

Public Document Pack

Date of meeting Thursday, 24th March, 2022
Time 7.00 pm
Venue Garden & Astley Rooms - Castle
Contact Geoff Durham 742222



**NEWCASTLE
UNDER LYME
BOROUGH COUNCIL**

Castle House
Barracks Road
Newcastle-under-Lyme
Staffordshire
ST5 1BL

Finance, Assets & Performance Scrutiny Committee

AGENDA

PART 1 – OPEN AGENDA

- 1 APOLOGIES**
- 2 DECLARATIONS OF INTEREST**
- 3 MINUTES OF A PREVIOUS MEETING** (Pages 3 - 6)
To consider the Minutes of the previous meeting held on 20 January 2022.
- 4 UPDATE FROM CABINET**
- 5 COMMERCIAL STRATEGY UPDATE** (Pages 7 - 12)
- 6 PROCUREMENT STRATEGY UPDATE** (Pages 13 - 44)
This item includes a supplementary report.
- 7 FINANCE AND PERFORMANCE REVIEW REPORT - THIRD QUARTER - (OCTOBER - DECEMBER) 2021** (Pages 45 - 70)
- 8 ROUGH SLEEPER INITIATIVE FUNDING 2022 - 25** (Pages 71 - 74)
- 9 WORK PROGRAMME** (Pages 75 - 82)
- 10 PUBLIC QUESTION TIME**
Any member of the public wishing to submit a question must serve two clear days' notice, in writing, of any such question to the Borough Council
- 11 URGENT BUSINESS**
To consider any business which is urgent within the meaning of Section 100B (4) of the Local Government Act 1972
- 12 DATE OF NEXT MEETING - 30 JUNE 2022**

Members: Councillors Mark Holland (Chair), Bert Proctor (Vice-Chair), Gillian Burnett, Andrew Fear, Graham Hutton, Paul Waring, David Grocott, Tony Kearon, Sarah Pickup, Mike Stubbs and Andrew Fox-Hewitt

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

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

SUBSTITUTE MEMBER SCHEME (Appendix 9, Section 4 of Constitution)

The Constitution provides for the appointment of Substitute members to attend Committees. The named Substitutes for this meeting are listed below:-

Substitute Members:	Barry Panter	Kenneth Owen
	Andrew Parker	Dave Jones
	John Tagg	Elizabeth Shenton
	Huckfield	

If you are unable to attend this meeting and wish to appoint a Substitute to attend in your place you need to:

- Identify a Substitute member from the list above who is able to attend on your behalf
- Notify the Chairman of the Committee (at least 24 hours before the meeting is due to take place) NB Only 2 Substitutes per political group are allowed for each meeting and your Chairman will advise you on whether that number has been reached

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

NOTE: THERE ARE NO FIRE DRILLS PLANNED FOR THIS EVENING SO IF THE FIRE ALARM DOES SOUND, PLEASE LEAVE THE BUILDING IMMEDIATELY THROUGH THE FIRE EXIT DOORS.

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Agenda Item 3

Finance, Assets & Performance Scrutiny Committee - 20/01/22

FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE

Thursday, 20th January, 2022
Time of Commencement: 7.00 pm

[View the Agenda here](#)

[View the meeting here](#)

Present:	Councillor Mark Holland (Chair)		
Councillors:	Gillian Burnett Andrew Fear	Graham Hutton Paul Waring	Tony Kearon Sarah Pickup
Apologies:	Councillor(s) Bert Proctor, David Grocott and Mike Stubbs		
Substitutes:	Councillor Andrew Parker (In place of Councillor Bert Proctor)		
Officers:	Daniel Dickinson Denise French Sarah Wilkes Martin Hamilton Craig Turner	Head of Legal & Governance /Monitoring Officer Democratic Services Team Leader Head of Finance / S151 Officer Chief Executive Finance Manager	
Also in attendance:	Councillor Stephen Sweeney Councillor Simon Tagg	Deputy Leader of the Council and Portfolio Holder - Finance, Town Centres and Growth Leader of the Council and Portfolio Holder - One Council, People and Partnerships	

29. **DECLARATIONS OF INTEREST**

There were no declarations of interest made.

30. **MINUTES OF A PREVIOUS MEETING**

The Leader of the Council updated on 2 points raised at the last meeting:

- CCTV – this was not a statutory service but the Council had adopted a partnership approach and was happy to discuss how CCTV could be introduced with Town and Parish Councils
- Call wait times – average wait times were just over 2 minutes, there was a message while waiting that encouraged callers to check if their query could be answered online. Call abandonment rates were 20% but this would include customers who had decided to hang up and look to resolve their query online. Call wait times had increased in November and December due to items including the Local Plan consultation and subscriptions for the green waste service.

A Member raised a query about difficulty in locating a form online for landlords to report empty properties.

Resolved: that the minutes of the meeting held on 13 December 2021 be confirmed as a correct record.

[Click here to watch the debate](#)

31. REVENUE AND CAPITAL BUDGET AND STRATEGIES 2022/23

The Committee considered the Revenue and Capital Budget and strategies - Medium Term Financial Strategy (MTFS) 2022/23 to 2026/27; Flexible Use of Capital Receipts Strategy; draft Capital Strategy; draft Treasury Management Strategy; and draft Investment Strategy.

The results of the budget consultation would be reported to Cabinet on 2 February 2022.

The following queries and issues were raised:

- Savings of £14k were identified through the introduction of a digital booking system; how were savings achieved when there were no staff redundancies? The Committee was advised that there would be staff reduction through natural wastage but some staff would be able to focus on other roles and tasks or progress onto different roles within the Council. The salary savings were across the Council and would partly result from realignment of staff and roles.
- What was the insurance and risk perspective on the electronic lifeguard system? This would be discussed with the insurers and be included on the Council's risk management systems
- Were there savings that could be achieved through working from home and was this likely to continue? The Council acknowledged the continued role of home working but also recognised the importance of working together in a face to face environment and how the open plan aspect at Castle House helped with team spirit.
- IT costs were high and had alternative options such as open source software, been explored? In response, it was explained that all elements of the budget had been scrutinised through the Council's Efficiency Board and, although there were options for some software, there were many licences that were specialist provision.
- How much confidence was there that inflationary pressures could be managed? The Committee was informed that much work had been undertaken on the impact of inflation, costs were fixed where possible, inflationary factors were built into the budget, for energy costs the Council was currently still within a contract but the Procurement Officer was monitoring the situation. Inflation would also impact the Capital Programme but for example, the contract for Kidsgrove Sports Centre required the contractor to keep within contract prices and the project remained on budget.
- The MTFS identified a gap of £628k and it appeared this was to be met from Good Housekeeping and the Health and Social Care levy; was this correct and could this gap be closed? Members were advised that the headings were not an exhaustive list and other income streams would be included to ensure the gap could be met.

Resolved: That:

1. The progress on the completion of the Revenue (Appendix 1) and Capital Budgets (Appendix 4) for 2022/23 be noted.
2. The updated Medium Term Financial Strategy 2022/23 to 2026/27 (Appendix 2) be noted.
3. The strategy for ensuring a balanced revenue outturn position for 2021/22 be noted.
4. The mid-year estimate of capital expenditure be noted (Appendix 4).
5. The calculation of the Council Tax base and the Council Tax increase to be proposed for 2022/23 of 1.99% per Band D equivalent property be noted.
6. The risk assessment at Appendix 3 and S151 Officer's recommendation on the level of reserves and contingencies provisionally required to be maintained in 2022/23 be noted.
7. The draft Flexible Use of Capital Receipts Strategy (Appendix 6) for 2022/23 be noted.
8. The draft Capital Strategy (Appendix 7) for 2022/32 be noted.
9. The draft Treasury Management Strategy (Appendix 8) for 2022/23 be noted.
10. The draft Investment Strategy (Appendix 9) for 2022/23 be noted.

[Click here to watch the debate](#)

32. SCALE OF FEES AND CHARGES 2022/23

The Committee considered the proposed list of fees and charges. The Committee was informed that the Medium Term Financial Strategy assumed an average increase of 3% across all fees and charges but some charges would not increase including car parking for which charges were frozen to encourage Town Centre growth.

Members discussed whether future reports could include some comparator information of fees and charges from previous years. It was also noted that some fees and charges, eg elections, were set nationally and whether this should be made clear in the documents.

Resolved: that the schedule of fees and charges be noted.

[Click here to watch the debate](#)

33. WORK PROGRAMME

The Committee considered the Work Programme.

Resolved: that the Work Programme be received.

34. PUBLIC QUESTION TIME

There were no members of the public present.

35. URGENT BUSINESS

There was no urgent business.

36. DISCLOSURE OF EXEMPT INFORMATION

Resolved: that the public be excluded from the meeting during consideration of the following matter because it is likely that there will be disclosure of exempt information as defined in paragraph 3 in Part 1 of Schedule 12A of the Local Government Act, 1972.

37. SCALE OF FEES AND CHARGES 2022/23 - CONFIDENTIAL APPENDIX

Resolved: that the report be noted.

38. DATE OF NEXT MEETING - 24 MARCH 2022

**Councillor Mark Holland
Chair**

Meeting concluded at 7.45 pm

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Finance Assets and Performance Scrutiny Committee 24 March 2022

<u>Report Title:</u>	Commercial Strategy Update
<u>Submitted by:</u>	Executive Director – Commercial Development and Economic Growth
<u>Portfolios:</u>	Finance, Town Centres and Growth
<u>Ward(s) affected:</u>	All

Purpose of the Report

To update the Finance Assets and Performance Scrutiny Committee in respect of the Commercial Strategy.

Recommendation

That

- 1. The update be noted by the Committee.**

Reasons

Update on the Commercial Strategy which provides a framework for the Council's commercial activity. It sets out how the Council will secure the delivery of high quality, sustainable, value for money services by being customer focussed, innovative and entrepreneurial.

Background

- 1.1 On 16 October 2019 Cabinet approved the Commercial Strategy for the Council, which outlined a framework for identifying and managing commercial and income generation opportunities.
- 1.2 At the Finance Assets and Performance Scrutiny Committee meeting held on 25 March 2021, it was agreed that 6 monthly updates would be provided in respect of the work being carried out under the commercial strategy, this report is the first 6 monthly review.

Issues

- The Council faces challenging financial times. Our Medium Term Financial Strategy is currently being updated and anticipates a cumulative budget shortfall of circa £1.5m over the next 5 years.
 - The need to identify further efficiencies, exploit our asset base and generate income is considerable. Coupled with increasing demand for services, higher public expectations, challenging national political circumstances and economic uncertainty, the Council must use all the means at its disposal to ensure that its medium term finances and ability to provide a full range of services to the local community are sustainable. That means that the Council must become more commercial: generating service efficiencies and new income streams; maximising existing revenue streams; having effective procurement and contract management

processes; making prudent investment in income generating assets; and developing our strategic asset base in order to boost local growth.

- 2.3 Commercial activity is not new to the Council. The Council already has a substantial commercial property portfolio which contributes £400,000 annually to the Council's revenue budget and commercial services are operated in areas including leisure, theatre events, car parking and garden waste. The commercial strategy provides an overarching framework for these activities, ensuring a co-ordinated approach across the Council and access to the expertise needed to drive forward our commercial ambitions within a context of robust risk management.
- 2.4 An important element of the Council's commercial approach is finding the right balance between delivering social value and our commercial practices, ensuring that income generated through commercial activity is reinvested in local priorities, services and improvements for the long term benefit of residents of the borough.
- 2.5 The strategy approved at Cabinet on 16 October 2019 proposes a number of guiding principles which describe how we will achieve our commercial ambitions including acting with intelligence, integrity and agility and working collaboratively across organisational boundaries. The strategy is explicit that the Council will seek to extract maximum value from its land and property assets, challenge where services can be commissioned and stop activities that add no value or benefit to customers.
- 2.6 Delivering our vision for a more sustainable and business-oriented Council that maximises commercial opportunities will require a fundamental shift in how we do business and individual and organisational development around commercial thinking.
- 2.7 Due to the Covid-19 pandemic, the Council has been unable to fully progress with the Commercial Strategy due to the national lockdown restrictions and as a result have removed the anticipated income generation streams from the MTFs for the time being.
- 2.8 Since the approval of the Commercial Strategy, the Council has appointed a commercial investment adviser to undertake a review of the Council's commercial property portfolio. The recommendations of this reviews were various and included:-
- Hold fewer and better assets which would generate better incomes streams
 - Ring fencing of capital receipts for investment into assets
 - Reducing management costs
 - Invest in larger and better assets
 - Increase diversification of asset / investment base so risk is spread across various sectors and geographies
 - Establish a capital planned maintenance strategy
 - Investigate sustainable energy solutions for assets
- 2.9 Work in progress
- Land at Parkhouse Road West, Chesterton
This site measures approximately 2 acres and is situated on the edge of Parkhouse Industrial Estate. The Council has appointed consultants to carry out a market analysis demand survey in respect of a number of sites throughout the Borough of which this is one. The results of this study will inform the mix of units on this site.
 - Land at Apedale, Chesterton
This 4.54 acre site has been marketed for sale for a number of years with no definite interest. In January 2022 Cabinet approved the letting of this site on a 25 year term for

battery storage. The Company are currently carrying out their due diligence prior to finalising the lease terms

- Chatterley Valley – the land owner / developer is now progressing with the land remediation works to level the site off to create the building platforms, utilising Town Deal Funds and investment from SCC. It is the intention of the Council to invest in a small business park to support the supply chain of the Advance Ceramic facility being developed yesterday.
- Land off Hassell Street, Newcastle (rear of the former Zanzibar premises)
Aspire Housing are redeveloping the site of the former Zanzibar premises and it is proposed that they sell part of the site to the Borough Council for commercial development. As part of the market analysis demand survey that has been commissioned, this site is to be assessed, which in turn will inform future proposed uses.
- York Place, Newcastle
The Council has acquired the York Place shopping centre as part of the Future High Streets Fund regeneration initiative in Newcastle Town Centre. The future uses of this development are currently being considered.

Proposal

- 3.1 For officers to continue to work up investment proposals for further consideration by Cabinet and FAPS in order to generate income to support the MTFS.

Reasons for Proposed Solution

- 4.1 Generating efficiencies and additional income by adopting a more commercial approach is key in the Council's plans for addressing the forecast funding gap and maintaining financial sustainability in the medium to long term. The strategy provides a framework for managing and coordinating commercial activities.

Options Considered

- 5.1 The Council continues to progress a number of strategies and approaches to ensure that it can maintain a financially sustainable future and deliver the key priorities set out in the Council plan. The commercial strategy is part of this suite of options which also includes service redesign, the One Council programme, contract negotiation and service recommissioning.
- 5.2 Officers are continuing to review commercial investment options and are moving forward with the projects set out in 2.9
- 5.3 The Council's investment consultants are continuing to advise on potential investment opportunities
- 5.5 As part of the Future High Street Fund and Town Deal Projects, new commercial property sites will also be created within the town centre i.e Ryecroft and the Midway car park.

Legal and Statutory Implications

- 3.1 There is complex legislation and case law that governs local government's ability to undertake commercial activities and generate income. This includes trading in services to make a surplus and the recovery of part (contribution) or the whole of the cost of a service through charging.
- 3.2 The Council will need to make sure that its commercial activities are legally and state aid compliant, including having regard to the Public Sector Duty within the Equality Act 2010,

statutory guidance on local authority investments and The Prudential Code for Capital Finance in Local Authorities.

- 5.3 All commercial projects and investment opportunities will be examined to ensure that they are within the Council's powers and legal implications will be identified on a case by case basis.

Equality Impact Assessment

- 7.1 Delivering our vision for a more sustainable and business-oriented Council that maximises commercial opportunities will require a fundamental shift in how we do business and individual and organisational development around commercial thinking.
- 7.2 As a first step towards embedding a more entrepreneurial culture we will invest in developing the skills of our members and our workforce. However, moving forward it will also influence the skills that we require in the people that we recruit in future into key roles and in the partnerships that we develop.

