinet in line with other relevant strategies.

#### **6. ASSET MANAGEMENT STRATEGY**

The chair invited a question from a member of the public who had submitted the question in line with the Council's constitution.

The Portfolio Holder for Economic Development, Business, Town Centres and Customer Services outlined the processes that the Council was currently undertaking. At the moment the Council was calling for all sites to be included in the final strategy and that the land mentioned in the submitted question would be included. If, following this process the land was identified for development that the planning process would commence and residents would have the opportunity to engage with the process then. Nothing would be able to happen to the land in question until at least 2019 and were it to be reclassified then this would again lengthen the process.

The Portfolio Holder for Safer Communities requested clarification regarding where and what obliged us to hold a list and whether being included on the list automatically meant that it would be made available for housing in the future. The Executive Director confirmed that some of the land listed in the site would have to be categorised as open space and that the list had to be maintained to show that the Council had a robust development plan which identified all available sites in order for the Council to then identify and use the best sites for the right purposes and to their full potential.

The Leader further clarified that there were only four remaining brownfield sites in the Borough that were owned by the Council and that these had all been earmarked for development. The Leader stated that a housing and employment housing supply had to be met alongside green and open spaces for residents. The Council had no power to compel other land owners to provide their brown field sites for development.

The Portfolio Holder for Economic Development, Business, Town Centres and Customer Services outlined the information detailed within the report. The Portfolio Holder drew Members attention to the questions submitted by the Joint Scrutiny Committee listed on page 71 of the agenda and outlined his response.

The Portfolio Holder for Finance and Resources outlined the financial implications that were

**Resolved:**

- (a) That Members approve the Asset Management Strategy (2015/16 – 2017/2018).
- (b) That Officers take the necessary steps to explore the development potential of the sites listed in Appendices 2 and 3 at the earliest opportunity.
- (c) That Officers report back the outcome of recommendation (b) to Cabinet at the earliest appropriate time.
- d) That the NDP seven sites are not brought back into the strategy.

**7. CALCULATION OF COUNCIL TAX BASE**

A report was submitted requesting Cabinet to approve the Council Tax Base to be used to calculate the 2015/16 levies for the Borough Council, Staffordshire County Council, the Office of the Police and Crime Commissioner, Stoke-on-Trent and Staffordshire Fire and Rescue Authority and each Town and Parish Council.

**Resolved:**

That, in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amounts calculated as the Council Tax Base for 2015/16 shall be as follows:-

	<u>Band D equivalent properties</u>
Newcastle Borough Council	35,242
Kidsgrove Town Council	6,387
Audley	2,450
Loggerheads	1,849
Balterley, Betley and Wrinehill	564
Chapel and Hill Chorlton	194
Keele	331
Madeley	1,413
Maer	253
Silverdale	1,410
Whitmore	803

## **8. SCALE OF FEES AND CHARGES**

A report was submitted to obtain approval for the proposed scale of fees and charges to apply from 1 April 2015.

The Portfolio Holder for Finance and Resources introduced the report and highlighted the fact that some fees and charges (including those for taxi licensing) were currently out for consultation as they were required to be advertised and that an update on these would be brought back to the next meeting following consideration by the appropriate Committee.

### **Resolved:**

(a) That the fees and charges proposed to apply from 1 April 2015, as set out in Appendix 1 be approved and be submitted to the Finance, Resources and Partnerships Scrutiny Committee for comment.

## **9. REVENUE AND CAPITAL BUDGETS**

A question had been submitted by Cllr Wallace requesting clarification on the supply of new bins, specifically who and under what processes the decision had been made, scrutinised and ratified.

The Portfolio Holder stated that the replacement of the larger bins by the smaller bins had always been part of the Waste and Recycling Policy and that should any resident feel they had exceptional circumstances that meant they required a larger bin then they could put a request to the Council. Eventually all bins would be replaced as they became damaged.

The Portfolio Holder for Finance and Resources introduced the report and highlighted the actions that had been taken to publicise the budget including an offer by the portfolio holder to address each political group in relation to the budget.

The Leader thanked everyone who had been involved in the preparation of the budget, with specific thanks going to the finance team.

**Resolved:**

- a) That the assumptions set out in the report be approved.
- b) That the Council Tax levy for 2015/2016 be frozen at the current level.
- c) That the Finance, Resources and Partnerships Scrutiny Committee be asked to consider what comments it wishes to make on the draft Budget and Council Tax proposals before the final proposals are considered at Cabinet in February 2015.

**10. CONTRACT AWARD FOR THE SUPPLY AND MANAGEMENT OF VEHICLE TYRES**

A report was submitted to inform Cabinet of the outcome of the tendering process for the supply and management of vehicles tyres and to seek a decision from Cabinet regarding the award of the contract jointly with Stoke-on-Trent City Council.

**Resolved:**

- a) That the joint contract for the supply of vehicle tyres be awarded to the preferred bidder for two years with a one year review. Details of the preferred bidder provided in the confidential appendix.
- b) That delegated authority for any review to the contract to be made to the Executive Director – Operational Services and Portfolio Holder for Environment and Recycling.

**11. POLICY FOR UNSUPERVISED CHILDREN'S PLAYGROUNDS**

A report was submitted to update Cabinet on the current position in relation to the Policy for Unsupervised Children's Playgrounds and to seek Cabinet approval for a programme of repairs and replacement of play equipment and associated items identified in the annual independent inspection report for 2014.

**Resolved:**

- a) That the programme of works as detailed in the 2014 inspection report is approved.
- b) That the Executive Director - Operational Services be authorised to seek and accept the lowest suitable quotations for the works in consultation with the Portfolio Holder for Environment and Recycling.
- c) That authority is granted to expend £31,042 from the existing approved provision in the General Fund Capital Programme for play equipment repair and replacement in 2014/2015.

**12. ICT STRATEGY**

The Leader introduced a report seeking Cabinet approval for the ICT Strategy.

The current ICT Strategy had been in place since 2008. Following the significant changes that had taken place within the ICT Service and the business as a whole since that time, the Strategy had been reviewed and updated to reflect this. The Strategy provided high level guidance in describing how ICT would continue to support the needs of the Council in delivering its Council Plan and aimed to build on some of the themes identified in the previous Strategy.

**Resolved:**

That Cabinet approves the ICT Strategy.

**13. MEMBERS' ICT AND OUTCOMES OF THE MEMBERS DIGITAL TECHNOLOGY (TABLET) TRIAL**

The Leader introduced a report requesting Members to consider methods of delivering information to Members more effectively and efficiently, in light of the findings of the recent Members Digital Technology (Tablet) Trial and to present a set of recommendations based on those findings and other analysis.

The Leader thanked the Member Development Panel and those involved in the tablet trial for the work undertaken. The Leader also outlined some additional comments that had been fed back to him by the Chair of the Member Development Panel and highlighted that full, comprehensive training and support would be provided to all elected members should the recommendations be agreed.

The Portfolio Holder for Finance and Resources outlined the final implications detailed in the report.

**Resolved:**

That Cabinet approves the following recommendations:

- (i) That a similar policy to that currently applied to officers be implemented to also cover Member email accounts and that the use of Borough Council email by all elected Borough Council Members for council business be made mandatory
- (ii) That the practice of printing off and sending on elected Members' emails cease
- (iii) That the Members' weekly courier service be ceased. Instead, Members will be required to use either electronic means to access committee papers in future, or will be required to visit the Civic Offices to pick up their printed papers. The Council will continue to encourage all Members to use appropriate available technology and will offer the necessary training for Members to use this technology.
- (iv) That, following the May 2015 Borough Council elections, all newly elected Members are issued with a tablet device to receive their minutes, agendas and emails to replace the current printed pack service
- (v) That those Members due for re-election post May 2015 be given the option of using a tablet device instead of the current printed pack system until the end of their current term.

**14. NEWCASTLES OF THE WORLD ALLIANCE**



A report was submitted requesting Cabinet to consider the future membership of the Newcastle of the World Alliance in light of Scrutiny recommendations.

The Council had been asked to confirm the medium term commitment to financially contribute to the Newcastle of the World Alliance paid Secretariat. The Economic Development and Enterprise Overview and Scrutiny Committee considered the benefits of membership in light of the Council's broad financial position. Scrutiny recommended that the Council withdraws from the Alliance to enable resources to be directed to activities which deliver priority local outcomes.

**Resolved:**

- a) That the Council maintain a limited membership of the Newcastle of the World Alliance but does not allocate any funding to support local business development initiatives.
- b) That this membership be carried out through the office of the Mayor.

**COUNCILLOR MIKE STUBBS**  
**Chair**

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## 1. FINANCIAL AND PERFORMANCE MANAGEMENT REPORT TO END OF QUARTER THREE (October-December) 2014

**Submitted by:** Head of Finance and Head of Business Improvement, Central Services & Partnerships

**Portfolio:** Communications, Policy & Partnerships  
Finance and Resources

**Wards Affected:** All

### **Purpose**

To provide Cabinet with the Financial and Performance Review report - third quarter 2014/15.

### **Recommendations**

- (a) That Members note the contents of the attached report and agrees to the recommendation that the Council continues to monitor and scrutinise performance alongside the latest financial information for the same period.
- (b) That Members note the comments made through the Scrutiny process and the responses from officers and others to these comments.

### **Reasons**

The Financial and Performance Management monitoring reports provide information on a quarterly basis regarding the performance of individual council services, alongside related financial information on the organisation. This report was originally presented to the Finance, Resources & Partnerships Scrutiny (FRAPS) Committee meeting on 21 January 2015.

## **1. Background**

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the third quarter of 2014/15 by presenting performance data set within a financial context.
- 1.2 This report provides financial information (Appendix A) and also detailed analysis of performance (Appendix B) for the third quarter of 2014/15.
- 1.3 Appendix C is a new addition this year to the report and entitled 'Delivering our Outcomes' and aims to provide information and/or a case study on a themed area of service delivery in order to highlight steps being taken to improve desired outcomes.
- 1.4 The subject featured in 'Delivering our Outcomes' may be a requested topic from members for further information (e.g. where performance may be an issue) or may be an area of work where good practice and results are communicated, some of which may have lessons for other parts of the organisation.
- 1.5 A summary of the overall performance picture is presented in section 3 of this report and performance is generally progressing well.

## 2. 2014/15 Revenue and Capital Budget Position

2.1 The Council approved a general fund revenue budget of £14,893,770 on 26 February 2014. Further financial information is provided in Appendix A.

## 3 Performance

3.1 The latest performance information is reported and attached as Appendix B.

3.2 Any indicators failing to meet the set targets are reported, by exception, in the table found in section 3.6.


3.3 The information found in Appendix B is presented in four sections against each corporate priority and detailed results and progress towards identified outcomes for the Council is presented here as well.




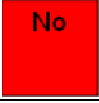
3.4 The number of indicators monitored in this report for quarter three 2014-15 is 26 in total, and the proportion of indicators which have met their target during this period stands at 73%.

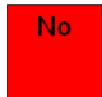

3.5 The report contains five columns designed to show achievement:

- The “Good is” column denotes whether ‘low’ or ‘high’ figures are good and allows the reader to analyse the results in detail;
- There are two columns included showing comparative quarterly performance for 2013-14 and 2014-15 – this allows the reader to gain some insight into annual trends;
- The fourth column shows the target for 2014-15 (in some cases a quarterly target may be provided when relevant and necessary) and;
- One set of symbols (icons) show whether performance is on target or not at this time.

3.6 Seven indicators from Appendix B are off target this quarter and are reported by exception in the table below, together with commentary.

