

Public Document Pack

Date of meeting **Wednesday, 18th September, 2013**

Time **7.00 pm**

Venue **Committee Room 1, Civic Offices, Merrial Street,
Newcastle-under-Lyme, Staffordshire, ST5 2AG**

Contact **Julia Cleary 01782 742227**

Cabinet

AGENDA

PART 1 – OPEN AGENDA

1 DECLARATIONS OF INTEREST

To receive declarations of interest from Members on items included in the agenda.

2 Apologies

3 MINUTES OF THE LAST MEETING

(Pages 1 - 10)

To consider the minutes of the previous meeting held on 17th July 2013.

**4 PRESENTATION FROM MR M.E.ELLIS, POLICE AND CRIME
COMMISSIONER FOR STAFFORDSHIRE.**

To receive a presentation from Mr Ellis regarding the Police and Crime Plan (Safer, Fairer, United Communities for Staffordshire 2013-18).

5 Budget Performance Monitoring Report

(Pages 11 - 32)

6 Newcastle Housing Advice (NHA) Service Contract

(Pages 33 - 42)

7 Bereavement Services Grounds Maintenance

(Pages 43 - 48)

**8 ICT Desktop Strategy & Replacement of ICT Desktop
Equipment**

(Pages 49 - 56)

9 Budget Consultation 2013

(Pages 57 - 62)

**10 Memorandum of Understanding with PM Training Staffordshire
Ltd**

(Pages 63 - 66)

**11 Audley Conservation Area Appraisal and Management Plan
Supplementary Planning Document**

(Pages 67 - 68)

12 JCB at Blue Planet

(Pages 69 - 74)

13 URGENT BUSINESS

To consider any business which is urgent within the meaning of Section 100B(4) of the Local Government Act 1972.

Members: Councillors Mrs Bates, Mrs Beech, Kearon, Snell (Chair), Turner, Stubbs (Vice-Chair) and Williams

Members of the Council: If you identify any personal training/development requirements from 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.

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

CABINET

Wednesday, 17th July, 2013

Present:- Councillor Gareth Snell – in the Chair

Councillors Mrs Bates, Mrs Beech, Kearon, Turner, Stubbs and Williams

1. APOLOGIES

There were no apologies.

2. MINUTES OF THE LAST MEETING

Resolved: That the minutes of the meeting held on 22nd May 2013 be agreed as a correct record.

3. DECLARATIONS OF INTEREST

There were no declarations of interest.

4. URBAN NORTH STAFFS GREEN SPACE STRATEGY ANNUAL PROGRESS REPORT

A report was submitted to inform Members of progress made with the implementation of the Urban North Staffordshire Green Space Strategy and the associated Action Plan.

The Strategy promoted the environmental, economic and social benefits which green space brings to parallel strategic regeneration initiatives and to the Council's corporate priorities and core values. The Strategy demonstrated how good quality green space supported economic regeneration and provided opportunities for people to live a healthy and active lifestyle in a clean and safe environment. It also demonstrated the positive impact green space had on carbon reduction.

The Strategy aimed to ensure that the residents of the Borough had the right amount of green space to cater for their needs in terms of parks, play, sport, nature and green routes. The Strategy sought to provide these sites in places which were accessible and easy to reach for as many people as possible and by grouping facilities together into larger, multi-functional high quality green spaces.

In the last five years a total of over £4.1 million in external funding has been secured towards delivering the projects in the Action Plan and a number of key capital development projects had been completed or were in progress to provide and improve community green space provision. Consultation had also been carried out with resident regarding the use of surplus green space assets.

The Portfolio Holder for Environment and Recycling stated that the Council was proud of its Green Flag awards and was looking to the results of the Britain in Bloom competition which were expected in September. Attention was also drawn to the 8000 hours of voluntary help which residents had provided, equaling £100,000 in monetary terms.

The Leader commended the willingness of residents to participate and volunteer.

Resolved: That the report be received and progress noted.

5. AN ARTS STRATEGY FOR THE BOROUGH

The Leader welcomed Kerry Jones, Arts Officer from Keele University, Theresa Heskins, Artistic Director at the New Vic Theatre and David Matthews, Director of Learner Engagement and Partnerships and Newcastle under Lyme College to the meeting.

A report was submitted welcoming views from Cabinet on the multi agency Arts Strategy for Newcastle under Lyme that was to be the subject of a public consultation exercise.

The strategy acknowledged the importance of partnership working, addressing itself to the agencies, voluntary and professional organisations within the area who would work in partnership to achieve agreed community outcomes. This commitment would grow support for culture and the arts and by building on existing strengths and developing them to meet community priorities, partner organisations would meet the following challenges:

- Increase participation in the arts
- Support the growth and spread of cultural and creative activity
- Strengthen leadership and resources dedicated to these tasks.
- Measure the improved effectiveness of the arts and culture in tackling community issues

There was a strong desire to develop creative talent in the Borough and help to get Newcastle under Lyme recognised as a priority area for heritage lottery fund investment.

Miss Jones stated that the Strategy would be very beneficial to the University and should allow it to have a wider presence in the town centre. Miss Heskins also commended the Council for creating such a joined up strategy for the arts and stated that it had been a pleasure to be consulted. Miss Heskins stated that the Borough needed to commit to the arts in order to achieve excellence and promote its achievements nationally through enhanced partnership working with groups such as the Royal Shakespeare Company.

Mr Matthews stated that through the partnership approach it was hoped that the new performing arts centre at the college would be able to continue to grow through securing funding and support and that additional students would then be attracted to the college. Mr Matthews also commented that harnessing the creative talent of young people in the Borough would help to promote growth in the town centre and that links needed to be forged between arts, culture and enterprise. So much in Newcastle under Lyme was unique and needed to be promoted which could only be achieved with all partners working together.

The Leader agreed that there was a great variety of unique artistic and cultural heritage in Newcastle under Lyme that needed to be harnessed and promoted.

The Portfolio Holder for Safer Communities also commended the strategy but requested that care be taken not to lose sight of the art itself by focusing too much on the financial questions.

Resolved:

1. That the Arts Strategy be approved for public consultation.
2. That the work of the arts and culture group formed in 2012 be noted.
3. That the Council supports the aspirations of partners for the arts.

6. **NEWCASTLE ECONOMIC DEVELOPMENT STRATEGY YEAR TWO ACTION PLAN**

A report was submitted concerning the multi agency Arts Strategy for Newcastle under Lyme that was to be the subject of a public consultation exercise. The views of the Cabinet on the Strategy were welcomed.

The Portfolio Holder for Economic Development, Regeneration and Town Centres started that the document which covered the years 2012 to 2017 was an excellent piece of work and that the Council was now at the stage to report on progress for year 1 and consider how to proceed into year 2. The Strategy had been considered by the Economic Development Overview and Scrutiny Committee and feedback from this had been taken on board.

The portfolio holder stated that there had been many successful projects such as the apprenticeship scheme but that other projects such as the Site Allocations Development Plan now needed to be moved on. The Portfolio Holder also requested that the website be updated and utilised more to help encourage businesses to move into the area by providing them with the information required to do this.

The Chair of the Scrutiny Committee agreed with the portfolio holder regarding progress of the plan and highlighted four main areas that the Committee had picked up:

1. It was requested that a simplified version of the plan be provided to all Elected Members.
2. That where possible deadlines be made more robust as it felt that they were somewhat vague at present.
3. That good work had been carried out with young people regarding education and enterprise but that enterprise guidance should be made available to everyone.
4. That it was good to see work being done with different age groups and requested that care be taken to include those in the 50 plus bracket who had been made redundant and could be struggling with out of date skills.

It was agreed that feedback regarding these requests be provided to the next meeting and that updated timescales be reported back to the Scrutiny Committee.

The Portfolio Holder thanked the Chair of the Scrutiny Committee for the input.

Resolved: (a) That receipt of comments from the Economic Development Overview and Scrutiny Committee be noted.

(b) That the review of the Economic Development Strategy Year One Action Plan be noted and that the Year Two Action Plan be approved.

(c) That officers continue to seek Members' approval for the annual Action Plans and to keep Members informed of progress made with the same.

7. TOWN CENTRE CAR PARKING

The Chair welcomed Jonathan Mitchell, Chair of the Town Centre Partnership and Glenda Miller from Knights Solicitors to the meeting.

A report was submitted to inform Cabinet of the outcome of a scrutiny review process and subsequent member discussions that considered a range of options to introduce changes to the car parking fees and charges regime in an attempt to generate greater footfall in the town centre with the express aim of improving its economic fortunes.

Recommendations from the Economic Development Overview and Scrutiny Committee had identified three initiatives for Cabinet to consider:

1. Cashless Parking
2. Pay on Foot System
3. Free parking after 2pm on Thursdays

A 4th initiative had since been added called Nipper Parking, which was 30 minutes free parking, generally near to the centre of the town to allow customers to 'nip' in and out of the town.

Consideration was also being given to increasing the number of free parking days in the town by 5, these days would be agreed in liaison with the Town Centre Partnership. Double ticketing had also been discussed whereby vouchers would be dispensed along with the ticket to spend in certain shops or get the cost of the ticket refunded. A free trial of number plate recognition software was also due to be carried out at no expense to the Council.

It was stated that following the implementation of some or all of these initiatives there would need to be careful monitoring to assess what if any impact they had on the footfall in the town centre.

Mr Mitchell stated that it was vital to increase the footfall in the town centre and enhance its vibrancy and that this had to be done by addressing every aspect of the town centre and getting some momentum going. Miss Miller thanked Cabinet for the invitation to the meeting and hoped that further invites would be made in the future. Miss Miller stated that the regeneration of the town centre was a very emotive subject and that it was agreed by many retailers that parking was indeed critical to the vibrancy of the town. Miss Miller did however state that other initiatives could not be overshadowed by the parking questions and that there were many other areas that needed to be addressed.

The Leader agreed that other initiatives needed to be examined but that at present it was thought that parking was an area that could be addressed immediately and hopefully help to provide data that could be fed into other initiatives. The Borough

Council hoped to set the tone of its future work with the partnership by showing that it was willing to trial new initiatives that could benefit the Borough as a whole and was not afraid to invest money where a case for investment could be proven.

Mr Mitchell stated that Newcastle under Lyme needed to be a destination town and that car parking was just one element that was needed to make this happen.

Mr Mitchell extended an invitation to Cabinet Members to attend a future meeting of the Town Centre Partnership. The Leader thanked Mr Mitchell and the Town Centre Partnership for the work they were carrying out.

Resolved:

- a) That Members approve the proposals set out in the report and authorise officers to take the necessary steps to implement:
 - I. initiatives 2, 3 and 4 on a six-month trial basis commencing 1 October 2013, including liaison with the Town Centre Partnership, and;
 - II. initiative 1 in consultation with the County Council, as soon as practically possible.
- b) That Members note the decision taken to accept the proposals from Bemrose Booth Mobile to implement on a 12-month trial basis the three initiatives described in the report and to accept the related Grant offer.
- c) That the financial implications of the trial upon the Council's revenue and capital budgets be met from the Bemrose Booth Mobile grant offer, as set out in the report.
- d) That the balance of the Bemrose Booth Mobile grant offer be retained to support any ongoing urgent repair/maintenance works of the former St. Giles and St. Georges School Building.
- e) That in respect of initiative 2 the trial be established with the understanding that the Town Centre Partnership would work with local businesses to develop the refund element of the double ticketing scheme.
- f) That Members urge the Town Centre Partnership to establish a retail index scheme to monitor trade in order to evaluate any improvements in, and/or displacement of, trade.
- g) That officers report back to Cabinet with an evaluation of the trial as soon as practically possible after the end of the 6-month trial period.
- h) That officers seek to agree with Cabinet Members the most appropriate approach to consulting stakeholders on the matters referred to in this report.

8. NEWCASTLE-UNDER-LYME CO-OPERATIVE STRATEGY 2013/2015 - UPDATE

A report was submitted to provide the Cabinet with an update on the development of the Co-operative Strategy 2013-2015. The Strategy was previously approved in draft by Cabinet in February 2013.

The Strategy provided the framework for the Borough Council to develop, in conjunction with others, a Co-operative Council in Newcastle-under-Lyme. The development of a co-operative council was one of the key priorities as set out in the current Council Plan.

The Strategy brought together existing areas of work and provided a common basis for future work programmes as well as providing a framework for future development of the co-operative concept.

The report set out details of a number of areas of work being progressed which were linked to the Co-operative Council concept, and also included an action plan setting out a number of actions related to the development of a Co-operative Council as identified by the LGA Peer Challenge in October 2012 and also via a number of other initiatives since the original draft Strategy was approved in February 2013.

The Portfolio Holder for Transformation, Policy and Partnerships highlighted the Boroughs successes in Britain in Bloom and stated that this was a good example of residents feeling valued through participation and that new ways had to be found to enhance existing partnerships. It was vital that the Council listen to the residents and work closely with the Town Centre Partnership whilst also acting as a civic leader.

The Leader agreed and stated that it was vital for the Council to relinquish control in some areas to enable the people it represents to make decisions about their own communities. A big step forward in relation to this had recently been taken in Kidsgrove where plans to form a Partnership there were starting to take shape and it was agreed that Officers would look into helping this process move forward as a matter of urgency.

Resolved: (a) That Cabinet notes the contents of the report including the action plan to be found at Appendix B.

(b) That Cabinet makes any further amendments or suggestions to the content of the Strategy, noting that this update was considered by the Overview and Scrutiny Co-ordinating Committee at its meeting on 24th June 2013

(c) That the Cabinet requests further circulation of the Strategy to partners and communities as part of an engagement process on the meaning of the 'co-operative' concept for Newcastle and also requests further updates on the Strategy's development at future meetings of the Cabinet.

9. TRANSFORMING WELFARE BENEFITS AND FAIRER CHARGING SERVICES IN STAFFORDSHIRE

Cabinet received a report to approve in principle, the transfer of work currently undertaken by Staffordshire County Council around Welfare Benefits and Fairer Charging Services, to Newcastle-under-Lyme Borough Council, as part of a package of work involving all district and borough councils in Staffordshire. Additionally, to confirm delegated powers to the Executive Director (Resources and Support Services) in consultation with the portfolio holders for Finance and Resources and Stronger and Healthier Neighbourhoods to finally approve the transfer, subject to the satisfactory conclusion of detailed contract negotiations.

The assessment by district and borough councils of Council Tax Reduction and Housing Benefit and the work undertaken separately by Staffordshire County Council

to deliver Welfare Benefits and Fairer Charging Services currently involves a certain amount of duplication, with a proportion of common clients. To access all the help available to them, these clients are required to undergo two broadly similar processes and are needed to evidence their claims to two separate organisations. Transferring the Welfare Benefits and Fairer Charging Services to district and borough councils will lead to a more efficient single point of service delivery. This will improve the client experience, delivering entitlements in a timelier manner and from a locally accessible centre. There will also be cost savings with the revised delivery model which will be shared between the County and district and borough councils.

The Leader stated that there would need to be a clear communication strategy regarding this highlighting why the Borough Council was proceeding in this way and especially why it was now requesting additional financial information from residents. The Leader agreed that he would liaise with the Councils Head of Communications regarding this.

Members noted the importance of stability regarding the service that residents would receive.

Attention was drawn to section 3.6 of the report where it was noted that that the pilot authorities were now out performing the remaining experienced in house County Council team on timescales for processing cases. It was confidently predicted that should the work be transferred permanently to the districts and boroughs that there are still further efficiencies to be made. Concerns were however raised that should one or more local authorities pull out of the scheme that it would all collapse and return to the County Council. It was therefore agreed that The Leader would write to the County Council putting the case that the scheme continue even if one or more local authorities were to pull out, he would also write to other local authorities highlighting the benefits of the scheme (including performance data gathered so far).

Resolved: (a) That in principle, the transfer of work currently undertaken by Staffordshire County Council around Welfare Benefits and Fairer Charging Services for the Newcastle-under-Lyme Borough Council area is transferred to this authority.