Financial and Resource Implications

- 8.1 The aim of the commercial strategy is to facilitate sensible investments, based on local need and subject to robust risk management, which enable the Council to improve outcomes for our residents in accordance with the priorities set out in the council plan. This includes making a contribution towards the budget savings required to bridge the forecast funding gap over the next 5 years through income generation, as opposed to reducing spending on services.
- 8.2 When the Commercial Strategy was approved in October 2019 the funding structure consisted of investments being funded via the establishment of a Revolving Investment Fund made up of capital receipts, revenue contributions and prudential borrowing. Due to the Covid-19 pandemic the creation of this fund has been paused due to the inability of being able to progress with potential investment projects.
- 8.3 The approved 10 year capital programme in February 2021 includes £100,000 per annum for project feasibility studies.
- 8.4 Officers including the Chief Executive, S151 Officer and Executive Director of Commercial Development and Economic Growth review and appraise commercial investment schemes prior to their consideration at Cabinet and FAPS.

Major Risks

- 9.1 Management of risk is central to our commercial approach and all potential activities will be assessed with due regard to the risks being taken. This will be in line with the Council's corporate approach to risk management including review of risk frequency.
- 9.2 As part of a robust risk management process the Council will seek to partner with industry experts and specialists, carry out meticulous due diligence and ensure rigorous approval processes and project scrutiny.

UN Sustainable Development Goals and Climate Change Implications

- 10.1 The Economic Regeneration Strategy Action Plan supports UNSG and Climate Change objectives in a number of ways. Principally, through partnership working, promoting

sustainable development, the re-use of land, enterprise, infrastructure and skills, the following UNSGs are supported.



Key Decision Information

11.1 There is no key decision as this report is an update following approval of the Commercial Strategy in October 2019.

Earlier Cabinet/Committee Resolutions

12.1 Cabinet approval of Commercial Strategy on 16 October 2019.

List of Appendices

None

Background Papers

None

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

OFFICER REPORT TO

Finance Assets and Performance Scrutiny Committee
24 March 2022

Report Title: Procurement Strategy and Action Plan 2022-25

Submitted by: Business Improvement Manager

Portfolios: Finance, Town Centres and Growth

Ward(s) affected: All wards

Purpose of the Report

To provide the Finance Assets and Performance Scrutiny Committee with an update on the Borough Council's Procurement Strategy and Action Plan 2022-25.

Recommendation

That members of the Finance Assets and Performance Scrutiny Committee:

- 1. Review the officer report, work undertaken to date and proposed changes by government;**
- 2. Review the officers proposed work as part of the action plan published alongside and in support of the delivery of the Council Procurement Strategy 2022 to 2025;**

Reasons

The Procurement Strategy 2017 – 2021 expired December 2021. In line with the Council's priorities, internal governance, legislative changes, sustainable procurement and Brexit, your officers have formulated a new strategy that seeks to address change and respond to the need to support the ongoing improvements and implementation of change throughout the authority.

1. Background

- 1.1 Procurement has a far broader meaning than that of simply purchasing, buying or commissioning. It is about securing assets and services that best meet the needs of users and the whole community spanning the life cycle of an asset or service.
- 1.2 Commissioning is the process of specifying securing and monitoring services to meet individuals' needs both in the short and long term.
- 1.3 The Government initially placed a duty of best value on local authorities under the Local Government Act 2000 to deliver services to clear standards of cost and quality by effective, economic and efficient means available. Best Value was a challenging framework that required authorities to review all their services in the light of government guidance.
- 1.4 In the context of procurement, obtaining best value for money means choosing the solution that offers the optimum combination of whole life costs and benefits to meet the customer requirement.
- 1.5 The Procurement Strategy 2022-25 sets down the basis of developing and implementing best value throughout its service to citizens and the business community, aligned with the challenge to deliver ongoing savings in line with the authority's need to respond to the

changing financial environment. The Council will continue to develop its procurement principles and practices aiming to deliver further improvements in this key service.

- 1.6 It is important that we ensure procurement activity supports the delivery of the Borough Council's strategic and operational priorities, with relentless focus on value for money, financial performance and fit for purpose solutions, as well as wider strategic aims. Sustainable Procurement is a strategic procurement aim of the Council, having effective sustainable procurement practice embedded within our processes will help ensure that procurement is recognised as being vital to the delivery of our corporate objectives
- 1.7 The Procurement Strategy 2022-25 is supported by the publication of the 'Action Plan' found at Appendix 1 of the strategy that's seeks to support the delivery of the strategy throughout the three year period. The strategy is further supported by a range of governance procedure inclusive of:
 - Council Contract Procedure Rules;
 - Council Financial Regulations and
 - Council Constitution

2. Issues

- 2.1 In developing the Strategy your officers have recognised the need to
 - Further embed legislative changes (Public Contract Regulations 2015);
 - Embed sustainable procurement into the Council's Procurement Strategy;
 - Comply with the changes introduced following Brexit;
 - Examine and embed the considerations contained within the Governments Green Paper: Transforming Public Procurement, which seeks to speed up and simplify our procurement processes, place value for money at their heart, and unleash opportunities for small businesses, charities and social enterprises to innovate in public service delivery of such. Headline changes highlighted below are summarised by way of eight key areas of challenge and change delivered during the term of the Council new procurement strategy. Further detail, expansion and training linked to the headline changes below will be rolled out by central government (currently awaited):
 - Procurement that better meets the UK's needs:
 - Proposed general principles divided into principles and statutory objectives;
 - Proportionality to feature in drafting of specific regulations;
 - Need to consider implementation once legislation is passed e.g. new National Procurement Policy Statement;
 - Procurement Review Unit (PRU) to focus on systemic or institutional breaches – Will predominantly act on referrals or data from proposed digital platform;
 - A simpler regulatory framework:
 - Single, uniform framework – Sector-specific differences for utilities and defence procurement;
 - Familiar structure, application and scope;
 - Better navigation due to clear and simple language;
 - Using the right procurement procedures:
 - Existing procedures reduced to 3 modern procedures 1. Open procedure 2. Limited tendering procedure 3. Competitive flexible procedure;
 - Light Touch Regime will be retained – Scope of services to be reduced (?) – Need for greater procurement flexibility when buying essential services in certain areas e.g. social care and education;
 - Awarding the contract to the right supplier:

- MEAT to MAT transition – not limited to price or other economic criteria;
 - Award criteria can be unrelated to subject matter in specified circumstances (e.g. net zero, social value, modern slavery etc.
 - New exclusions framework – 5-year time limit – Central debarment list – Potential expansion of current exclusion grounds;
- Using the best commercial purchasing tools:
 - Dynamic Purchasing System Plus (DPS+) model renamed Dynamic Market – Available for all types of procurement – Two-stage procedure – procured via competitive flexible procedure;
 - Open and closed framework agreements – Possible to exceed maximum duration if publication of relevant justification in tender notice – The need to publish information relating to nature, scope and overall maximum estimated value of the contracts awarded under framework;
 - Charging suppliers when awarding a call-off;
 - Ensuring open and transparent contracting:
 - Transparency to be embedded by default throughout procurement lifecycle – but have taken account of concerns raised: – Value threshold of £2m before publication of redacted contracts – No debrief letters – No requirement to disclose tenders;
 - Introduction of a central digital platform – "Tell us once" approach – Importance of fully functional IT system;
 - Fair and fast challenges to procurement decisions:
 - Reform of Court processes – quicker, cheaper, more accessible – Written pleadings – Early and enhanced disclosure – Dedicated procurement judge;
 - Effective contract management:
 - Proposals for tackling payment delays – Guidance promised to provide clarity and further detail;
 - Regulation 72 provisions¹ to be made easier to navigate – New safe harbour for amendment of long-term contracts;
 - Mandatory publication of contract change notices;
- 2.2 The new strategy aims to (further) increase the profile of the procurement processes, procedures, principles, sustainability and protocols within the Council. They have recognised a need to heighten the requirements for the delivery of Social Value in support of the 'Public Services (Social Value) Act 2012 taking into consideration its potential impact on the local environment, and social wellbeing of the community.
- 2.3 The strategy identifies drivers for the successful delivery and builds on the need to simplify processes and seek to attract and increase spend with local service providers inclusive of small to medium enterprises, micro business and social enterprises inclusive of third sector providers. It examines the call for greater efficiencies, collaboration and sharing of services.
- 2.4 Sustainable Procurement is an important consideration when making procurement decisions. It ensures that we consider the environmental impact of procurement decisions. In committing to achieving these aims we will build on the:
- Promotion, and embed best practice for sustainable procurement across all service areas.

¹ Regulation 72 describes a number of changes that can be made to awarded public contracts without triggering a requirement to conduct a fresh tender process.

- Where appropriate, require our suppliers and contractors to reduce carbon and its impact on the delivery of goods, works and services. Recent examples have included high value contracts awarded as part of the Future High Streets and Town Deal Projects. Carbon reduction and net zero aspirations were included as part of the evaluation criteria, with all bids achieving maximum marks on evaluation of their submissions.
- As part of the work in requiring information from current and potential suppliers on how they will help us to progress our environmental objectives, your officers will look to engage with existing large to medium sized organisations currently delivering goods and services to the Council to understand their carbon reduction commitments. Officers will also engage with local partners and the Staffordshire Chambers of Commerce to assess how small to medium and micro organisations are adapting to the needs of carbon reduction.

Officers will explore (in line with the UK Government Procurement Policy Note (PPN) 06/21 – ‘Taking Account of Carbon Reduction Plans in the Procurement of Major Government Contracts’) the possibilities of introducing scalable environmental considerations and carbon reduction outcomes across its profile of contract spend on goods, works and services, which may include, but is not limited to:

- Contracts which have a direct impact on the environment in the delivery of the contract;
- Contracts which require the use of buildings by staff engaged in the delivery of the contract;
- Contracts which require the transportation of goods or people used in the delivery of the contract;
- Contracts that require the use of natural resources in the delivery of the contract.

Officers have also made a commitment to further explore the publication of the Local Government Association – Sustainable Procurement – Delivering Local Economic, Social and Environmental Priorities (Toolkit for commissioners, practitioners and contract managers), and look to utilise the toolkit where beneficial in support of delivering ‘sustainable procurement’ at the Borough Council.

3. **Proposal**

3.1 Cabinet reviewed, considered and approved the Borough Council’s Procurement Strategy and Action Plan 2022-25 at their December 2021 meeting.

4. **Reasons for Proposed Solution**

4.1 The proposed, Procurement Strategy seeks to:

- reflect best practice;
- identifies by way of the action plan further ongoing improvements;
- support in the simplification and standardisation of processes;
- identify the need to support officers undertaking procurement exercises on a regular basis and
- the continual requirements to identify and deliver savings, responding to the need to address the budget shortfalls identified by the Council as part of its medium term financial strategy.

4.2 The Procurement Strategy and its implementation identifies and demonstrates a willingness to improve procurement practices across the Council, leading to ongoing improvements in:

- service levels;

- increased efficiencies;
- sustainability and officer awareness of the ongoing changes in the public procurement.

5. **Option/s Considered**

5.1 To do nothing and continue to run with an outdated Procurement Strategy would have been detrimental to the authority as it would reflect on an inability to:

- respond to the ongoing need/s for change and continuous review;
- challenge and the identification of ongoing improvements and
- a continued need to support service/s throughout the Council.

6. **Legal and Statutory Implications**

6.1 There are no new legal or statutory implications, however the Procurement Strategy 2022-25 supports the work in embedding the requirements under the Public Contract Regulations (PCR) 2015, Public Services (Social Value) Act 2012, the Governments Green Paper 'Transforming Public Procurement' and the changes brought about by completion of BREXIT.

7. **Equality Impact Assessment**

7.1 All major procurement (high risk and high value) shall recognise the impact on the social, economic and environmental wellbeing within the Borough. We will strive to offer equality and diversity in all our procurement transactions. We will strive where practicable and possible to utilise local labour, materials and services. We will aim to support the growth in modern apprenticeships and the placement of trainees in industry and commerce.

8. **Financial and Resource Implications**

8.1 At this stage there are no direct financial and resource implications, however, where (and if) resource issues are identified as part of the implementation and delivery of the Procurement Strategy; these will be raised with the Head of Legal & Governance Services.

9. **Major Risks**

9.1 There are no major risks but areas of high risk can be summarised as follows:

- Failure to identify the financial support to the service.
- Failure to meet legislative requirements.
- Failure to identify key areas for improvement and savings.
- That the Council's corporate commitment and priorities are not delivered.
- Failure to provide efficient staff with skills, knowledge and capacity to support the delivery of appropriate procurement options.
- Failure to provide efficient staff capacity to support the assessment and delivery of new methods of service and to evaluate immature and emerging markets.
- Council fails to innovate and develop new methods of delivery.
- Failure to identify social value criteria at the early stages of the procurement cycle.
- Failure to identify the whole life costs of strategic procurements.
- Failure to contract manage.
- Failure to identify savings as part of both existing contracts and new procurements.

10. **UN Sustainable Development Goals and Climate Change Implications**

10.1 The Procurement Strategy 2022-25 and Action Plan seeks to support the following sustainable Development Goals and Climate Change Implications:



11. **Key Decision Information**

11.1 The revised Strategy and action plan supports the objective of ensuring the council commissions and procures fit for purpose services and supplies, and understands the market it seeks to influence and develop.

12. **Earlier Cabinet/Committee Resolutions**

12.1 This report aims to update the 'Finance Assets and Performance Scrutiny' committee following the publication of the 'Procurement Review' published in September 2021.

12.2 Cabinet approval of the Procurement Strategy and Action Plan 2022 -2025 on 1st December 2021 (decision reference A9).

13. **List of Appendices**

13.1 Appendix 1 – Procurement Strategy and Action Plan 2022 -2025

14. **Background Papers**

14.1 Green Paper: Transforming public procurement:

<https://www.gov.uk/government/consultations/green-paper-transforming-public-procurement>

14.2 'Procurement Review' published in September 2021.

The Borough Council of Newcastle-Under-Lyme

Procurement Strategy

2022 - 2025



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1 Introduction

- 1.1 The importance of effective procurement has never been greater for local government. The demand for public services is increasing, while resources are drastically reducing. The pressure to find greater efficiencies and improve productivity is driving councils to look for different ways to deliver better outcomes for local people.
- 1.2 This strategy sets out our vision for procurement and our priorities for the next 3 years to 2025, incorporating the latest government procurement legislation and initiatives, and the Council's priorities, aims and objectives. It is a statement of the procurement commitments of the Borough Council.
- 1.3 We aim to provide quality services that are responsive to the needs of our community and deliver optimum value for money. It is also important that the strategy reflects both our compliance obligations and our procurement aspirations.
- 1.4 Over the term of Borough Council's 'Medium Term Financial Strategy' we estimate spend in the region of £22.850m on goods, services across our general fund. This is a significant investment of public funds and we clearly have a responsibility to make sure this spending represents value for money.
- 1.5 A strategy by itself will not lead to effective procurement; it is the commitment of our Members, senior managers and staff carrying out procurement activity which is key to its success.

2 What Is Procurement?

- 2.1 Procurement is the process of acquiring goods, services and works, covering both acquisition from suppliers and in-house providers, inclusive of the adoption and integration of Corporate Social Responsibility (CSR) principles into procurement processes and decision. The process spans the whole cycle from identification of needs through to the end of a contract or the end of the useful life of an asset. It involves options appraisal and the critical 'make or buy' decision which may result in the provision of services in-house or through other supply arrangements.

3 Why Is Procurement Important?

- 3.1 The impact of procurement is far greater than just the definition of a 'process' and our vision, aims and objectives set out in this strategy detail the contribution that effective procurement arrangements can make to a range of socio-economic agendas. These include a successful local economy, a thriving voluntary sector, community empowerment, environmental, sustainable and ethical issues, and value for money.
- 3.2 Good procurement is essential to ensure good public services, from buying works, goods and services that work as they are supposed to, to achieving savings that can be reinvested in front-line services.
- 3.3 Local Government spends over £55 billion a year procuring a wide range of works, goods and services, from everyday items such as pens and paper, to major construction projects. All those who, as taxpayers and housing rent payers, use and fund public services have the right

to expect government to meet the highest professional standards when it procures on their behalf.