Exception Report Quarter 3, 2014 (October -December)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
1.7	The amount of residual waste per household	108.78 kgs (est)	415kgs (annual)		Trevor Nicoll	Councillor Beech
Comment	The indicator is off target in quarter three given the annual target of 415kgs which equates to a quarterly target of 104kgs, and that ‘good performance’ is low. This result reflects the quarterly returns for last year where the results were seasonally affected due to residents’ behavioural changes. The service continues to deliver and promote its programme to encourage residents to recycle more and reduce residual waste; however it appears there is a national trend of waste growth, and therefore we will have to monitor the following months’ performance to see if the target can still be met.					

Exception Report Quarter 3, 2014 (October -December)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
1.8	Percentage of household waste sent for reuse, recycling and composting	47.15% (est)	55%		Trevor Nicoll	Councillor Beech
Comment	The indicator for quarter three is off target given the annual target of 55%. The results are less than last year's quarter three performance, however due to changes in household waste classification we are no longer allowed to include all street sweepings for recycling, although they continue to be recycled, and nationally we are seeing a reduction in paper consumption, and more materials such as glass and plastics being produced in lighter weights in order to save on manufacturing cost and transport. Due to these changes the end of year result is unlikely to meet the forecasted target for 2014-15.					
2.6	Percentage of Minor Planning Applications determined within time	72.5%	85%		Guy Benson	Councillor Williams
Comment	The drop in performance with respect to this indicator is a direct consequence of fluctuations in staff capacity which often has a disproportionately negative impact in small officer teams such as this one. The departure of an officer in May coupled with sickness absence issues during the summer significantly reduced the officer capacity. Whilst a new officer joined the team in September, resulting in a visible improvement in the team's output, performance is still being adversely affected by the long term absence of an officer due to ill-health. It should be noted that the number of applications relating to this indicator (taking into account those in hand at the beginning of each period and those received) has been very similar to that in 2013/14.					
2.7	Percentage of Other Planning Applications determined within time	84.1%	92.5%		Guy Benson	Councillor Williams
Comment	See the comment for 2.6					
3.3	Number of people visiting the museum	8,334	13,500		Rob Foster	Councillor Hambleton
Comment	The figure reported is below target, however concerns with the electronic door count were previously reported. After testing recently it was found to be on average 40% inaccurate and are therefore looking at the options available to provide a more accurate visitor count figure.					

Exception Report Quarter 3, 2014 (October -December)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
3.6	Number of people accessing leisure and recreational facilities	130,765	150,080		Rob Foster	Councillor Hambleton
Comment	<p>These represent a circa 15,000 drop in Aquatics activities at Jubilee2 on Quarter 3 2013/14, largely attributable to the closure of the small pool during this period. Also Kidsgrove Pool was closed on four occasions for repairs during this period due to boiler and circulation pump breakdowns.</p> <p>Despite these problems the result has increased from a reported total of 117,646 for the same quarter in 2013/14.</p>					
4.8	Percentage of National non-domestic rates collected	81.4%	85.42%		Kelvin Turner	Councillor Shenton
Comment	<p>The slight drop in collection is due to a change in national regulations which has allowed all rate payers to pay over twelve months rather than ten. Most of the big firms with large assessments have taken this option up as it helps their cash flow. However this has had a negative effect on the forecasted collection profiles which were already set. The effect of the change was not apparent in quarter 1 as most payments for the first instalment were at the old rate, and did not impact on the results. It is anticipated that the shortfall will reduce by quarter 4 when profiled payments for the last months are received.</p>					

These indicators are not causes for concern at present, and the management of each of the service areas concerned continue to monitor and take steps to deal with the situation where possible and/or appropriate.

Further quarterly updates will be provided for Members in future reports.

- 3.7 Positive performance can be seen in a range of services although it must be borne in mind that the results later in the year may be liable to change and that some services have seasonal factors.
- 3.8 The 'Delivering our Outcomes - Alcohol Harm Reduction' (Appendix C) section is attached this quarter and a timetable of service areas proposed for future reports are for your information and would invite comments as to whether you agree or prefer to see other areas explored:

Quarterly Report	Subject
Qtr 4 January –March 2015	Planning
Qtr 1 April –Jun 2015	Operations

It should be noted that the timetable will be subject to variation dependent on subsequent performance results.

**4. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 4.1 All indicators link to corporate priorities set out in the Council Plan and/or Service Plans.

**5. Legal and Statutory Implications**

- 5.1 The Council has a duty to set targets for performance of a range of functions and needs to monitor these closely.

**6. Equality Impact Implications**

- 6.1 There are no differential equality issues arising directly from this monitoring report.

**7. Financial and Resource Implications**

- 7.1 Any positive variance for the full year on the General Fund Revenue Account will enable that amount to be transferred to the Budget Support Fund and will be available in future years for use as the Council considers appropriate. Conversely, if there is an adverse variance, the amount required to cover this will have to be met from the Budget Support Fund.

**8. Major Risks**

- 8.1 The ongoing difficult economic situation represents the greatest risk to the revenue budget, particularly with regard to the impact it may have upon income receivable in relation to services where customers may choose whether or not to use Council facilities, such as car parking and other areas directly affected by the economic downturn(e.g. land charges and planning applications). The situation will be monitored through the normal budget monitoring procedures.
- 8.2 The capital programme will require regular monitoring to identify any projects which are falling behind their planned completion dates. This will be carried out by the Capital Programme Review Group, which meets on a monthly basis together with quarterly reports to Cabinet.
- 8.3 The above represents a high level view of risk. There are detailed risk registers available if members wish to see them.

**9. List of Appendices**

Financial information (Appendix A), the Performance report (Appendix B) and Delivering Outcomes – Alcohol Harm Reduction (Appendix C)

**10. Background Papers**

Working papers held by officers responsible for calculating indicators.

# 11. Management sign off

Each of the designated boxes need to be signed off and dated before going to Executive Director/Corporate Service Manager for sign off.

	Signed	Dated
Financial Implications Discussed and Agreed		
Risk Implications Discussed and Agreed		
Legal Implications Discussed and Agreed		
H.R. Implications Discussed and Agreed		
ICT Implications Discussed and Agreed		
Report Agreed by: Executive Director/ Head of Service		



## **Financial Position Quarter Three 2014/15**

### **1. General Fund Revenue Budget**

- 1.1 The Council approved a General Fund Revenue Budget of £14,893,770 on 26 February 2014. The actual position compared to this budget is continuously monitored by managers, EMT and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget. Regular reports are made available to members by the Portfolio Holder for Finance and Resources informing them of the current position, highlighting any significant factors giving rise to variances.

### **2. Capital Programme**

- 2.1 A Capital Programme totalling £7,242,300, covering the two years 2013/14 to 2014/15, was approved at the same Council meeting. Of this total, £2,238,000 was estimated to be spent in 2014/15.

### **3. Revenue Budget Position**

- 3.1 At this point in the financial year, we would have expected to have spent approximately £7,055,956; we have actually spent £7,146,766. Therefore, as at the end of the third quarter, the general fund budget shows an adverse variance of £90,810.

- 3.2 The main reasons for the overall adverse variance to date are:

- a. The overtime budget is overspent as the changes required to deliver the 2014/15 target of £100k have only recently been agreed.
- b. Jubilee 2 is operating at a net overspend primarily due to income shortfall. This has got slightly worse due to the small pool closure for the repair to the floor lift mechanism.
- c. Kidsgrove Sports Centre is also operating at a net overspend due to income shortfall.

There are also a number of favourable variances, the main ones being:

- a. Additional planning fee income in respect of major planning applications.
- b. Saving on Elections due to the European Elections being held and costs shared with Central Government.
- c. Employee costs in respect of a number of vacant posts and flexible retirements that have taken place across the Council.

- 3.3 Any changes to inflationary rates have not had any effect on the Councils budget as at the end of quarter three.

#### **4. Capital Programme Position**

- 4.1 The Capital Programme approved by Council in February 2014 has been updated to take account of slippage in 2013/14. Where planned expenditure did not occur last year, this has been added to the budget for 2014/15 (apart from any cases where costs have been reduced or expenditure will no longer be incurred). The revised budget for capital projects in 2014/15 totals £4,067,100.
- 4.2 £1,678,900 of the revised budget was expected to be spent by 31 December; the actual amount spent was £1,431,800 resulting in a variance as at the end of quarter three of £247,100.









#### **5. Investment Counterparties**

- 5.1 Investment counterparties with whom money is invested, as at 31 December 2014 are as follows (with the parent company shown in brackets, where applicable):
- Nationwide Building Society  
Halifax Bank of Scotland  
Coventry Building Society  
Lloyds Bank  
Heritable Bank (*Landsbanki*)
- 5.2 With regard to the Council's frozen investment in Heritable Bank, the total amount repaid now amounts to some £2,357,691, which is 94% of the total that was frozen. The Administrators current prediction is that no further repayments will be made.








## Corporate Performance Scorecard

## Quarter 3 2014-15




## Priority 1: A clean, safe and sustainable Borough

Outcomes: Our borough will be safer, cleaner and sustainable Lead Members Cllrs. Ann Beech, Tony Kearon and Terry Turner						
Ref	Indicator	Good is	Result 2013/14 Qtr 3	Result 2014/15 Qtr 3	Target 2014/15	Status
1.1	Percentage of food premises that have a zero or one national food hygiene rating.	Low	1.19% (9 out of 752 published premises)	0.75% (6 out of 799 published premises)	2.25%	
1.2	The percentage of food establishments which are broadly compliant with good hygiene law	High	93.1% (1040 out of 1117 premises)	98% (1119 out of 1142 premises)	85%	
1.3	The area of contaminated land that has been remediated or is determined suitable for use	High	Reported in Quarter 4		-	-
1.4	Number of incidents of violence with injury	Low	250	262	-	-
1.5	Number of incidents of anti-social behaviour	Low	800	767	-	-
1.6	Number of incidents of serious acquisitive crime	Low	212	229	-	-
1.7	The amount of residual waste per household	Low	106.16kgs	108.78kgs (est)	415kgs (annual)	
1.8	Percentage of household waste sent for reuse, recycling and composting	High	49.04%	47.15% (est)	55%	
1.9	Levels of street and environment cleanliness (LEQ survey) free / predominantly free of litter, detritus, graffiti and fly-posting)	High	96% 97.6% 99.33% 100%	92.33% 95.33% 99.5% 99.83%	91% 91% 97% 99%	
1.10	Number of community volunteer groups/hours spent caring for their local green spaces and neighbourhoods	High	3,749	1707.5	1700 hrs	
1.11	Town Centre Vacancy Rate	Low	15.8%	13.54%	15%	
1.12	Percentage of investment portfolio (NBC owned) vacant	Low	8.4%	8.6%	12%	









### Priority 2 : Borough of Opportunity


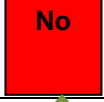

Outcomes: Newcastle is a great place to live, work and do business - Lead Member Cllrs. Ann Beech, Terry Turner and John Williams						
Ref	Indicator	Good is	Result 2013/14 Qtr 3	Result 2014/15 Qtr 3	Target 2014/15	Status
2.1	Number of hours worked by volunteers in council co-ordinated activities (museum)	High	405hrs	494hrs	375 hrs	
2.2	Percentage of minor adaptations delivered within four months (approval to payment for works under £5000)	High	84%	89%	75%	
2.3	Number of homelessness cases where positive action was successful preventing homelessness	High	181	171	150	
2.4	Average stall occupancy rate for markets	High	61%	87%	55%	
2.5	Percentage of Major Planning Applications determined within time	High	57.1%	90%	70%	
2.6	Percentage of Minor Planning Applications determined within time	High	85.4%	72.5%	85%	
2.7	Percentage of Other Planning Applications determined within time	High	94.6%	84.1%	92.5%	