(b) That subject to the satisfactory conclusion of detailed contract negotiations, the Executive Director (Resources and Support Services) in consultation with the portfolio holders for Finance and Resources and Stronger and Healthier Neighbourhoods be delegated to finally approve the transfer of the service.

(c) That the Leader write to the County Council putting the case that the scheme be continued even if other local authorities choose not to participate.

(d) That the Leader write to other Local Authorities highlighting the benefits of the scheme.

10. **REVENUE INVESTMENT AND BUDGET SUPPORT CABINET PANEL**

A report was submitted to inform the Cabinet of the intention to put in place arrangements for the portfolio holder for Finance and Resources to discharge the function of making decisions on expenditure from the Revenue Investment Fund, and from the Budget Support Fund in respect of funding "Invest to Save" schemes, in

response to recommendations of the cross-party Revenue Investment and Budget Support Cabinet Panel.

It was highlighted that this was a cross party panel and process and members were encouraged to attend the meetings. The Chief Executive would liaise with Democratic Services regarding how the panel would operate and the mechanisms for this.

Resolved: (a) That the intention to put in place arrangements for the portfolio holder for Finance and Resources to make decisions on expenditure from the Revenue Investment Fund, and from the Budget Support Fund in respect of funding "Invest to Save" schemes, in response to recommendations of the cross-party Revenue Investment and Budget Support Cabinet Panel, be noted; and

(b) That it be noted that Part 3 of the council's constitution (Scheme of Delegation) will be amended to show the inclusion of this responsibility in the list of responsibilities for the exercise of Cabinet functions.

11. STAFFORDSHIRE LOCAL AUTHORITIES COMMISSIONING AND PROCUREMENT OF A HOME IMPROVEMENT SERVICE

A report was submitted to seek Cabinet approval to the participation of the Council in the procurement of a county wide Home Improvement Agency through a Partnership Agreement, to deliver Supporting People Services and Enhanced Support, including assistance to residents to enable them to repair, adapt or improve their homes.

The Council had utilised the local Home Improvement Agency, Revival for many years to support vulnerable residents to repair their homes and specifically with adaptations through the Disabled Facilities Grants programme. It was appropriate that the Council sought to secure the services through competitive tender to ensure good quality services were offered efficiently. The report outlined the options for procuring the services and the views of the Economic Development and Enterprise Scrutiny Committee to procure with the potential benefits of the working in partnership with the County Council.

The Scrutiny Committee were in agreement with the recommendations as it would be beneficial to have both the advice and service elements of the scheme in one place. Concerns had however been raised regarding whether if another local authority was providing more business for the scheme, it may be given precedence regarding how quickly work was carried out and that safeguards would have to be put in place to avoid this occurring. It was also suggested that not for profit agencies be looked at where possible as this was the situation with the current provider who was considered to be doing a very good job.

Officers stated that there was a Governance Board with a District Representative on to help safeguard against the concerns raised by the Committee. Officers would look into whether a greater weighting in the tendering process could be given to a not for profit organisation. It was also agreed that regular monitoring report would be provided to Cabinet regarding the process. Members agreed that it was vital to get the right provider and the right people in place and that finances should not take precedent over this.

It was thought that a decision by the County Council regarding this issue was imminent and the Leader agreed that he would write to the County Leader highlighting the points raised.

It was also agreed that care had to be taken to maintain continuity at present with the current providers who were now providing an excellent service as and indications that their contract may be ending could lead to decreased take up of the scheme.

Resolved:

(a) That a Participation Agreement be signed with the County Council to enable them to procure the services of a Home Improvement Agency for Newcastle.

(b) That the Executive Director for Regeneration and Development be authorised in conjunction with the Portfolio Holder to agree any minor alterations to the specification and to approve the preferred tender.

(c) That the existing contract with Revival Home Improvement Agency be extended beyond March 2014 until the new service provision commences.

(d) That the Leader of this Council write to the Leader of Staffordshire County Council highlighting the points raised at this meeting.

12. NEWCASTLE TOWN CENTRE PUBLIC REALM PROJECT

A report was submitted to seek Member approval to formalise the allocation of the existing Capital Programme for Town Centre Works to the Newcastle Town Centre Public Realm project.

The report outlined the current position with regard to the Town Centre Public Realm Project and outlined the requirements in order that the project could commission appropriate works to be completed to a standard that was fit for purpose and minimised the requirement for future maintenance works in the project area. It was important that officers were given sufficient direction to enable the relevant aspects to be commissioned within a timely manner and this required the Cabinet to allocate sufficient financial resources. The report outlined the revised timescales and explained the reasons for the budgetary requirement. Additionally, the current approved plans included extending the market trading area into Hassell Street and this required the Council to amend the designated formal trading area.

Officers were working closely with the County Council's Highways team to ensure that improvements were delivered in the most cost effective manner and that where possible proposed designs were value engineered to reduce cost. The scheme was being delivered as a minimum cost scheme, where possible street furniture such as bollards and benches were being re-used

Mr Mitchell highlighted the absolute importance of providing a very good outdoor market in Newcastle to take it into the realm of other towns such as Nantwich and Shrewsbury. The market would need to attract visitors from at least a 20 mile radius.

Concerns were raised regarding the timetable for the project as this had slipped in the past. Officers stated that they were now confident that the timescale was realistic but that there were always risks such as a tender price coming in higher than the

available budget or holes being dug and cables being found there that were not recorded as being there. Officers did confirm that there was a buffer already built in the timetable to mitigate against any more holdups as far as this was possible.

The Chief Executive agreed that a comprehensive report be made available for the Cabinet meeting in October detailing how the project had been run to date and the problems that had led to it being behind schedule. This document would be used as a learning tool for future projects.

Resolved:

- a) That the existing Capital Programme allocation (as detailed in the appendix) for Town Centre Works be allocated to the public realm project.
- b) That the Executive Director for Regeneration and Development be authorised in conjunction with the Portfolio Holder for Economic Development, Regeneration and Town Centres to procure the required contracts to deliver the project within the agreed budget.

13. HARSHIP RELIEF FOR BUSINESS RATES

A report was submitted requested Cabinet to consider applications for hardship relief in relation to business rates liabilities.

Section 49 of the Local Government Finance Act 1988 gave the local authority power to reduce or remit business rates on the grounds of hardship. Each application needs to be assessed with regard to its own individual merits.

Resolved

That the applications for hardship relief detailed at appendix (b) be refused.

14. URGENT BUSINESS

There was no urgent business.

COUNCILLOR GARETH SNELL
Chair

Agenda Item 5

FINANCIAL AND PERFORMANCE MANAGEMENT REPORT TO END OF QUARTER ONE (June) 2013

Submitted by: Head of Finance and Head of Business Improvement & Partnerships

Portfolio: Communications, Transformation & Partnerships; Finance and Resources

Wards Affected: All

Purpose

To provide Cabinet with the Financial and Performance Review for the 2013/14 First Quarter (April -June).

Recommendations

- (a) That Members note the contents of the report and recommend that the Council continues to monitor and scrutinise performance alongside finances.
- (b) That Members note that the appendix A is a new style of finance report
- (c) That Members note that the appendix B is a new style of performance as detailed in line with the Performance Management Framework Review and the Council Plan 2013-14 to 2015-16.

Reasons

These monitoring reports provide information about the corporate performance of individual council services, alongside financial information. This report was presented to the Transformation & Resources Overview & Scrutiny Committee on 2 September 2013.

1. Background

- 1.1 This report provides Members with a detailed update on how the Council has performed during the first quarter of 2013/14 by presenting performance data set in a financial context.
- 1.2 This report provides financial information (Appendix A) and also detailed analysis of performance (Appendix B) in the first quarter of 2013/14.
- 1.3 A summary of the overall performance is presented in section 3 of this report. Performance is progressing well, with the majority of targets currently met.
- 1.4 Following presentation of the report to the Transformation & Resources Overview & Scrutiny Committee on 2 September 2013, Appendix B has been amended as a result of comments received in this process. One addition is a table listing the indicators to be reported on later in the year.

2. 2012/13 Outturn and 2013/14 Revenue and Capital Budget Position

- 2.1 The budget for the General Fund for 2012/13 was originally set in February 2012 and amounted to a net total of £15,383,940. The eventual outturn for the year was a positive variance against this figure, of £3,024. Whilst there were adverse variances against some budget heads, these have been offset by positive variances against

others. There were a number of areas of income, largely ones that were sensitive to the state of the local and national economy which were included in the adverse variances.

- 2.2 The Capital Programme outturn for 2012/13 was expenditure of £2,532,356. This was below the forecast amount predominantly due to delays in two externally funded projects i.e. Silverdale Community Facilities and Lowlands Road Section 106 works. This slippage has been carried forward to 2013/14 budget.
- 2.3 2013/14 Revenue and Capital Budget Position (detailed in Appendix A)

3 Performance

- 3.1 The Council Plan Performance report is reported in a new format attached as Appendix A.
- 3.2 The report has been developed from the outcomes of the Council Plan. Monitoring indicators have also been used giving demographic information, in order to give a clearer picture of progress.
- 3.3 The information is presented in four sections against each priority and details results and progress towards identified outcomes for the council and the number of indicators monitored this time is 37, of which 15 are monitoring indicators and do not have targets.
- 3.4 The proportion of indicators which have met their targets, based on data at the time of compiling this report, was 76%.
- 3.5 There are two columns to show improvement and achievement:
 - One set of symbols (arrows), show whether performance has improved, worsened or is more or less the same since the last time each indicator was reported
 - The “Good performance is” column denotes polarity: low or high and allows the reader to analyse the results in detail
- 3.6 More indicators will be added to the report as they become due and also information about activities and projects which provide progress against the outcomes.
- 3.6 An overall summary of performance against each priority is also stated, highlighting issues and improvement to be noted.
- 3.7 The intention is to further develop the format of performance reports ensuring suitability and clear communication of progress with outcomes for members and officers of the council.
- 3.8 Positive performance can be seen in a range of services although it must be borne in mind that the results later in the year can be different and that some services have seasonal factors.
- 3.9 There are a small number of areas listed in this report which are not on target, though none causes concern at present. In all cases, the management of the

service is aware of the issues and are taking steps to deal with the situation. Further updates will be provided for Members in future reports.

4. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities

4.1 All of these indicators link to corporate priorities.

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.

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 current 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 chose whether or not to use Council facilities, such as car parking and other areas directly affected by the economic downturn, such as 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 report (Appendix A) and also a Performance report (Appendix B) for the first quarter of 2013/14 is attached.

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.

This page is intentionally left blank

Financial Position Quarter One 2013/14

General Fund Revenue Budget

The Council approved a General Fund Revenue Budget of £14,118,640 on 27 February 2013. 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.

Capital Programme

A Capital Programme totalling £7,963,400, covering the two years 2012/13 to 2013/14, was approved at the same Council meeting. Of this total, £5,352,500 was estimated to be spent in 2013/14.

Revenue Budget Position

At this point in the financial year, we would have expected to have spent approximately £1.181m; we have actually spent £1.181m. Therefore, as at the end of the first quarter, the general fund budget is at a break-even position.

However there are a number of both favourable and adverse variances to bring to your attention:

- Commercial rents continue to yield less compared to what we would, in the past, have expected to receive up to 30 June.
- There have also been a number of income sources whereby income has exceeded what we would have expected to receive up to 30 June; these include licensing, planning application fees, bereavement services fees and the recovery of housing benefit overpayments.
- Additionally a number of small service under spends have occurred.

There are also a number of smaller variances, both positive and negative, that contribute to the overall outturn.

In relation to the Member interest in respect of outstanding monies from Gatedale regarding The Square. It is pleasing to report that a payment of £420k was received on 18 July.

Capital Programme Position

The Capital Programme approved by Council in February 2013 has been updated to take account of slippage in 2012/13. Where planned expenditure did not occur last year, this has been added to the budget for 2013/14 (apart from any cases where costs have been reduced or expenditure will no longer be incurred). The revised budget for capital projects in 2013/14 totals £5,352,500.

£763,800 of the revised budget was expected to be spent by 30 June. Actual spending was £876,900. The variance of £113,100 is mainly attributable to one project, Section 106 Works at Lowlands Road.

Investment Counterparties

Investment counterparties with whom money is invested, as at 30 June 2013 are as follows (with the parent company shown in brackets, where applicable):

Nationwide Building Society
Debt Management Account – Deposit Facility
Halifax Bank of Scotland
Heritable Bank (*Landsbanki*)

With regard to the Council's frozen investment in Heritable Bank, the total amount repaid now amounts to some £1,937,728, which is around 77% of the total that was frozen. The Administrators current prediction is that 86-90% of the £2,500,000 invested will be repaid.

Appendix B

Quarter 1 2013-14

Priority 1: A clean Safe and sustainable Borough

Overall Progress Report


Overall our progress with our outcomes for this priority is positive. A combination of monitoring and target driven indicators are measured with two indicators (1.3.5 & 1.4.2) introduced for 2013-14 for which it will be the baseline year. The performance for this quarter is shown where possible for the monitoring indicators where a comparison or previous results are known.

The Town Centre Vacancy Rate indicator is off target this quarter with a result of 16.21% against a target of 15% however it is to be noted that the indicator measuring the Percentage of investment portfolio (NBC owned) vacant continues to perform well with a result of 8.4%, similar to the last quarter.




Environmental and Waste indicators are performing well, and also there are no concerns with the Crime and disorder indicators in comparison with results in 2012-13.

Outcome 1.1 Ensure high standards of safety and public health – Lead Member Cllr. Ann Beech, Lead Officer Nesta Henshaw

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.1.1	Percentage of food premises that have a zero or one national food hygiene rating.	Baseline year	-	Low	Quarterly	1.87% (14 '0/1' premises out of 746 published).	Monitoring indicator	-	Partial
Page 17	This indicator measures the percentage of food premises that have a zero or one national food hygiene rating. where following each Food Hygiene Inspection, a food business is awarded a rating of between zero (Urgent improvement necessary) and Five (Very good). These ratings are published on the website at http://www.newcastle-staffs.gov.uk/environment_content.asp?id=SXC69E-A7811729&cat=1390 or http://ratings.food.gov.uk/ Those premises that are rated zero (urgent improvement necessary) or one (major improvement necessary) have been found to be not complying with Food Hygiene Regulations and will be subjected to enhanced business support visits/revisits (and in the most serious cases enforcement action) to help them raise their compliance and protect public health. These premises will then receive a further unannounced inspection approximately 6-9 months later where they will receive a new rating.								

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.2	The percentage of food establishments which are broadly compliant with good hygiene law	91%	85%	High	Quarterly	92.1% (1,028 out of 1,116 premises deemed broadly compliant)	85%		Partial
Following each food hygiene inspection a premises will be risk rated and given a score of between 0 (Very Good) and 30 (Very bad) for its' compliance with 1. Food Hygiene Procedures, 2. Structure and 3. Confidence in Management. Where a premises scores 10 or better in each of these 3 categories they are defined as being 'broadly compliant' with food hygiene law. This indicator describes the percentage of businesses in the borough that are deemed 'Broadly Compliant'.									
Ref	Indicator	2011 Baseline (year)	Target	Good is	How often reported	Result 2012	Target	How have we performed?	Control Full/ Partial/ None
1.1.5	Number of people killed or seriously injured on the borough's roads	27 (5 fatal, 22 serious)	-	Low	Annual	19 (3 fatal, 16 serious)	Monitoring indicator	-	None
Information available is from Qtr 1 in 2012 and is a monitoring indicator, showing a decrease from the same quarter in the previous year.									

Outcome 1.2 Newcastle will be safer with vulnerable victims of crime and disorder receiving high quality support. – Lead Member Cllr Tony Kearon, Lead Officer Mark Bailey

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.2.3	Reduction in the number of incidents of violence with injury	680	-	High	Quarterly	170	Monitoring Indicator		Partial
The comparative result for Qtr 1 in 2012-13 for this measure was almost the same with 168 incidents reported.									
1.2.4	Reduction in the number of incidents of anti-social behaviour	3,831	-	High	Quarterly	1,022	Monitoring Indicator		Partial
The result has slightly improved this year compared with the result of 1049 incidents reported for Qtr 1 in 2012-13.									
1.2.5	Reduction in the number of incidents of serious acquisitive crime	773	-	High	Quarterly	182	Monitoring Indicator		Partial
The comparative result for Qtr 1 in 2012-13 for this measure was the same with 182 incidents reported.									