4 Our Vision for Procurement

- 4.1 Our vision for procurement over the term of this strategy is to demonstrate value for money through the effective procurement of goods, services and works on a whole life basis in terms of generating sustainable benefits to the community and Council, whilst minimising impacts to the environment.

5 Strategic Procurement Aims

- 5.1 Our strategic procurement aims are summarised as follows:

Showing Leadership

A more strategic approach to procurement should be at the heart of thinking for our councillors and decisions makers because procurement is not merely about ensuring compliance. There is an ever-growing need to engage with service leads and procurement representatives on high value, high risk procurements to drive innovation, generate savings and identify opportunities for income generation.

Behaving Commercially

We need to improve public sector commissioning and procurement to increase the effectiveness and efficiency of government. This means improving the skills of our leaders and managers, both members and officers, so their teams can design service provision, influence external parties, and shape and manage markets to get the best outcomes. This can be done by creating commercial opportunities, managing contracts and supplier relationships and risk management.

Delivering the Corporate Strategy and Service Priorities

It is important that we ensure procurement activity supports the delivery of the Borough Council's strategic and operational priorities, with relentless focus on value for money and financial performance, as well as wider strategic aims.

Achieving Community Benefits

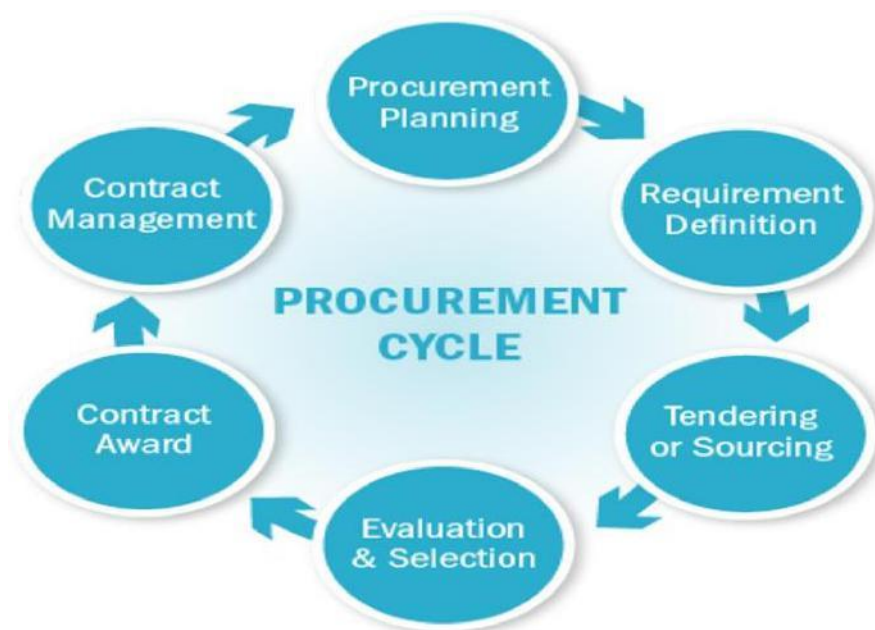
We can use procurement to achieve wider financial and non-financial outcomes, including improving the local economy, wellbeing of individuals and communities, social value and an improved sustainable environment.

- 5.2 The success of this strategy will depend on the implementation and effectiveness of the following key principles and actions:

- Political and management endorsement and support;
- Council-wide recognition of the importance of the role of procurement in delivering improvement and efficiency;
- Improved commercial awareness of those involved in procurement activities;
- Improved forward planning by service areas;

- Improved awareness of the benefits sustainable procurement has on climate change and carbon reduction;
- Adequate resourcing and prioritisation of projects;
- Adequate support from key internal functions throughout the procurement cycle;
- Continued development of procurement capacity and capability within services, and encouragement of continuous improvement;
- Identification, allocation and continuous management of risk;
- Management of performance shortfalls and adequate tools to tackle poor performance;
- Continuity of knowledge throughout the procurement phases and the delivery of regular and effective training.

6 The Procurement Cycle and Process



- 6.1 Effective procurement forms a continuous cycle of action and improvement, from identification of needs through to review of delivery and achievement of outcomes and includes procurement and contract management activity. The stages are interdependent – each stage builds on the previous ones. The outcome for the procurement exercise may not be known at the outset and this may result in a grant being awarded, provision remaining in-house or a fully tendered procurement.
- 6.2 This strategy is aimed at promoting effective procurement across all services and should be read in conjunction with our Contract Procedure Rules, Financial Regulations and the Council’s Sustainable Procurement Guidance 2022-25. During 2022 we will develop procurement guidance and training to support services and corporate procurement with the implementation of our procurement approach. All procurement activity is operated in a legal and professional manner with the highest standards of integrity, transparency, openness, accountability and fairness.
- 6.3 In the Government Green paper ‘Transforming Public Procurement’ published December 2020 there are proposals to reduce the number of procedures from the current seven to three:

❖ **Open Procedure** – any supplier may submit a bid for an advertised opportunity.

❖ **Limited Tendering Procedure** – This process is simply the ‘negotiated procedure without prior publication’ which has been renamed as the ‘limited tendering procedure.’ The application of this process would be the same, in that it is expected only to be used in cases of extreme urgency, or exceptional circumstances.

The Borough Council will need to document their analysis to demonstrate that their decisions are fully justified. The grounds for using the procedure will remain broadly unchanged from the current regulation 32 of the Public Contract Regulations which are summarised as follows:

- Absence of tenders or suitable tenders in an advertised procurement;
- Artistic reasons, technical reasons, or exclusive rights.
- Extreme urgency;
- For the purchase of research and development goods;
- Additional purchase of goods where a change in supplier would result in technical difficulties;
- Purchase of goods on commodity markets;
- Purchase of goods on advantageous terms due to winding up or bankruptcy;
- Design contests (will be removed as the procedure will cease to exist);
- Repetition of works and services in limited circumstances.

❖ **Competitive flexible procedure** – The competitive flexible procedure will give procurement staff maximum flexibility to design a procurement process that meets their needs and the needs of the market. This new procedure would replace five of the existing procedures: restricted, competitive dialogue, competitive procedure with negotiation, innovation partnerships and design contests.

The procedure introduces much greater flexibility within a single process. It will allow buyers to build in stages of negotiation and deploy modern commercial tools such as reverse auctions. The procedure would be suitable for a wide range of procurements including:

- simple requirements where an initial selection stage is needed to limit the number of bidders, for example, to meet specific technical requirements to bid.
- for complex requirements where negotiations with bidders would be beneficial in helping them understand the requirements and/or in delivering better value for money and innovation;
- for procurements where the Borough Council may not want to limit the field through an initial selection stage without first evaluating the product, technology or software being offered; this would be particularly useful where a prototype or other practical demonstration is required;
- for procuring innovative products or services using a phased approach to develop the solution(s).

The competitive flexible procedure is aimed at being a dynamic tool that can be used to deliver everything from a straightforward ‘restricted’ process to a more complicated, and multi-stage ‘competitive dialogue’.

❖ **Framework Agreements** – a framework agreement is a particular type of contract where a council or buying organisation establishes an arrangement where a number of suppliers are accepted as competent to deliver the service and the framework specifies the terms for awarding specific contracts as required. Contracts obtained from a framework are called

call-offs and the framework specifies the terms of call-offs, such as awarding directly to a single supplier or through a mini (further)-competition with (normally) all suppliers listed on the framework. The restrictions on framework agreements are that they cannot exceed four years and the terms of a contract cannot be varied substantially from what is set out in the framework. Only authorities clearly identified as part of the framework can award contracts, though the contracts awarded can last longer than the framework itself.

❖ **Dynamic Purchasing System (DPS)** – a DPS is like a framework agreement, but it allows new suppliers to be added as potential suppliers over the duration of the arrangement and there is no limit on its application.

- 6.4 The Borough Council’s procurement activity covers a range goods, services and works. Services have a mix of specific and aligned requirements for the procurement of Goods, Services and Works contracts. Each requiring an amount of specialist commercial and procurement knowledge to ensure procurement exercises are prepared and executed compliant with local and national rules regulations and governance.
- 6.5 We will look to consider the costs of procurement when designing processes and considering the most appropriate procurement approach. The Council recognises the importance of electronic procurement (eProcurement) in delivering lower transaction costs, and we will look to optimise this approach whilst ensuring supplier groups (e.g. the voluntary sector) are not disadvantaged.
- 6.6 There remains the opportunity to consider the use of purchasing cards where and if appropriate, this should enable officers to reduce transaction costs particularly for high volume, low value and ad-hoc purchases, but must be accompanied by the introduction of a suitable Borough Council Purchasing Card Policy.

7 Legislation

- 7.1 Public procurement is a highly regulated environment governed by legislation and policies set by the UK government, nationally through statute and case law and locally by the Council’s Constitution, and other Council plans and policies. These are set out in Appendix 1.

8 Governance, Structure and Responsibilities

- 8.1 The National Procurement Strategy recommends that local authorities demonstrate political and senior officer leadership of procurement. Summarised below are the roles and responsibilities for the Borough Council.

Key Area – Engaging Senior Managers				
Refers to the corporate management team valuing and benefiting from procurement and commercial at all stages of decision-making, including early advice on major projects.				
Importance: Good procurement and commercial understanding (wherever possible, provided in-house or shared between councils) can have a decisive impact on the outcome of a project, particularly one involving innovation. It is important that senior managers engage with procurement and commercial issues from the earliest stages of the project.				
Minimum	Developing	Mature	Leader	Innovator

Senior Management regard procurement and commercial issues as purely operational matters.	The council is exploring the best approach to obtaining procurement and commercial input into decision-making.	Senior managers engaged with procurement and commercial issues, routinely taking advice at key decision points.	Council demonstrating better results from early procurement and commercial advice on projects.	Council procurement and commercial advice valued by leaders of combined authority/group of council's projects or in connection with an innovative project.
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(Source: National Procurement strategy)

8.2 Outlined below are the roles and responsibilities for procurement within the Borough Council of Newcastle-under-Lyme.

Members' roles in procurement

8.3 The Cabinet Member for Finance, Town Centre's & Growth – Deputy Leader has a responsible for overseeing procurement activity in procurements that are key decisions as set out in the Borough Council's Constitution.

- The Cabinet is responsible for approving the Council's Procurement Strategy.
- Statutory Officers Group is responsible for monitoring compliance with the Contract Procedure Rules, holding Heads of Service to account.
- Procurement activity requiring more detailed member involvement includes:
 - Making key decisions in the procurement process for major projects.
 - Where a new service or a substantially varied service is being considered.
 - High public interest.
 - Significant reputational or financial risk.
 - Significant risk of failing to meet legislative requirements.

Executive Management Team

8.4 The Chief Executive and Executive Managers are responsible for:

- Management of the strategy and to review progress against the implementation of the actions.
- Strategic leadership and governance of procurement.
- Ensuring the Procurement Strategy aligns with corporate objectives.
- Overseeing the arrangements for procurement and to ensure they are operating effectively.
- Ensuring value for money and risk management are considered as part of any procurement activity.
- Ensuring equality and sustainability are considered at each stage of the procurement process.

Operational Managers and Other Relevant Staff

8.5 Heads of Service, Business Managers, project managers, corporate purchasing and their support staff are responsible as part of a devolved structure, for:

- Each relevant Head of Service and Business manager is responsible for ensuring that the

staff in their areas have the right level of skills to deliver effective procurement, and will also monitor all procurement activity in their services.

- For specific, high risk, complex and higher value contracts, project teams may be formed to ensure that technical, legal and commercial issues are considered, using the Borough Council's appropriate project management framework.
- It is the responsibility of the relevant Business Manager / Contract / Project Manager to identify and develop business requirements and ensure adequate budget is in place or obtained in line with the Borough Council's Financial Procedure Rules.
- It is the responsibility of the relevant Business Manager / Contract / Project Manager to seek the support of the Borough Council's legal team in a timely manner to ensure that formal contracts are available for exchange at the award stage of the procurement process. This includes but not limited to a review of any call off terms when utilising a compliant framework.
- Staff involved directly with the purchase of goods, services and works must ensure they comply with this strategy, the Public Procurement Regulations 2015, and the Council's Contract Procedure Rules and Financial Procedure Rules.
- Conducting relationships with suppliers and the Council in an ethical and appropriate manner to ensure they promote their employer in a positive way.
- Obtaining appropriate approval to proceed with a procurement exercise, ensuring adequate approved budget provision is in place.
- Preparing and developing the scope and specification (inclusive of sustainability and carbon reduction as part) of the purchasing requirement, working with corporate procurement for advice and guidance where necessary, to ensure the scope and specification is not written to favour any one business or group of companies.
- It is incumbent on the council to ensure all contracts clearly state the roles and responsibilities of both the Council and Supplier imposed on them by the General Data Protection Regulation 2016 and the Data Protection Act 2018 in relation to the basis on which we process the personal data we collect.

Corporate Procurement

8.6 The duties of corporate procurement are to maintain procurement guidance in line with best practice, and to monitor procurement activity across the Council, including:

- Coordinating this procurement strategy on behalf of the Borough Council, and leading on the implementation of the procurement aims.
- Providing assistance and advice to contract owners in the control and management of contracts.
- Development and maintenance of procurement documentation and web pages to publicise procurement processes, information and advice to potential suppliers and staff; to comply with transparency requirements.
- Development of modern and efficient procurement processes to deliver savings in transactional processes.
- Providing assistance to contract owners in the planning and co-ordination of improvement of current contracts, business continuity, exit strategies and where applicable post contract appraisals and reviews.
- Ensuring the procurement process eliminates the potential for fraud and favoritism towards any supplier.
- Supplier analysis to identify supplier base, spend per supplier, spend per service / activity.
- Coordinate and monitor the Council Contracts Register and Procurement Pipeline to allow

- improved advanced planning for procurement and contract management activity.
- Facilitating and supporting the embedding of sustainable procurement as part of officer decisions.
 - Organising training for staff, to include specific procurement training, induction and Contract Procedure Rules, and use of the procurement portal and related processes.

9 Value for Money (VFM)

- 9.1 Value for money does not mean the lowest cost. There are many aspects to achieving VFM through the procurement process; mainly to select a procurement model that is proportionate to the value and risk of individual contracts.
- 9.2 It also requires a proportionate approach to the evaluation of cost and quality; where the costs can be broadly predetermined there will be a higher weighting towards quality.
- 9.3 VFM is not just about price, there are a wide range of other considerations that may be taken into account when assessing VFM, including for example, quality relevant and appropriate to the specifics of the contract; social value in terms of community experience and outcomes and whole life value.

10 Social Value

- 10.1 The Public Services (Social Value) Act 2012 requires us to consider how the services we procure might improve the economic, social and environmental well-being of the area. It is defined as improving economic, social and environmental wellbeing from public sector contracts over and above the delivery of the services directly required at no extra cost. Used properly, additional social value can be beneficial to both suppliers and councils and represent a joint effort to exploit maximum value from procurement.
- 10.2 Our Social Value in Procurement Policy Statement is attached at Appendix 2 and sets out our approach to ensure that all resources are used wisely and that we protect and enhance the economy and environment whilst ensuring the efficient use of resources and delivery of value for money.

11 Sustainable Procurement

- 11.1 Sustainability is an important consideration when making procurement decisions. It ensures that we consider the environmental impact of procurement decisions.
- 11.2 We are committed to making our spending decisions in a way that delivers both value for money on a whole life cycle basis, and achieving wider economic, social and environmental benefits. The Council's sustainable procurement policy structure will support and enable progress towards the Council's vision for the borough to be Carbon Neutral by 2030.
- 11.3 We are committed to achieving these aims and we will:
- Promote and embed best practice for sustainable procurement across all service areas.
 - Where appropriate, require our suppliers and contractors to reduce the impact of goods, works and services by considering whole life costs; and the carbon impacts associated with goods works and services.
 - Require information from potential suppliers on how they will help us to progress our

environmental objectives as part of the delivery of a contract.