### Priority 3 : A Healthy and Active Community

Outcomes: Everyone has the chance to live a healthy, independent life, access to high quality leisure and cultural facilities/activities and the opportunity to get involved in their community - Lead Member Cllrs. Ann Beech, Trevor Hambleton and John Williams						
Ref	Indicator	Good is	Result 2013/14 Qtr 3	Result 2014/15 Qtr 3	Target 2014/15	Status
3.1	Number of parks which have Green Flag status	High	9	11	9	
3.2	Level of satisfaction with Council run parks and open spaces	High	78.2% Annual result	Reported at a later date	70%	n/a
3.3	Number of people visiting the museum	High	8,996	8,344	13,500	
3.4	Number of referrals from GPs to organised sporting activity	High	65	43	n/a	n/a
3.5	Percentage of people referred for exercise by GPs whose health improves	High	27.7%	100%	n/a	n/a
3.6	Number of people accessing leisure and recreational facilities	High	140,893	130,765	150,080	

### Priority 4 : A Co-operative Council, delivering high-quality, community driven services

Outcomes: Your council is efficient, open and innovative in its work, with services designed and delivered co-operatively and communities are strong and well supported - Lead Member Cllrs. Mike Stubbs and Elizabeth Shenton						
Ref	Indicator	Good is	Result 2013/14 Qtr 3	Result 2014/15 Qtr 3	Target 2014/15	Status
4.1	Percentage attendance at planned meetings by members	High	n/a	80.55%	80%	
4.2	Percentage projected variance against full year council budget	Low	0.1%	0.6%	No variance	
4.3	Average number of days per employee lost to sickness	Low	5.73 days (long term 3.10 and short term 2.63 days)	5.17days (long term 2.80 and short term 2.37days)	5.63 days	
4.4	Percentage of requests resolved at first point of contact	High	96.89%	97%	97%	
4.5	% Unmet demand (number of calls not answered as a % of total call handling volume)	Low	4%	3.94%	8%	
4.6	Time taken to process Housing/Council Tax Benefit new claims and change events	Low	15.38 days	8.96 days	10	
4.7	Percentage of Council Tax collected	High	77.2%	78.5%	76.08%	
4.8	Percentage of National non-domestic rates collected	High	86.4%	81.4%	85.42%	

Key	Performance information not available at this time or due to be provided at a later date.	n/a
	Performance is not on target but direction of travel is positive	
	Performance is not on target where targets have been set	
	Performance is on or above target.	

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## Delivering our outcomes: Alcohol Harm Reduction

### PURPLE FLAG



We are proud to announce that on 5th November Newcastle Town Centre was granted Purple Flag Status. This accreditation shows that Newcastle Town Centre already has a great deal to offer the general public and we are looking to build upon our success over the next 12 months in order to maintain our Purple Flag status. Cities and towns across the United Kingdom who have been granted this prestigious award have benefited by seeing increased footfall, inward commercial investment, lower crime & anti-social behaviour and improved perceptions from the public. We are confident that Newcastle-under-Lyme will reap the same benefits.

### Street Chaplains



In 2014 Newcastle Partnership joined forces with North Staffordshire Street Chaplains and the YMCA to arrange for Street Chaplains to patrol Newcastle Town Centre on Friday nights bi-monthly. This is a capable guardianship scheme whereby volunteers from various church denominations patrol the Town Centre offering support, advice and reassurance to revellers. The Chaplains have undergone 12 weeks of intensive training to prepare them for the patrols. They link in with Staffordshire Police and also other partners such as St John Ambulance as part of the overarching Safer Nights campaign.

### Triage



In April 2010 Newcastle Partnership began to work in partnership with St John Ambulance and the British Red Cross in order to provide a first aid triage provision on Newcastle Town Centre. The service has treated well over 100 revellers for basic injuries such as grazes, cuts, bruises and sprains. The volunteers and staff also give out freebies such as bottles of water, condoms, personal attack alarms, ponchos and flip flops to revellers.

## Reducing the Strength



Reducing the Strength is a partnership initiative which originated in Ipswich designed to tackle street drinking and alcohol fuelled anti-social behaviour. In Newcastle there are a number of street drinkers who consume cheap, super strength (6.5% ABV and over) beer, lager and cider. The scheme is entirely voluntary and 16 off-licences have been approached with 8 agreeing to sign up. The project was officially launched in Newcastle on 1<sup>st</sup> October. Plans are in progress to widen the project out into other localities of the Borough.

## Alcohol Education in Schools



The project was introduced in 2013 and Entrust were commissioned by Public Health and the police for one year to concentrate on the Alcohol education curriculum in schools, parents awareness and a school survey. Thirty one high schools engaged in the first year and over 5.000 Staffordshire young people completed the survey. The success of this project has now been awarded for a further 3 years from the Police & Crime Commissioner. There are now fifty two schools participating in the project which has been extended to alcohol and drugs. Newcastle schools engaged in the project are Clough Hall, Clayton Hall Business & Language, NCHS, Madeley & Wolstanton with Chesterton, Newcastle College and St John Fisher to follow suit.

## Alcohol Awareness Events



At key times during the year such as the Football World Cup, National Alcohol Awareness Week, Dry January and Christmas the Partnership undertakes alcohol awareness events designed to give information, advice and guidance to the public. These events are often coupled with poster campaigns and the use of social media sites to reinforce key safe drinking messages.

## I'll Be Des



The principle of the scheme is that participating venues offer free or reduced price soft drinks to the 'designated driver' from a group of customers e.g. groups of 3 people or more (this may vary depending on venue). The aim is to encourage groups to nominate a driver and to make driving more 'attractive'. Participation in the scheme demonstrates commitment to making our local communities safer, reducing road casualties and also dispels the argument that soft drinks can cost as much as alcoholic ones. Newcastle Partnership has worked together with Staffordshire Safer Roads Partnership and various on-licensed premises over the past few years to ensure this project is a success.



## **REVENUE AND CAPITAL BUDGETS AND COUNCIL TAX 2015/16**

**Submitted by:** Executive Director (Resources and Support Services)

**Portfolio:** Finance and Resources

**Ward(s) affected:** All

### **Purpose of the Report**

To enable Cabinet to recommend the 2015/16 General Fund Revenue Budget and the 2015/16 Capital Programme to Full Council, meeting on 25 February 2015, following consideration of comments received from the Finance, Resources and Partnerships Scrutiny Committee of 21 January 2015 and the Scrutiny Café on 13 January 2015 and following a review of the Council's balances and reserves.

### **Recommendations**

- a) That the 2015/16 General Fund Revenue Budget as detailed in the report to Cabinet dated 14 January 2015 with the addition of the changes set out in paragraph 1.2 of this report be recommended to Full Council for approval.
- b) That the Capital Programme 2015/16 as detailed in the report to Cabinet dated 14 January 2015 be recommended to Full Council for approval.
- c) That Cabinet recommend to Full Council that a budget of £139,280 be approved in respect of Keele master-planning costs to be funded from an earmarked reserve established by transferring an equivalent amount into it from the General Fund revenue account, being the estimated council tax surplus of £139,280 which will be credited to the revenue account in 2015/16.

### **Reasons**

To enable the Cabinet to recommend a robust and affordable budget for 2015/16 to the Council meeting on 25 February 2015.

## **1. Background**

- 1.1 The 2015/16 Revenue Budget and the Capital Programme 2015/16 were considered by Cabinet on 14 January 2015, following which these were submitted to the Finance, Resources and Partnerships Scrutiny Committee, on 21 January, for consideration. In addition members have had the opportunity to raise issues and receive explanations concerning the proposed budget for 2015/16 at a Scrutiny Café event held on 13 January.
- 1.2 There have been a number of changes since the report considered by cabinet on 14 January which are outlined in the table below. The overall budget "gap" and the "Savings and Financial Strategies" to meet the "gap" have both decreased by a net total of £50,000.

<b>MTFS – CHANGES</b>	<b>£'000</b>
Government Funding (minor change following provisional settlement)	(7)
Price Increases (removal of inflationary provision for fuel)	(13)
New Legislation re Waste Income (reduction in new pressure from £90k to £20k)	(70)
Insurance Premiums - increase recently notified	40
<b>TOTAL (GAP REDUCED FROM £2.148m to £2.098m)</b>	<b>(50)</b>
<b>SAVINGS AND FUNDING STRATEGIES - CHANGES</b>	
<b><i>Procurement</i></b>	
Jubilee 2 Maintenance/Tyre Contract	10
<b><i>Staffing Related</i></b>	
Operational Services Flexible Retirement	17
<b><i>Good Housekeeping / General Savings</i></b>	
Keele Golf Course Holding Costs - reduction based on 2014/15 expenditure	32
Miscellaneous	5
<b><i>Alternative Sources of Finance</i></b>	
Business Rates Retention Scheme - revised figures	100
Minimum Revenue Provision - currently being discussed with treasury management advisors/auditors. Prudent not to include at this stage.	(151)
Council Tax (due to freeze grant being recommended at the 14 January Cabinet meeting)	(63)
<b>TOTAL (REDUCED FROM £2.148m to £2.098m)</b>	<b>(50)</b>

## 1.3 A Summary of the overall Revenue Budget is as follows:

	<b>Estimated Expenditure</b>	<b>Rate of Council Tax (Band D)</b>
	<b>£</b>	<b>£ p</b>
Borough Council requirements –		
Total Net Expenditure	12,147,870	344.70
Less: External Support	<u>(6,073,220)</u>	<u>(172.33)</u>
	6,074,650	172.37
Less:		
Collection Fund (Surplus)/Deficit 2014/15		
- Council Tax	(139,280)	(3.95)
- Business Rates	300,000	8.51
Borough Council Tax Requirement	<u>£6,235,370</u>	<u>£176.93</u>

External Support comprises Formula Funding (£6,002,720); Council Tax Freeze Grant in respect of 2015/16 (£70,500)

- 1.4 The Borough's council tax levy of £176.93 is unchanged from the 2014/15 amount. This was the Cabinet's proposal that was resolved at its meeting on 14 January 2015.

## **2. Finance, Resources and Partnerships Scrutiny Committee**

- 2.1 At its meeting on 14 January 2015 Cabinet approved the Revenue and Capital Budgets for 2015/16, recommending no increase in Council Tax. The report and the recommendations were referred to the Finance, Resources and Partnerships Scrutiny Committee for comments.
- 2.2 The Scrutiny Committee met on 21 January 2015. The Chair of the Committee will be attending the Cabinet meeting to present the Committee's observations and comments on the report and budget proposals and will also give feedback from the Budget Scrutiny Café held on 13 January 2015. In addition, any comments relating to the fees and charges for 2015/16, which have also been scrutinised by the Committee, will be reported to you.

## **3 Final Finance Settlement notification**

- 3.1 At the time of compiling this report the government have not yet notified the Council of the final amount of its grant funding for 2015/16. This was received at the beginning of February last year. However, there is unlikely to be a significant change from the amounts notified as the provisional settlement figure. If the amounts do change, the table in paragraph 1.1 will require amending to reflect the changes. A verbal update will be given at the Cabinet meeting.