Outcome 1.3 The negative impact that the Council, residents and local businesses have on the environment will have reduced – Lead Member: Cllr. Ann Beech, Lead Officers: Trevor Nicoll/Nesta Henshaw

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.3.1	The amount of residual waste per household	421.64 kgs	425 kgs	Low	Quarterly	102.50 kgs	105kgs	↑	Partial
The performance this quarter has improved on the result for the comparative quarter for Qtr 1 in 2012-13 of 107.31kgs									
1.3.2	Percentage of household waste sent for reuse, recycling and composting	51.69%	52%	High	Quarterly	54.9%	54%	↑	Partial
On target this quarter with a total 658 tonnes.									
1.3.5	The level of air quality	Baseline year 2013-14	-	Low	Quarterly	N/A	Monitoring indicator	-	Partial
<p>The Council has a statutory duty to assess air quality for compliance against the standards set in the Air Quality (England) Regulations 2000 for a range of pollutants which have an impact on health. This regime requires monitoring, assessment and interpretation of air quality. Further assessment (including computer modelling of pollution levels), the declaration of Air Quality Management Areas (AQMAs) and action plans to reduce pollutant levels have to be undertaken if any exceedances of the legal 'objective level' are identified.</p> <p>In this quarter we commissioned a statutory detailed assessment and a further assessment of air quality due to exceedances of the statutory annual mean objective for nitrogen dioxide for four geographic areas located in Kidsgrove, Madeley, Newcastle Town Centre and Porthill/Maybank area. This report, submitted to DEFRA in quarter 2 will form the basis of consultation with stakeholders and residents on the boundaries of air quality management areas. Once the AQMAs have been declared, an air quality action plan will be developed for submission to DEFRA within 18 months. Work will also be commenced on the preparation of planning guidance and an air quality strategy for Newcastle-under-Lyme. A progress report will be submitted to DEFRA in 2013. The Borough Council monitors air quality through the use of nitrogen dioxide diffusion tubes installed in 50 locations across the Borough and analysed on a monthly basis and an air quality monitoring station at Queen's Gardens which continuously measures concentrations of nitrogen dioxide and particulate matter.</p>									

Outcome 1.4 Our streets and open spaces will be clean, clear and tidy– Lead Member Cllr Ann Beech, Lead Officer Roger Tait

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.4.1	Levels of street and environment cleanliness (LEQ survey) free / predominantly free of litter, detritus, graffiti and fly-posting)	12.5 11.67 1.71 0.16	9 9 3 1	Low	Quarterly	Reported in Qtr 2	-	-	Partial
There are three surveys undertaken in the year and the first one is undertaken in Qtr 2. The targets for the year are the same as 2012-13.									

Outcome 1.5 Town centres across the borough will be sustainable – Lead Member Cllr Terry Turner, Lead Officers Simon Smith/ Louise Beeby

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.5.1	Town Centre Vacancy Rate	13	15	Low	Quarterly	16.21%	15%	↓	Partial
	A total of 53 premises are vacant at the moment but there are two premises due to open which would move the rate to 15.6. This indicator is useful to show movement in the local high street. The Council is working in partnership with the Town Centre Partnership to promote the use of the town centre for retail and leisure. The Town Centre Partnership has adopted a Business Plan which sets out the priorities and planned activities to support the town centre. As part of this the Council is supporting new businesses to move into vacant shops through the Enterprize scheme. This scheme seeks to provide empty shops from the Council and other private landlords and combined with business support through the Chamber of Commerce seeks to ensure business plans are robust prior to the businesses starting.								
1.5.2	Percentage of investment portfolio (NBC owned) vacant	(Qtr 4) 7.8%	14	Low	Quarterly	8.4%	12%	↔	Partial
	The percentage for this quarter is within target and given the current economic climate is a positive result. Only 15 out of 179 properties are vacant.								

Quarter 1 2013-14

Priority 2 : Borough of Opportunity

Overall Progress Report

Overall our progress with our outcomes for this priority is fairly positive. A combination of monitoring and target driven indicators are measured to give a clearer picture of certain issues such as worklessness, albeit some of the information available is not for the current quarter. The performance for this quarter is shown where possible for the monitoring indicators where a comparison or previous results are known.

The Percentage of Minor Adaptations delivered within four months indicator is off target this quarter with a result of 61% against a target of 75% however the reasons for this result is given and the situation performance managed. The supporting of the homeless indicator continues to perform well with a total of 130 clients given help to prevent homelessness.

A positive result is the involvement of volunteers at the museum who spent a total of 481 hours supporting activities and events.

Outcome 2.1 Levels of worklessness will have reduced– Lead Member Cllr Terry Turner, Lead Officer Kim Graham

Ref	Indicator	2011-12 Baseline (Apr 11 – Mar 12)	2012/13 Target	Good is	How often reported	Result 2012-13	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.1.1	Level of employment in the borough*	69.9%	N/A	High	Annual	72%	Monitoring indicator	↑	Partial
The level of employment at March 2013 was 72% which compared well to the West Midlands average of 68.4%.									
2.1.2	The percentage of working age people claiming Job Seeker's Allowance (JSA)	2.9% (Jun 12)	N/A	Low	Quarterly	2.7% (Jun 13)	Monitoring indicator	↑	Partial
This compares to the West Midlands result of 4.2% of working age people claiming Job Seekers Allowance in July 2013. Further analysis of this shows that Newcastle has a larger proportion (6.6%) of people claiming Employment Support Allowance and incapacity benefits.									

* % of working age population (aged 16-64) who are economically active and in employment


Ref	Indicator	2011 Baseline (Nov 11)	2012/13 Target	Good is	How often reported	Qtr 1 (Nov 12)	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.1.3	The percentage of working age people claiming key out-of-work benefits*	11.5%	N/A	Low	Quarterly	10.1%	Monitoring indicator	↑	Partial

The monitoring indicators 2.1.1, 2.1.2 and 2.1.3 all show a positive trend when compared to information of their respective previous period.



* % of working age population (16-64) who are claiming JSA, ESA or Incapacity Benefit, lone parent and other income related benefits


Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Dec 2012	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.2.4	The level of 16-19 year olds Not in Education, Employment or Training (NEET)	N/A	N/A	Low	Quarterly	4.91%	Monitoring Indicator	-	Partial
This data is now available for December 2012, and shows that Newcastle has 4.91% of young people in this group compared to the Staffordshire average of 4.6%.									

Outcome 2.2 Local people will be able to access opportunities for personal development and growth – Lead Member: Cllr. Ann Beech, Lead Officer: Trevor Nicoll/Rob Foster

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.2.6	Number of hours worked by volunteers in council co-ordinated activities (museum)	2234	N/A	High	Quarterly	516	481		Partial
The museum and art gallery currently has 15 volunteers who support officers with the work of the service. Their duties include dealing with archive enquiries, research, cleaning collections, documentation, digitisation, hanging exhibitions, invigilating, and assistance at events. During the first quarter the hours equate to more than a full time post.									


Outcome 2.3 Housing will be available and accessible to meet a range of diverse needs– Lead Member: Cllr Terry Turner, Lead Officer: Jo Halliday

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.3.4	Percentage of referrals for Disabled Facilities Grants (DFG) approved within six months	100%	N/A New target	High	Quarterly	100%	100%		Partial
A total of 22 referrals have been approved in the last three months within the target timescale.									
2.3.5	Percentage of minor adaptations delivered within four months	71%	N/A New target	High	Quarterly	61%	75%		Partial
A total of 11 out of 18 adaptations were completed within the four months. Officers have checked those cases not meeting the target and there were a range of reasons including remediation of defects, delivery time of specialist equipment and late submission of invoice. Whilst some of these matters fall outside the direct control of your officers, it is proposed that corrective measures are put in place where appropriate in order to achieve the performance target.									

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.3.6	Number of homelessness cases where positive action was successful preventing homelessness (from the PIE)	554	500	High	Quarterly	130	125		Partial
The service has successfully prevented homelessness in a total of 130 cases with the service projecting a target of 125.									

Outcome 2.4 Key parts of the borough will have been regenerated and there will have been overall economic growth– Lead Member: Cllr Terry Turner, Lead Officer: Jo Halliday/Louise Beeby

Ref	Indicator	2010 Baseline (year)	2012/13 Target	Good is	How often reported	Result 2011	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.4.3	Rate of Business Births and Deaths	8.3% -Births 10.6% -Deaths Stock total 3,485	N/A	Business birth rate ≥ Business death rate	Annual	10.1% – Births 10.2% -Deaths Stock total 3,415	Monitoring Indicator	-	Partial
There is a time lag in the data supplied from the ONS Business Demography: Enterprise Births and Deaths and the data shows that there was an increase in business set ups between 2010 and 2011. In terms of business support to prevent business death, Business Boost is open to all businesses in the borough to encourage and support business planning. The scheme then rewards businesses which have the potential to grow. Information on business start up and business support is now available on the Council's website; this includes referring customers to the LEP helpline if their business is in difficulty.									

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.4.4	Average stall occupancy rate for markets	54%	55%	High	Quarterly	61%	55%		Partial
The occupancy rate has improved since the last quarter and has exceeded the target of 55%; this reflects the seasonal variances that more occasional trading occurs in the dry summer months.									

Quarter 1 2013-14



Priority 3 : A healthy and Active Community

Page 24
Overall Progress Report

Overall our progress with our outcomes for this priority is positive. A combination of monitoring and target driven indicators are measured to give context to the work undertaken by services. The performance for this quarter is shown where possible for the monitoring indicators where a comparison or previous results are known.

Unfortunately the targets are not yet available for the indicators (3.3.2 and 3.3.3) measuring progress of people to the GP referral programme but current information on the programme is detailed. Positive results for the measures relating to the Parks and Open Spaces are to be noted with 9 Green Flag awards and an improved satisfaction result by users. Another positive result is the number of visitors to the museum which is over the target of 15,000 and a good start to 2013-14. The target for number of leisure facility users this quarter was not achieved but the number of users has increased. It should be noted that the target for this indicator has been increased by 100,000 for the year.


Outcome 3.1 People who live, work, visit or study in the borough will have access to high quality facilities– Lead Member Cllr Ann Beech , Lead Officer(s) Roger Tait

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
3.1.1	Number of parks which have Green Flag status	9	9	High	Annual	9	9		Partial
	A total of nine green flags have been awarded for 2013-14. Newcastle is the top performer in Staffordshire for these awards.								
3.1.2	Level of satisfaction with Council run parks and open spaces	70.2	-	High	Annual	78.2	70.2		Partial
	Satisfaction with Council run parks has improved over the last year.								

Outcome 3.2 Levels of cultural activity and participation in the arts will have increased– Lead Member Cllr Elsie Bates , Lead Officer - Rob Foster

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
3.2.2	Number of people visiting the museum	51,364	63,000	High	Quarterly	15225	15,000	↑	Partial
	The number of visitors to the museum is 1500 higher for this quarter than for the same period last year. Quarterly targets have been profiled this year to allow for the seasonal nature of the service. Marketing and raising awareness of the service to maintain and increase visitor numbers is a key objective for the museum during 2013/14								
3.2.3	Number of people attending the local theatre	106,398	N/A	High	Quarterly	21,717	Monitoring Indicator	-	Partial
	The New Vic Theatre is the main theatre serving the residents of Newcastle and the surrounding area. Council support for the theatre is through an annual funding stream and partnership working on a number of projects. These figures are for theatre visits only and do not include visits to the Café, shop, meeting rooms or exhibitions.								
3.2.6	Impact of community-run cultural events and people attending	£14,327.50	£14,360	High	Quarterly	£2,000	Monitoring Indicator	-	Partial
	In 2012-13, a total of 20 Community groups and organisations applied for Cultural Grants for funding totalling £29,277 and 14 groups were awarded grants totalling £14,327.50 out of an annual budget of £14,360.								
	For 2013-14, 4 applications for Cultural Grants were received in the first quarter and two have been awarded grants. New criteria for 2013-14 states 'The panel will look favourably on projects which aim to commemorate the centenary of the First World War with particular reference to the Borough and its residents, and which take place between 2014-18'. The aim is to increase and encourage community involvement in the commemorations and to increase the diversity of activity. The awards were £1500 to the Moseley Railway and £500 to the Friends of Talke library for events relating to the Great War Commemorations.								

Outcome 3.3 There will be a range of healthy lifestyle choices, resulting in an increase in participation – Lead Member Cllr John Williams, Lead Officer - Rob Foster

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
3.3.2	Number of referrals from GPs to organised sporting activity	Baseline –New indicator	N/A	High	Quarterly	101	To be agreed	-	Partial
The GP referral programme is led by the County and the targets will be set by December. Last year Newcastle had a total of 391 referrals with 61 people improving their health at the end of the 12 week programme. In this quarter 16% of referrals completed the course and improved their health.									
3.3.3	Percentage of people referred for exercise by GPs whose health improves	Baseline – new indicator	N/A	High	Quarterly	16%	To be agreed	-	Partial
See comment for 3.3.2.									
3.3.4	Number of people accessing leisure and recreational facilities	579,575	570,000	High	Quarterly	148,206	167,500		Partial
The breakdown of users is as follows: Jubilee 2 - 94,389, Kidsgrove Sports Centre - 47,151, Knutton Recreation Centre – 426, Sports & Events Team -6,240. There has continued to be short term closures at Kidsgrove Swimming Pool due to electrical faults and mechanical failure. This has impacted on meeting the target set, however Jubilee 2 continues to perform well and the figures overall has increased.									


Priority 4 : A co-operative Council, delivering high –value, community-driven services

Overall Progress Report

Overall our progress with our outcomes for this priority is positive. A combination of monitoring and target driven indicators are measured with two indicators (4.2.3 and 4.2.4) introduced for 2013-14 for which it will be the baseline year. The performance for this quarter is shown where possible for the monitoring indicators where a comparison or previous results are known.

The Skills and Competencies of Staff indicator result collated in Qtr 1 is excellent with a 96.4% achieved against a high target of 95%. Added to this the Customer Service indicator - Percentage of requests resolved at first point of contact (4.4.8) continues to do well with a high result of 96.4% , increased from 95.2% at the end of 2012-13. However the result for staff sickness -Average number of days per employee lost to sickness has started 2013-14 off target but is being pro-actively managed as detailed in the report.

Outcome 4.1 The council will have increased the capacity and skills of its workforce– Lead Member Cllr Gareth Snell , Lead Officer Richard Durrant

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 4	Target Qtr 4 2014-15	How have we performed?	Control Full/ Partial/ None
4.1.5	Percentage of staff who feel they have the necessary skills/ competencies to do their job effectively	96.4%	95%	High	Biennial	-	95%		Full
The result for this indicator, which is collected biennially, has now been collated for 2012-13 and available to be reported in Qtr 1. It is a very good result and is over the high target set of 95%.									