- Regularly review consumption of goods and services, especially those that have specific impact on the environment, and take measures to prioritise alternative recycled methods and materials that are non-polluting and environmentally friendly.
- Ensure that, where appropriate and allowable, sustainability criteria are part of the supplier evaluation process and are used in the award of contracts. Such factors might include the carbon footprint being a measure of the impact the Council activities have on the amount of carbon dioxide (CO₂) produced through the burning of fossil fuels, inclusive of supply streams associated with the provision of goods and services the Council consumes and uses.
- Utilise where necessary the Building Research Establishment Environmental Assessment Method (BREEAM) as appropriate to deliver sustainable construction, refurbishment and maintenance projects, whilst considering viability and affordability.
- Under the biodiversity duty, which is part of the Natural Environment and Rural Communities Act, public authorities must show regard for conserving biodiversity in all their actions. A public authority can be: a local authority or a local planning authority.
The Borough Council will fulfil obligations under the Biodiversity duty as part of our Corporate Biodiversity requirements.

11.4 The Council in line with the UK Government Procurement Policy Note (PPN) 06/21 – ‘Taking Account of Carbon Reduction Plans in the Procurement of Major Government Contracts’ will look to the need that environmental considerations and carbon reduction will be a factor. The Council will look to its providers as part of relevant future contracts for the provision of their Carbon Reduction Plan. This may include, but is not limited to:

- Contracts which have a direct impact on the environment in the delivery of the contract;
- Contracts which require the use of buildings by staff engaged in the delivery of the contract;
- Contracts which require the transportation of goods or people used in the delivery of the contract;
- Contracts which require the use of natural resources in the delivery of the contract.

11.5 Following the publication of the Local Government Association – Sustainable Procurement – Delivering Local Economic, Social and Environmental Priorities (Toolkit for commissioners, practitioners and contract managers), officers will look to utilise the toolkit in support of delivering ‘sustainable procurement’ at the Borough Council.

The toolkit is intended for all councils and may be navigated to suit particular roles and requirements. It is designed to highlight key principles which all relevant stakeholders should apply, together with some detail on specific environmental and social topics.

12 Supporting the Local Economy

12.1 We recognise that there are significant advantages of engaging with small local businesses, for both the Borough Council and the local economy. We are committed to using procurement processes that ensure such businesses, trades and suppliers – including Small or Medium-size Enterprises (SME’s) and Micro Enterprises (ME’s) – have at least equal if not enhanced access to council procurement opportunities.

12.2 All procurement activity will aim to benefit the local economy and employment opportunities for local residents wherever possible and allowed to. We will encourage local businesses to actively participate in our procurement opportunities. Corporate procurement will jointly (with

neighbouring authorities) through local events such as 'Meet the Buyers' meetings assist local SME's and Sole Traders with any queries and issues they may have regarding our tendering process to help simplify them where possible.

13 Ethical Procurement

13.1 Ethical procurement considers the impact of environmental, sustainable, economic and social factors along with price and quality. We must be aware and look out for signs of unacceptable practices in the supply chain such as modern slavery, fraud and corruption.

13.2 The Council has an opportunity to influence the equality agenda with suppliers through its procurement processes. The Council is committed to ensuring that major suppliers and contractors have established equality and diversity values and policies, and work constructively work to implement these. To achieve this, the Borough Council will:

- Ensure our appointed contractors share, and help deliver, equality objectives;
- Look to develop ways to monitor the equality performance of our key suppliers and provide assistance if and where required.

13.3 The Council will ensure through its procurement processes that all its suppliers comply fully with the Modern Slavery Act 2015 wherever it applies. Further to this we will:

- Challenge any abnormally low-cost tenders to ensure they do not rely upon any potential contractor practicing modern slavery.
- Publicise our whistle-blowing system for staff to blow the whistle on any suspected examples of modern slavery.
- Require our contractors to adopt a whistle-blowing policy which enables their staff to blow the whistle on any suspected examples of modern slavery.
- Regularly review our contracted spending to identify any potential issues with modern slavery.
- Highlight to our suppliers any risks identified concerning modern slavery and refer them to the relevant agencies to be addressed.
- Refer for investigation via the National Crime Agency's national referral mechanism any of our contractors identified as a cause for concern regarding modern slavery.

13.4 Any supplier awarded a contract who later is found to be or has been in breach of the Modern Slavery Act 2015 may have their contract terminated.

13.5 The Council will ensure that appropriate contracts include provisions for crime and disorder reduction and that procurement arrangements do not have an adverse impact on community safety issues.

13.6 The Council will ensure that effective health and safety mechanisms are in place through our procurement practice and our suppliers.

14 Management of Risk

14.1 Risk management is an integral part of a procurement process and must be considered at the planning stage of any procurement process. We will identify the risks associated with all major procurement activity and the contingencies for service disruption in each project and how these are to be mitigated and managed.

14.2 For any high financial value, high risk or high profile procurement and which also involves significant risk including staff transfer; or significant potential for reputational or financial risks we will utilise the Borough Council's established project management methodology throughout a project's life to ensure it delivers the project objectives and outcomes. Risks and issues register(s) relating to the procurement will be set up and regularly monitored by the project team.

15 Managing Contracts and Supplier Relationships

15.1 Contract and relationship management refers to the effective management and control of contracts from their planning inception until their completion by the appointed contractor(s). It covers the supported policies, procedures and systems needed to undertake it, together with broader issues from the identification and minimisation of risk, successful and timely delivery of outcomes and performance, effective control of cost and variations, and the maintenance of clear communications and operational relationships with contractors.

15.2 Heads of Service & their Business Managers will act as contract managers and are responsible for, and will be proactive in relation to, managing contracts and performance in order to ensure that positive output and outcomes are maximised, cost variations are minimised and any issues in relation to the delivery of the contract are appropriately addressed at the earliest opportunity.

16 Business Continuity

16.1 Business continuity is the process of preparing for and responding to a disaster, event or situation that could have a serious impact on the delivery of services. For high risk procurements the suppliers will be required to submit a business continuity plan as part of the tender submission. All key suppliers will be required as part of (longer term – two or more years) contract management to provide an annual update of their business continuity plans. This is the responsibility of Heads of Service & their Business Managers, and will be monitored for compliance by corporate procurement.

17 Measuring Performance

17.1 During 2022 we will develop key performance measures to enable effective monitoring of the strategy and procurement practices. This may include:

- Procurement savings targets, to be developed in support of the financial strategy;
- Value for money benchmarking;
- Compliance with policy and procedures such as PO compliance, number/proportion of exemptions and waivers, compliance with approval delegations, bypassing contract tendering thresholds.

Legislation, Council policy and procedure rules relating to procurement

Public procurement is a highly regulated environment governed by legislation and policies set by the UK government, nationally through statute and case law and locally by the Council's Constitution, and other Council plans and policies. These are listed below:

UK Procurement Directives and Public Contract Regulations (PCR) 2015

The Brexit transition period concluded on 1 January 2021. This means the UK is no longer a member of the EU, and is now a member of the World Trade Organisation's (WTO) Government Procurement Agreement (GPA).

- From 1 January 2021, the new e-tender service 'Find a Tender' replaced the Official Journal of the European Union in the UK for above threshold tenders.
- The existing UK government portals – Contracts Finder, Public Contracts Scotland, Sell2Wales and eTendersNI – will remain in operation and will be unchanged.

The Public Contracts Regulations 2015 came into force in February 2015. Failure to adhere to The Public Contracts Regulations 2015 can result in the Council becoming subject to Court action or enforcement action, with potentially significant financial and reputational damage.

<https://www.legislation.gov.uk/ukxi/2015/102/contents/made> **Local**

Government Transparency Code 2015

The Transparency Code requires the Council to publish details of every invitation to tender for contracts with a value that exceeds £5,000. We must also publish details of any contracts, commissioned activity, purchase order, framework agreement or any other legally enforceable agreement with a value that exceeds £5,000.

<https://www.gov.uk/government/publications/local-government-transparency-code-2015>

The Public Services (Social Value) Act 2012

This act places a duty on local authorities, at the 'pre-procurement' phase of procuring services to consider how and what is being procured might improve the economic, social and environmental well-being in their community; and how they might secure that improvement in the procurement process itself as long as such action is relevant to what is being procured, and is considered to be proportionate. This applies to all public services contracts with only an element of goods or works. It does not apply to public works contracts or public supply (goods) contracts.

<https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources>

Community Right to Challenge (Localism) Act 2012

This act enables “relevant bodies”, for example voluntary and community groups, employees or Parish Councils, to challenge to take over local services that they think they can run differently or better. The right enables a relevant body to submit an expression of interest (EOI) to a relevant authority to provide or assist in providing a relevant service.

<https://www.gov.uk/government/publications/community-right-to-challenge-statutoryguidance>

Freedom of Information Act 2000

This act provides people with the right to access to information held by public bodies. This with the government’s transparency agenda has consequences for those contracting with the partners where the financial details of contracts awarded may be made public.

<https://www.legislation.gov.uk/ukpga/2000/36/contents> **Data**

Protection Legislation

The General Data Protection Regulation 2016 and the Data Protection Act 2018 sets out the basis on which we process the personal data we collect. Any contract must clearly set out the roles and responsibilities of the council and the contractor, and require the contractor to comply with Data Protection legislation and indemnify the council against any claim.

<https://www.legislation.gov.uk/ukpga/2018/12/contents/enacted>

Contract Procedure Rules, Financial Procedure Rules and Scheme of Delegation

As part of its corporate governance arrangements the Council must ensure that there are adequate controls, procedures and standard documentation in place to satisfy the need to meet probity, propriety and transparency tests. The Contract Procedure Rules, Financial Regulations and Scheme of Delegation fulfil this requirement and they are part of the approved Constitution. They must be observed by both Members and Officers within the procurement process.

Other Council plans and policies

The Council’s procurement strategy is aligned to the commitments made in other Council plans and policies:

- Annual Plan
- Sustainable Environment Strategy and Action Plan
- Risk Management strategy
- Medium Term Financial Strategy
- Capital Strategy
- Assets Management Strategy

Social Value in Procurement Policy Statement

Introduction

As revitalisation and growth takes place we will support and encourage local procurement activity, to help small businesses and social enterprises to access larger customers and encourage large organisations in the public and private sectors to develop local supply chains. As well as helping business survival and growth this activity will provide employment opportunities for local people, thus supporting inclusion. We will encourage social value to be incorporated into local procurement activity, with the inclusion of local authority contracts and spend.

This policy statement outlines the approach that will be taken in order to ensure that all resources are used wisely, that we protect and enhance the environment whilst ensuring the efficient use of resources and delivery of value for money.

There is no 'one size fits all' model for achieving social value, it is an area where we are learning about how best to achieve and evidence it. This policy will continue to be informed by national developments and our own learning.

What is Social Value?

The Public Services (Social Value) Act 2012 requires us to consider how the services we procure might improve the economic, social and environmental well-being of the area. It is defined as improving economic, social and environmental wellbeing from public sector contracts over and above the delivery of the services directly required at no extra cost. Used properly, additional social value can be beneficial to both suppliers and councils and represent a joint effort to exploit maximum value from procurement.

Definitions of Economic, Social and Environmental Outcomes

Economic outcomes: providing contributions to the local economy and economic growth that supports social outcomes. Retaining, re-circulating and leveraging funds in local areas – a wider contribution to skills, tackling unemployment and maintaining employment.

Social outcomes: contributing to a vibrant and healthy community. Community based actions. Equality, diversity, cohesion and inclusion – local relationships, partnerships and people.

Environmental outcomes: relate to protecting, promoting and enhancing the environment. Supporting local activities to improve the environment.

Aims of the Policy

We aim to ensure that our expenditure is utilised in ways that most benefit our local communities. We will:

- Encourage a diverse base of suppliers: Promoting supplier diversity; including the participation of SME's and 3rd sector organisations, and local suppliers in general.
- Promoting fair employment practices: Ensuring workforce equality and diversity in supply chains.

- Community Benefits: Maximising opportunities for local organisations to participate in our supply chains and encouraging suppliers to make a social contribution to the local area.
- Ethical sourcing practices: Ensuring compliance with UK, EU and international standards, promoting fair trade and fair pricing policies, tackling corruption and compliance with the Modern Slavery Act.
- Promoting greater environmental sustainability: Minimising waste and pollution, supporting carbon reduction initiatives, include Carbon Neutral Borough 2030 and Single Use Plastic, furthering energy efficiency and other sustainability programmes.
- Improving council economic sustainability: Engaging businesses in delivery of additional social value will have a range of direct and indirect economic benefits to the Council. This includes improving viability of SMEs in the borough, providing additional support to third party providers to ensure better community benefits, and resulting in the eventual reduction in costs to the Council of providing services.
- Encouraging participation: Engaging and encouraging user and employee involvement in service design and delivery.

1. ORGANISATION

Ensure we maintain corporate support and establish a long term commitment from both members and officers at all levels to improve the profile of Procurement within the Borough of Newcastle-under-Lyme. We will review any shortfalls and continue to focus on the objectives that support the National Procurement Strategy for local government and the Borough Council's strategic priorities, to realise economic social and environmental benefits for Newcastle-under-Lyme.

Position Statement	Key task and or issue/s	Objectives	Timescales	Lead Officer
1.1 Requirement to draft a new procurement strategy for 2022 -25.	Current procurement strategy and action plan ends in December 2021.	Draft new procurement strategy incorporating:	October 2021	CP
1.2 The Procurement Strategy once approved is adopted and endorsed by members and officers at all levels.	Procurement Strategy should be embedded in all major procurement decisions.	To communicate and ensure Corporate recognition for procurement practices and procedures.	Cabinet by November 2022	EMT/ CP

2. PARTNERSHIPS, COLLABORATION & FRAMEWORK AGREEMENTS

Deliver consistent and better quality services that meet the identified needs of individuals and groups within the Borough of Newcastle-under-Lyme and develop mixed economy, through strategic partnerships, framework agreements and collaboration with a range of public, private and voluntary suppliers.

Position Statement	Key task and or issue/s	Objectives	Timescales	Lead Officer
2.1 Corporate procurement continue to work with the Newcastle Partnerships team to identify commissioning opportunities, manage and monitor spend, and support ongoing contract management.	Ongoing opportunities to share and participate in procurement and collaboration work streams both internally and externally.	Deliver opportunities for market engagement, commissioning and procurement compliance from standardised processes and ongoing contract management.	Throughout the term of the procurement strategy.	NPM / CP
2.2 The Council has and continues to be willing to participate in partnerships (from both a commissioning and procurement perspective) with neighbouring Councils, Partners and Voluntary	Identification of project areas and like spend offering suitable partnering opportunities. Partnerships require commitment from both parties to manage and negotiate effectively.	To continue to work with existing partners & identify new resourceful partnership groups developing beneficial services. Participation in regional commissioning and procurement group activity, explore opportunities for partnership sourcing and collaboration where	Throughout the term of the procurement strategy.	NPM / CP

Sector Organisations.	A range of Voluntary Sector Bodies exist within the local community, explore how we promote and utilise these as part of commissioning and procurement processes.	beneficial to all stakeholders alike. Understand the range of voluntary services available, the best fit within the Council and promote such services within the appropriate directorate.	Throughout the term of the procurement strategy. Throughout the term of the procurement strategy.	NPM / NC&LP / CP
2.3 The Council is party to various framework agreements.	Continue to investigate and identify additional potential areas of spend that might benefit from the use of compliant framework agreements.	To explore the feasibility of using new framework agreements. To identify the potential costs, benefits and savings in using such frameworks. Explore opportunities for greater collaboration with both partner organisations and neighbouring Councils from both a commissioning and procurement perspective.	Ongoing throughout the term of the procurement strategy.	NPM / NC&LP / CP

3. PROCUREMENT MANAGEMENT INFORMATION

Ensure we have a robust financial system forming a solid platform for future innovation. Maximise the cost effectiveness of Best Practice Procurement Processes by minimising administrative processes in a consistent manner and so adding value across the Council.