## **4 Balances and Reserves**

- 4.1 The Council's Balances and Reserves Strategy for 2014/15 is that there should be a minimum General Fund balance of £1.2m and a minimum balance on the Contingency Reserve of £100,000. The Council currently holds these reserves.
- 4.2 A review of all the Council's Balances and Reserves together with a risk assessment has been carried out for inclusion in the final report on the budget to Full Council on 25 February.
- 4.3 The review and risk assessment indicate the following:
- Reserves are still adequate to meet normal levels of expenditure.
  - The level of minimum balances required after considering the risk assessment remains at £1.3m.
- 4.4 Cabinet considered two reports concerning options in respect of the former Keele Golf Course site on 5 March 2014 and 23 July 2014. Both of these reports referred to the need for the Council, as the land owner, to carry out a master planning exercise in order to determine the most appropriate long term strategic solution for the land, working with other strategic landowners in the locality and taking into account the current local plan process. The July report resulted in the following resolution "(d) that the financial resources required as the Council's contribution to the master-planning exercise be sought in accordance with financial regulations". The cost was estimated at a figure in excess of £100,000, which will require the approval of Full Council. Subsequently,

Cabinet, on 12 November, considered a report in relation to the Council's response to the "Call for Sites" made as part of the Joint Local Plan preparation process and approved the inclusion of the Keele site in a wider masterplanning exercise around that site and western/southern fringes of urban Newcastle. The cost was estimated as being at least £100,000, with other stakeholders being asked to contribute.

As is usual and required by council tax legislation, an estimate has been made of the current year outturn position in relation to the Council Tax Collection Fund. It is estimated that there will be a surplus of some £1,140,970 for 2014/15. The legislation requires an estimated surplus on the Collection Fund to be transferred to the major precepting authorities in the following year and included in their revenue budgets for that year, in proportion to their respective council tax levies. This council's share of the estimated surplus is £139,280. Presently, the Medium Term Financial Strategy does not include an amount in respect of a Collection Fund transfer in 2015/16. The transfer of £139,280 will, therefore, be additional income to the revenue account and will be available to fund Keele master-planning costs up to this amount.

It is proposed, therefore, that Cabinet recommend to Full Council that a budget of £139,280 be approved in respect of Keele master-planning costs to be funded from an earmarked reserve established by transferring an equivalent amount into it from the General Fund revenue account, being the estimated council tax surplus of £139,280 which will be credited to the revenue account in 2015/16.

- 4.5 Previous reports have drawn attention to the situation with regard to Municipal Mutual Insurance (MMI), whereby the Council may be subject to clawback in respect of claims settled by the company after they went into administration. Potentially the liability could amount to around £721,000. Current advice remains that authorities should set aside around 25% of their potential liability as a provision to meet this eventuality. Originally, an amount of £180,000 was set aside in such a provision (the MMI Provision). The Municipal Mutual Scheme Administrator made a levy of 15 per cent of the liability in excess of £50,000 in January 2014, which meant that a payment of £101,000 was payable. The payment was duly made and met from the MMI Provision, leaving a balance of £79,000 in the Provision, which is sufficient to meet an additional levy of just over 10%. This remains within the recommended set-aside parameter, i.e. 25 minus 15 (used) leaving 10 per cent.

## **5. Earlier Cabinet Resolutions**

Newcastle Capital Investment Programme (Cabinet 5 February 2014);  
Keele Golf Course Site and Masterplanning (Cabinet 5 March 2014);  
Keele Golf Course Site and Masterplanning (Cabinet 23 July 2014);  
Medium Term Financial Strategy 2015/16 to 2019/20 (Cabinet 15 October 2014);  
Funding the Council's Capital Investment Programme (Cabinet 15 October 2014);  
Response to Joint Local Plan - Call for Sites (Cabinet 12 November 2014)  
Budget Report (Cabinet 14 January 2015)

Classification: NULBC UNCLASSIFIED

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**CABINET REPORT**

**4 February 2015**

**Title:** Temporary Extension to Mechanical and Electrical Services Contract

**Submitted by:** Executive Director Operational Services

**Portfolios:** Finance and Resources  
Culture and Leisure

**Ward(s) affected:** All

**Purpose of the Report**

To report the decision of the Executive Director, Operational Services and the Portfolio Holders for Finance and Resources and Leisure and Culture to award a temporary extension to Lorne Stewart in relation to the mechanical and electrical maintenance contract at Jubilee2.

**Recommendations**

**It is recommended that Cabinet:**

- (a) Note the decision of the Executive Director, Operational Services and the Portfolio Holders for Finance and Resources and Leisure and Culture to award a temporary extension to Lorne Stewart in relation to the mechanical and electrical maintenance contract at Jubilee2**

**Reason**

The decision was taken by the Executive Director, Operational Services and the Portfolio Holders to award a temporary extension for the for the mechanical and electrical maintenance contract at Jubilee2 on the grounds of urgency and value for money following an offer by Lorne Stewart of a backdated rebate to the Council in the form of a reduced contract price for a ten month period on expiry of the current contract.

**1. Background**

- 1.1** The Council has a contract with Lorne Stewart for maintaining the mechanical and electrical installations at Jubilee2. The original contract term was for two years, with an option to extend for a further one year. The contract extension has been applied and the contract expires on 8 February 2015. Lorne Stewart offered the Council a £5,000 rebate subject to a further ten months contract extension which had to be agreed by 31 December 2014. This allowed them to discount their usual fee by £500 a month and has come about as a result of issues associated with the building management system controls that have now been resolved. Whilst Lorne Stewart has now put the problems right there are sound operational and commercial reasons for extending the contract.

Classification: NULBC UNCLASSIFIED

## **2. Issues**

- 2.1** There had been difficulties in the delivery of the building management system (BMS) element of the mechanical and electrical maintenance contract at Jubilee2, which was identified through robust contract management. These issues have now been resolved and are being closely monitored by officers but this offer enables the Council to ensure that no BMS legacy issues are carried forward into the new contract. In addition the proposal offers a financial saving to the Council and the opportunity to further research the market for suitable suppliers and to value engineer the specification for potential further savings. It is worth noting that when the contract was awarded three years ago only two companies tendered.

## **3. Options Considered**

- 3.1** An alternative of going out for a one year contract was considered, but this had several risks:

- Lorne Stewart could withdraw their offer of a rebate
- If Lorne Stewart maintained the value of the rebate in their full year costs they would have 12 months to prove the robustness of their work and systems rather than 10 months
- If they maintained the rebate, any other company tendering for this would be unlikely to be successful and this could deter them from tendering again in 12 months' time.

When the contract is retendered the ideal contract term to obtain the most economically advantageous tender returns is 2 years + 1 year. If the Council had taken this contract to the market in December 2014 it would not have benefited from the rebate offer.

There is the option to retender now on a 2+1 basis, as described above, but we would not benefit from the rebate offer under these circumstances. Offering this extension will also allow officers to further research the market place to identify potential future providers for this service, generating greater potential for competition in what has proven to be a very restricted supplier base due in the main to the specialist nature of the service.

## **4. Proposals and Reasons for Preferred Solutions**

- 4.1** The contract offered the best value for money for the Council, in relation to both in a reduced contract fee and deferred procurement costs. In terms of urgency, Lorne Stewart required a response by 31 December 2014 so they could adjust their price and be confident that they could also defer their retendering costs for the contract to later in the year. In terms of value for money, their offer offers a £5,000 saving over ten months on their current contract price which would otherwise be £14,584 for ten months.

**5. Outcomes Linked to Corporate Priorities**

- 5.1** The original contract expires on 8 February 2015, but due to the temporary contract extension the contract now expires on 8 December 2015. The contract will be advertised for retender around July 2015.
- 5.2** The proposal will impact on the Council's corporate priorities by providing employment and ensuring that the plant and equipment at Jubilee2 is maintained in a way that makes the most efficient use of the Council's utilities.

**6. Legal and Statutory Implications**

- 6.1** In line with the Council's scheme of delegation the rebate and extension was agreed and signed-off by the Executive Director, Operational Services and the Portfolio Members for Resources; and Leisure and Culture on the grounds of urgency, as a timely decision needed to be communicated back to Lorne Stewart and for reasons of value for money as the offer was economically advantageous to the Council. The constitution now requires their decision to be reported to Cabinet.

**7. Financial and Resource Implications**

- 7.1** The original offer was £17,433 for years one and two and £17,956 for year three. Fees were invoiced monthly in arrears and were for service only, with agreed rates for reactive maintenance and parts charged cost plus 10%.

The revised offer is to reduce the monthly fee by £500 for ten months, resulting in a saving to the Council of £5,000.

**8. Major Risks**

- 8.1** As Identified in Options Considered.

**9. Key Decision Information**

- 9.1** Contract Specification and signed contract – held by legal
- 9.2** Offer of rebate and contract extension

Implications included	Head of Service agreed report, signed & dated	Financial Implications signed & dated	Legal & risk implications signed & dated
Financial			
Legal			
Risk			
Corporate format used			

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## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**Date: 4<sup>th</sup> February 2015**

**Title:** Development of Locality Commissioning

**Submitted by:** Head of Business Improvement, Central Services & Partnerships

**Portfolio:** Communications, Policy and Partnerships

**Ward(s) affected:** All

### **Purpose of the Report**

To seek Cabinet approval for the in principle appointment of NULBC as the accountable body for locality commissioning in the Borough, involving a number of commissioning organisations from the public sector. The report also requests Cabinet approval for the development of a Memorandum of Understanding with commissioning partners setting out the details of the accountable body role in this context, pending a full risk assessment of the role. Finally, the report seeks authorisation for the Chief Executive to agree to the transfer of Public Health funding from Staffordshire County Council under the terms of this in principle agreement.

### **Recommendations**

Cabinet is asked to:

- a) Approve the in principle appointment of NULBC as the accountable body for the purposes of locality commissioning as set out in this report, pending the development of a Memorandum of Understanding between partners and the completion of a risk assessment into the implications of assuming the role of accountable body in this context
- b) Authorise the Chief Executive, on behalf of NULBC, to sign the letter dated 1<sup>st</sup> December 2014 from Staffordshire County Council (found at Appendix A), thereby authorising the transfer of £226,789 from SCC to NULBC for the purposes of locality commissioning, and adding to the other funding areas dedicated to locality commissioning (see Appendix B)
- c) Agree to the presentation of a further report at the Cabinet meeting of 25<sup>th</sup> March 2015 setting out the results of the risk assessment and proposals based on these results around NULBC becoming the accountable body for locality commissioning in the Borough. This will include a process for the review of locality commissioning before the end of the 2015/16 financial year to understand lessons learnt.

### **Reason**

To establish the necessary arrangements in order to facilitate the use of public sector pooled funds dedicated for locality commissioning in the Borough focused on key areas of need.

## **1. Background**

- 1.1 Members will recall that a report was presented to Cabinet in October 2014, setting out the results of a review of the Newcastle Partnership and the reasons for the changes proposed as a result of that review.

- 1.2 One of the main changes set out in that report to the Partnership's work was to accept the findings of the review of locality commissioning led by the CEO of Tamworth BC (Tony Goodwin) and establish a joint approach to 'locality' (meaning, in this context, within the Borough's boundaries) commissioning across the public sector.
- 1.3 This review advocated establishing a locality commissioning board in each area which would oversee, on a joint basis, previously separate commissioning processes on behalf of partners within each Local Strategic Partnership (in the case of Newcastle, the Newcastle Partnership).
- 1.4 In the case of the Newcastle Partnership, it was agreed by the Newcastle Partnership Strategic Board in September 2014 to change the existing Partnership Delivery Group to the Partnership Commissioning and Delivery Group (PCDG) to reflect these changes.
- 1.5 Membership of the PCDG is now made up of the major public sector commissioning organisations including NULBC, Staffordshire County Council, Staffordshire Police and the North Staffordshire Clinical Commissioning Group. A number of provider organisations also have non-commissioning membership of the PCDG including Aspire Housing, the Stoke on Trent and Staffordshire NHS Partnership Trust and VAST.
- 1.6 In addition to the changes in governance already outlined, the Partnership's Strategic Board also agreed to pool a number of existing separate funding streams and commissioning processes into a single process, reflecting the ethos behind locality commissioning as a concept.
- 1.7 These different commissioning/funding processes/streams included the following:
  - Police and Crime Commissioner funding (Office of the Police and Crime Commissioner)
  - Building Resilient Communities and Families funding (via Payment by Results) (Staffordshire County Council)
  - Public Health funding (Staffordshire County Council)
  - Third Sector Commissioning funding (NULBC)
- 1.8 Having reviewed these areas of funding/commissioning, partners agreed to pool these resources using Staffordshire County Council's Commissioning Model whilst taking into account other approaches (including that used by NULBC) where appropriate.
- 1.9 Following the Partnership's agreement to develop this approach to public sector commissioning in the Borough, work has proceeded in developing a Commissioning Prospectus which sets out the areas (in the form of 'lots') which potential providers have been invited to bid for. This prospectus was issued in December 2014 and can be found at Appendix C. The areas included in the Prospectus are based on a review of needs in the Borough and reflects the information included in the Cabinet report of October 2014.
- 1.10 Having completed this aspect of the development of locality commissioning, Cabinet is asked to approve the next steps in the implementation process.