Outcome 4.2 Councillors will be community champions and powerful community advocates– Lead Member Cllr. Gareth Snell, Lead Officer - Mark Bailey

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
4.2.3	Percentage attendance at planned meetings by members	Baseline –new indicator	-	High	Quarterly	87.78%	Monitoring	-	Partial
This indicator is calculated using the information from Modern.gov and is available for public viewing on the website after each meeting.									
4.2.4	Items raised by members on the Scrutiny Work programme.	Baseline – new indicator	-	High	Quarterly	To be updated in Qtr 2	Monitoring	-	Partial

Outcome 4.3 The Council will have delivered further efficiencies – Lead Member Cllr Mike Stubbs, Lead Officers - Dave Roberts/Richard Durrant

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
4.3.2	Percentage projected variance against full year council budget	0%	No variance	Low	Quarterly	0%	No variance	↔	Full-Partial
The Council Revenue Budget is at a break-even position at Q1.									
4.3.3	Average number of days per employee lost to sickness	8.06 days (long term 5.08 and short term 2.98 days)	6.9	Low	Quarterly	2.16 days (1.48 long term and 0.68)	1.88 days	↓	Partial
Quarter 1 result is not on target and for this period in 2012-13 the result was 1.62 days. Cases are being pro-actively but sympathetically managed and due to the 'intervention' point of 2.08 days being triggered, it was recommended that the monthly short/long-term statistics that are supplied to each service area should be scrutinised and discussed at respective monthly Departmental Management Team meetings, with a view to ensuring that Heads of Service and Business Managers are consistent and proactive in their approach and that early Occupational Health referrals are made in all cases of potential long-term sickness. Added to this it was recommended that absence rates should continue to be reported to Executive Management Team on a monthly basis while they remain above the cumulative target/intervention rate.									

Outcome 4.3 cont'd The Council will have delivered further efficiencies – Lead Member Cllr Mike Stubbs, Lead Officers - Dave Roberts/Richard Durrant

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
4.3.7	Net income collected from Council assets	85.6%	No variance	High	Quarterly	95.6%	No variance		Partial
Income is still affected by economic downturn.									

Outcome 4.4 Local communities are engaged and able to shape and deliver services which impact on their lives – Lead Member Cllr John Williams , Lead Officer Jeanette Hilton

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
4.4.8	Percentage of requests resolved at first point of contact	95.20	75.00	High	Quarterly	96.41	80		Partial
Our performance continues to be above target.									

Table of indicators to be collected and reported at later dates

Ref	Indicator	Frequency
1.1.3	The area of contaminated land that has been remediated or is determined suitable for use	Annual
1.1.4	Percentage of Category 1 housing disrepair hazards concerns brought to the attention of the Council that are investigated and addressed	Annual
1.2.1	Level of satisfaction with the support provided to vulnerable citizens	Annual
1.2.2	Support given to vulnerable citizens and victims of crime (narrative)	Annual
1.3.3	The amount of carbon emissions by the Council	Annual
1.3.4	Number of non-residential collections covered by the trade waste recycling scheme – includes Council properties and schools	Annual
1.4.2	Number of community volunteer groups/hours spent caring for their local green spaces and neighbourhoods	Annual
1.4.3	Satisfaction with cleanliness of streets and green spaces	Annual
2.2.1-3	Number of people/ volunteers gaining NVQ/additional educational qualifications/employment (narrative) .	Annual
2.2.4	Narrative on the impact of the Council's role as employer of volunteers	Annual
2.2.5	Number of organisations working with the council to take on volunteers	Annual
2.3.1	The number of affordable homes provided as a result of partnership working with Registered Providers and the Homes and Communities Agency	Annual
2.3.2	The net number of additional homes provided	Annual
2.3.3	Number of empty properties brought back into use	Annual
2.4.1	Economic health across the borough (Narrative)	Annual
2.4.2	Buildings within the built heritage asset register improved and no longer at risk (narrative)	Annual
3.1.3-5	Level of satisfaction with Council-run leisure, cultural and bereavement services	Annual
3.1.6	Level of service equality of the two main Council information centres	Annual
3.1.7	Percentage of town centres public toilets that meet the Council's minimum standard for quality and cleanliness	Annual

3.2.1	Visitor satisfaction	Annual
3.2.4	Economic impact of visitors to museums (narrative)	Annual
3.2.5	Impact of volunteer development programme (narrative)	Annual
3.3.1	Percentage of primary school children who are categorised as obese	Annual
3.3.5	Number of teenage pregnancies	Annual
3.3.6	Number of premature deaths	Annual
4.1.1	Number of apprenticeships/shared apprenticeship placements offered	Annual
4.1.2	Percentage of workforce with completed learning and development plans	Annual
4.1.3	Percentage of staff who have completed accredited training courses	Annual
4.1.4	Number of e-learning modules completed-	Annual
4.2.1	Percentage of elected members who have a personal development plan	Annual
4.2.2	Impact of actions from the workplans (narrative)	Annual
4.2.5	Percentage of candidates and agents satisfied/very satisfied with the electoral service	Annual
4.3.1	Percentage of planned procurement efficiencies achieved	Annual
4.3.4	Percentage of residents who feel that the Council is providing VFM	Annual
4.3.5	Percentage return on council investments	Annual
4.3.6	Ratio of planned versus responsive maintenance expenditure on all Council owned buildings	Annual
4.3.7	Net income collected from Council Assets	Annual
4.4.1-2	Level of satisfaction with the role of the council in supporting communities	Annual
4.4.3	Impact of the Council's support in empowering communities to solve specific local problems (narrative)	Annual
4.4.4	Overall level of satisfaction with the Council as a provider of services	Annual
4.4.5	Percentage of people who feel that they can influence Council decisions	Annual
4.4.6	Level of satisfaction with the support provided to LAPs and other community group	Annual
4.4.7	Increase the number of residents, community and voluntary groups engaged with LAPs (narrative)	Annual

This page is intentionally left blank

Agenda Item 6

<u>Report Title</u>	Newcastle Housing Advice Service Contract
<u>Submitted by:</u>	Joanne Halliday – Head of Housing and Regeneration
<u>Portfolio:</u>	Finance and Resources / Economic Development, Regeneration and Town Centres
<u>Ward(s) affected:</u>	All

Purpose of the Report

The delivery of a housing advice, homelessness and housing register service is a statutory function, which means the Council has to provide assistance to assist individuals and families who are homeless or threatened with homelessness who apply for help. This report sets out the options available for the provision of the Council's statutory homelessness, housing advice and housing register services for April 2014 onwards when the current extended contract expires.

Recommendations

- (a) To retender the Newcastle Housing Advice Service Contract for a 3 year contract with an option to extend for a further 3 years subject to satisfactory performance and funding.**
- (b) That Cabinet approve the proposal to accept variants bids as part of the retendering of the Newcastle Housing Advice Service Contract.**
- (c) That Cabinet require the successful contractor to work with the Council to enhance the customer journey in future years of the contract.**
- (d) That the Executive Director for Regeneration and Development is authorised in consultation with the Portfolio Holder to finalise the specification/service outline.**

Reasons

In line with the Council's overarching aim to seek at least 10% savings from all newly commissioned contracts, it is anticipated that the future budget for the service will be reduced from £300,000 to £270,000, therefore it is necessary for the Council to consider ways to deliver the service in more efficient ways. The report outlines the options available and highlights how the retendering process will enable future delivery of the service to be brought in within the desired budget when the current contract expires at the end of March 2014.

1. Background

- 1.1 The core objective of the Council's Homelessness Strategy is 'to ensure that homeless levels in the Borough remain as low as possible through prevention and to provide a quality service to those affected by homelessness'.
- 1.2 The Council has a statutory duty under the Housing Act 1996, as amended by the Homelessness Act 2002, to provide homelessness, housing advice and housing register services in the local authority area.
- 1.3 The Council fulfils this duty through Newcastle Housing Advice (NHA), which is a housing advice, options and homelessness service, currently delivered on behalf of the Council under contract by Aspire Housing Ltd. Overall, monitoring information indicates that the

service performs well and provides support to some of the most vulnerable people within the community of Newcastle-under-Lyme.

- 1.4 Since 2000, when the Council transferred its housing stock to Aspire Housing (formerly Newcastle under Lyme Housing), the Homelessness, Housing Advice and Housing Register Service has been delivered by Aspire Housing via sequential contracts. The current contract commenced in September 2009 for a term of two years and seven months, plus it had the option to extend for a further 2 years, subject to satisfactory performance.
- 1.5 In 2012, the contract was renegotiated by Council Officers and extended for 2 years (1st April 2012 – 31st March 2014). The negotiated contract extension brought about cost efficiencies of £50K and a number of amendments to the original specification/service outline.
- 1.6 The NHA service consists of the following elements:

Housing Options & Advice

NHA delivers a number of preventative services to customers to minimise the risk of them becoming homeless in the first instance. These services include offering guidance and support to all residents including private tenants on what housing options exist to enable them to remain in their current accommodation or secure alternative more suitable and sustainable accommodation. When appropriate the service will also refer customers to other specialist agencies in order to prevent homelessness. This element of the service is known as a housing options approach and its success stems from intervening as early as possible to prevent homelessness and the advice is tailored towards the individual needs of the customer.

The success of the preventative approach is demonstrated in Shelter's value for money in housing options and homelessness services report (2012). Shelter's research highlighted that authorities can achieve cost savings and deliver better outcomes for customers by prioritising spending on prevention advice and assistance. The research showed an average saving of £1,286 per household prevented (average prevention unit cost £826) from becoming homeless compared to the cost of when an authority is required to meet a 'full duty acceptance' (acceptance unit cost £2,112). The report also highlighted that the savings are potentially higher if an authority is required to meet the full duty for a household that is not in receipt of the local housing allowance and in such circumstances, the savings could be as high as £7,680 per prevention. Based upon the evidence contained within the Shelter report coupled with the Council's experience in this field, a move away from prevention and an approach of dealing with homelessness when it arises would therefore be more expensive and detrimental to the lives of those most vulnerable households in the Borough.

The table below shows the number of customers coming to the service seeking advice and support with their housing needs.

NHA Activity	2009/10	2010/11	2011/12	2012/13
Telephone Enquiries	>3449*	15307	12175	14341
Reception Enquiries	1970	4970	5553	5459
Enquiries leading to open cases	1283	2514	2663	1859
Interviews (by appointment)	737	668	587	465
Interviews (walk ins)	94	97	90	67

* Introduction of new phone system in 2009, which at first could not report volume of calls per team.

During 2012-2013 there were 1859 open cases of which 549 cases of homelessness were prevented as per the P1e definition. In order to record homelessness preventions on the P1e

Government return there must be the expectation that a household's homelessness has been prevented for at least 6 months and there are auditable records available.

Homelessness Assessments and Decision Making

If it is not possible to prevent a customer presenting as being homeless, NHA will take a formal homeless application and carry out investigations. In each case an assessment will take place to determine whether the applicant is actually homeless, eligible for assistance, in priority need and not intentionally homeless.

Since the introduction of a preventative approach in 2005, the borough has seen a substantial reduction in the number of homeless households presenting and being accepted as statutorily homeless; during 2012-2013 there were 40 homelessness decisions compared to 544 in 2004-2005.

Temporary Accommodation

If an applicant meets the homelessness criteria the Council has an immediate duty to provide temporary accommodation for them and anyone who normally resides with them. The Council has a dedicated unit of temporary accommodation, which is provided under a separate service level agreement with Aspire. Alongside the unit, households may also be placed in hostel or refuge accommodation or, as a last resort, in bed and breakfast accommodation. The Council's duty is to make accommodation available; however the household is liable for the costs associated, although Housing Benefit and Council Tax may be claimed when applicable. The co-ordination of the provision of temporary accommodation also sits within the responsibilities of the NHA contract.

In 2012-2013 thirty households' accessed temporary accommodation in the borough (excluding those accommodated under severe weather provision).

Housing Register

The NHA service operates a joint housing register with Aspire Housing. Alongside the register the Council also shares a joint Housing Allocation Policy which outlines how a customers' housing need will be assessed and prioritised against other applicants and the mechanism for letting social housing in the Borough. The management, operation of the register and exercise of the Council's nomination rights falls within the remit of the NHA contract.

At the end of March 2013 there were 2343 applicants registered on the joint housing register. During 2012/13 there were 782 lettings via the housing register.

2. Issues

2.1 Cost

The current service costs £301, 000 per annum and the cost of the contract is met within the Housing and Regeneration Service budget. The current contract for the NHA service will expire on 31st March 2014. The corporate aim to make at least a 10% saving on all newly commissioned contracts means that the new service should be delivered for no more than £270,000 per annum.

2.2 Market testing

Due to the complex nature of the work involved and to ensure impartially, previous tendering exercises for this service having included external professional input. In 2003, when the service was first retendered a housing consultant was used to review the current service, develop a specification/service outline which would reflect the impact of the introduction of the Homelessness Act 2002 and assist in the production of a shadow bid.

In 2008 support was provided from an independent homelessness and housing advice specialist; an independent review of the existing service and an in house costing exercise was produced. The decision was made to retender the service leading to Aspire Housing being awarded the contract.

In 2012 an internal multi-disciplinary re-tendering working group was established to co-ordinate the third retendering exercise for the NHA service. The group embarked upon a benchmarking exercise of the services provided by local authorities across the country. The exercise highlighted the difficulty in comparing a like for like service as there were many factors that differed across the authorities, for example the number of visitors and number of preventions delivered. Of those that were similar the NHA service costs were comparable.

In November 2012 the Council's strategy to procuring the new contract was to consider open market tendering including a comparative in-house bid.

Council Officers then consulted with members over the strategic direction for the service and its future delivery. Economic Development and Enterprise Scrutiny considered the issues and accepted the proposal of the NHA Contract Retendering Working Group to develop an in-house proposal, as an option to be considered as a tender submission for comparison purposes and to ensure the best service is delivered, whilst achieving good value for money aims. The Portfolio Holder then approved this approach and specification/service outline via a delegated approval.

As part of the process expressions of interest have been sought and four service providers in the market (including the incumbent) expressed an interest in the delivery of the future service.

On 17th June 2013 the procurement process commenced with a contract notice being placed in the Official Journal of the European Union and direct advertising of the opportunity on the Council's website to potentially interested parties.

As part of the initial stages of the procurement it became clear through discussion in the in-house group and through clarification questions from potential tenderers that there was great interest in submitting "variant bids" rather than delivering the standard specification/service outline within the set budget. This highlighted that the original specification/service outline would benefit from greater detail being supplied to support the submission of variant bids and, in particular, what elements of the service the Council was prepared to accept variant bids on. This resulted in the procurement process being ceased to give officers time to amend the OJEU notice, enhance the specification/service outline details in terms of the variant bids and to enable the in-house bid to be reviewed to ascertain if this was a suitable option.

Officers are therefore requesting that members reconsider the future delivery options for this service and make a decision on the way forward in light of the additional information that has come to light during the procurement process of this service.

Future Delivery Options

The following options are available to the Council.

Option 1 – To retender the contract for the NHA service

Option 2 – To not retender and bring the NHA service in-house to be delivered by the Council

Option 3 – To extend the current contract with the existing provider for a further short term period

	Option 1: Retender a revised NHA specification/service outline.	Option 2: Not to retender and bring the service in house to be delivered by the Council.	Option 3: To extend the current contract with the existing provider for a further short term period.
Advantages	<p>Fit for purpose service being delivered within desired budget.</p> <p>VFM tested and demonstrated through a competitive tender process.</p> <p>Contractor would be responsible for the day to day delivery of the service, including the attendant risks.</p> <p>Opportunity via the variant bid process for new and innovative approaches to service delivery, balancing customer focus and financial efficiencies.</p>	<p>Direct control of the service.</p> <p>The Council would not be locked into a contract and would be able to tailor the service as and when required.</p> <p>The Council would save resources required by the tendering process and partner agencies do not waste money putting together bids.</p>	<p>An extension would enable a robust process mapping of the current service with the active compliance of the current incumbent.</p> <p>No disruption / change in service of for customers.</p>
Disadvantages	<p>Uncertainty until tenders are received as to the proposed methodology of service delivery.</p> <p>Potential disruption to current services if the contract is awarded to a new provider.</p> <p>An alternative provider may be unfamiliar to the Council and it may be time consuming or even difficult to establish relationships.</p> <p>Towards the end of the contract period the</p>	<p>Costs associated with bringing the service in-house.</p> <p>There could be future implications in relation to nomination rights and accessing suitable accommodation options.</p> <p>Missed opportunity to test the market on number of areas including value for money.</p> <p>Internalisation of risks</p>	<p>Budget implications as current contract costs are higher than future budget for the service.</p> <p>Missed opportunity to test the market.</p> <p>Assumption that current incumbent is willing to extend.</p>

	existing providers' performance could deteriorate due to uncertainty of future contract award & bidding process workload.	associated with service delivery.	
Risk	<p>Viability – MEDIUM Organisations which initially expressed an interest do not submit a bid.</p> <p>Finance-HIGH Tenders submitted may not come in within budget. If this was to occur the Council could then consider bringing the service back in-house as an alternative.</p>	<p>Finance - HIGH Short term and possibly long term budget implications.</p> <p>The Council could bring the service back in house making radical alterations involving redundancy.</p> <p>Finance – MEDIUM Unknown long term commitment of government funding in relation to homelessness.</p> <p>Time – HIGH There is a considerable amount of work to be done to transfer the service to NBC.</p> <p>Service Delivery-MEDIUM Potential for an increased demand on service in the future due to welfare reforms.</p>	<p>Finance-HIGH This would not deliver targeted savings requiring the Council to make savings through other services.</p> <p>Reputation-MEDIUM Local media attention.</p> <p>Possibility of a challenge from OJEU, following the notice of contract award and extension may result in reputational damage for the Council.</p>

Preferred Option

The preferred option is Option 1 – to retender a revised specification/service outline as this option is most likely to deliver the service within the desired budget allocation.