Position Statement	Key Issues	Objectives	Timescales	Lead Officer
3.1 Contract information currently disparate and requires significant officer time to maintain.	Contracts register/data base is time intensive to update and maintain and does not offer timely alerts where contracts are due for review, expiry and/or require renewal.	Explore, identify and cost possible supportive software to address the key issues identified.	March 2022	CP / HF&S1510

4. VALUE FOR MONEY

To ensure and maintain a procurement process that is clear and focused in the first instance on achieving value for money.

Position Statement	Key Issues	Objectives	Timescales	Lead Officer
4.1 The Borough Council can ensure value for money by the application of controls and consistent standards across the authority.	The Council is experiencing a wide range of changes as part of the 'One Council' programme which will have a likely to impact on the number and range of officers supporting future procurements, identifying specific training and simplification of processes.	To ensure that procurement is appropriately managed in a legal, ethical and transparent manner, whilst embodying the Council's core values.	June 2022	CP / HLGS
4.2 Corporate procurement provides a range of services from advice to undertaking the full procurement process to Departments requiring Goods and Services specific to their profession.	Consistency is required in terms of corporate standards and approach to procurement. Corporate procurement resources are finite and will be involved particularly in Strategic projects or those that are professionally challenging. Each financial year a schedule of projects will be established and agreed, accepting that this is fluid.	To ensure that procurement resources are deployed effectively and that systems are in place to deliver value for money.	Ongoing throughout the term of the procurement strategy.	CP / HLGS
4.3 The cost of goods, services and works includes the supplier selection, acquisition, contract management and all life cycle costs. By reviewing strategic procurement, the Council will be in a position of greater strength and reduce process costs.	The Council must consider how best to rationalise suppliers and therefore reduce processing costs. Central corporate contracts should offer a variety of strategic benefits, but must be managed carefully. Opportunities to take advantage of the Council purchasing leverage and that of collaborative purchases should not be missed.	To reduce the cost of the procurement process and obtain Best Value on all procured goods, works and services.	Ongoing throughout the term of the procurement strategy.	CP / HoS / BM

5. SUPPLIER DEVELOPMENT

Promote Newcastle-under-Lyme as a preferred customer. Focus on supplier development, supply chain management and promote the opportunity for businesses and SME's to trade with the Council.

Position Statement	Key Issues	Objectives	Timescales	Lead Officer



<p>5.1 We recognise that there are significant advantages of engaging with small local businesses, for both the Borough Council and the local economy.</p>	<p>Many Small or Medium-size Enterprises (SME's), Micro Enterprises (ME's) or Social Enterprises (SE) often do not understand the public sector system or documents.</p>	<p>We are committed to using procurement processes that ensure such businesses, trades and suppliers – including SME's, ME's and SE – have at least equal if not enhanced access to council procurement opportunities.</p> <p>Following a review of the Council's standard procurement documents and templates, look to simplify and publish to support greater engagement by SME's, ME's and SE.</p> <p>Consider the introduction of help and advice sessions, Meet the Buyer, or pre-clarification meetings with potential bidders.</p>	<p>Ongoing throughout the term of the procurement strategy and linked to relevant procurement exercises.</p>	<p>CP / HoS / BM / BDO</p>
<p>5.2 Compliance, openness and transparency is aimed at creating a level playing field for any compliant and relatively skilled bidder as part of the Council's procurement processes.</p>	<p>The level of contracts / spend with local providers (within the Borough) is low and accounts (2020/21) for only 6.3% of the Council's total spend.</p>	<p>To explore and identify opportunities of increasing the level of spend with local SME's, ME's and SE which might include:</p> <ul style="list-style-type: none"> • Possible use of dynamic purchasing systems; • Re-introduction of preferred local supplier lists for a range of low value category spend; • Senior management agreement to allow (where possible) for low value spend to be targeted to local providers; • Improved notification of Council low value contract opportunities. 	<p>Ongoing throughout the term of the procurement strategy and linked to relevant procurement exercises.</p>	<p>CP / HoS / BM</p>

6. MODERNISATION OF PROCUREMENT & COMMERCIALISATION

Seek innovation and new approaches across both internal and external environments to achieve continuous improvement.

Position Statement	Key Issues	Objectives	Timescales	Lead Officer
<p>6.1 Develop a more commercially focused procurement culture.</p>	<p>Officer focus on traditional transactional procurement.</p>	<p>Share and take advantage of the expertise of others, working to identify future opportunities for new income streams and possible savings linked to selected procurement exercises.</p>	<p>Ongoing throughout the term of the procurement strategy.</p>	<p>CP</p>

Enabling innovation.	Encourage a culture where competition and innovation may offer wider benefits.	Look for and where possible embrace opportunities for income generation within the Borough Council's contracts.	Ongoing throughout the term of the procurement strategy.	EMT / CP
6.3 Encourage and allow preliminary market consultation between buyers and suppliers, which should facilitate better specifications, better outcomes and shorter procurement times	Training, development of documentation, market engagement, publication of prior information notices (where permissible).	To stimulate market interest in Borough Council contracts and encourage supplier engagement.	Ongoing throughout the term of the procurement strategy and linked to relevant procurement exercises.	CP / HoS / BM
6.4 Delivering sustainable procurement initiatives and considering the environmental impact of procurement decisions in line with Council's vision for the borough to be Carbon Neutral by 2030.	Require our suppliers and contractors to reduce the impact of goods, works and services by considering whole life costs; and the carbon impacts, footprints associated with goods works and services provided on behalf of the Council.	Ensure where appropriate and allowable, sustainability criteria are part of the supplier evaluation process and are used in the award of contracts. Such factors might include the carbon footprint being a measure of the impact the Council activities have on the amount of carbon dioxide (CO2) produced through the burning of fossil fuels, inclusive of supply streams associated with the provision of goods and services the Council consumes and uses.	Ongoing throughout the term of the procurement strategy and linked to relevant procurement exercises.	CP / HoS / BM

7. CONTROLS, STANDARDS AND MANAGEMENT OF RISK

Ensure compliance with Councils Contract Procedure Rules, Financial Regulations and relevant Legislation, covering procurement and contracting.

Position Statement	Key Issues	Objectives	Timescales	Lead Officer
7.1 Council Contract Procedure Rules exist to provide compliance and provide direction for officers across the Council.	Ongoing reviews and updates are undertaken and changes communicated to HoS & BM however by its nature the procedure rules contain a considerable amount of detail which need to be	<ul style="list-style-type: none"> Continue to review, update and simplify where possible; Publish in a more focused manner e.g. by section; 	Annual reviews and updates are undertaken.	CP / HoS / BM

	provided to officers in a more manageable application.	<ul style="list-style-type: none"> Identify key common areas/subject matter for officers undertaken regular procurement and publish/communicate; Identify with HoS & BM their key staff involved in procurement, determine any shortfalls in knowledge and provide training/familiarisation with the rules. 		
7.2 Ensure that risk is appropriately managed.	Procurement remains legal, ethical and transparent. Risk and value of strategic high value high risk procurements should be mapped and monitored.	<ul style="list-style-type: none"> Encourage transparent and equitable procurement process – via audit, publication of policies and appropriate training. Look to improve risk management and contract management in strategic high value high risk procurements by the introduction of guidance developed from work on the risk management strategy. In particular, that risk assessment is included from the start of procurement and contracting processes. 	Ongoing throughout the term of the procurement strategy. May 2022	CP / HoS / BM CP / RMO
7.3 Documentation in support of all procurement processes are standardised and are accessible to all officers involved in undertaking and delivering procurement projects.	Concerns raised on the relevance of the content of such documents and a reluctance by officers to use such or modify accordingly. An external independent third party review will be undertaken of the Borough Council's standard templates.	The aim of the third party review is to further standardise the fleet of Council templates, where possible simplify and establish training in support of their use.	June 2022	CP / HLGS

8. PERFORMANCE MANAGEMENT

Create, implement and monitor Key Performance Indicators to highlight continuous improvement and performance benefits against targets within the authority.

Position Statement	Key Issues	Objectives	Timescales	Lead Officer
8.1 Not all procurements at £25,000 and above are supported by the publication of a contract notice and	None compliance with Public Contract Regulations 2015. There is an expectation if recommendation contained	Re-publish the requirements for the need for the formal publication and closure of contract notices on the Contracts Finder website.	January 2022	CP / HoS / BM

subsequent contract award notice on the Contracts Finder website.	in the Governments Green paper 'Transforming Public Procurement' that monitoring and reporting requirements will increase.	Monitor and report the number of non-compliances. Monitor the outcomes and reporting requirements of Governments Green paper and support the dissemination of requirements and subsequent compliant reporting.		
8.2 The Council has experienced an increase in officer requests for exceptions to Council contract procedure rules.	Not all requests are completed correctly and compliantly in that they do not always provide for example appropriate clauses in relation	To further formalise, ensure compliance and monitor the volume of exceptions to Council contract procedure rules being requested.	February 2022	CP
8.3 The percentage spend with local provider remains low.	Opportunities in supporting local businesses (SME's, ME's and SE) are being missed as is the support in maintaining the local pound within the borough and improving Social Value.	To explore and identify opportunities of increasing the level of spend with local SME's, ME's and SE which might include as covered in 5.2 above.	Ongoing throughout the term of the procurement strategy.	CP / HoS / BM
8.4 Strategic contract monitoring and tender compliance to the Council's specification/s of requirements are monitored and reviewed by relevant client officers / services areas.	There is no internally published overview of annual performance of the Borough Council s strategic high risk, high value contracts and suppliers.	Seek to introduce an annual review of strategic high risk, high value contracts providing an overview of delivery against the Council's specification of requirements reported against a red, amber, green rating.	Annually throughout the term of the procurement strategy.	CP / HoS / BM

9. TRAINING

Develop procurement skills across the organisation to support the implementation of procurement policy and strategy.

Position Statement	Key Issues	Objectives	Timescales	Lead Officer
9.1 As part of the Council's devolved procurement structure there are a number of officers engaged in either delivering and/or supporting the procurement of Goods, Works, and	Officers need the appropriate information, resources and training to support them in the delivery of this work.	<ul style="list-style-type: none"> Identify those officers by service area undertaking such duties; Assess any knowledge / experience shortfalls, develop and deliver supporting training and/or familiarisation; 	March 2022	CP / HoS / BM

Services and possibly the management of contracts/contractors post award.		<ul style="list-style-type: none"> • Offer 1-2-1 help and support in the delivery of compliant procurement outcomes. 		
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10. SUSTAINABLE PROCUREMENT

Develop and embed sustainable procurement options linked to relevant procurement exercise that seek to support the Borough Council's Carbon Reduction Commitments.

Position Statement	Key Issues	Objectives	Timescales	Lead Officer
10.1 The Borough Council has made a commitment to be Carbon Neutral by 2030.	<p>In April 2019, the Borough Council passed a climate emergency motion. A central element of this was the aim of becoming carbon neutral with respect to the Council's own estates and activities and those related to our residents and businesses.</p> <p>The Borough Council are committed to keeping Newcastle under Lyme clean, green, attractive and sustainable. Our teams and services already undertake a huge amount of work to ensure that we honour this pledge and the delivery of sustainable procurement will be key in supporting this commitment.</p>	<ul style="list-style-type: none"> • Promote and embed best practice for sustainable procurement across all service areas. • Require information from potential suppliers on how they will help the Borough Council to progress its environmental objectives as part of the delivery of a contract. • Regularly review consumption of goods and services, especially those that have specific impact on the environment, and take measures to prioritise alternative recycled methods and materials that are non-polluting and environmentally friendly. • Ensure that, where appropriate and allowable, sustainability criteria are part of the supplier evaluation process and are used in the award of contracts. Such factors might include the carbon footprint being a measure of the impact the Council activities have on the amount of carbon dioxide (CO2) produced through the burning of fossil fuels, inclusive of supply streams associated with the provision of goods and services the Council consumes and uses. • Utilise where necessary the Building Research Establishment Environmental Assessment Method (BREEAM) as appropriate to deliver sustainable construction, refurbishment and maintenance projects, whilst considering viability and affordability. 	Annually throughout the term of the procurement strategy.	CP / HoS / BM

		<ul style="list-style-type: none"> • Under the biodiversity duty, which is part of the Natural Environment and Rural Communities Act, public authorities must show regard for conserving biodiversity in all their actions. A public authority can be: a local authority or a local planning authority. 		
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Glossary of Terms:

EMT – Executive Management Team; HLGS – Head of & Governance Services; NPM – Newcastle Partnerships Manager; HR – Human Resources;
 CP – Corporate Procurement; BDO – Business Development officer; RMO – Risk Management Officer; HoS – Heads of Service;
 BM – Business Managers; NC&LP – Neighbouring Councils & Local Partners; HF&S151O – Head of Finance & Section 151 Officer;



NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Finance Assets and Performance Scrutiny Committee 24 March 2022

<u>Report Title:</u>	Financial and Performance Review report – Third quarter (Oct-Dec) 2021-22.
<u>Submitted by:</u>	Executive Management Team
<u>Portfolios:</u>	One Council, People & Partnerships, Finance, Town Centres & Growth
<u>Ward(s) affected:</u>	All

Purpose of the Report

To provide the Finance, Assets and Performance Scrutiny Committee with the Financial and Performance Review report for the third quarter of 2021-22.

Recommendation

That Members note

1. The contents of the attached report and Appendices A and B and continue to monitor and challenge the Council's performance alongside its financial performance for the same period.

Reasons

The Financial and Performance Management monitoring reports provide information on a quarterly basis regarding the performance of individual council services and progress with delivery against our priorities, alongside related financial information on the organisation.

It should be noted that certain activities and delivery in some cases, were impacted by Covid 19 and noted in this report, continue to be affected and the resulting actions taken by the Council to protect and ensure support is available to everyone.

1. Background

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the third quarter 2021/22 by presenting performance data and progress summary set within a financial context. The report provides broad financial information (Appendix A) and also details service performance (Appendix B) for the third quarter 2021/22.
- 1.2 This report covers the period, when a number of customer facing services were required to close, or where the customer base simply stopped using the service due to the Covid 19 situation. Despite these unprecedented circumstances, as the summary of the overall performance picture is presented in section 4 of this report reflects, performance has generally held up well.

2021-22 Revenue and Capital Budget Position

- 1.3 The Council approved a General Fund Revenue Budget of £14.960 million on 24 February 2021. Further financial information is provided in Appendix A.

Performance

- 1.4 The performance section –Appendix B was reviewed and the indicators continue to reflect the priorities in the Council Plan. In addition to reporting on key performance indicators, the report includes a progress summary for each priority, detailing the progress with the delivery of planned activities.
- 1.5 Additional performance information is provided, not only to ensure the monitoring of the corporate activities of the council, but also to inform Members, businesses and residents of performance in their local economy.
- 1.6 Any indicators failing to meet the set targets include a comment explaining why the indicator has not performed well, and what steps are being taken to ensure improvement in the future.
- 1.7 In Quarter 2, a new symbol was introduced, a boxed tick used in Appendix B and detailed in the key at the end. This is used for indicators where a target is not set but performance is monitored quarterly.
- 1.8 The latest performance information for quarter three has been analysed and all indicators monitored for this period are listed in the table found in Appendix B.
- 1.9 For this report a total of 19 indicators were monitored, and the proportion of indicators which have met their target (where set) or are within tolerance levels during this period stands at 84%.

2. **Issues**

- 2.1 There are 3 indicators off target this quarter, and officers consider that the performance against these indicators does not give rise to serious cause for concern at present (see commentaries provided in Appendix B). The management of each of the service areas concerned continue to monitor and take steps to deal with under achievement of targets where possible and/or appropriate, taking into account the limitations presented by the Covid19 situation.
- 2.2 Progress on delivery of planned activities is summarised for each priority and no concerns are highlighted.

3. **Proposal**

- 3.1 That Members note the contents of the attached report and Appendices A and B and continue to monitor and challenge the Council's performance alongside its financial performance for the same period.