## **2. Issues**

- 2.1 Changes have been made to the governance of the Newcastle Partnership which focuses mainly on expanding the scope of the existing Partnership Delivery Group (PDG) to include the commissioning role. The Group, therefore, has been re-named the Partnership Commissioning and Delivery Group (PCDG) following agreement by

the Newcastle Partnership Strategic Board in September 2014 (chaired by the Leader of the Borough Council) and endorsed by Cabinet in October 2014.

- 2.2 Cabinet are now asked to formally approve that the Borough Council, in principle, becomes the accountable body for the purposes of locality commissioning as set out in this report. This in principle decision is predicated on the development of a Memorandum of Understanding between those partners involved in locality commissioning and prior to a full risk assessment being carried out into the implications of NULBC becoming the accountable body for the purposes of this area of work.
- 2.3 Those officers attending the PCDG and making decisions regarding commissioning on behalf of the Partnership will do so according to the existing NULBC Scheme of Delegation and according to the Council's Constitution, Financial Regulations and Contract Procedure Rules.
- 2.4 Cabinet is also requested to authorise the Chief Executive to agree to the transfer of funds into the Borough Council from Newcastle Partnership partners (specifically funds from the Public Health section of Staffordshire County Council as set out in Appendix A) and generally to pool funding in support of joint commissioning activity as and when appropriate in line with the Council's Constitution, Financial Regulations and Contract Procedure Rules, resulting in the collation of pooled budgets to the cost centres established.
- 2.5 It is further proposed that a follow-up report is presented to Cabinet at its meeting of 25<sup>th</sup> March 2015 which sets out the terms of the Memorandum of Understanding (following development with partners) and the accompanying risk assessment into the implications of NULBC becoming the accountable body for locality commissioning in the Borough. This report will include a review of the locality commissioning process, likely to take place before the end of the 2015/16 (which will be the end of the initial 12 month period for each of the contracts).

### **3. Options for Cabinet**

- 3.1 Cabinet is therefore asked to approve the in principle appointment of NULBC as the accountable body for locality commission, pending further work as set out in this report; to authorise the Chief Executive to approve the transfer of funds from other organisations as set out in this report; and to receive a further report on the outcome of these decisions at the next meeting of the Cabinet on 25<sup>th</sup> March 2015.
- 3.2 Cabinet can decide not to approve any or all of these recommendations, but Cabinet should be advised that this would risk not completing the implementation of this work and therefore potentially endangering future funding streams and future co-operation with partners.

### **4. Outcomes Linked to Corporate Priorities**

- 4.1 The recommendations set out in this report support all of the Borough Council's corporate priorities.

### **5. Legal and Statutory Implications**

- 5.1 The notion of an 'accountable body' in this context is relatively unclear (many organisations seem to rely on the dictionary definition<sup>1</sup>), although it appears that most

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<sup>1</sup> One such definition is "the organisation responsible in a contractual sense for the intervention, with the key responsibilities of ensuring that the programme is managed in accordance with required standards of financial probity, and in line with the agreed action plan"

local authorities have also relied on Sections 4(1) and (2) of the Local Government Act 2000 (the fact that central government requires all LSPs to identify an organisation to take on the role of an accountable body – usually the relevant district/borough council in two-tier non-metropolitan areas) and Section 1 of the Localism Act 2012 (the power to do anything that individuals generally may do, so that a council may assume accountable body status for specific projects). Many local authorities, prior to agreeing to become an accountable body have drafted a Memorandum of Understanding with partners setting out the arrangements by which any one organisation acts as an accountable body. Following this, a full risk assessment can be conducted, including assessing the levels of risk exposure and the costs of conducting the accountable body role.

- 5.3 Any delegations to NULBC officers as part of this process will be covered by the Council's existing Scheme of Delegation and also by the Council's Constitution; Financial Regulations; and Contract Procedure Rules.
- 5.4 A Newcastle Partnership Commissioning Prospectus has been produced, setting out the areas for potential providers to submit tenders in the form of a number of 'lots'. A copy of the Prospectus can be found at Appendix C. The deadline for tenders to be submitted is 4<sup>th</sup> February 2015, after which an evaluation panel will meet to determine the award of the relevant contracts. Contracts will be awarded from April 2015 onwards, initially for a period of 12 months (with a further option to extend for 12 months).
- 5.5 A key part of the role being undertaken by the Borough Council in this area of work relates to the separation of roles between commissioner and provider. This will need to be considered carefully within this process. Legal advice will be sought to ensure an appropriate segregation of duties where there may be a potential conflict of interest within NULBC or other partners in the commissioning and delivery of the Commissioning Prospectus or any future commissioning activity. A complaints procedure will also be implemented, whereby any organisation or individual is able to respond to the process following award of contracts.
- 5.6 There may also be TUPE and employment related issues (e.g. redundancy) which will need to be managed. Partner support and advice will be sought to manage any HR type issues that may arise. At present, advice is being provided on TUPE issues by SCC Legal, and some areas are seeking to avoid TUPE issues through the creation of 'lots' as part of locality commissioning. In the case of Newcastle-under-Lyme, some of the 'lots' set out in the Prospectus could have TUPE implications, namely:
- 1d Homelessness Prevention for Young People
  - 1e DV Programme – some of the elements of this such as; Early Intervention, IDVA are currently delivered similar service currently being delivered
  - 2b Specialist Debt and Money Advice to Prevent Homelessness

The issue of TUPE will therefore be considered in more detail as part of the overall risk assessment process for locality commissioning.

## **6. Equality Impact Assessment**

- 6.1 An Equality Impact Assessment is being developed for this area of work.

## **7. Financial and Resource Implications**

- 7.1 This report sets out a series of proposals for the Borough Council to assume the role of the accountable body for this area of work in principle pending further analysis of

the role. A key part of this role will be in relation to the managing of the Partnerships' finances relating to commissioning.

- 7.2 The principles underpinning the locality commissioning approach is to enable public sector partners to better co-ordinate decisions on commissioning priorities and how to collectively use their resources to achieve them.

- 7.3 The approximate funding identified to meet the two priorities of the Newcastle Partnership is as follows:

Police & Crime Commissioner funding	£68,000
Building Resilient Families and Communities (SCC)	£101,000
Youth Services	£40,000
Public Health funding	£226,789
NULBC Third Sector Commissioning funding	£59,000

**Total** **£494,789**

It should be noted that, in some cases, the transfer of these funds will be relatively straightforward – for example, the Public Health funding from SCC is being transferred en bloc as per the arrangements set out in Appendix A. In the case of the Building Resilient Families and Communities funding, this comes to the Borough in the form of Payment by Results funding from central government. This funding is on the basis of multi-agency work, although the funds themselves are held by SCC. It is proposed by SCC that this funding is not transferred en bloc, but is transferred as commissions are agreed, so that the sum above represents a total figure for BRFC funding, but will not be held by NULBC all in one go. The 'Youth Services' funding is that which has been given to each of the county's District Commissioning Leads in order to 'seed fund' third sector based work as a replacement for the loss of some Youth Services following a review by SCC. Finally, the NULBC figure is made up of a number of existing funding streams under the Third Sector Commissioning heading, but excludes funding which is currently contributing to countywide contracts for debt/benefit advice and third sector infrastructure support which are with the CAB and VAST respectively.

- 7.4 It is proposed that new cost centres are established by the Borough Council to hold this pooled partnership funding.

- 7.5 It should also be noted that additional NULBC officer time in Partnerships, Business Improvement, Housing & Regeneration Services and Finance will be required to support the commissioning process and to support contract and performance management requirements. This requirement will be met using existing officer time, but these commitments are difficult to evaluate at this time as this is the first such exercise. It should be noted that staff resources have been provided as part of the development of this area of work from Staffordshire County Council (in the form of performance/analysis work and also support around Public Health) and also in the form of commissioning work, including the District Commissioning Lead and the Borough Commissioner for Families.

- 7.6 As stated in this report, for any future single commissioning exercise, this will be undertaken in accordance with the Council's Constitution/Financial Regulations/Contract Procedure Rules. At this point in time it is expected that the value of the pooled budget will be around £500,000 for 2015/16 (offered in the form of a series of 12 months plus a further 12 month option contracts or 'lots') as set out in the Commissioning Prospectus (see Appendix C).

## **8. Major Risks**

- 8.1 Significant risks include the following:

- Availability of future funding to meet commissioning commitments could be a significant risk to the Council as all contracts will effectively be between the provider and NULBC. However, in order to mitigate this risk and subject to the procurement process, break clauses have been included within the contracts/tenders, as outlined in the previous section of this report (12 months + 12 months)
- In relation to the previous point, partners will be expected to engage fully in the process and inform the Borough Council of any funding changes in sufficient time (6-12 months prior) to enable NULBC to notify contractors accordingly and action the appropriate break clauses
- As said, there may be TUPE and employment related issues (e.g. redundancy) which will need to be managed. Partner support and advice will be sought to manage any HR type issues that may arise.
- Given that all organisations from all sectors are able to bid for these commissioning opportunities, the issue of commissioner/provider splits, as set out earlier in this report, need to be addressed as there could be a risk of unsuccessful providers challenging decisions, for example, if the Borough Council becomes a successful provider

8.2 It is suggested that a risk register is kept for this work, which NULBC officers can manage and seek to mitigate risks. A risk assessment is also to be carried out, as per the proposals set out in this report.

## **9. Key Decision Information**

9.1 This report can be considered a key decision in the following ways: -

- It requires the Borough Council to commit existing and additional resources for the function to which the decision relates and;
- It impacts on communities living or working in an area comprising two or more electoral wards in the Borough.

## **10. Earlier Cabinet/Committee Resolutions**

10.1 Newcastle Partnership Review (October 2014)

## **11. List of Appendices**

11.1 Appendix A – Letter from Staffordshire County Council (Public Health) to NULBC, 1<sup>st</sup> December 2014  
Appendix B – Map of Locality Commissioning Projects and Funding 2015/16  
Appendix C – Newcastle Partnership Commissioning Prospectus 2015-17

## **12. Background Papers**

12.1 *Achieving Strategic Outcomes through Locally-Based Delivery* (Report from Staffordshire Health and Well-Being Board, July 2014)

*Strategy for a Sustainable Community 2014-2020* (Newcastle Partnership, October 2014)

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**Head of Public Health Planning & Partnerships**  
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**Direct Line:** 01785 276697  
**Mobile:** 07850 923419  
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John Sellgren  
Chief Executive  
Newcastle-under-Lyme Borough Council  
Civic Offices  
Merrial Street  
Newcastle-under-Lyme  
Staffordshire  
ST5 2AG

**Your Ref: JS / PHCP2014**

**Date:** 01 December 2014

Dear John

**Re: Localities Commissioning for Improving Public Health and Wellbeing Outcomes – Funding for Newcastle-Under-Lyme Borough Council Population Area**

I am pleased to confirm that Staffordshire County Council (the 'County Council') has assigned the overall sum of £226,789 to help in the local commissioning for Public Health Outcomes, specifically to improving behaviour changes and better lifestyle (increasing physical activity, healthy eating & nutrition, and reduce alcohol consumption).