In considering the issues outlined above it is worth highlighting that the retendering and production of a new specification/service outline involves significant officer resources to ensure that a good service is procured. Officers are therefore recommending that a three year contract is awarded with the option for a further three year contract extension, subject to satisfactory performance.

The option to retender also provides the additional opportunity for interested parties to submit variant bids, which could demonstrate further innovation and ways to deliver the service efficiently without impacting adversely upon the customer.

The Council has received expressions of interest from external agencies to deliver the service and therefore should give them the opportunity to bid for the service through a tender process and for this to determine whether the desired levels of efficiency can be achieved.

Service specification/service outline and standards

The current service provider has been successful in meeting the outputs of the contract. Officers consider that the current contract has been fit for purpose and has helped to deliver the prevention model which provides a range of options and services to prevent homelessness from happening rather than the service being reactive and placing people in temporary accommodation whilst completing a homeless application. However it has become increasingly important to improve service efficiency and deliver better quality services without increasing costs or to deliver the same quality of service for less. The requirement to deliver the services within a lower budget has given officers the opportunity to review the current specification/service outline.

In reviewing the options for the future delivery of the NHA service the new service will need to address

- Homelessness Prevention
- Homelessness applications and assessments
- Securing temporary accommodation, but reducing the use of B&B
- Securing permanent accommodation
- The management and operation of the Housing Register

In developing the draft specification/service outline officers have considered the opportunities for securing efficiencies through producing an outcome orientated specification/service outline based on the statutory duties.

In tendering the contract the Council would receive appropriate costing for the specification/service outline; i.e. a compliant bid.

In addition innovative approaches to the future delivery of the NHA service can be encouraged by allowing potential bidders to submit variants to the standard specification/service outline. A variant bid is a bid which is different from that specifically requested in the tender documents; examples of a variant bid would be the position of a different pricing structure or new and innovative ways of delivering the service. A variant bid may vary from the specification/service outline provided that they are clearly identified, including all cost and benefit ramifications.

Variant bids should normally meet the requirements of the specification/service outline but offer special features which are additional to, or which vary from, those included in the standard bid. Variant bids should be treated as separate options to be appraised alongside the standard bids to see whether their special features offer benefits worth pursuing in terms of improved value for money.

The evaluation of variant bids must follow the same methodology as the evaluation of the standard bid, therefore any variant needs to be developed within set parameters that are outlined in the specification/service outline. However, in relation to any variant bids, the following broad questions should be borne in mind whilst undertaking the evaluation of variant bids:

- Do the proposed changes offer value for money?
- Do the proposed changes impact negatively on the customer journey and outcome?
- Do the proposed changes represent a more appropriate allocation of risk?
- Do the proposed changes impose additional costs on the Council?
- Do the proposed changes indicate a clear understanding of the nature of the services required by the Council?
- Do the proposed changes reflect an understanding of the way in which the service is likely to alter over the course of the contract period?
- Do the proposed changes undermine the ability of the Council to achieve the performance standards?

As part of the Contract Strategy it is recommended that the tender specification/service outline highlights which areas of the service the Council is prepared to accept a variant bid. The current specification/service outline has been amended to the basic statutory responsibilities with a preventative ethos. Variants could be considered for:

- Service location – the specification/service outline acknowledges the benefits of having a Newcastle town centre base as customers are able to travel on public transport, combine the journey with other tasks such as shopping, going to the bank, etc. The Council should be interested in variant proposals which may be able to offer a high quality service utilising different approaches which detail how the face to face contact will be delivered effectively.

- Accessibility - the specification/service outline states that the service should be open Mon-Fri 9am – 5pm; tenderers could offer a variant number of hours to which the service is open for customers and on which days.

- Publicity and branding – the specification/service outline states the use of the NHA brand to promote impartiality and independence however tenderers may have an alternative approach which may utilise existing services. The Council would need to assess the effectiveness of the proposed branding to ensure customers are aware of the service and understand what it provides.

- Housing Register - the specification/service outline, highlights that the housing register element should deliver the current Housing Allocations Policy; variant bids could consider offering a service which meets the primary objectives of the policy (i.e. local connection and evidence of housing need) but utilises a more efficient approach.

- Housing Advice – the specification/service outline, outlines a triage approach however tenderers may be able to demonstrate an equally effective advisory service.

- Homelessness prevention – the homelessness prevention toolkit includes deposit guarantee, one off payments scheme and rent guarantee scheme; tenderers may be able to demonstrate alternative toolkits.

Following consideration of these issues a decision is required from Members as to whether these are acceptable variants for the tendering process and will result in acceptable service provision.

Future Contract Development

In light of the Welfare Reforms and the anticipated increase in customers requiring advice and support to sustain occupancy of their home it may be advantageous to consider in future years ways of enhancing the customer journey.

The Council could as part of the specification/service outline require the contractor to work with the Council and other agencies such as the DWP to develop more comprehensive integrated services in future years.

If this is desired then the contract specification/service outline will need to highlight this and state that the contractor would be required to use best endeavours to deliver enhancements and comply with any legislative changes. It should also be highlighted to the contractor that should processes need to be re-engineered in order to deliver improved services then this is expected as part of the contract price and will be taken forward as part of the contract management.

3. Proposal and Reason for Preferred Solution

- 3.1 To cease further work on the in-house option and retender the contract on the open market.
- 3.2 That Cabinet members make a decision on the scope of variant bids focussed around the following elements:
 - Service location
 - Accessibility
 - Publicity and branding
 - Housing Register
 - Housing Advice
 - Homelessness prevention
- 3.3 That Cabinet members make a decision on the inclusion of the requirement for the successful contractor to work with the Council to enhance the customer journey in future years of the contract.

4. Outcomes Linked to Corporate Priorities

- 4.1 The NHA service contributes to meeting the Council's Corporate Priorities for creating a Borough of opportunity and healthy and active communities.

5. Legal and Statutory Implications

- 5.1 The Council is statutorily responsible and accountable for the discharge of its homelessness duties, even where it has contracted out the delivery of services.
- 5.2 Under the Housing Act 1996 and the Homelessness Act 2002, the Council is required:
 - i) to ensure that advice and information about homelessness and preventing homelessness is available to everyone in the borough free of charge
 - ii) to assist individuals and families who are homeless or threatened with homelessness who apply for help. This means receiving homelessness applications and investigating and deciding whether a statutory duty is owed to the applicant. The main statutory homelessness duty is owed to applicants who are eligible, unintentionally homeless, and in Priority Need. In these cases the Council has to secure accommodation for the applicant and their household: temporary accommodation if needed and permanent accommodation thereafter in order to discharge this duty.

Applicants in Priority Need means pregnant women, applicants with dependant children, 16 & 17 year olds, under 21 year olds who were in care between the ages of 16 & 18, applicants who are homeless due to an emergency such as fire or flood, and people who are vulnerable due to old age, mental or physical illness, time spent in care, prison or the armed forces, violence or other special reason.

- 5.3 Any procurement will have to comply with the Council's Financial Regulations and Standing Orders.

6. Equalities

- 6.1 The Council's procurement tender process has regard to equalities, including the evaluation of equalities and diversity policies concerning employment practice and service delivery and workforce diversity monitoring.

7. Financial and Resource Implications

- 7.1 The Medium Term Financial Plan includes an annual budget of £300,000 for the service. In line with the Council's overarching aim to seek at least 10% savings from all newly commissioned contracts, there is a broad expectation that the budget for the service will be reduced from £300,000 to £270,000 with effect from the next financial year (2014/15).

8. Major Risks

- 8.1 There is a risk that the tendering process will not result in a service able to meet the needs of our vulnerable residents within the reduced budget.
- 8.2 If the service is delivered unsatisfactorily, there would be a significant impact on the homeless household both in terms of financial and social costs.
- 8.3 If the service is delivered unsatisfactorily, the Council would be open to a legal challenge as to how it had failed to meet its minimum duty. This would mean that Council would still have to provide assistance to the homeless household and cover any cost awarded against them,

9. Key Decision Information

- 9.1 The service affects residents in all wards of the Borough, with a potential total expenditure of £1,620,000 over the 6 year life of the contract should the extension be utilised.

10. Earlier Cabinet/Committee Resolutions

- 10.1 Cabinet approved the Homelessness Strategy 2010-15 in 2009.
- 10.2 Economic Development and Enterprise Scrutiny considered on 20th March 2013 the issues and accepted the proposal of the NHA Contract Retendering Working Group to develop an in-house bid, as an option to be considered as a tender submission for comparison purposes and to ensure the best service is delivered, whilst achieving good value for money aims. The Portfolio Holder then approved this approach and specification/service outline via a delegated approval.

11. List of Appendices

- 11.1 None.

12. Background Papers

- 12.1 Draft service specification/service outline and tender documentation.

Classification: NULBC **UNCLASSIFIED**

REPORT TITLE: Bereavement Services Grounds Maintenance Contract

Submitted by: Head of Operations – Roger Tait

Portfolio: Environment and Recycling/Culture and Leisure

Ward(s) affected: All

Purpose of the Report

- (i) To consider options for the future procurement of the Bereavement Services Grounds Maintenance Contract

Recommendations

- (i) That Cabinet authorises the Head of Operations to undertake a procurement exercise via the ESPO Grounds Maintenance Services contract 245 framework for the provision of a grounds maintenance and burial service contract for a period of 4 years, commencing April 1st 2014, and following consultation with the Portfolio Holder, accept the most economically advantageous tender, after consideration of opportunities to seek an efficiency saving from the existing budget provision if necessary.

Reasons

- (i) To secure continuation of the Bereavement Services burial and grounds maintenance services for the Borough Council until March 2024.

1. Background

1.1 Following a competitive tendering exercise a contract was awarded to Glendale Managed Services in 2007 for grounds maintenance and burial works in the council's cemeteries, crematorium and closed churchyards. The type of work currently undertaken as part of the contract involves grave digging and preparation, grass cutting, tree maintenance, planting and maintenance of rose and shrub beds along with ornamental flower bed displays, memorial safety and other general maintenance operations such as sweeping, leaf clearance and litter collection.

1.2 The total budget for this work for 2013/14 is currently £330,000. This figure has been reduced from the 2012/13 contract budget of £356,790 by negotiation with the current contractor to rationalise operations and drive out efficiencies in accordance with the council's budget service review process. It has proved challenging to try to maintain the high standards expected by customers at bereavement services sites whilst reducing costs. Nevertheless, your officers have worked with the contractor to achieve this and at present, the crematorium, Keele Cemetery and Newcastle Cemetery hold Green Flag Awards; the national benchmark for quality in green spaces.

- 1.3 The current contract expires on 31st March 2014 and therefore consideration must now be given to procuring the required grounds maintenance and burial services to ensure continuation of the service beyond this date.

2 Issues

- 2.1 In order to explore the potential for further efficiencies in the provision of this service, whilst continuing to meet the expectations of our customers in terms of standards at bereavement services sites, your officers have reviewed the way in which the service is procured, managed and delivered.
- 2.2 As stated in section 1.2 of this report, the specification and frequency of operations has been continually reviewed over the life of the current contract and significant savings have been made. It is considered that a further reduction in the specification and frequency of operations may have a significant adverse impact on the standards which could be achieved at the crematorium and key cemetery sites. Therefore, should members wish to seek further efficiencies via a reduced specification and standards route, it must be recognised that while every effort will be made to minimise the impact of service reductions on the appearance of the crematorium and cemeteries grounds, inevitably there will be a resultant difference in standards.
- 2.3 In addition, it is considered that some efficiencies and other benefits may potentially be achievable by offering the option for the new service provider to be based at Knutton Lane Depot, in the currently vacant baling shed. It is proposed that rather than charging the service provider a market rental value for occupation of the baling shed, the value of this accommodation would be offset in the tender price submitted by the successful bidder. The baling shed will require some repair and recommissioning work to render it fit for purpose and the cost of this would need to be met by the council otherwise the benefits from the offsetting of the tender price will not be realised. The work would need to be completed prior to the new contract commencement date of 1st April 2014. It is intended that the occupier would pay an annual service charge to cover a proportion of the cost of utility bills relating to the depot. In addition, it is envisaged that the new service provider could be offered the option to utilise other services provided by the council at the depot, including the garage workshop for fleet servicing and repairs, the fuel pumps and the waste transfer station. The value of these services will be scoped into the tender documentation to either seek to secure an appropriate offset in tender price, or to include a service charge which the contractor would pay. Tenderers will have the option to provide a tender on the above basis and to provide an alternative tender should they not wish to take up this option.
- 2.4 There are also other benefits which may be realised through this type of partnership arrangement with the successful contractor. These include the potential to participate in the council's shared apprenticeship scheme, flexibility through "mutual aid" arrangements in relation to staff and machinery in times of increased pressure and out of hours, and the opportunity to share skills and expertise and jointly procure training or other service specific materials and equipment.

It is intended to estimate the value of the above benefits and the cost of repairs to the baling shed and to incorporate these factors into the tender documentation by setting a range of target costs for the potential contractors and asking each to

submit a proposal demonstrating the level of service which can be delivered within each cost bracket.

Tenders will then be evaluated against these criteria to seek to achieve the best value for money solution.

3. Options Considered

3.1 Your officers have scoped 3 general options for the future procurement of this contract as follows:

(i) Enter into a new contract with the existing contractor through direct negotiation following a Voluntary Ex-Ante Transparency Notice (VEAT)

The advice received from legal and procurement colleagues is that this is not a viable option as the council would be in breach of the Public Procurement Directives and possibly subject to remedies (ie “ineffectiveness” as a remedy for illegal direct contract awards). If subject to a challenge, alternative penalties such as the imposition of potentially substantial fines or shortening of the duration of an awarded contract, the need to tender and the likely negative publicity the council may receive. The council would not be operating in a transparent manner and as the market has not been tested since 2006 it would be difficult to evidence a value for money solution.

Therefore, this option has been discounted.

(ii) Expose the work to a traditional competitive tendering process

This would require a significant staff time resource to prepare a Pre Qualification Questionnaire, advertise the tender opportunity, evaluate the expressions of interest, shortlist candidates, invite stage 2 tenders, evaluate submissions and award the contract. The process may result in a new and unknown contract cost which may match or exceed current budgetary provision and will necessitate a set timetable for the tender process. This process would comply with Public Procurement Directives, deliver a transparent procurement process, reduces the risk of challenge from the marketplace and allow the council to evidence a value for money solution.

However, this option is burdensome in administrative terms and therefore it is not recommended as the preferred option.

(iii) Expose the work to a competitive tendering process utilising an existing framework

The advice received from procurement colleagues is that a current framework for grounds maintenance services exists (ESPO Grounds Maintenance Services contract 245) from which the council is eligible to procure this service. This would reduce the administrative burden on staff in managing the procurement process and reduce the timescale for completion of the procurement exercise. It may result in a new and unknown contract cost which may match or exceed current budgetary provision and necessitate a set timetable for the tender process. This process would comply with Public Procurement Directives, deliver a transparent procurement process, reduce the risk of challenge from the

marketplace and allow the Council to evidence a value for money solution. This is therefore the recommended preferred solution.