4. **Reasons for Proposed Solution**

- 4.1 To enable financial and performance information to be presented for continued scrutiny and encourage improvement within council delivery.

5. **Options Considered**

- 5.1 At this time it is felt there is no other option necessary for consideration, however the presentation of information is continually reviewed.

6. Legal and Statutory Implications

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

7. Equality Impact Assessment

7.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably due to protected characteristics. There are no differential equality issues arising directly from this report.

8. Financial and Resource Implications

8.1 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.

9. Major Risks

9.1 The ongoing changing market conditions represents the greatest risk to the revenue budget, particularly with regard to the impact it may have upon income receivable in relation to services where customers may choose whether or not to use Council facilities or in the case of the waste/recycling service where the volume of recycled materials is liable to fluctuate. The impact of Covid 19 is still apparent in the reporting of this quarter, impacting on many areas and the situation will continue to be monitored through the normal budget monitoring procedure.

9.2 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.

10. UN Sustainable Development Goals and Climate Change Implications



11. Key Decision Information

11.1 Included on the Forward Plan

12. Earlier Cabinet/Committee Resolutions

12.1 N/A

13. **List of Appendices**

13.1 Financial information (Appendix A), and Performance (Appendix B).

14. **Background Papers**

14.1 Working papers held by officers responsible for calculating indicators.

Financial Position Quarter Three 2021/22

1. General Fund Revenue Budget

- 1.1 The Council approved a General Fund Revenue Budget of £14.960m on 24 February 2021. The actual and forecast 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.
- 1.2 It is forecast that adverse variances incurred will again be offset in total by the emergency Coronavirus funding received from the Government and by the Government income compensation scheme and that, this will enable a balanced outturn to be presented at the year end, any variance remaining will be paid into or from the general fund reserve. Close management of the financial position will continue and remains essential.
- 1.3 The Coronavirus pandemic continues to have an impact on the Council's financial position, primarily through lost income, although this is showing a marked improvement compared to the losses incurred during 2020/21. To date un-ringfenced Government funding of £1.006m has been secured (including £0.331m of new burdens funding to offset the costs of administering Coronavirus business support grants and test and trace payments) in relation to 2021/22, which has reduced the immediate pressure on additional spending on the Council finances.
- 1.4 Further specific Government funding to assist with the Council's response to the Coronavirus during 2021/22 has also been secured in relation to elections (£0.035m), outbreak control (£0.174m) and the Welcome Back fund (£0.115m).
- 1.5 The Council's revenue budget relies on service income from fees and charges of around £850k per month across a wide range of services, with a significant proportion coming from Jubilee 2 and car parking. Taking account of the current restrictions, it is forecast that income losses from fees and charges for the financial year will amount to £1.010m.
- 1.6 The Government announced that it will fund income losses, relating to irrecoverable fees and charges, above the first 5% at the rate of 75p in the pound for the quarter 1 of the current financial year, this will help to insulate the Council from income related financial risks for quarter 1 only. It is forecast that the Government's income compensation scheme will offset these income losses to the sum of £0.360m.
- 1.7 Additional expenditure pressures continue to be incurred as a result of the Coronavirus pandemic, albeit at a vastly reduced rate when compared to 2020/21 (excluding the provision of services/activity for which specific funding has been received).
- 1.8 Expenditure continues to be reduced wherever possible throughout the Council to ensure that only absolutely necessary spending is being incurred, this helps to reduce the adverse variance on a service by service basis. It has been forecast that this situation continues throughout the remainder of the financial year.
- 1.9 Further consequences of the Coronavirus on the Council's financial position will depend significantly on any future lockdown or restrictions being imposed, the recovery of income from fees and charges and on any further Government financial support that may be received.
- 1.10 Careful monitoring of the financial position will be required over coming weeks and months leading to prompt corrective action where necessary to ensure the Council remains in a position of being able to deliver a balanced budget position in the current financial year and beyond.

2. Revenue Budget Position

- 2.1 As at the end of the third quarter, the general fund budget continues to show a balanced position. It is forecast that this position will be achieved as at the close of the financial year.
- 2.2 A number of variances from the budget are forecast, these include:
- a. Income shortfalls from sales, fees and charges which are eligible for partial reclaim via the Income Losses Scheme, it is forecast that these losses will amount to £1.010m by the close of the financial year.
 - b. Income shortfalls from commercial property rents, it is forecast that these losses will amount to £0.114m by the close of the financial year. These losses are not eligible for any partial reclaim.
 - c. Income shortfalls from the recovery of housing benefits overpayments, it is forecast that these losses will amount to £0.081m by the close of the financial year. These losses are not eligible for any partial reclaim.
- 2.3 These adverse variances are forecast to be offset in full by the following favourable variances:
- a. Un-ringfenced Government funding of £1.006m has been secured (including £0.331m of new burdens funding to offset the costs of administering Coronavirus business support grants and test and trace payments) in relation to 2021/22.
 - b. It is anticipated that the Council will be reimbursed £0.360m in relation to the Income Losses scheme for eligible sales, fees and charges income shortfalls for the year.
 - c. Expenditure continues to be reduced wherever possible throughout the Council to ensure that only absolutely necessary spending is being incurred, this helps to reduce the adverse variance on a service by service basis. It has been forecast that this situation continues throughout the remainder of the financial year.
- 2.4 Cabinet and the Executive Management Team will continue to be updated on the Council's financial position and actions taken in the forthcoming weeks and months. This will include a revised recommended level of reserves and the financial implications of this.

3. Collection Fund

- 3.1 Local tax income is collected by billing authorities and paid into local 'collection funds' (the Council is a billing authority). Where there is a shortfall in tax receipts (compared to expected levels), this leads to a deficit on the collection fund. Billing and major precepting authorities are usually required to meet their share of any deficit during the following financial year.
- 3.2 In response to the continued impact of the Coronavirus pandemic on retail business, the government has continued its retail discount business rates relief scheme, for 2021/22. For the first quarter of 2021/22 eligible businesses were awarded a 100% reduction in the business rates liability, for the remainder of 2021/22 they have been awarded a 66% reduction (up to a total value of £2m per business).
- 3.3 This has the impact of a reduction in income that was expected to be received by the Council from business rates payers during 2021/22 which will generate a deficit on the collection fund. However, the government will award Section 31 grant to the Council to

Classification: NULBC **PROTECT** Organisational

offset the losses incurred by this, this will be paid into the general fund and will be set aside to offset the deficit that will be incurred on the collection fund.

3.4 The Council has experienced an increase in the numbers of residents who have become eligible for Council Tax Support as a result of the COVID-19 pandemic, in 2020/21 this led to a deficit being incurred between the tax receipts initially expected and those that were received. For 2021/22 an increased amount of Council Tax Support was built into the tax base to allow for this, a small surplus is currently being forecast as a result of residents becoming ineligible for Council Tax Support due to a return to work or an increase in working hours.

3.4 The current forecast of tax receipts and Section 31 grant are shown below:

Tax	Total Forecast (Surplus)/Deficit	Council's Share
Council Tax	(£0.705m)	(£0.077m) (10.9%)
Business Rates	£7.479m	£2.992m (40%)
Business Rates Section 31 Grant	(£6.530m)	(£2.612m) 40%
Total	£0.244m	£0.303m

4. Capital Programme

4.1 A Capital Programme totalling £12.923m was approved for 2021/22. Of this total £10.923m relates to the total cost of new schemes for 2021/22 together with £1.000m for schemes funded by external sources (Disabled Facilities Grants) and £1.000m contingency. In addition £2.256m has been brought forward from the 2020/21 Capital Programme, resulting in a total Capital Programme of £15.179m for 2021/22.

4.2 A mid-year review of the capital programme has been undertaken and approved by Cabinet as part of the Efficiency Board and budget setting process for 2022/23 in order to identify any projects that may need to be re-profiled from 2021/22 into future years. The revised capital programme also includes projects for which funding has been obtained relating to 2021/22 via the Town Deals Fund (£3.246m) and the Future High Streets Fund (£5.341m).

4.3 At the close of quarter three the profiled capital budget amounts to £9.777m, actual spend for this period totals £9.798m. There are no significant variances in expected spend at this point.

4.4 A mid-year review of the capital programme is in the process of being undertaken as part of the Efficiency Board and budget setting process for 2022/23 in order to identify any projects that may need to be re-profiled from 2021-22 into future years. The results of this exercise will be reported as part of the budget setting process.

5. Capital Programme Funding Position

5.1 The expected total capital receipts due to be received this year following the sale of assets amount to £4.400m, £0.200m of this will be set aside for the flexible use of capital receipts during 2021/22. A summary of the expected income is shown in the table below.

Funding	Amount
Proceeds from disposal of assets	£3.900m
Proceeds from Right to Buy sales	£0.500m
Flexible use of capital receipts	(£0.200m)
Total	£4.200m

6. Supplementary Estimates

Revenue

- 6.1 The Council has received £127,294 from Central Government for the financial year 2021/22 to protect and vaccinate rough sleepers as part of the Government's response to the COVID-19 pandemic. £112,712 will be used to contribute to the additional accommodation costs that the Council has incurred during the current financial year and £14,581 will be used to provide vaccination programmes for rough sleepers.

7. Treasury Management

- 7.1 It is expected that borrowing will be required during 2021/22 to fund the revised capital programme however no borrowing arrangements have been made to date.
- 7.2 Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the PWLB. After the utilisation of capital receipts and internal borrowing, the Council will look to borrow short term from other local authorities in the first instance and will then review any other sources of funding if required.

Corporate Performance Quarter 3 2021-22

Priority 1: Local Services that Work for Local People

Progress Summary

Overall, our performance with a combination of monitoring and target driven indicators for this priority is positive in this quarter but work is underway to impact on the result.

A summary of progress with planned activities for Priority One from the Council Plan 2018-2022 are as follows:-

- **Increase Access to Information;**

The Council continues to maintain services by encouraging customer self-service via the new website, and through effective call centre support to answer questions, provide information and support residents of the Borough. The new website is encouraging customers to contact through online forms which integrate directly into our Document Management system, cutting out a lot of manual handling.

Castle House reception is open to the public and enquiries are being managed through bookable appointments, self-service or telephone support. All customer enquiries are handled efficiently with all the digital processes in place. Kidsgrove Customer Services is open on Thursday mornings as a surgery with Citizens Advice Bureau and Kidsgrove Town Council.

- **Customer Services Activity**

Business Grants continue to keep us busy, with Election activity and the renewal of Garden Waste subscriptions.

- **Deliver new Recycling and Waste Service**

The new recycling service has been fully operational for over twelve months, to households across the borough, and continues to prove very popular with residents. Participation and tonnage of material collected has settled at a consistent level which is around 22% higher than that of the previous service. The quality of the material collected remains excellent, with very little contamination, and the Council continues to receive excellent feedback from the re-processing contractors used to recycle the various material streams. During this quarter we have seen the quantity of food waste collected increase further, with the highest weekly tonnage ever collected in December. The value of materials and separately collected paper and card has increased in value again this quarter, meaning the Council is receiving income for all the recycling materials it collects.

- **Establish Workforce Strategy:**

- **Develop robust, innovative and efficient work force plans**

Work is ongoing as part of the One Council transformation, the People Team continue to support people processes in partnership with the Trade Unions. The first stage of implementing the “One Front Door” model is complete and the Customer hub team has been mobilised with approximately 40 employees now in their new roles. We continue to constantly review vacancies and consider new ways of working, only recruiting externally as a last resort for essential roles. We are developing an apprenticeship strategy to help grow our workforce in conjunction with local providers as well as focusing on our appraisal and learning and development opportunities to encourage staff to feel they have opportunities to upskill and develop within the council.







- **Develop organisational culture**







Work to develop the organisational culture is ongoing, working with cross sections of the organisation and with Trade Union colleagues, in line with the principles of One Council. Work to embed the values across all stages of the employee life cycle is underway with a full review of policies and procedures and a number of communication campaigns. We will shortly be undertaking a further culture survey to allow us to measure performance against the results obtained in August 2021.






Progress Summary continued

- **Ensure staff wellbeing**

There is a continued focus on well-being, the mental health working group has been so successful that it's remit has been increased to include all aspects of well-being and inclusion, well-being events undertaken so far have been successful and can continue with the lifting of covid restrictions. A number of initiatives have been agreed by this group, such a free gym membership for any employee recovering from a period of long term absence. Work is underway on the new intranet and we hope that this will help to clearly highlight health and wellbeing resources and increase engagement. We are also exploring how we can further utilise Vivup as a staff benefit going forward.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 3 2020-21	Result Qtr. 2 2021-22	Result Qtr. 3 2021-22	Target Qtr. 3 2021-22	How have we performed?	Status
1.1	Environmental Health	Cllr. Trevor Johnson	Percentage of food premises that have a zero or one national food hygiene rating	Low	-	0%	0.09%	5%	There was only a single premise with a one rating in this quarter.	
1.2 New	Environmental Health	Cllr. Trevor Johnson	Percentage of category A and B food business inspections completed on time	High	-	0%	0%	-	Only 3 'B' graded premises due for inspection this quarter but Covid has caused delays and are now scheduled to be undertaken in Qtr 4.	
1.3 New	Environmental Health	Cllr. Stephen Sweeney	No. Accidents/Incidents reported (RIDDOR)	Low	0	1	1	-	One RIDDOR reportable incident occurred in this quarter, on investigation training was refreshed for the individual and visibility of the hazard improved.	
1.4a	Recycling & Fleet	Cllr. Trevor Johnson	Household collections from the kerbside (%):- • Dry Recycling	High	23.19%	24.07%	23.37%	25%	Quarter 3 has seen collected tonnage of food waste increase further, and dry recycling continue to stabilise. Residual waste has returned to more normal levels following the impact of Covid, and now appears to be falling further with the increase in food waste.	
1.4b			• Food	High	3.38%	6.33 %	6.77%	6%		
1.4c			• Amount of residual Waste per household	Low	108.45kgs	105.35kgs	104.59kgs	110kgs (per household) cumulative		
1.4d	Operations	Cllr. Trevor Johnson	Number of missed kerbside collections:- Total (per 100,000 collections)	Low	90.41	62.25	58.45	80 (per 100,000 collections)		In this quarter there were a total of 1,632,480 collections of residual, garden waste, recycling and food. Missed collections of Residual- 190, Garden Waste – 136, Recycling- 298, and food waste - 332.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 3 2020-21	Result Qtr. 2 2021-22	Result Qtr. 3 2021-22	Target Qtr. 3 2021-22	How have we performed?	Status
1.5	Operations	Cllr. Trevor Johnson	Levels of street and environment cleanliness (LEQ survey) free / predominantly free of litter, detritus, graffiti and fly-posting)	High	95.44% 95.83% 99.05% 100%	97.52 % 94.50% 98.42% 100%	91.73% 91.46% 98.43% 99.61%	91% 91% 97% 99%	The second tranche surveys are completed as programmed for Quarter 3 and are well within the targets.	
1.6	Customer & ICT	Cllr. Simon Tagg	Percentage of requests resolved at first point of contact	High	99.66%	94 %	96%*	97%	Despite the pressures on Services to deliver, a good standard of resolution is maintained at first point of contact. Where failure occurs, information is fed to the service areas in order to improve and reduce repeat contact.	
1.7	Customer & ICT	Cllr. Simon Tagg	% Unmet demand (number of calls not answered as a % of total call handling volume)	Low	18.03%	11.97 %	20.29 %*	20%	Q 3 performance has been impacted by embedding into the new structure and the tranche of training being delivered to the Customer Hub team. Staff continue to support the transition to the One Front Door and its programme of work.	
1.8	Digital Delivery	Cllr. Simon Tagg	Total number of digital online transactions	High	20,096	9395	19,207	-	The number of transactions (Jadu) is 19,207 this quarter.	
1.9	Communication	Cllr. Simon Tagg	Total number of unique users to the website	High	136,869	103,905	67,915	79,500	There was a total of 67,915 unique users in this quarter, which is lower than Qtr. 3 2020-21. It should be noted that Castle House Reception was closed during Qtr 3 last year due to Covid restrictions, which resulted in more residents using the website at that time. There were a total of 121,350 visits to the new website.	
1.10	Revenues & Benefits	Cllr. Stephen Sweeney	Time taken to process Housing Benefit new claims/change events	Low	4.6 days	6.69 days	7.77 days	10 days	This result continues to be on target.	