This assigned sum has been identified from existing contracts and agreements that are or will be coming to an end in March 2015 and July 2015.

Given that this approach is about getting the best value from various sums of money, with dual or joint outcomes to be delivered, the County Council believe for audit purposes, it is best for the County Council to give its commitment of spend by way of this letter at this time. Newcastle-Under-Lyme Borough Council will act as the Accountable Body for the Locality Commissioning Board (the "LCB") and will put together tender documents to commission the outcomes of the County Council and other relevant organisations and the required outcomes for public health will be highlighted during the production of the prospectus as you have many detailed specific outcomes.

The County Council will need to agree the prospectus of outcomes to go out with the tenders to ensure it meets the required outcomes. This is largely for audit purposes as the County Council would expect to then be able to be appraised of any performance monitoring via the County Council's representative(s) on the LCB. The County Council hope this approach will

(1) give some assurance of money available and then;

(2) create a fast track for money to be transferred to the Accountable Body as soon as possible, but with the aforementioned audit trail.

Once Newcastle-Under-Lyme Borough Council has identified providers through the tendering process who will deliver the outcomes required by the County Council; Newcastle-Under-Lyme Borough Council will invoice the County Council. Newcastle-Under-Lyme Borough Council will only

invoice the County Council for the funding to meet the Public Health outcomes which have been identified. This may not be the full amount identified for the outcomes.

Finally the County Council recognises and accepts that such activities to support delivery of the outcomes may be wide in nature but of course still need to deliver public health outcomes. However the overall benefits will be expected to be shown to the reasonable satisfaction of the LCB/ Strategic Partnership Board (as applicable) at the end of the financial year, however supported by quarterly monitoring of activity linked to the outcome areas. It is also expected that the County Council will be kept appraised of spend and outcomes at the LCB/ Strategic Partnership Board (as applicable).

Yours faithfully



Jacqueline Small  
Head of Public Health Planning and Partnerships  
for and on behalf of  
Staffordshire County Council, Directorate for Public Health

cc.  
Mark Bailey  
Head of Business Improvement and Partnerships  
Newcastle-under-Lyme Borough Council

Professor Aliko Ahmed – Director of Public Health  
Tilly Flanagan, Strategic Commissioning Lead – Health Improvement  
Denise Vittorino, Locality Commissioning Partnership Lead / Strategic Lead for Health & Wellbeing

Encl: 2 letters and 2 funding agreements – please sign and return one copy (letter and funding agreement) for my attention to the address on the letter head.

We confirm that we agree to and accept the above terms.

.....

for and on behalf of

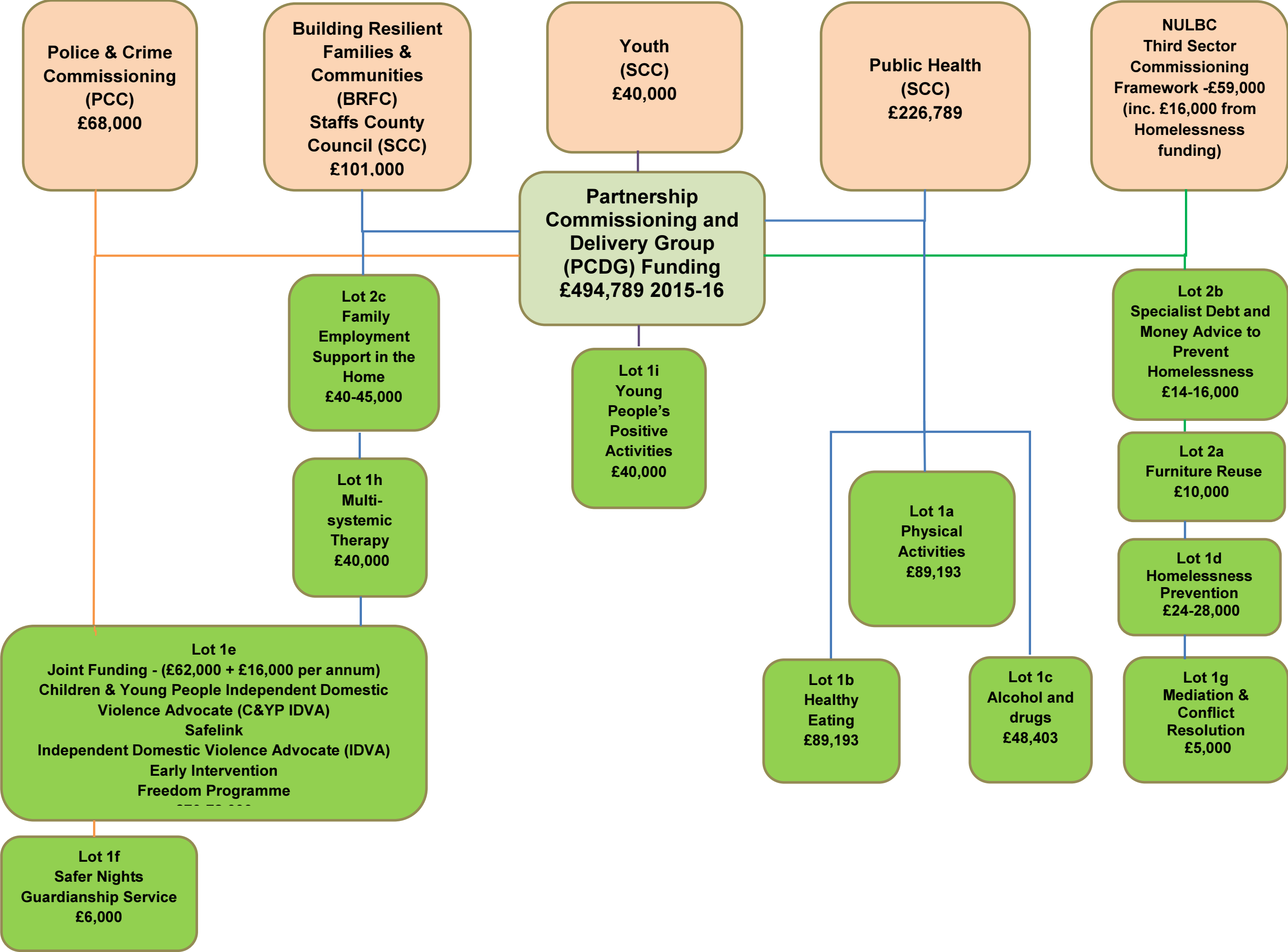
Name of Organisation: .....

Name of Representative .....

Position: .....

Date: .....





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**2015-2017**

# **Newcastle Partnership Commissioning Prospectus**



**A Partnership-Based Approach to  
Commissioning**



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## **Foreword**

The past few years have been challenging ones for the public sector throughout the UK, including Newcastle under Lyme. Successive reductions in Government funding, allied to ongoing issues with the economy has left all public organisations with fewer resources. Despite this, the challenges facing us remain in place and, in many cases, have become even harder to deal with.

To attempt to deal with this situation therefore, we have enhanced our partnership working recognising that we can achieve more collectively than individually. Working in this way is not always easy, but it has been extremely successful in terms of delivering positive outcomes for this Borough. We have seen reductions in levels of crime, including anti-social behaviour; improvements in the health of the Borough; and a range of different initiatives aimed at improving the local economy.

We are not going to rest on our past successes, however, and this prospectus represents a new phase in partnership working. We know that we can do more together than we can do apart and so we have developed a collective approach to delivering key services in the future. This will be based on a clear single vision for the Borough; shared priorities; and shared outcomes, allied to shared resources in terms of commissioning and delivery.

In working to the same goals, based on clear understanding of what the Borough's issues are and what our residents need, we are confident that – even in the face of continuing reductions in resources – we can continue to improve the quality of life for the people of this Borough and eliminate, where possible the problems faced by communities.

I am pleased, therefore, to commend this prospectus to you. It is the first of its kind, but it sets out – clearly and concisely – the service areas we are seeking to deliver in as a Partnership between 2015 and 2017. I hope that you find it interesting, informative and useful.

Cllr Mike Stubbs

Chair, Newcastle Partnership



## Introduction to the Newcastle Partnership Commissioning Prospectus

As a Partnership there are two commissioning areas we are seeking to address. These are:

- Enhancing economic growth
- Tackling vulnerability

These priorities have been developed by the Partnership having considered a range of data available and local information from partners.

The sources of this data have include Newcastle's Health and Wellbeing Profile, Enhanced District Profile ([www.staffordshireobservatory.org.uk](http://www.staffordshireobservatory.org.uk)), Local Alcohol Profiles for England, District Physical Activity and Nutrition Profiles and the eJSNA ([www.newcastle-staffs.gov.uk](http://www.newcastle-staffs.gov.uk)) Newcastle Borough Community Safety Indicators 2013/14, Newcastle-under-Lyme Police and Crime Plan 2014-17

As a borough, Newcastle-under-Lyme is characterised by significant variations in the level of employment, health, economic well-being, housing and overall living standards – with the result that the difference in life expectancy varies from nine years for men and 13 years for women between the most affluent and deprived areas in the borough. The borough has areas of considerable affluence, but also includes three wards that fall into the 10% most deprived in the country. Reducing these inequalities across the borough is a prime focus for the Partnership.

### **Strategic Framework**

As a partnership we have outlined our needs, vision, priorities and outcomes. As part of this prospectus we are expecting all commissioned services to deliver to meet these expectations.

### **Our Needs**

- Ageing Population
- Worklessness
- Alcohol/Drugs
- Health Issues
- Crime

### **Our Vision**

Newcastle Communities together, securing a prosperous future

### **Our Priorities**

- Enhancing Economic Growth
- Tackling Vulnerability

### **Our Outcomes**

- Improved health and wellbeing
- Safer communities
- Reduction in the fear of crime
- Improved prosperity

### **Our Evaluation**

We will ensure that all commissioned providers are delivering to meet the outlined strategic framework. Each provider will be monitored quarterly to establish their contribution towards this framework.



## Key Principles

Although we encourage you to be creative and innovative in your application, there are a number of cross-cutting principles which we would expect to see addressed and evidenced in all applications we receive. These are:

- Build community resilience and increase community capacity
- Focus on prevention and early intervention
- Focus on outcomes that are based on evidenced need
- Targeting the programme or service, especially to those in most need, to increase its impact and reduce inequalities
- Involving the community and users in designing and evaluating the project/service
- Enable personal responsibility and independence
- Raise aspirations of residents
- Reduce reliance on public sector support
- Utilising our built and natural environment to improve health and wellbeing and community resilience
- Embedding a whole family and life-course approach
- Reduce social isolation and loneliness

We encourage applicants to take this as an opportunity to ‘think differently’ about what you as an organisation or community can deliver. Within your application you will be required to demonstrate that you have considered:

- How you can deliver the outcomes the partnership are seeking to deliver
- How you can work in partnership with other similar organisations to achieve multiple outcomes
- How you can evidence social return on investment
- How can you evidence you are delivering against the outlined needs, objectives and priorities.



## Timeline

The timeline below identifies key deadlines you need to be aware of in applying for the work outlined in this prospectus.

<b>Wednesday 10th December 2014</b>	• Commissioning Prospectus Published
<b>Wednesday 4th February 2015</b>	• Application Deadline
<b>Week Commencing 9th February 2015</b>	• Evaluation Panel
<b>Friday 23rd February 2015</b>	• Awards Published
<b>Standstill Period 9th March 2015</b>	• Standstill Period 10 Working Days
<b>1st April 2015</b>	• Service Commencement



## Funding

The total amount of funding available as part of this prospectus is currently envisaged to be around £600,000 in total for 2015/16.