- (iv) Incorporate the work within the Council's Streetscene Business Unit**
The opportunity to deliver this work using the council's in-house Streetscene Business Unit has been examined in conjunction with the Streetscene Business Manager. However, at the current time due to a number of other income generating initiatives which are in progress or being developed and the need to focus on continuing to deliver core work streams to an acceptable standard, it is considered that this area of work cannot be successfully accommodated at the present time. It is also considered that developing a partnership with an external provider for this service has the potential to bring flexibility and financial and other benefits as described in section 2.3 of this report. Therefore, this option is not recommended as the preferred solution.

4. Proposal

- 4.1 It is proposed to expose the work to a competitive tendering process utilising an existing framework and to scope into the tender documentation the option for utilisation of accommodation at Knutton Lane Depot and the use of other facilities and services provided by the council as described in section 2.3 of this report.

5. Reasons for Preferred Solution

- 5.1 To secure continuation of the Bereavement Services burial and grounds maintenance services for the Borough Council until March 2018.

6. Outcomes Linked to Corporate Priorities

- 6.1 A clean, safe and sustainable borough
6.2 Becoming a co-operative council, delivering high value, community driven services.

7. Legal and Statutory Implications

- 7.1 The council must comply with Public Procurement Directives, deliver a transparent procurement process and evidence value for money solutions.

8. Equality Impact Assessment

- 8.1 It is considered that there are positive equality impacts for customers in seeking to deliver high quality, cost effective cemetery, crematorium and closed churchyard grounds maintenance services.

9. Financial and Resource Implications

- 9.1 The cost of the works is met from within the approved General Fund Revenue Programme for Bereavement Services, which includes both cemetery and crematorium expenditure and income. The current annual budget for providing the grounds maintenance and burial service is £330,000 which has been reduced through negotiation with the current contractor from the 2012/13 contract budget of £356,790.

The contract expires on 31st March 2014 and the recommended procurement option will obtain a cost for delivering these services for a 4 year contract period.

As described in section 2.3, a range of target costs will be set with the upper limit equating to the current annual contract value less the estimated value of the accommodation and other services which are scoped into the tender documentation.

The cost of repairing and recommissioning the baling shed to render it fit for purpose will be estimated and approval sought for the funding of these works through either the repairs and renewals budget in the general fund revenue programme for 2013/14 or the general fund capital programme.

There is also a requirement for staff time involved in preparing and administering the procurement process which has been programmed into the Community Business Unit work plan for 2013/14.

10. Major Risks

10.1 In respect of the recommended preferred solution

- Submitted tender may exceed current contract cost
- Submitted tender may exceed current budget provision and require consideration of a reduction in the service.
- Possible reduction of current service standard.
- Committed to level of expenditure for 4 years
- Cost of repairing and recommissioning depot facilities may outweigh potential offset in tender price
- No or limited savings made on existing costs

11. Key Decision Information

11.1 The decision involves major expenditure, will impact on 2 or more wards, and has been included in the forward plan.

12. Earlier Cabinet/Committee Resolutions

- 12.1 Res ----- Cabinet 4th September 2002
12.2 Res Cabinet 1st December 2004
12.3 Res.....Cabinet -- October 2007

13 List of Appendices

None

14. Background Papers

14.1 Contract Documentation

REPORT TITLE ICT Desktop Strategy

Submitted by: Executive Director (Resources & Support Services)

Portfolio: Communications, Policy & Partnerships

Ward(s) affected: Non specific

Purpose of the Report

To seek Cabinet approval to procure and subsequently award a contract for replacement ICT Desktop equipment as a result of the move to Windows 7 and Office 2010, and in parallel to put in place a robust and manageable ICT Desktop Strategy.

Recommendation

That Cabinet give approval to:

- undertake a procurement exercise and subsequently award a contract for the supply of replacement ICT Desktop equipment;
- implement the ICT Desktop Strategy (the Strategy) as detailed in the report.

Reasons

- ICT will need to replace some of the current desktop equipment to enable the Council to move to a Windows 7 and Office 2010 environment by the beginning of April 2014. This is due to incompatibility or age of the current equipment. This also provides the opportunity to introduce more sustainable and cost effective ways of delivering the desktop equipment.
- The introduction of the Strategy sets out the means by which ICT will deliver physical desktop equipment that is effectively managed, allocated and developed in line with users and Council expectations for the next three years.
- Adoption of the Strategy will ensure that common standards are applied across the ICT environment.

A Glossary of ICT terms used in the report is shown attached as Appendix A.

1. Background

1.1. In June 2012, Cabinet approved the ICT Strategic Review and Consolidation report. The course of action contained in the report aims to:

- generate savings on current contract costs through the review, consolidation and, where appropriate, re procurement of systems and hardware;
- ensure that we maximise the usage of the Council's investment in ICT systems;
- put in place standards for the management and maintenance of ICT systems that aim to maximise their life expectancy.

1.2. The consolidation programme is well underway, and considerable cost savings and efficiencies have been achieved so far.

- 1.3. ICT uses a number of different technologies and environments for desktop and server hardware which enable access to Council systems and software. This combination continues to be the most efficient and cost effective way of providing ICT services. Therefore, the overarching ICT Strategy is to continue to use and develop these environments to ensure that:
- hardware costs are kept to a minimum;
 - electrical consumption and heat output is reduced;
 - a flexible working environment is maintained; systems can be accessed by users and other computers from any location;
 - the requirements of the Council's Disaster Recovery Plan for the provision of ICT access are met and continue to be improved upon.
- 1.4. Microsoft will end support for the Council's current desktop operating system (Windows XP) and 'Office 2003' suite of products (the suite includes Word, Excel, Powerpoint) on the 8th April 2014. A programme of work is already underway in ICT for the move to Windows 7 and Office 2010. This is a major undertaking and involves a complete review of all core systems, departmental applications, servers, software licensing and support agreements together with desktop hardware to ensure compatibility with, and the ability to run, the Windows 7 operating system and Office 2010.
- 1.5. ICT has facilitated a number of workshops with all service areas to ascertain their likely requirements for the next three years. This information has enabled ICT to develop the Strategy which takes into account the needs of corporate users and the authority moving forward.

2. Issues

- 2.1. A preliminary review of the Council's current desktop equipment indicates that it is likely that approximately 111 PCs will require replacement to enable the roll out of Windows 7 and Office 2010. This is due to their age, type and lack of capacity to run the new operating system.
- 2.2. The Council could be faced with paying for more expensive 'custom' support agreements or take the risk of service interruption/failure in the event of support being needed, should we continue with Windows XP after April 2014. Gartner¹ report that "pricing for *continued* support may be significantly higher than it was in the past" and that this will "cause tangible budget issues for many organisations that need to run Windows XP securely after 8 April 2014"².
- 2.3. Currently, the replacement strategy for desktop equipment such as PCs, laptops etc, has been to manage with existing equipment for as long as possible so as to achieve the best possible return on investment. PC systems are repaired or replaced only when they fail³ i.e. it is a reactive service. This has led to performance problems and increased support costs which has a negative impact on staff productivity as well as the perception of the ICT infrastructure and service. These elements have resulted in unplanned resource which could be more effectively managed with a formal desktop replacement policy.
- 2.4. Central and Local Government departments have to comply with the requirements of the Public Services Network (PSN), in that we agree to undertake regular updating and maintenance of our ICT systems. As Windows XP will no longer be supported, it cannot therefore be updated or maintained; in effect resulting in non-compliance which will seriously impact service delivery.

3. Options for delivery

¹ Gartner is a leading company that specialises in information technology research, analysis and advice and produce regular reports of their findings.

² Gartner report : Prepare Now for the End of Windows XP and Office 2003 Support in Less Than a Year ; 8th April 2013

³ This is known as a 'Fix on Fail' strategy

3.1. Option 1: Do nothing.

Although support for Windows XP and Office 2003 is withdrawn in April 2014, the Council could continue to use the software for an extended period but would need additional support. However, the challenge to move from Windows XP will increase, and with it expansion of the project in terms of time and resources with each subsequent release of Windows. It is already estimated that a move from Windows XP directly to the latest version, Windows 8, will take an additional 5% of time, cost and effort compared to a move from Windows XP to Windows 7. Microsoft have indicated that they will put 'custom' support agreements in place for those organisations not able to move from Windows XP to Windows 7 in time, but custom support will not be given without the customer having a plan to move from Windows XP in the near future.

Doing nothing also:

- increases the risk to the authority in terms of resolving operating system issues and therefore the potential for disruption to normal service.
- results in non-compliance with the Public Services Network (PSN) which would prevent the authority from sharing/submitted statutory information to Government bodies such as the Department for Works and Pensions (DWP).
- increases costs in term of putting in place high cost custom support agreements.

3.2. Option 2: Migrate to Windows 7 and Office 2010 and implement the ICT Desktop Strategy.

This option involves moving to a Microsoft supported platform for both operating system and 'Office' suite. This will ensure that:

- the authority continues to share/submit statutory information with Government bodies such as the DWP.
- the authority continues to be supported by Microsoft for security and operating system updates and critical information such as upgrades and any security issues.
- the Council takes advantage of the up to date features available in Windows 7 and Office 2010

The move provides the opportunity to adopt an ICT Desktop Strategy which ensures that:

- users are allocated the most appropriate equipment that meets the business and user requirements;
- the most cost effective equipment is provided;
- common standards are adopted across the ICT environment which will increase efficiency and improve support;
- ICT maximises the availability and performance of ICT systems whilst minimising downtime;
- ICT maximises the opportunities presented through proven new technology and innovations.

3.3. Option 3: Migrate to Windows 8 and Office 2013 and implement the ICT Desktop Strategy.

This option involves moving directly to the latest versions of the Microsoft operating system and Office suite and bypassing Windows 7 and Office 2010.

Although a move to Windows 8 and Office 2013 is anticipated to take place in the future, it is not feasible at this time due to:

- **Compatibility:** most departmental applications are not yet certified as being able to work with Windows 8 or Office 2013. These include a number of the Council's major systems such as IDOX Uniform applications, in use in services such as Planning, Building control, Property and Land charges.
- **Ease of Use:** the look and operation of Windows 8 is very different to Windows XP or Windows 7. These changes are significant for users and it is widely accepted that Windows 8 is the first operating system that requires formal training for its users.

- Business Benefits: Windows 8 is designed to address the touchscreen market; it is an ideal operating system for managing mobile devices and therefore does not have any major business benefit for the Authority at the current time.

Windows 7 is a stable operating system with the ability to support most Council applications. It will continue to be supported by Microsoft until 2020.

The advantages of implementing the Desktop Strategy are as stated in Option 2 above.

3.4. Option 4: Replace the Microsoft Operating system and Office Suite with suitable Open Source alternatives.

Open Source is a term used to describe software that is produced as a result of collaboration between IT developers who create software that is freely available, without the normal licensing restrictions that exist when software is purchased from a single vendor such as Microsoft. However, the take up of Open Source alternatives so far has generally been restricted to individuals, small businesses or specialist academic usage. Nevertheless, ICT continues to review and monitor the availability, usage, compliance with local and national government security standards and applicability of Open Source alternatives; for example the new Content Management System for publishing Council information to the web is likely to be Open Source software that has developed successfully, with proven usage in a number of large organisations and councils.

In addition, the Council also uses open source operating systems on certain specialist devices where this is the most suitable environment. For example, the Council's anti-virus, internet and email monitoring systems all run on an open source operating system.

However, a move to replace the Microsoft operating system and Office suite with Open Source software in the desktop environment is not considered a realistic option at this time due to:

- Lack of compatibility with Council systems. None of the Council's software suppliers provides a corporate system that runs on Open Source computer operating systems such as 'Linux' and office applications such as 'LibreOffice'.
- Cost. Even if suitable alternatives could be found, replacing the current Windows and Office applications will result in costly and time consuming retraining of all staff (including ICT to support the changes) in times of economic austerity which would outweigh any economic benefit.
- Implications for the security of sensitive data and the sharing of that data with third parties on differing operating systems.
- Implications for the security of the Council's network; non-compliance with central government security levels for data sharing due to the inability to demonstrate effective virus protection and upgrading of the software to prevent 'hacking'.
- Although Open Source software is free to license, its development and deployment for use can be very costly in terms of purchasing external resource to undertake the work and the disruption to "Business as Usual" operations.

4. Outcomes linked to Sustainable Community Strategy and Corporate Priorities

- 4.1. The outcome supports "Becoming a co-operative council which delivers high quality community driven services", by providing up to date, manageable technology that underpins efficient front line delivery of services to our citizens.

5. Legal and Statutory Implications

5.1. Although there are none relating specifically to the report, it is a requirement of compliance with the PSN that the Council keeps its ICT infrastructure up to date; non-compliance will critically impact the ability to deliver statutory services such as Revenues and Benefits and Elections.

6. Equality Impact Assessment

6.1. No adverse impact has been identified as a result of delivering this proposal.

7. Financial and Resource Implications

7.1. Indicative costs for the recommended option are circa £100K, which will include the following items:

Server Hardware
Virtual Desktop Interface Licenses & basic support
PC Replacements

These items will be subject to procurement.

7.2. Any potential to reuse equipment will be identified through the roll out programme. Options for reuse include:

- storage at Disaster Recovery sites for usage as emergency terminals;
- securely prepare the redundant equipment for collection and recycling through Council facilities. The collection of equipment and subsequent disposal has been shown on previous occasions to be cost neutral.

All equipment will be subject to compliance with the Strategy. This could reduce the overall number of PCs to be procured. Funding can be met from the existing PC replacement budget within the ICT Development Fund.

8. Major Risks

8.1. The main risks identified are:

- Potential service disruption resulting from running on an unsupported operating system
- Security issues – increase in security breaches and virus attacks
- Incompatibility between core and departmental software and the existing operating system
- Failure to comply with the requirements of the PSN
- Time delay impacts on other ICT Projects (e.g. replacement of the Financial system, Content Management System (CMS))

A full risk assessment is available on request.

9. Earlier Cabinet Resolutions

ICT Strategic Review and Consolidation report, June 2012

10. Recommendation

It is recommended that Option 2 be approved for the reasons stated in Section 3.2 above.

11. List of Appendices

Appendix A: Glossary of ICT Terms used in the report.

12. Background Papers

The ICT Desktop Strategy 2013 is available on request.

Appendix A

Glossary of ICT Terms

Core Systems: made up of systems used across the organisation that integrate with other major Council systems, or the corporate network that provides the electronic 'backbone'. Examples are: Electronic Document Management, Customer Relationship Management (CRM), and Email.

Custom Support Agreement: an agreement entered into with Microsoft to extend the existing product support lifecycle following an announcement that a product is reaching end of life and will no longer be supported by them.

Infrastructure: the basic physical and organisational structures needed for ICT to operate the services and facilities required for the Council. Examples are the Network, Telephony and Servers.

Operating System: the software that supports a computer's basic functions, such as executing applications, and controlling items such as printers.

Public Services Network (PSN): set up by central government to enable new, joined-up and shared public services for the benefit of citizens. Public bodies (including Councils) have to demonstrate they have high security levels in place to comply with the strict requirements for joining and staying on the Network. It is the only means by which departments such as Revenues & Benefits and Elections can share information between government departments such as the Department for Works and Pensions (DWP).

Supported Platform: a base level computer system that is supported and maintained by suppliers of ICT software.

Virus Attack: when a type of malicious code is run that infects other files or performs some other type of harmful behaviour on the computer.

This page is intentionally left blank

Report Title	Budget Consultation
Submitted by:	Phil Jones, Head of Communications
Portfolio	Finance and Resources
Ward(s) affected	All

Purpose of the Report

To inform Cabinet of consultation proposals as part of the preparation to produce the council's Budget for 2014/15.