1.11	Revenues & Benefits	Cllr. Stephen Sweeney	Percentage of Council Tax collected	High	76.6%*	52.5%	76.7%	76.08%	The rate for Council Tax collection is just above target for the quarter.	
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	Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 3 2020-21	Result Qtr. 2 2021-22	Result Qtr. 3 2021-22	Target Qtr. 3 2021-22	How have we performed?
1.12	Revenues & Benefits	Cllr. Stephen Sweeney	Percentage of National non-domestic rates collected	High	75.2%	48.7%	77%*	78.66%	The rate for Business Rates collection is slightly below target for the quarter but within tolerance.	
1.13	Human Resources	Cllr. Simon Tagg	Average number of days per employee lost to sickness	Low	2.25 days Qtr 3 6.51 days cumulative	1.11 days per employee LTS – 0.56 days and short term – 0.55 days	2.95 days per employee LTS – 1.94 days and short term – 1.01 days 7.25 days per employee (cumulative)	2.2 days (quarterly) 6.6 days (cumulative) Annual 8.8 days	Sickness absence for Q3 has increased in comparison to Q3 last year and Q2, some of this is expected due to seasonal absence variations in autumn and winter caused by colds, flu and viruses. This year, in addition to the Covid 19 virus, the autumn saw the introduction and impact of the Omicron variant. In late November the first Omicron case was identified in the Borough.	
1.14 New	Human Resources	Cllr. Simon Tagg	Staff turnover	Low	-	2.22%	3.90%	10%	Turnover remains low and significantly below the 10% target, a slight increase in turnover this quarter may have been driven by the restructuring process and those leaving via MARS, however turnover is of little concern in most areas.	
1.15 New	Human Resources	Cllr. Simon Tagg	Staff vacancy rates	Low	-	5.72%	5.52%	-	The vacancy rate has reduced slightly for this quarter. The roles where there tends to be a low number of applicants generally reflects the national picture of skills shortages in areas such as planning and environmental health. Lifeguards	

										and cleaners continue to provide recruitment challenges at J2 but recruitment to driver posts has been successful, despite national shortages, which is positive.	
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*The result is within tolerance

Priority 2: Growing our People and Places

Progress Summary

A summary of progress with planned activities for Priority 2 from the Council Plan 2018-2022 are as follows:-

- **Deliver Borough Local Plan**

In January, work commenced on the creation of a new Borough Local Plan. The three key milestones are the publication of the Issues and Options Paper in September 2021; the first draft of the Local Plan in autumn 2022 and the submission of the amended draft to the Planning Inspectorate in the summer of 2023 with the aim of securing adoption by the end of that year. An updated Local Development Scheme (LDS) which sets out the new programme has been published and an update to the Statement of Community Involvement (SCI) has been updated accordingly and consultation has begun on the Borough's own Issue and Strategic Options paper through events across the Borough and online until late January 2022.

- **Delivery of the Economic Development Strategy and action plan**

Delivery of the Economic development Strategy and action plan is set out in more detail below against individual projects – One Public Estate, Prepare a Town Centre Strategy, market, and business support. The funding from Future High Street Fund - £11M, Kidsgrove Town Deal £16.9M and Newcastle Town Deal £23.6M will support delivery of priorities set out in Council and County Council Growth Deal and Town Investment Plans (TIPS) for Newcastle and Kidsgrove. The Town Deal accelerated funding £1.75M has enabled a number of projects to go ahead in advance of the main Town Deals and includes land and property acquisition and demolition, connectivity and safety measures, establishment of employment and skills hub, safe and secure routes (subway refurbishments), market improvements, public Wi-Fi, preparatory works on Kidsgrove Sports Village and improvements to recreational facilities in Newchapel and Clough Hall.

- **Progress University Growth Corridor**

The Council is continuing to look at the viability of this land through desktop studies, in order to further assess its development potential, should the site be taken forward.

- **Deliver appropriate housing to those in need:**

- **Newcastle Housing Advice to be in-house service**

The Council brought the NHA service back in-house on 1st April 2021. An internal working group continues to manage the post transition phase at the Council to ensure that continuous improvement can be made to processes, with the support of ICT, HR and Customer Services, already a number of improvement have been made and there are plans for longer term strategies that will be helpful to enable a better customer offer, which is more preventative in nature and thus further efficiencies for the Council. The NHA service will become part of the housing and vulnerability service area as there is a defined crossover between the NHA caseload and the work of the vulnerability hub and MARAC. At the end of December two members of the NHA team transferred into OFD to enable housing advice enquiries to be dealt with at the first point of contact wherever possible. Where the calls to service are cases that are challenging or complex in nature and at the point of crisis, they are transferred to the NHA Homelessness Advisors.

The NHA service has also recently launched a new Joint Housing register and Allocations Policy in partnership with Aspire Housing, branded as NHA Options (see below). The volume of calls and enquiries coming through to the service currently remain high but it is anticipated the registration process settles and the Customer service team become more accustomed and familiar with the service area that the demand to service will become more manageable, to enable a more preventative approach to be adopted, bringing further efficiencies.

Progress Summary continued

▪ **Rough Sleepers and temporary accommodation**

A Rough Sleeper Navigator has been recruited and started in post 1st June 2021 with further funding awarded from DLUHC. This role works closely with the rough sleepers' team at Brighter Futures, jointly commissioned with SOTCC and seeks to support rough sleepers into appropriate support pathways and accommodation. Using the MHCLG funding, the Council are also working with the City Council to recruit a shared Rough Sleepers Co-ordinator and a Healthcare Practitioner. A Cabinet report was submitted on 7th July 2021 which supports this work and gives delegated approval to the Executive Director in consultation with the Portfolio Holder for community Safety and Wellbeing, to approve further commissioning with specialist providers. Officers have been successful in a bid to DLHUC in partnership with Aspire Housing for 6 additional units of accommodation with support to rough sleepers and those at risk of rough sleeping. Officers have also been working with Aspire to extend the provision of unsupported furnished temporary accommodation units from 2 to 4, which will be particularly useful for families in order to minimise use of bed and breakfast.

▪ **Joint allocation policy and procurement of a Choice Based Lettings system**

The Council has adopted a new Joint Housing Allocations Policy in partnership with Aspire Housing. The joint Policy enables customers to access social housing owned and managed by Aspire Housing and other Private Registered Providers to whom the Council has partnerships within the Borough. The system is marketed as NHA Options and has a dedicated website set up to administer an online offer for customers, with support available for assisted applications where required.

▪ **One Public Estate**

The Council received a grant from 'One Public Estate' to cover the cost of undertaking the masterplanning of Knutton Village. This involved preparing proposals for the use or development of a number of cleared sites around the centre of Knutton in the ownership of the Borough and County Councils and Aspire Housing. The objective is to bring forward new housing development in the area and to assess the potential for investing in the improvement and consolidation of community facilities. Aspire Housing also contributed to the Study with a view to reviewing provision of affordable housing in the area, including housing for the elderly. Consultation on the draft masterplan was considered by Cabinet in June 2021. The project team continues to plan for delivery of the revised proposals. Elements of the Knutton masterplan are included in Newcastle Town Deal Town Investment Plan which requires a business case to be submitted to DLUHC by the end of June 2022.

In October 2021 the Council worked with Aspire Housing to bid to the One Public Estate Regeneration Programme for the Aspire estate regeneration scheme at Cross Street Chesterton. The bid was successful and funding has now been received to support regeneration of this area.

• **Consideration of a property investment model and Property Diversification**

Consideration is being given to the Borough Council taking a more active role in developing its sites (i.e. by way of forming a property development company or similar) either on its own or in a partnership arrangement. The Commercial Strategy 2019-24 was approved by Cabinet and commercial investment advisors appointed to review and advise in respect of the Council's commercial portfolio. Work on this is currently ongoing.






Progress Summary continued

- **Masterplan of land at:- Chatterley Close area by Bradwell crematorium and Birchenwood**

The masterplan in respect of land in the Chatterley Close area, Bradwell was considered by Cabinet in November 2020. The scheme to extend the Crematorium was approved in principle and approval was given to consult with appropriate stakeholders. The consultation is now complete and the results were reported to FAPs committee in May and Cabinet in June. Following the Phase 1 environmental impact assessment for Birchenwood, a preliminary ground investigation survey has now been completed and next steps are currently being considered.

- **Planning Consent – Sidmouth Avenue**

Planning approval was granted for the partial demolition and change of use of the former Registry Office into a single dwelling and the provision of three new detached dwelling in Sidmouth Avenue. Previously, alternative options were considered in respect of developing the site, and the decision was taken to market the site. The site was marketed, and the property now sold.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 3 2020-21	Result Qtr. 2 2021-22	Result Qtr. 3 2021-22	Target Qtr. 3 2021-22	How have we performed?	Status
2.1	Property	Cllr Stephen Sweeney	Percentage of investment portfolio vacant (NBC owned)	Low	5.1%	6.4%	8.9%	12%	This indicator remains well within target.	
2.2	Planning & Development	Cllr. Paul Northcott	Speed of major development applications (P151a)	High	90.9% (Jan 19 – Dec 20)	100% (Oct 19 – Sept 21)	100% (Jan 20 – Dec 21)	60%	These indicators remain well within target and are improving or being maintained at an acceptable level.	
2.3			Quality of major development applications (P152a)	Low	5.1% (Oct 17 - Sept 19)	5.8% (Jul 18 - Jun 20)	5.8% (Oct 18 - Sept 20)	10%		
2.4			Speed of non-major development applications (P153)	High	93.0% (Jan 19 – Dec 20)	99.1% (Oct 19 – Sept 21)	98.9% (Jan 20 – Dec 21)	70%		
2.5			Quality of non-major development applications (P154)	Low	1.0% (Oct 17 - Sept 19)	0.7% (Jul 18 – Jun 20)	0.7% (Oct 18 - Sept 20)	10%		

Priority 3: A Healthy, Active & Safe Borough

Progress Summary

Overall the performance for this priority advises the progress where possible, however the impact of Covid 19 is considerable to service provision or where facilities have had to close or reduce delivery since March 2020. A summary of progress with planned activities for Priority 3 from the Council Plan 2018-2022 are as follows:-

- **Jubilee2 moving forward**

The service has secured funding to be part of Sport England's National Leisure Recovery Fund and use of the Moving Communities project to measure impact. This will enable the benching marking of Jubilee2 using qualitative and quantitative data. Some of the results from the survey in September 2021 were:-

- 85.2 % of customers felt that the Covid measures in place were about right,
- 81.88 % of customers though the standards of cleanliness were high.
- 81 % of customers were either satisfied or very satisfied with their overall experience at Jubilee2.
- 85.445 % of customers identified that they intended exercise in a leisure facility as opposed to exercising in an informal setting.
- The social value for the service was £499,007 for the past twelve months.

Secure J2 commercialisation

Despite the Covid 19- pandemic, the impact on the membership at Jubilee2 is in line with the local and national average. A detailed business recovery plan has now been completed which identifies opportunities to increase income and/or reduce operating costs. Subject to a detailed business case for each opportunity these will be implemented over the next twelve months. This financial year, the following initiatives have been implemented, the introduction of an online swimming lesson platform, the development of a school swimming lesson service, the procurement of a drowning detection system, a review of bank holiday working hours, and detailed plans have been developed for the refurbishment of the health and fitness offer at Jubilee2.

- **Kidsgrove Sports Centre**

A contract for £7.5m has been awarded to WDC for the completion of the refurbishment works which will be completed by June 2022. A lease for the centre with the Community Group has now been signed.

- **Museum Redevelopment Project**

The museum building was handed back in October. Work on the exterior of the building and pond area will begin in January 2022 with a March '22 estimated completion date. Work to re-interpret the ground floor galleries and ensure the public spaces are welcoming and safe for visitors started in October. The new Jim Wain Courtyard gallery will open to the public in January 2022. In the meantime, people are accessing the museum's collections through online digital platforms including FB, Instagram, Twitter, Staffordshire Past Track and Art UK. An externally funded three year Heritage Activities and Events Officer started in post in September and she is working on three year programme of heritage activities in the museum, and there was a successful Christmas Event on Dec 18 to launch the programme, which includes external funding bids for the 850 celebrations and the Platinum Jubilee. Outreach activities for schools took place but these were limited due to Covid restrictions. Expressions of Interest have been sought for a café provider for the museum.

- **Streetscene Fleet procurement**

Procurement of fleet and equipment for Streetscene is progressing to renew the tractor fleet and road sweepers.

Progress Summary continued

- **Deliver Capital Programme projects**

Work is in progress on a number of sites to repair railing/fencing and footpaths, and replace play equipment.

- **Open Space Strategy**

Due to the pandemic, the Heart of England in Bloom campaign and all local Newcastle in Bloom competitions and activities took place digitally in 2021, with Newcastle achieving a 19th consecutive gold award and 5 judges discretionary awards in the regional campaign. A celebratory event took place at the New Vic theatre on 9th October to award certificates for local competition winners and to look back on the Borough's 30 years of participation in Bloom. Sponsorship from local businesses is continuing at near-normal levels and is on target to achieve around £60,000 in 2021/22. A total of 7 of the Borough's strategic parks and cemeteries achieved the Green Flag awards this year, when the results were announced on 14th October.

- **Feasibility study for Crematorium extension**

The feasibility study for the crematorium extension has been completed. Funding options for the project are now being explored. A business case is being prepared for further memorialisation options at the crematorium and is being refined with some data on local market potential.

- **Bereavement Services**

The Bereavement Services team won the Most Improved Performer award for 2021 in the Cemeteries and Crematoria category of the APSE Performance Networks Awards, a UK-wide recognition scheme. The Street Cleansing team were also a finalist in their category.

- **Protect our communities by delivering priority community safety, food safety & licensing projects:**

- **Taxi Licensing Policy**

In the first quarter of 2019-20, members of the Licensing and Public Protection Committee approved the content of the taxi policy. The policy document is a wide scale reform of the current policy, to ensure that the Council has a policy that is fit for purpose in respect of the legislative framework and administration of the service. Members of the Licensing and Public Protection Committee approved the policy resulting in full implementation of the policy in January 2020. Statutory guidance was published in July 2020, this has resulted in amendments to the taxi policy being approved by Licensing and Public Protection committee for implementation from April 2021. The policy and amends are now implemented.

- **Environmental Health & Licensing**

A new but now ongoing responsibility for the authority is for the team to ensure the Covid 19 restrictions were applied and in place as directed by Government. Also the pavement licensing regime has been implemented by the service, this is a temporary licence which allows premises to apply for a licence for tables & chairs and other furniture on the pavement outside of their premises, and such arrangements have been extended for a further year. In addition, the service is supporting the County Council in the Covid outbreak controls for high risk premises and is continuing with advising business, responding to complaints non-compliance with Covid controls. It is unknown at present how long these responsibilities will remain in place, but indications are that this will remain for at least this year.

- **Town Centre ASB enforcement**

A range of Partnership activity continued to be co-ordinated this quarter, including; the CCTV implementation and monitoring and an extension of the coverage using town deal funding for the subways in the town centre; identifying ASB hotspot areas and target hardening to make more secure and increase perceptions of safety for the public, this also more recently being the case for Clough Hall Park Pavilion, Kidsgrove. Activity is co-ordinated by working closely with partners such as the Police and others within the Newcastle Strategic Partnership to identify individuals in need of support and utilising the Council's

Progress Summary continued

civil enforcement powers such as Community Protection Warnings (CPNWs), Community Protection Notices and Injunctions, continued enforcement of PSPOs for the Town Centre and Queen Elizabeth Park, as appropriate. The partnership has been working closely with the Market Supervisor and new BID Manager to encourage reporting of incidents and to improve communication of positive interventions and activity. The new Mobile Multi-Functional Team piloted over the Christmas period shall be extended and be a reactive team to visibly deal with problems at hand cross organisation. Services recently commissioned under the Welcome Back Funding include the Security Marshals which play a visible positive role In reducing, preventing and tackling where necessary anti-social behaviour within Newcastle Town Centre, other initiatives are being introduced to complement MMF team including the town ranger making for a really collaborative team to tackle community issues.