The partnership will produce a new version of this prospectus once every six months. This will allow the Partnership to collectively advertise opportunities which remain relevant to the needs of the Borough. Whilst every effort will be made by the Partnership to maintain levels of available funding, applicants should note that this does not mean the total amount of funding will remain unchanged over time. The Partnership shall therefore reserve the right to increase or decrease the total amount of available funding subject to availability and budget review.

The maximum contract period will be two years. This will be made up of an initial contract for 12 months and an extension for a further 12 months (where possible and appropriate, and subject to satisfactory performance)

In the event of all funding identified by the Partnership not being allocated, the Partnership will allocate any remaining sums as part of subsequent prospectuses, with the next anticipated in summer 2015.

## How much can you apply for?

Applications must be greater than £3000 per annum. If you are looking for a smaller amount of funding, then please apply to:

- Joint Operations Group (JOG) allocated an annual budget from the Newcastle Partnership for grant funding of projects up to and including the value of £750 for community safety-themed projects and up to and including the value of £3,000 young people's positive activities. The funding criteria and application form is available from the Partnerships Team at Newcastle-under-Lyme Borough Council by contacting [sara.shuker@newcastle-staffs.gov.uk](mailto:sara.shuker@newcastle-staffs.gov.uk) or calling 01782 742554

Decisions on funding will be based on the scores awarded in the evaluation process. An application for funding a proposal may be granted in whole, in part or not at all by the Partnership, even if the evaluation process has been passed.

If you are a voluntary/community sector organisation, funding advice can also be sought from VAST. Please contact Colin Williamson, the senior development officer for Newcastle-under-Lyme, email: [Colin.Williamson@vast.org.uk](mailto:Colin.Williamson@vast.org.uk) Tel: 01782683100 or 07876834727.

Matched funding is not a requirement of this process. Any contributions you or your organisation can make as part of your application, however, will strengthen your bid. Contributions “in kind” (e.g. volunteer time or use of facilities free of charge) can be counted towards your contribution and will be scored accordingly.

### **Who can apply?**

- Any formally constituted not-for-profit community group serving Newcastle-under-Lyme
- Any Parish or Town Council based in the borough of Newcastle-under-Lyme
- Community Enterprises and Charities
- Private sector businesses
- Public sector organisations
- Collaborative partnership bids from two or more partners (with a lead partner clearly identified)

### **What can be funded?**

- Any activity, project or event which is for the benefit of the community and meets the key principles and requirements of this prospectus
- In the case of two separate proposals targeting similar needs, outcomes and displaying similar approaches in the absolute discretion of the Partnership, funding shall only be awarded to the proposal awarded the highest score following evaluation
- Applicants can apply for multiple service outlines. As part of their application they must clearly specify which areas they are applying for. The sum of money that applicants can bid for should not exceed the maximum amount of money allocated to the areas for which they have applied.
- Capital costs e.g. equipment relating to a service/activity but they must demonstrate how the resources can be utilised on an ongoing basis to benefit the local community



### What cannot be funded?

- Any school curriculum based activity
- Events or activities the principle aim of which is to fundraise for another organisation
- Political or religious activities or events (although secular activities promoted by faith based groups are welcome)
- Projects run for the benefit of an individual
- Specialist health and treatment services
- Formal education
- A statutory responsibility that is already delivered or commissioned
- Individually prescribed and specialist exercise and weight management programmes
- Expenditure previously incurred or committed (including the writing of this application)
- Projects occurring outside the local authority boundary of Newcastle-under-Lyme, unless a direct benefit to the area can be proved
- Any activity that discriminates on the basis of race, religion, gender, nationality, disability, age or sexual orientation

## 1. Enhancing Economic Growth

### Key objectives for this focus priority area:

- Creating the right conditions to attract and grow business in Newcastle under Lyme
- Support residents with minimal/ no qualifications to develop skills required to gain employment and support their development
- Enhance access to community learning opportunities
- Make it easier for businesses inclusive of Social Enterprises and Voluntary Organisations to start up, innovate and expand
- Create the right conditions for increased employment in more and better jobs
- Encourage businesses inclusive of Social Enterprises and Voluntary Organisations to embrace their wider role in contributing to economic growth
- Improving our environment and public spaces
- Making our places safer
- Improving financial inclusion of residents in Newcastle.

### Why is this a local issue – what is the evidence saying?

<p><i>Being NEET between the ages of 16-19 is seen as a major predictor of later unemployment, low income, depression, involvement in crime and poor physical and mental health. The proportion of young people who were NEET during March 2013 for Newcastle-under-Lyme was 3%. However there are significant inequalities as figures are higher in the areas of Cross Heath, Holditch, Knutton &amp; Silverdale and Silverdale &amp; Parkside wards.</i></p>	<p><i>There are three electoral wards (Butt Lane, Holditch and Knutton and Silverdale) with high youth unemployment levels.</i></p>	<p><i>Although Newcastle unemployment is lower overall than England at 2.8% or around 2,200 claimants (3.4%), there are five electoral wards (Cross Heath, Holditch, Knutton and Silverdale, Silverdale and Parkside and Town) with high unemployment levels.</i></p>
	<p><i>The number of jobs in the Borough has decreased by 1,000 over the last decade</i></p>	
<p><i>There are significant inequalities in educational attainment for example only 40% of young people gained 5 or more A-C grade GCSE's in Butt Lane compared with 84% in the Westlands.</i></p>	<p><i>There are 27% of adults (over 16) who have no qualifications, which is higher than the county average. There are inequalities at ward level</i></p>	<p><i>The percentage of people claiming disability living allowance is high in Newcastle. 6% or around 7400 people compared with 5.1% across England.</i></p>

### Where to get further information to support you to identify the need for your project?

Staffordshire Observatory, Health and Wellbeing Profile for Newcastle under Lyme (2014) - [www.staffordshireobservatory.org.uk](http://www.staffordshireobservatory.org.uk)

## 2. Tackling Vulnerability

### Key objectives for this focus area:

- Reducing the harm caused by alcohol or drugs through prevention/early intervention
- Promoting protective factors and supporting resilience amongst vulnerable people
- Supporting drug and alcohol recovery by addressing wider health and social needs such as housing, training, skills and employment, health or emotional/psychological issues
- Reducing the cost to the public purse of troubled families
- Providing support to those who need it
- Improving life in the home for example tackling domestic abuse and dealing with anti-social behaviour
- Prevent homelessness and support those that may become homeless
- Improving health and wellbeing enabling individuals and families to provide the best start in life for their children
- Increasing levels of physical activity and reducing sedentary behaviour
- Reducing reliance on public sector support by encouraging community leadership and resilience
- Improving health and wellbeing throughout the life course
- Enabling older people to remain physically active to minimise their risk of falls
- Developing community food initiatives with a focus on improving the availability, affordability and accessibility of healthy food for low income groups (e.g. cooking initiatives, supermarket tour initiatives, growing initiatives, community food provision initiatives)

### Why is this a local issue – what is the evidence saying?

Approximately 3,200 adults in Newcastle-under-Lyme were admitted to hospital as a result of alcohol. This is higher than Staffordshire and England averages.	There are 12 LSOAs that fall within the most deprived national quintile in Newcastle making up 15% of the total population these are Cross Heath, Knutton and Silverdale, Chesterton, Butt Lane, Kidsgrove, Silverdale and Parkside, Town, Holditch and Thistleberry.	In Newcastle-under-Lyme, 220 families have been identified as part of the Building Resilient Families and Communities (BRFC) programme. The highest number in the county. This means they have required additional support as they are dealing with multiple issues including ASB, unemployment and non-attendance at school. This evidences that lots of families experience multiple issues not one in isolation, strengthening the need for whole family approaches.
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<i>For Newcastle-under-Lyme children aged four or five (Reception) the proportion of those who were overweight or obese (21.7%; around 260) has fallen slightly compared to the figure in 2011/12 and remains similar to the England average. The Butt Lane ward however has higher than average levels.</i>	<i>For children aged ten to eleven (Year 6) the proportion of those who were overweight or obese increased from 35.1% in 2011/12 to 37.3% (around 380) in 2012/13 and is now significantly higher than England. This is particularly high in Kidsgrove and Knutton and Silverdale.</i>	<i>18.1% of children live in poverty in Newcastle. This is higher than the Staffordshire average, increases are mainly due to inadequate income, arising from worklessness, low wages and low level benefits. Knutton and Silverdale and Chesterton have over 45% of children living in poverty (Child Poverty in Staffordshire Needs Assessment)</i>
<i>Attainment at reception age is lower than the county average at 63%. Attainment at reception age is an indicator of their achievements later and there are significant inequalities in areas in Newcastle. These are in line with the areas of deprivation.</i>	<i>Newcastle has a higher rate of Domestic Violence with 3.9 recorded incidents per 1000.</i>	<i>During 2012/13 there were around 1,590 recorded incidents of violent crime. With rates in Newcastle higher than the England average.</i>
<i>Newcastle fuel poverty is 14.3% whilst England is 10.9%. Nearly four fifths of wards in Newcastle experience high fuel poverty.</i>	<i>The proportion of people in Newcastle eating five or more portions of fruit and veg (24%) is lower than England (29%).</i>	

**Where to get further information to support you to identify the need for your project?**

Staffordshire Observatory, Health and Wellbeing Profile - [www.staffordshireobservatory.org.uk](http://www.staffordshireobservatory.org.uk)

District Physical Activity and Nutrition Profiles – [www.newcastle-staffs.gov.uk](http://www.newcastle-staffs.gov.uk)

Local Alcohol Profiles for England - [www.lape.org.uk](http://www.lape.org.uk)

### The Application Process

We have outlined a number of areas that as a partnership we are seeking to commission. These are described in detail in the service outlines. These are:

Lot Number	Priority Area	Service Area	Allocation
1a	Tackling Vulnerability	Public Health Outcomes for Increasing Physical Activity and Reducing Sedentary Behaviour	£89,193
1b	Tackling Vulnerability	Public Health Outcomes for Improving Nutrition Through Community Food Initiatives	£89,193
1c	Tackling Vulnerability	Public Health Outcomes for Alcohol and Drugs: prevention/early intervention, protective factors/resilience, supporting recovery	£48,403
1d	Tackling Vulnerability	Homelessness Prevention for Young People	£24-28,000
1e	Tackling Vulnerability	Domestic Abuse	£70-78,000
1f	Tackling Vulnerability	Safer Nights Guardianship Service	£6,000
1g	Tackling Vulnerability	Mediation and Conflict Resolution Service	£5,000
1h	Tackling Vulnerability	Multisystemic Therapy	Unspecified
1i	Tackling Vulnerability	Young People's Positive Activities	£40,000
2a	Economic Growth	Furniture Reuse for Homeless Households	£10,000
2b	Economic Growth	Specialist Debt and Money Advice to Prevent Homelessness	£14-16,000
2c	Economic Growth	Family Employment Support in the Home	£40,000 - £45,000

If you wish to apply for funding, you will need to complete an application form and risk assessment form which is available from [www.newcastle-staffs.gov.uk](http://www.newcastle-staffs.gov.uk)

The closing date for receipt of applications is 12 noon on **Wednesday 4<sup>th</sup> February 2015**. Emailed / electronic applications will be accepted and these must be submitted to [sarah.edgerton@staffordshire.gov.uk](mailto:sarah.edgerton@staffordshire.gov.uk) Postal applications should be returned to Sara Shuker, Newcastle Borough Council, Civic Offices, Merrial Street, Newcastle-under-Lyme ST5 2AG. No submission received after this closing date and time will be considered. Submissions may not be considered if any information requested in the supporting documentary evidence is not provided with the submission, or if the submission is otherwise non-compliant or incomplete.