Recommendations

Cabinet is asked to support the consultation proposals outlined in this report.

Reasons

The borough council is committed to being a "co-operative council" and this includes a desire to be an "open, honest and transparent organisation which undertakes regular consultation with its residents and listens to their views."

1. Background

- 1.1 In 2012, the borough council ran a six week consultation process which was the first of its kind since December 2004 when a budget consultation exercise using a process called "SIMALTO" – Simultaneous Multi-Attribute Level Trade-Off took place.
- 1.2 More than £15,000 was spent on the Simalto exercise which involved a private sector company carrying out interviews with residents and then also hosting a series of workshops and focus groups.
- 1.3 Last year, Cabinet members endorsed and led a consultation exercise aimed at enabling residents to have an influence in shaping spending priorities for the financial years 2013/14 and 2014/15 with the council's budget forecasts indicating savings of at least £2.5 million being required.
- 1.4 Cabinet is now being asked to build on the success of the 2012 consultation exercise with another consultation which is aimed at further shaping spending priorities for the 2014/15 financial year.

2. Issues

- 2.1 In the last consultation process the council used a number of communications channels to try and reach as wide an audience as possible. These included:
 - (i) Producing and distributing a special budget edition "mini" Reporter.
 - (ii) Producing and distributing a budget questionnaire with a "Freepost" address.
 - (iii) Reception room one at the Civic Offices in Newcastle was turned into a "living room" for a day as part of a drop-in coffee morning session.
 - (iv) Seven public meetings were held at locations across the borough.
 - (v) 10 face-to-face "stop and chat" events were held across the borough.
 - (vi) The council's E-panel was consulted.
 - (vii) All 60 borough councillors were given the special edition Reporters and questionnaires to distribute in their communities.

- (viii) Bespoke budget consultation content and the budget questionnaire were placed prominently on the council's website.
- (ix) Flyers and posters promoting the consultation were distributed.
- (x) Discussion with Newcastle Partnership Strategic Board.
- (xi) Press releases, media interviews, briefing notes produced to generate local coverage of the consultation.
- (xii) Pop-up adverts used on key landing pages on the council's website.
- (xiii) Bluetooth and Wi-fi messaging used to contact mobile phone users.
- (xiv) A scrutiny café was held for interested stakeholders.

- 2.2 There were two main elements to the consultation. Firstly, residents were encouraged to complete a questionnaire which asked them to decide how important some key service areas were to them. They then had to mark the services on a five point scale with one end of the scale being "Of no importance" and the other end of the scale being "Extremely important."
- 2.3 The consultation also served to raise awareness of the financial constraints facing the borough council as a result of reductions in central Government support, pressures on income and a freeze on Council Tax.
- 2.4 As far as human and material resources are concerned, it is estimated that during the course of the 2012/13 budget consultation process:
- 5,600 mini budget edition Reporters were distributed together with the same number of questionnaires.
 - 3,100 A5 flyers promoting the consultation and events were handed out and 81 A3 posters displayed in shops, businesses and other public areas.
 - A total of 44 hours were spent by staff in the production and printing of material associated with the consultation – mini Reporter, questionnaire, pop-ups, flyers and posters, website content.
 - 28 hours were spent by staff distributing materials – flyers, posters to promote events.
 - 45 hours were spent by a number of staff supporting Cabinet members at sessions with the public – the coffee morning, public meetings and face-to-face sessions.
 - Some of these hours were paid as overtime to some staff as they took place at weekends and in the evenings.
 - Approximately 25 hours were spent collating and evaluating data received during the process.
- 2.5 In total, 635 questionnaires were returned to the borough council. Of the total number of responses received, 393 were received through electronic channels; 91 were received through the post; 120 came from face-to-face sessions and 31 from public meetings.

3. Options

- 3.1 The council has two options which it can pursue.
- 3.2 The first is to carry out an inclusive and extensive consultation which enables a large number of residents to make their views known over public spending issues and priorities in Newcastle-under-Lyme.
- 3.3 The other option is to not carry out a consultation process.

4. Proposal

- 4.1 The proposal is that Cabinet approves a consultation process for 2013 to help shape the 2014/15 budget.
- 4.2 A number of “lessons learned” discussions have taken place with Cabinet members who were heavily involved in the budget consultation process during 2012/13. It is clear that some aspects of the consultation worked better than others.
- 4.3 It is also clear that the consultation posed significant pressures not only on Cabinet members but also the Communications Department. Despite that it did provide excellent feedback and it should be remembered that this was a process not carried out for almost a decade in the borough so getting it off the ground was always going to be challenging.
- 4.4 Cabinet is now being asked to approve a consultation for 2013 to help shape the 2014/15 budget proposals.
- 4.5 Detailed proposals for Cabinet to consider are outlined below:
 - 1) The consultation process will run over a six week period from Monday, 30 September to Friday, 8 November.
 - 2) Cabinet members will lead the process with contributions from other councillors and support from council officers.
 - 3) Public meetings
 - a) Three public meetings will be held to enable residents to come along, ask questions and discuss budget issues with Cabinet members.
 - b) These will take place in a one week period during the fourth week of the budget consultation – Monday, 21 October to Friday, 25 October.
 - c) They will be held at:
 - (i) The Madeley Centre on Tuesday, 22 October at 7pm.
 - (ii) Kidsgrove Town Hall on Wednesday, 23 October at 7pm.
 - (iii) The Civic Offices in Newcastle on Thursday, 24 October at 7pm.
 - d) A public notice will be placed in the local media on Wednesday, 16 October, outlining the time, place and date of the meeting.
 - e) Information will also be placed on the home page of the council’s website and distributed to the media.
 - 4) Face-to-face public engagement
 - a) Six face-to-face “stop and chat” events will take place – two in each of the first three weeks of the consultation – W/C 30 September, 7 October and 14 October.
 - b) They will be between 10am and 2.30pm on each day at:
 - (i) Freeport at Talke on Tuesday, 1 October.
 - (ii) Outside the shops in King Street, Kidsgrove, on Thursday, 3 October.
 - (iii) The Guildhall in Newcastle on Tuesday, 8 October.
 - (iv) Keele University in the Students’ Union on Tuesday, 15 October.
 - (v) The Madeley Centre on Thursday, 17 October.
 - (vi) The Farmers’ Market in Newcastle on 18 October.
 - c) A public notice will be placed in the local media on Wednesday, 25 September, outlining the six times, places and locations.
 - d) Information will also be placed on the home page of the council’s website and distributed to the media.

- 5) A special budget edition “mini” Reporter will be produced. This will include information on the budget issues which the council wants residents to express an opinion on and there will also be a Freepost questionnaire.
- 6) The August edition of the Reporter will be used to increase awareness of the budget consultation process and how residents can get involved.
- 7) The borough council’s E-panel will be consulted.
- 8) All 60 borough councillors will be provided with 40 copies each of the special budget edition “mini” Reporter and be asked to distribute them within the communities they represent.
- 9) Bespoke budget consultation content and the budget questionnaire will be promoted on the home page of the council’s website on the revolving banner.
- 10) Throughout the six week consultation process the Communications Department will embark on a variety of “guerrilla” marketing ventures with large scale distributions of editions of the special budget edition “mini” Reporter. This will involve targeting specific areas at specific times throughout the borough depending on a variety of circumstances such as events, resources etc.
- 11) A presentation on the budget issues will be organised by the Head of Business Improvement and Partnerships to the Newcastle Partnership Strategic Board.
- 12) A series of press releases, media interviews and briefing notes will be produced to generate local coverage in the media during the consultation process.
- 13) Pop-up adverts will be used on key landing pages on the council’s website to promote the process and encourage online completion of the budget questionnaire.
- 14) The council’s Bluetooth and Wi-fi transmitter will be used to send key messages to mobile phone users at key locations throughout the borough. Users will not be sent questionnaires but will receive information and be sign-posted to other channels.
- 15) A scrutiny café will be held in January for interested stakeholders. This will be organised by the Business Improvement and Partnerships Team.
- 16) A Scrutiny Café will be held on Tuesday 14th January for Elected Members.
- 17) Key stakeholders such as the Locality Action Partnerships (LAPs), parish and town councils, business groups etc will be contacted and asked to submit their views as part of the consultation process. This will be overseen by the Business Improvement and Partnerships Team.
- 18) Pop-up banners will be produced and located in each of the locations for the public meetings for three weeks to promote attendance at the events.

5. Reasons for Preferred Solution

- 5.1 The borough council is committed to involving residents in shaping the way services are delivered to them. The budget is fundamental to that process and as a result a significant amount of effort was committed to ensuring an extensive and inclusive consultation in 2012.

- 5.2 Building on the success of last year should ensure residents are presented with significant opportunities to make their voices heard during the six week consultation this time round.
- 5.3 Following on from last year's consultation process, a number of changes are being put forward for 2013 to hopefully generate even greater resident participation.
- 5.4 Lessons learned have helped shape the proposals and these include a proposed reduction in the number of set-piece evening meetings being planned; greater pre-publicity and awareness raising: information will be taken and presented to residents rather than an expectation that residents will come to us to receive information. There are also plans for a greater emphasis on electronic and social media.
- 5.5 The council's Budget Review Group has already considered the consultation proposals and so has the Transformation and Resources Overview and Scrutiny Committee at its meetings on 22 July and 2 September.

6. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities

- 6.1 The council is committed to becoming a co-operative council delivering high quality, community-driven services. Part of this commitment involves being an "open, honest and transparent organisation which undertakes regular consultation with its residents and listens to their views."

7. Legal and Statutory Implications

- 7.1 The council is not under any legal or statutory duty to carry out a consultation process linked to its budget.

8. Equality Impact Assessment

- 8.1 The council's budget consultation will be as open, transparent, extensive and inclusive as it possibly can be. Cabinet is being asked to approve using all of the communication channels at the council's disposal to ensure no sections of the community are disadvantaged with regards to making their voices heard.
- 8.2 The list of activities outlined in the Proposal section in this report indicates how "inclusive" the consultation will be.

9. Financial and Resource Implications

- 9.1 As far as finances are concerned it is estimated that in 2012 the council spent:
 - £600 on printed materials – all of this work was carried out in-house by the council's graphic design and print service.
 - £130 on pop-up promotional banners.
 - £425 on venue hire, transport costs, refreshments for those who attended the public meetings and face-to-face sessions.
 - £45 for Freepost costs.
- 9.2 All of the costs identified above – including some overtime payments to staff – were met from within existing budgets for consultation services at the borough council.

- 9.3 This year the council will have to meet some additional costs for placing public notices in the local media to advertise the various meetings and events which are scheduled as part of the consultation process.
- 9.4 However, this will in part be offset by the changes to the scheduling of meetings and events which means overtime payments will not be liable to staff involved in supporting the process.
- 9.5 Despite the marginal increase in costs which are likely to be incurred for running the consultation this year, all costs can still be met from within budgets allocated by the council for consultation purposes.

10. Major Risks

- 10.1 A risk assessment has been completed and entered into GRACE – the council's corporate risk software system.

11. Key Decision Information

- 11.1 The budget consultation is a key decision for the council as the budget impacts on all wards and services.

MEMORANDUM OF UNDERSTANDING BETWEEN PM TRAINING STAFFORDSHIRE LTD AND THE BOROUGH COUNCIL OF NEWCASTLE UNDER LYME

Submitted by: Neale Clifton

Portfolio: Economic Development, Regeneration and Town Centres Development

Ward(s) affected: All

Purpose of the Report

To request approval from Cabinet to take forward actions in line with the PM Training Concordat Action Plan over the forthcoming 2 years as outlined in this report.

Recommendations

That the Council supports the delivery of a PM Training Concordat Action Plan which will include:

- ***Supply chain management - the Council and PM Training to continue to promote the partnership throughout the Boroughs supply chain.***
- ***Procurement link to Social Value Act – the Council to highlight PM Training as an exemplar organisation in achieving desired outcomes in relation to training and employment***
- ***Joint procurement with the Aspire Group – investigate opportunities to jointly procure goods and services***
- ***Work experience opportunities – investigate opportunities to provide structured work experience placements***
- ***Support for Social Enterprise West Midlands (SEWM) – the Council to seek to promote SEWM to its stakeholders and supply chain and consider becoming a Social Enterprise supporter of SEWM***

Reasons

In order to create enterprising futures for people, companies and communities to continue to work with PM Training and the wider Aspire Group to create local training and employment opportunities, to use procurement methods in line with the social value act and to promote and support Enterprising Futures – the social enterprise arm of the Aspire Group.

1. Background

PM Training is a leading social enterprise operating in both the private and public sectors. The vision is to create enterprising futures for all the people, companies and communities who work with PM Training.

In July 2010 Cabinet gave approval for the Council to sign up to a Memorandum of Understanding with PM Training. The purpose of this was to provide training and apprenticeship opportunities for people living in the borough of Newcastle in order to improve their life chances. The Memorandum of Understanding sets out the intention for the Council and PM Training to work together to prepare young people for work, provide apprenticeships, help companies improve their productivity and provide direct environmental services through the 'Homeworks' services.

Since this time much has been achieved. 447 young people in Newcastle have been supported into learning and into apprenticeships. These young people are generally among the poorest and most vulnerable in North Staffordshire and many have no formal qualifications yet despite this nearly 75% of those who complete their training go into a paid apprenticeship or job.

In February 2011 a successful supplier event was held at Keele Hall. This was a partnership event between the Council and PM Training, which resulted in 135 apprenticeship opportunities being created.

December 2011 saw the official opening of the new PM Training construction training centre in Chesterton, which provides training for qualifications and work experience to enable progress into apprenticeships and employment focusing on young people aged 16-18. The centre allows for around 150 more young people to train every year – 100 of these are expected to take up apprenticeships.

October 2012 the aspire Group won the National Housing Federation's Community impact Awards for "Building Futures" and in November 2012 the Aspire Group were recognised by Regeneration and Renewal as the best organisation in Britain for tackling worklessness. Both awards acknowledge the comprehensive approach in breaking the cycle of worklessness and supporting people into work.

In June 2013 the Council and PM Training held a second successful supplier event at Keele Hall, which resulted in 128 apprenticeship opportunities being created.

2. **Issues**

Since signing up to the Memorandum of Understanding PM Training has developed further in many areas and is now part of Enterprising Futures – the Social Enterprise arm of the Aspire Group.

Recognising that a partnership / memorandum of understanding already exists between the Council and PM Training and that there is a strong partnership between the Council and the wider Aspire Group, it was agreed that an action plan should be developed with the specific intention of continuing to create local training opportunities and supporting and promoting Enterprising Futures.

It is proposed that the following actions are taken forward over the next 2 years:

Supply Chain Management

The Council and PM Training to continue to promote the partnership through the Council's supply chain. A successful supplier event was held at Keele Hall in June 2013, which allowed for company targeting.

Joint Procurement

The Council and Aspire Group to investigate opportunities to jointly procure goods and services by agreeing a list of joint potential opportunities for jointly contracting services over the next two financial years and to assess the feasibility of joint procurement.

Common Assessment for Tenders

The Council and the Aspire Group to seek to develop a common assessment framework for all tenders/tenderers as part of the Pre Qualification Questionnaire process. The Council can confirm that the Government Procurement Service (GPS) framework is open for use by Housing Associations. The Aspire Group to investigate the potential to trial / pilot an initiative with like minded Staffordshire Councils.

Work Experience Opportunities

The Council receives many requests each year from young people wanting work experience, wherever possible the Council tries to support these requests taking on board resources to support them. PM Training offer a range of work experiences for PM Learners, whilst this is clearly a benefit for young learners there are a number of issues surrounding capacity to support the young people including which services are best placed to support this. It is therefore recommended that work experiences are investigated further in 2014 /15.

Support for Social Enterprise West Midlands (SEWM)

The Council is working within the Newcastle Partnership to seek partnership support to promote SEWM, as part of this the Council can consider seeking the support of stakeholders and our supply chain. Alongside this the Council over the forthcoming year can consider becoming a Social Enterprise Supporter of SEWM or a Social Enterprise Innovation Partner of SEWM.