### Evaluation of Applications



### Main Criteria Grid

When considering submissions the following Award criteria will be applied: -

Criteria	Percentage
Price	40%
Quality	60%
Total:	<b>100%</b>

### Scoring Grid

We will use a scoring grid in evaluating each provider's application against the established criteria in each service area. Scoring systems give a score for the provider's ability to meet the non-priced criteria. All answers will be scored as follows;

Category	Definition	Score Range
<b>(A) Unacceptable</b>	No response to the question or the response is highly inaccurate.	0
<b>(B) Poor</b>	Limited response provided, or a response that is inadequate, substantially irrelevant, inaccurate or misleading or only partially addresses the question.	1
<b>(C) Acceptable</b>	An acceptable response submitted in terms of the level of detail, accuracy and relevance. The response is good but there are either some omissions of important factors or negative indications that reduce the extent to which the project aims will be achieved.	2
<b>(D) Good</b>	A comprehensive response submitted in terms of detail and relevance and clearly meets the project aims with no negative indications or inconsistencies.	3

Each project application will receive an overall score . The top scoring applicant will be awarded funding as long as this is within the funding allocation. A score of 0 will result in the application being disqualified for funding. Applicants must score a minimum of 50% of the available marks to be eligible for funding.

### Evaluation Panel

Submissions will be evaluated by a panel of officers from the contributing partners.

### Contractual Agreement

Subject to an award of funding, contracts will be issued, examples of these documents can be found at [www.newcastle-staffs.gov.uk](http://www.newcastle-staffs.gov.uk). The contracts detail the expectations of commissioners and can include details such as payment arrangements, monitoring and evaluation and promotion of services.

### Performance Monitoring

Following the award of contract, officers from the Newcastle Partnership will meet with the successful service providers to establish and agree the contract review, performance monitoring and Key Performance Indicators for the service to be provided.

### Contract Payments/Contract Management

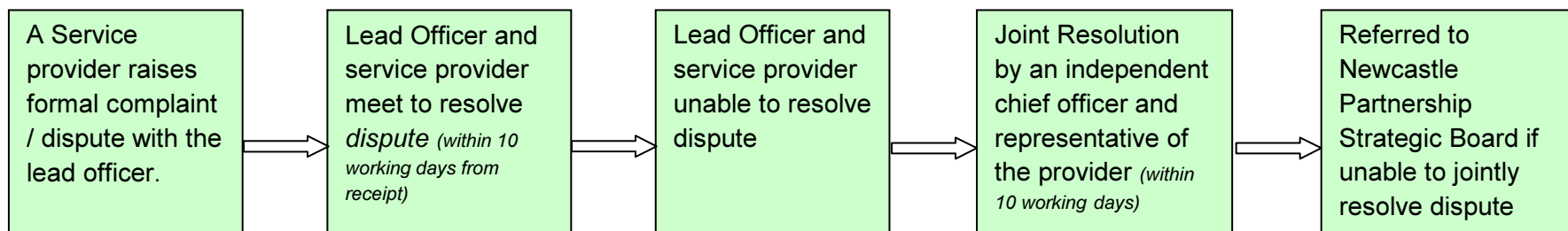
Contract payments will be made quarterly in arrears (following receipt of performance information and satisfactory reviews).

### Key contacts

This commissioning prospectus is owned by the Newcastle Partnership. As such various partners may be involved in answering queries however the central contact for all queries is Sarah Edgerton [sarah.edgerton@staffordshire.gov.uk](mailto:sarah.edgerton@staffordshire.gov.uk) tel: 07901350546

### Disputes / Complaints

All agreements with providers will incorporate a dispute resolution/complaints mechanism which needs to be time limited. This will be as follows.



This dispute resolution process is an informal process designed to complement but not replace the formal legal route.

## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

1. **HEADING**                                      **Award of Domestic Energy Saving Service Contract**

**Submitted by:**                                      **Executive Director (Regeneration &Development)**

**Portfolio:**    **Environment and Recycling**

**Ward(s) affected:**                                      **All**

**Purpose of the Report**

To seek approval to enter into a contract with Climate Energy Ltd to deliver a Domestic Energy Saving Service.

**Recommendation**

**To award the Domestic Energy Saving Service contract to Climate Energy Ltd to start in February 2015 for a two year period with the option to offer two one year extensions subject to successful service delivery.**

**Reasons**

Cheshire West and Chester Council has led a competitive tendering process to select an experienced company to deliver a comprehensive service that all residents can access for energy efficiency advice, finance and installation of energy saving measures. The Council is now in a position to contract with Climate Energy Ltd, it is therefore appropriate that Cabinet makes a decision to enter into this contract.

1. **Background**

- 1.1 The Council has produced a statutory report The Home Energy Conservation Act (HECA) Progress Report 2013-2015 outlining practicable, cost effective plans which are likely to result in significant improvements in the energy efficiency of homes in the borough and a reduction in fuel poverty by promoting and supporting key government programmes such as Green Deal and Energy Company Obligation (ECO).
- 1.2 The HECA report indicated that the Council would look to take a partnership approach to Green Deal and ECO, working with Stoke on Trent City Council and Cheshire West and Chester Council to establish an agency, which will secure ECO funding and manage Green Deal across the North Staffordshire region and into parts of Cheshire. This would build on the successful Warm Zone partnership with the three local authorities.
- 1.3 Significant changes in energy policy and funding programmes introduced by the Government have increased competition between service providers and therefore it was considered necessary to test the market for a service provider.

2. **Issues**

- 2.1 Cheshire and West Chester Council agreed to lead on the procurement of a service and a project working group of officers from the three Councils' prepared a specification, engaging legal and procurement colleagues as necessary.
- 2.2 A tendering exercise has been carried out in accordance with local authority Procedure Rules and EU Procurement Regulations. The works provision falls within OJEU regulations and an OJEU restricted procedure has been followed. The OJEU notice to tender was published in August 2014 and includes the provision for other bordering local authorities and local authorities with the Stoke-on-Trent and Staffordshire and Cheshire and Warrington Local Enterprise Partnership area to utilise the Domestic Energy Saving Service.
- 2.3 Tenders were invited by advertisement on the Cheshire West and Chester Council's website. The tender was posted electronically through the CHEST e-tendering platform. Sixty organisations viewed the tender opportunity online and six completed tenders were received accordingly.
- 2.4 All six tenders were evaluated in accordance with the tender assessment detailed in the tender documentation. This comprised an initial quality evaluation of the organisation's economic and financial standing and professional and technical ability based on a pass/fail gate. Tenders which passed the quality evaluation were then subject to a Technical Assessment in accordance with the contract award criteria to result in a Best Technical Score. Further to this, the two highest scoring organisations were invited to attend clarification and moderation scoring meetings.
- 2.5 The outcome of the tender process was that Climate Energy Ltd have been chosen as the preferred contractor. This company was established in 2001 and has worked with approximately 120 local authorities to date. It is currently working with 27 Council's located in the south and south west of England to deliver Green Deal and ECO programmes. The company have reported to have delivered £76.6m of ECO funding through contracts with several energy companies.
- 2.6 The specification fully detailed the service to be provided and performance monitoring arrangements. This will include a joint strategic group meeting once every 6 months and a formal local (LA specific) meeting every three months.

### 3. **Proposal and Reasons for Preferred Solution**

- 3.1 The proposal is to award the contract for the management and delivery of a Domestic Energy Saving Service to Climate Energy Ltd for a two year period with the option to renew at the end of the period, subject to the success of the service, for two one year extensions potentially until February 2019.
- 3.2 This will enable the Council to work with an experienced provider (already operating in the market place) to deliver a comprehensive service that all residents can access for energy efficiency advice, finance and installation of energy saving measures.
- 3.3 The responsibilities of the service provider will include (but is not limited to):
  - Developing partnerships with funding providers;
  - Creating partnerships with Green Deal Providers;
  - Financial management of energy efficiency schemes including the negotiation and securing of grant funding (e.g. ECO) to subsidise the cost of energy saving measures;

- Managing and awarding work to installers on a housing retrofit Framework;
- Providing home energy assessments (incl. Green Deal Assessments) to determine suitability of property for energy saving measures;
- Providing impartial energy and welfare benefit advice service on domestic energy issues to the residents;
- Providing impartial Green Deal advice to commercial businesses;
- Providing customer support pre and post energy efficiency installations;
- Developing partnerships with local agencies, third sector agencies and housing associations to deliver objectives as agreed by the Council;
- Promoting and marketing energy efficiency and affordable warmth schemes to increase take up;
- Assisting with the development of bids to external and internal funding sources which support the aims and objectives of the service.

3.4 The benefits of having this service include:

- Reducing energy consumption for local residents;
- Tackling cold homes by making homes warmer and healthier;
- Reducing local CO<sub>2</sub> emissions;
- Local economic and physical regeneration;
- The creation and maintenance of local jobs and skills; and
- Support wider local strategic priorities e.g. health and poverty.

4. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 4.1 The availability of a local Domestic Energy Saving Service will contribute to the corporate priorities of creating an active and healthy community and a cleaner and sustainable Borough

5. **Legal and Statutory Implications**

- 5.1 The Home Energy Conservation Act 1995 places a statutory obligation upon the Council to identify practical and cost effective measures which are likely to result in a significant reduction in energy consumption in residential accommodation in the area. The provision of an energy saving service to maximise Green Deal and ECO funding is a major element in the Council's current HECA Report 2013/15.
- 5.2 The service provider will be required to enter into a contract produced by Stoke City Council's Legal Services which has been agreed by the other authorities involved in the joint procurement exercise. The contract is for a period of two years from February 2015 with provision to extend for two additional periods of one year's duration.
- 5.3 The Council will enter into a contract directly with the service provider and is responsible for satisfying itself that the contract is suitable for their purposes.

6. **Equality Impact Assessment**

- 6.1 As part of the comprehensive procurement exercise it was a requirement that the successful company demonstrate compliance with all equalities legislation. The Council is confident that the Domestic Energy Saving Service would be beneficial to all residents of the Borough and

particularly those that are vulnerable, as there is a correlation with vulnerability and fuel poverty.

7. **Financial and Resource Implications**

- 7.1 The service has been tendered on the basis that there is no revenue funding available from the members of the Partnership. In the event that members are able to access various sources of UK and European funding then an agreed management fee will apply.
- 7.2 Where capital funding is available from partnership members this will be used to subsidise the cost of installing measures to incentivise take up by targeted households or at particular localities or house types in their district. Funding of £80,000 has been allocated through the Housing Capital Programme. For future years it is proposed that funding will be considered as part of the Capital Programme preparation process.

8. **Major Risks**

- 8.1 All risks associated with the procurement of the contract have been adequately managed.

9. **Sustainability and Climate Change Implications**

- 9.1 The Domestic Energy Saving Service will have a positive impact on sustainability and climate change.

10. **Key Decision Information**

- 10.1 The Energy Saving Service will be available to residents in all wards

11. **Earlier Cabinet/Committee Resolutions**

- 11.1 Reports to Cabinet: 19<sup>th</sup> October 2012 and 6<sup>th</sup> March 2013 to allocate capital funding.
- 11.2 Delegated approval: 13<sup>th</sup> August 2013 to enable Cheshire West and Chester Council to lead to procurement and 19<sup>th</sup> November 2014 to select the preferred contractor.

12. **List of Appendices**

- 12.1 None

13. **Background Papers**

- 13.1 Domestic Energy Saving Service Tender Specification