It is proposed that progress against actions is reported back to the Portfolio Holder and the Aspire Group on a quarterly basis and be subject to a joint annual review.

3. **Options Considered**

In supporting the economic development of the Borough it is appropriate for the Council to consider supporting organisations to deliver apprenticeships and social enterprise. The Council has approved the delivery of a shared apprenticeship scheme operated by the Council and has recognised that working with external companies is a positive way forward.

By considering a range of apprenticeship schemes and partner companies the Council will be able to support a range of complementary schemes which will in turn offer greater opportunities and choice for our residents needing assistance. It is therefore considered appropriate to consider requests for support to deliver outcomes that align to the Council's corporate objectives.

4. **Proposal**

In line with the existing Memorandum of Understanding it is considered appropriate to continue to work with PM Training as detailed above to create local training and employment opportunities, to use procurement methods in line with the social value act and to promote and support Enterprising Futures – the social enterprise arm of the Aspire Group.

5. **Reasons for Preferred Solution**

It is considered appropriate to explore further opportunities where the Council can work with PM Training and the wider Aspire Group to create local training and employment opportunities, to use procurement methods in line with the social value act and to promote and support Enterprising Futures – the social enterprise arm of the Aspire Group.

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

All of the Council's corporate priorities are addressed to some degree but the main focus is on A Borough of Opportunity and A Co-operative Council delivering high-value, community driven services

7. **Legal and Statutory Implications**

The Council and PM Training are mindful of and will seek to work within the “small lots” provisions contained within the EU procurement rules up to a ceiling value of 20% (subject to a limit of £64,846 in relation to Works Contracts) of total values to encourage Small to Medium Enterprises within defined neighbourhoods and to encourage innovation in training and supply of local labour.

8. **Equality Impact Assessment**

PM Training was awarded Investors in Diversity (Stage 2) 2010. Since then all four PM Training Centres in Newcastle under Lyme, Stoke on Trent, Leek and Stafford have been reaccredited to 2014. PM Training is currently looking to progress to Stage 3 – Leaders in Diversity.

9. **Financial and Resource Implications**

Supporting the proposed recommendations will require office time which can be met through existing resources.

10. **Major Risks**

10.1 Subject to Cabinet approval to progress the current risk assessment will be updated.

11. **Key Decision Information**

It will impact on all wards

12. **Earlier Cabinet/Committee Resolutions**

Cabinet 21/07/10 resolved that Newcastle under Lyme Borough Council sign up to a memorandum of Understanding with PM Training.

13. **List of Appendices**

None

14. **Background Papers**

Memorandum of Understanding
Updated Risk Assessment

Audley Conservation Area Appraisal and Management Plan Supplementary Planning Document

Submitted by: Guy Benson, Head of Planning Services

Portfolio: Economic Development, Regeneration and Town Centres

Ward(s) affected: Audley and Bignall End Ward

Purpose of the Report

To give Cabinet the opportunity to resolve to adopt as a Supplementary Planning Document the Audley Conservation Area Appraisal and Management Plan.

Recommendations

That the Supplementary Planning Document relating to Audley Conservation Area Appraisal and Management Plan be adopted.

Reasons

Following a consultation on a draft Conservation Area Appraisal and Management Plan the Planning Committee has recommended to Cabinet that the Council adopt an Audley Conservation Area Appraisal and Management Plan

1. **Introduction**

Following a similar exercise with respect to the Madeley Conservation Area Appraisal and Management Plan, the Planning Committee has received reports on the preparation of the Audley Conservation Area and Management Plan Supplementary Planning Document (SPD).
Consultation process and results

1.1 The Planning Committee at its meeting on the 19th February this year approved a draft Audley Conservation Area Appraisal and Management Plan Supplementary Planning Document for consultation purposes. The draft consultation document is available to view at www.newcastle-staffs.gov.uk/planning/AudleyCAAMP .The consultation on the draft SPD then took place over a six week period. A Consultation statement was then prepared providing details of the consultation, the response received to it, and the proposed action in relation to that response. A copy of this Consultation Statement is available to view as part of the agenda for the Planning Committee held on the 4th June 2013 via www.newcastle-staffs.gov.uk/planningagendas . As required by the Local Planning Regulations 2012 the document together with the consultation statement were then made available for inspection for the appropriate period.

1.2 As a result of the consultation the only change made to the Management Plan forming part of the SPD was to propose a minor Conservation Area boundary change so as to include the pond at Leddys field to the east of the existing Conservation Area. A separate statutory procedure will require to be undertaken to achieve this. Otherwise, the document remains the same as the consultation draft.

1.3 The Conservation Area Advisory Working Party has resolved to support the adoption of the SPD. The Planning Committee have similarly resolved, at the meeting of the Committee on the 4th June.

2. **Proposal**

That the Supplementary Planning Document relating to Audley Conservation Area Appraisal and Management Plan be adopted

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

The adoption of the SPD assists the Council in achieving its corporate priority of creating a cleaner, safer and sustainable Borough. As an example of community engagement the drawing up of the draft Supplementary Planning Document reflects the Council's aspiration to be a co-operative Council.

7. **Legal and Statutory Implications**

As required by the Local Planning Regulations 2012 the document together with the consultation statement were made available for inspection for the appropriate period.

8. **Equality Impact Assessment**

There are not considered to be any differential impacts arising from the adoption of this appraisal and Management Plan

9. **Financial and Resource Implications**

The drawing up of the Appraisal and Management Plan did involve some officer time but here was also a significant community contribution. With respect to the future the Appraisal will assist Development Management by providing an easy to use and up to date assessment of the character and appearance of the Conservation Area, whilst the Management Plan forms a focus for Conservation area activity both by the Borough Council and other Agencies. There are potential financial implications from some of the proposals within the Management Plan and these will need to be considered before steps are taken. Some of the steps indicated within the Management Plan would involve expenditure, normally the application of staff resources or could lead in the long term to compensation liabilities – for example if permitted development rights are withdrawn by means of an Article 4 Direction and planning permission is subsequently refused for development that would otherwise be able to be undertake, then there is a possibility that a claim for financial compensation could be made

10. **Major Risks**

There are not considered to be any Major Risks arising from the adoption of this document

11. **Sustainability and Climate Change Implications**

No such significant implications have been identified

12. **Earlier Cabinet/Committee Resolutions**

None

13. **Background Papers**

- Consultation Draft SPD
- The SPD Consultation Statement and Copies of representations made on the draft SPD

JCB's decision to locate part of its business in the borough at Blue Planet

Submitted by: Neale Clifton, Executive Director, Regeneration and Development

Principal authors: Simon Smith, Regeneration Manager and Louise Beeby, Property Manager

Portfolio: Economic Development, Regeneration and Town Centres

Ward(s) affected: All (but specifically Bradwell)

Purpose of the Report

To review the process which led to JCB's decision to invest in the Blue Planet building and in particular to enable members to review the Officers' decision to offer an option to develop Council-owned land at a later date.

Recommendations

That members note:

- (a) the decision taken by officers to offer an option on a parcel of council-owned land, consistent with the council's scheme of delegation, and;
- (b) the work being undertaken by officers to enable the efficient movement of vehicles to/from the site whilst minimising nuisance to local residents.

Reasons

The main reason for making this decision was to facilitate economic growth for the long term economic well-being of the borough.

1. **Introduction**

- 1.1 In July, JCB agreed to take a long lease of the prestigious Blue Planet building in the Chatterley Valley and take an option to acquire the adjoining Borough Council owned land to allow for later expansion. This is a major coup for the Borough and particularly welcome in a time of recession. The investment is expected to realise around 600 jobs of which around 350 would be here in the Chatterley Valley and around 250 at JCB HQ in Rocester. Additionally there is the potential for expanding the firm's presence at Chatterley Valley which could create another 200-300 local jobs. This report considers how the investment came about and lessons for future working to see what went well and what might have gone better so that future inward investment efforts might be better managed.

2. **Background**

- 2.1 The Borough Council have been the owner of this 20 hectare site, known as Ravensdale, in the Chatterley Valley for a number of years following its acquisition from two local businesses. The site was derelict, having been

mined previously and having also a long history of former contaminative industrial processes based here. It was acquired by the Council with funding from the, then, Department of the Environment (DoE) to reclaim for industrial development. A condition of the agreement with the two companies was that two plots of developable land (comprising some 5.5 ha of the site) would then be offered back to them within a certain timescale or the Council would incur significant financial penalties reflecting the agreed value of the land.

- 2.2 The land was largely reclaimed but government funding ran out (or was switched to other priorities) before the necessary on-site and off-site infrastructure could be made. With still low land values prevailing in the area and with the need to invest further in the land, the Council faced the prospect of having to pay the financial penalties referred to above.
- 2.3 At the same time the Borough Council, together with the City Council and the County Council formed a joint implementation group with the then emergent Regional Development Agency, AWM, to scope and plan for a wider 'Chatterley Valley' development, including not only this site, but the nearby Goldendale and Bankeyfields sites (in the City), land to the south of the Tunstall By-pass (also in the City) and a large 'Premium Employment Site' of 40 ha to the west of the Stoke-Manchester Railway line, known as Chatterley Sidings and Peacock Hay (in the Borough). This working group project managed the master planning of the Valley, including costing site preparation works, site servicing and off-site infrastructure. Discussions were also held with owners of the land not in public ownership to develop the basis for joint venture deals over their land (to avoid the need for outright acquisition). Importantly from this Council's viewpoint, in 2002 AWM acquired the interests of the two private land owners involved with the Lowlands Road site. By mid 2005 AWM had entered into a joint venture agreement with the council to frame their planned investment in site infrastructure.
- 2.4 During the time of AWM's active leadership and investment in this project, three components of the Valley were brought forward for development – the Lowlands Road site (Ravensdale), Goldendale and Bankeyfields. With the change in the global economic situation from 2008 and the impending winding up of AWM, the other elements of the Chatterley Valley did not proceed further. Nevertheless the two critical outcomes of the wider Chatterley Valley development were that the Council's financial exposure was negated and employment development was facilitated.
- 2.5 Regarding the Lowlands Road site, investment in ground stabilisation and other site preparation work by AWM created two development plots for which a developer competition was held in 2007. 16 developers submitted development proposals to build out the site and having been shortlisted down to three, Gazeley was selected. As well as past track record, proposed building programme, and design, an important criterion to AWM and the Borough Council was that of 'sustainable development'. The scheme which Gazeley proposed to build was so sustainable that it was measured as achieving BREEAM *outstanding* status, the first industrial building in the world to achieve this standard. This was achieved by employing building features such as:
 - The use in construction of recycled materials such as tiles, carpet, paint, plastic and timber,

- Bespoke-designed roof lights to eliminate light pollution and reduce the need for air-conditioning,
 - Grey water recycling,
 - The creation of new wildlife habitats, including wetlands
 - The use of combined heat and power using bio-fuel, sufficient to not only heat the building but also supply a further 650 houses off site.
- 2.6 The land was acquired and the Blue Planet building was developed speculatively (i.e. with no known end-user, which was the norm during the booming phase of the economic cycle) and when Blue Planet was completed, the market for occupiers had disappeared. Gazeley's 20 year lease of the building to JCB in July together with the option which the Council has agreed on the expansion land (Plot A) follows five years of actively marketing the site through the deepest recession the country has faced since the 1930s.
- 2.7 JCB is now fitting out the interior of the building to its own specific requirements ahead of occupation which has begun and is planned to increase into next year.

3. **Issues**

- 3.1 In order for the JCB investment to come to fruition it is evident that the Council played a significant part in the overall process with a range of officers being called upon from the following service areas - Assets; Regeneration; Legal and Planning – to work with representatives of JCB, Gazeley, the HCA, the LEP and key Government departments.
- 3.2 Officers have briefed the relevant Portfolio Holder on the overall lessons learned from their involvement in the overall project but this report focuses upon those matters which are pertinent to the Council's political Executive (i.e. the Cabinet). In particular it is necessary for members to be aware of the decisions made by officers, in consultation with the Portfolio Holder for Development, Regeneration and Town Centres, in relation to the Council's land holding.
- 3.3 As summarised in Section 2 AWM's investment in the Council-owned land off Lowlands Road mitigated significant financial risk to this Council. Whilst Gazeley developed the Blue Planet building and became the freehold owner of the associated land, the Borough Council remained the freehold owner of the adjacent serviced plot of land (just under 8 acres in area). However, in view of the level of investment made by AWM in the site preparation/remediation phase, as required by the joint venture agreement referred to above, any value derived from disposal of the Council's interest has to be passed on to AWM's successor body (the Homes and Communities Agency (HCA)).
- 3.4 In these circumstances the Council has worked in harness with the HCA to negotiate with JCB upon the disposal of the secondary plot of land in parallel with Gazeley negotiating the disposal of their Blue Planet building to JCB. The latter disposal amounted to JCB taking a 20-year lease on the Blue Planet building. Whilst the former has resulted in JCB taking a 10-year option to purchase the adjacent Council-owned land to facilitate potential expansion of the company's activities. The value of the said plot of land was determined by an independent valuer.

- 3.5 In view of the fact that the Council would not benefit financially from the land transaction described in paragraph 3.4, even if the option were to be invoked, officers were able to use their delegated authority to facilitate the process and this was done in consultation with the Portfolio Holder for Development, Regeneration and Town Centres (letter dated 25th June 2013). Members are asked to endorse this decision as being in compliance with the Council's Constitution (in particular the Scheme of Delegation).
- 3.6 The other, more practical, consideration that has emerged since JCB's decision to invest in this property relates to the potentially adverse impact of vehicle movements associated with the operation upon residents who live on a nearby residential estate. Members will be aware that significant off-site highway improvements were secured as part of the original planning permissions (for both this site and the wider Chatterley Valley area) and these works have been implemented. Nevertheless the Borough Council is brokering a meeting with the interested parties with the aim of enabling the efficient movement of vehicles to/from the site whilst minimising nuisance to local residents.

4. **Options considered**

- 4.1 In view of the existence of the joint venture agreement (between the council and AWM) and the evident desire of the HCA to facilitate JCB's investment decision, coupled with the council's stated priority relating to economic growth (under the heading "Borough of Opportunity"), the only serious option in this case was to work with the various parties to secure the said investment in order to help achieve the overall objective of creating jobs and strengthening the local economy. For the avoidance of doubt, JCB's interest in the overall Lowlands Road site was fuelled by the imminent availability of the Blue Planet building coupled with the potential scope for expanding its activities onto the council-owned land at a later date.

5. **Recommended decision**

- 5.1 That members note: (a) the decision taken by officers to offer an option on a parcel of council-owned land, consistent with the council's scheme of delegation and; (b) the work being undertaken by officers to enable the efficient movement of vehicles to/from the site whilst minimising nuisance to local residents.

6. **Outcomes Linked to Corporate Priorities**

- 6.1 This report considers matters relating to regeneration, the environment and sustainability; all outcomes linked to the corporate priority of Creating a Borough of Opportunity and Creating a Sustainable Borough.

7. **Legal and Statutory Implications**

- 7.1 The Council is under a duty to achieve "best consideration" in the disposal of publicly owned land (Local Government Act 1972, as amended). Also the Council is empowered by the provisions of the Local Government Act 2000 (as amended) to take actions in order to improve the social, economic and environmental well-being of the community.

8. **Equality Impact Assessment**

8.1 Not relevant to this matter

9 **Financial and Resource Implications**

9.1 There are no direct financial implications for the Council arising from this matter. However there has been the indirect cost of officer resources being expended across a multiplicity of service areas; this was achieved by the re-prioritisation of workloads to reflect the importance of the outcome sought.

10. **Major Risks**

10.1 There are no major risks arising from the actions taken in this case.

11. **Key Decision Information**

11.1 This report considers significant resource issues and has been included in the Forward Plan.

12. **Earlier Cabinet Resolutions**

12.1 Previous resolutions made in respect of the joint venture agreement were made in July 2005, along with others prior to that in relation to AWM's initial involvement in the Lowlands Road site.

Management 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		