- **Commission new CCTV Service**




Following approval by Cabinet and the Business Improvement District Board for the commissioning of the CCTV service with Stoke City Council, the system is now live in Newcastle town centre with further enhancements installed using town deal funding for additional coverage in the subways and Clough Hall Pavilion.


- **Vulnerability Hub and MARAC**

The Council continues to actively co-ordinate and contribute to the Vulnerability / Harm Reduction Hub and MARAC multi agency forums, which are designed to collaboratively de-escalate risk to our most vulnerable households, to prevent death and serious harm and to encourage appropriate support and assistance from the most relevant partners. There has been a noticeable increase in referrals to the Hub over the last 12 -18 months and it is clear that more complex and challenging cases are being presented for assistance which is taking longer to respond to. Discussions with County Commissioners and local service providers have been ongoing to encourage best use of available and collaborative resources and an understanding of the issues / challenges raised at the forum requiring a multi-agency response.

- **Air Quality Local Development Plan**

Work is continuing with Stoke-on-Trent City Council and Staffordshire County Council to create the North Staffordshire Local Air Quality Plan to bring about improvements in Nitrogen Dioxide (NO2) levels. The outline business case has been presented to Economy, Environment and Place Scrutiny Committee and approved at Cabinet. Work upon preparation of the Full Business Case is being progressed. Work on the retrofitting of busses operating on the A53 is well underway and is nearing completion.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 3 2020-21	Result Qtr. 2 2021-22	Result Qtr. 3 2021-22	Target Qtr. 3 2021-22	How have we performed?	Status
Page 64: 3.1a	Community Safety	Cllr. Gill Heesom	Anti-Social Behaviour (ASB) cases:- -New cases received during the quarter	Low	106	103	126	-	There are currently 38 cases discussed at the ASB, Youth Violence and Gangs Case conference. There has been a significant rise in demand for partnership input to ASB cases in the Borough.	
			-Current open cases at the end of the quarter	Low	37	30	38	-		
			-Cases closed in the quarter	High	90	11	116	-		
3.1b										
3.1c										
3.2	Community Safety	Cllr. Gill Heesom	Number of referrals made regarding vulnerability by participating organisations at the Daily Hub	High	50	69	71	-	A total number of 71 referrals were made from Daily Hub meetings that have taken place over the last quarter. Number of cases compared to the same period last year have nearly doubled.	
3.3 New	Culture & Arts	Cllr. Jill Waring	Number of People Accessing the Museum's collections online	High	-	25,459	61,240	Qtr 3 target 16,000 (43,000 cumulative)	The museum was temporarily closed due to the current redevelopment work and a new indicator is currently measured. Figures include digital community engagement on Brampton Museum's Facebook, Twitter and Instagram pages where we provide regular updates of the progress of the construction work and collection information. We also share selected images from the museum's photographic collection on the site Staffordshire Past Track- http://www.staffspasttrack.org.uk/ and images from our fine art collection on the Art UK website https://artuk.org/ . There has been a marked increase in online engagement with the service as the museum prepares to open and a series of events is scheduled. The museum opened for a Christmas event on December 18 th .	

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 3 2020-21	Result Qtr. 2 2021-22	Result Qtr. 3 2021-22	Target Qtr. 3 2021-22	How have we performed?	Status
3.4 New	Leisure	Cllr. Jill Waring	Membership growth	High	-	2,149* members	2,115 members	Target Qtr 1 1,962 Qtr 2 2,274 Qtr 3 2,586 Qtr 4 2,900	<p>The activities at J2 leisure were affected by the Covid 19 pandemic, and the impact on the membership at Jubilee2 is in line with the local and national average. On 1 April 2021, membership figures were 1650, and the target for 2021-22 is to increase it to 2900, the pre-Covid position.</p> <p>The shortfall in memberships could be attributed to the Omicron variant of Covid which resulted in fewer members joining in November and December 2021. The current membership is at 75% of pre-Covid membership numbers and is in line with other industry sectors when benchmarked with information from Alliance Leisure and other facilities across the County.</p>	

Priority 4: A Town Centre for All

Progress Summary

For this quarter, the results demonstrate a varying level of activity and further comments are detailed in this report.

A summary of progress with planned activities for this priority from the Council Plan 2018-2022 are as follows:-

- **Prepare a Town Centre Strategy**

The Council successfully bid for Future High Street Funding and has received an offer of £11.4 million, with the first instalment having been received to the Council. This will enable redevelopment of the Ryecroft area of the town centre, starting with demolition of the former Civic Offices which is currently under way. For Town Deal, the Town Deal Board, Town Investment Plan received an offer of £23.6 million in June 2021 and the project team are currently preparing business cases for submission to DLUHC by the end of June 2022 to release the funding. The Town Investment Plan includes projects in the key strands of digital, transport, gateway sites and culture. The Government also offered all Town Deals additional 'accelerated funding' to deliver quick win projects, which have demonstrated early progress on project delivery.

- **Market**

The focus for increasing footfall and visitor satisfaction remains and the Market team continues to host specialist visiting markets creating diversity to supplement our regular markets offer. They've continued to be very popular with high take up of stalls and excellent visitor numbers. Castle Artisan Market (CAM) used additional pop-up stalls and pitches to accommodate traders on our waiting list (45 stalls and up to 61 traders in total). In July 2021 we hosted our first Vegan Festival Market and this quarter a second Vegan Festival was held in December with the same high footfall and town centre businesses opening to take advantage of the increased visitor numbers. All 45 stalls were used with additional traders on pitches.

November saw a Greyhound Gap Takeover Market held, a dog-themed event where owners and pets came in considerable numbers and all 45 stalls were used. This event was organised by the CAM team in conjunction with the Market team and ensured a successful day with good social media promotions, another one is booked for February 2022. Discussions have commenced for an Armed Services celebration in 2022 and involves closer working with BID to deliver a successful event. Work is now completed on-budget for lighting to lower high street market stalls which creates a fully lit market and power output to enable entertainment where unused stalls have been removed.

- **Business Support**

The 'Staffordshire Means Back to Business' package of support, which is funded from Additional Restriction Grant monies continues to be delivered. As at the end of December 2021, 28 Newcastle businesses have been supported to create 44 apprenticeship places, 35 businesses have taken advantage of the 'Nil Cost Training to Businesses' and 122 expressions of interest have been received for the 'to Thrive' grants to assist businesses to recover and grow. In addition, funding was also used to provide 27 free memberships to the Federation of Small Businesses, all of which have been taken up by a wide variety of Borough businesses. Work has continued in signposting businesses to appropriate support, including updating the information available on the new website. Over 100 queries have been dealt with so far this financial year and requests continue to come in. Six e-newsletters have been sent out to over 120 businesses who have requested these regular updates of support on offer from the council and partners.

Further tranches of Additional Restrictions Grants have been administered by the Council. With the two grant schemes currently in progress, one for businesses that continue to be negatively impacted by Covid and also a specific hospitality, leisure and accommodation grant for businesses impacted by the Omicron variant.

In addition, the Welcome Back fund has provided support to the annual Newcastle Business Boost awards, which this year have focussed on business recovery from the pandemic. The funding enabled the survive and thrive stories of these businesses to be shared to a wider audience to encourage confidence amongst local businesses moving forward. 20 finalists from a range of sectors were featured, each with an uplifting story to tell, which included supporting other businesses to survive, supporting the local community and identifying new opportunities. Cash prizes were on offer for the winners, sponsored by private sector partners on the Business Boost Steering Group.

Progress Summary continued

- **Parking Policy**




The Council adopted a new Car Parking Strategy in 2019/20, which has led to a number of service improvements over the past 2 years. These have included new car parking machines which accept card payments and an improved service for pay for parking has been implemented with PayByPhone. As part of the Car Parking Strategy Review, a new initiative was established to support town centre users in the important Christmas retail period the Midway car park, where customers parked for free between 9am and 1pm, then for the existing offer of £1 after 1pm continues. Further roll out of new car parking machines is planned over the forthcoming months.

- **Establish Town Centre Communications Group**

The Town Centre Communications Group, "Talking Up The Town", has moved from in-person meetings to virtual sharing of content and happenings. It is intended to refresh the format of the group meetings to keep partners engaged. Newcastle-under-Lyme BID and the Town Centre Officer are considering a more appropriate way forward.

- **Develop a Kidsgrove Town Centre Investment Plan**

Kidsgrove Town Deal Board (KTDB) submitted the Kidsgrove town Investment Plan to MHCLG at the end of October 2020 and in March 2021 confirmation of a £16.9 million award was received. The KTDB discussed and approved the projects that would be taken forward and all required paperwork was submitted to MHCLG on 17 May 2021. The Kidsgrove Sports Centre business case was fast tracked and Town Deal money is being used alongside Council investment to refurbish the centre. The Chatterley Valley project has been approved by DLUHC. Development of business cases for the remaining projects of Kidsgrove Railway Station, improvements to the canal area and a Shared Service Hub are due to be submitted by the end of March 2022. The Government also offered all Town Deal additional 'accelerated funding' to deliver quick win projects in 2020, which was used to deliver a suite of early interventions including the strip out works to the sports centre, new sports pitches at the King's school, a suite of improvements to Clough Hall Park and the opening of a 'pump track' on the Newchapel Recreation Ground.

Ref	Service Area	Portfolio Holder	Indicator	Good is	Result Qtr. 3 2020-21	Result Qtr. 2 2021-22	Result Qtr. 3 2021-22	Target Qtr. 3 2021-22	How have we performed?	Status
Page 68 4.1	Regeneration & Economic Development	Cllr. Stephen Sweeney	Car parking usage:- Number of tickets purchased	High	59,019	92,350	82,183	-	The number of tickets purchased have increased by 39.25% in Qtr. 3 compared to the same period in 2020.	
4.2	Regeneration & Economic Development	Cllr. Simon Tagg	Footfall	High	502,880	590,267	983,173	-	There is a huge increase in the figures this quarter, and there is a 95.50% increase on Qtr 3 2020.	
4.3	Regeneration & Economic Development	Cllr. Stephen Sweeney	Average stall occupancy rate for markets	High	Stall Occupancy Overall average) 58% Mon GM 17% Tues AFG 94% Wed GM 18% Thurs AFG 76% Fri GM 44% Farmers Mkt 73% - 4 th Fri/ monthly Sat GM 42% Castle Artisan Market 100%	Stall Occupancy Overall average) 54% Mon GM 23% Tues AFG 78 % Wed GM 14 % Thurs AFG 73% Fri GM 47% Farmers Mkt 40 % 4 th Friday/monthly Sat GM 45% Record Fair Market 62% - Monthly. Castle Artisan Market 100% - Monthly.	Stall Occupancy Overall average) 53% Mon GM 23% Tues AFG 72 % Wed GM 14 % Thurs AFG 66% Fri GM 53% Farmers Mkt 40 % 4 th Friday/monthly Sat GM 42% Castle Artisan Market 100% - Monthly.	-	There is a slight drop in stall occupancy for some of the markets. The Castle Artisan Market (CAM) continues to be held each month and celebrated its first birthday in October, with 13 dates now booked for 2022. In addition there was 100% occupancy for a Greyhound Gap Take-over Market, a popular dog-themed event held in November, the next planned for February 2022. December also saw the second Vegan Festival which was popular again, with 100% of stalls taken.	

*The result is within tolerance

N/A Performance information not available at this time or due to be provided at a later date



Performance is not on target but direction of travel is positive



Performance is not on target where targets have been set



Performance is on or above target



Positive performance noted (no target set)



Performance noted for monitoring(no target set)

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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Finance Assets and Performance Scrutiny Committee 24 March 2022

Report Title: Rough Sleeper Initiative Funding 2022-25

Submitted by: Executive Director - Commercial Development & Economic Growth

Portfolios: Community Safety and Wellbeing

Ward(s) affected: All

Purpose of the Report

To outline the funding bid for the Rough Sleeper Initiative Funding 2022-25.

Recommendations

That the Council accepts the funding awarded by the Government as part of the Rough Sleeper Initiative Funding 2022-25 for the projects outlined.

Reasons

The Council has bid for the Rough Sleeper Initiative Funding 2022-25 from Department of Levelling Up Housing and Communities (DLUHC), the outcome of which is due to be known in April, therefore it is reasonable for the Council to plan to accept the funding which is allocated and commence procurement of contracts and recruitment of officers.

1. **Background**

- 1.1 The Government has a published Rough Sleeper Strategy to halve rough sleeping by 2022 and end it by 2027. The strategy recognises that rough sleeping is the extreme form of homelessness and therefore it is right that action is taken to help people off the streets. As part of this, a key element is the prevention and recovery process for rough sleepers.
- 1.2 The Council works in partnership with a range of local partners involved in supporting homelessness and sought the views of partners and opportunities for joint working through the Newcastle Homelessness Forum and Stoke Forum.
- 1.3 The Council meets the DLUHC Homelessness Specialist Advisors on a regular basis to discuss the local rough sleeping situation and the Council's plans to address it. This approach means that the Council is able to take a co-production approach to submitting funding bids for rough sleeper funding when it becomes available. On 25th February, the Council submitted a bid for the next round of funding. These discussions with the Specialist Advisors also allow for the evaluation of existing schemes and sharing of best practice.

2. **Issues**

- 2.1 The Council submits an annual rough sleeping estimate every November. For 2021 this figure was 7, compared to 9 in 2020. The Council also completes a physical bi-monthly rough sleeper

count at 5am to give an accurate picture, the last one was completed in January and found 4 people were bedding down.

2.2 The Council has been successful in securing funding in previous years and is seeking to extend these services going forward. These services are:

- The Rough Sleeper Navigator,
- The Joint Rough Sleeper Co-ordination with Stoke City Council,
- Homelessness Healthcare Worker (due to commence 1st April as there was a delay in recruitment) and community outreach vehicle for the health care worker to complete their support on the streets (this includes Covid vaccinations).
- A flexible innovative fund and cold weather fund which enables officer to support those who have previously failed to engage.

2.3 Officers have identified a range of new services in the bid:

- Tenancy Sustainment Officer, which will enable customers to attain and sustain accommodation. As part of the bid it was identified that this post will seek to incorporate move-on support if appropriate.
- Part-time Support Officer to work with rough sleepers in temporary accommodation to help them maintain their new life through diversionary activities, volunteering, education, and any activities that stop them falling back into reoccurring episodes of rough sleeping.
- Support Worker to drive the community outreach vehicle and support the healthcare worker. This post can also act as security where this is required. This enables the service to go out at times which may be unsuitable for lone working.
- Homeless Hub joint bid with Stoke City Council to provide information and advice on specialist service all in one building including health services, Police, Department of Welfare, Rough Sleeper support workers, voluntary and faith services. The Council would be looking to cover 20% of the costs of the hub.

3. **Proposal**

3.1 To accept the funding when allocated from DULHC.

4. **Reasons for Proposed Solution**

4.1 The Council is expected to assist the most vulnerable residents who are rough sleeping, the proposals and acceptance of the funding is in line with the Council's Homelessness and Rough Sleeping Strategy 2020-25.

5. **Options Considered**

5.1 The Council can decide to accept or decline the grant funding.

6. **Legal and Statutory Implications**

6.1 The Homelessness Act 2002 requires Local Authorities to formulate reviews and strategies in order to tackle and prevent homelessness.

6.2 The Homelessness Reduction Act 2017 places emphasis on the prevention and relief of homelessness at an earlier stage.

7. Equality Impact Assessment

7.1 These services seek to help all people out of rough sleeping. The overall service as part of Newcastle Housing Advice has an equality impact assessment completed.

8. Financial and Resource Implications

8.1 The overall bid is for £592,041 over 3 years, this includes:

	Rough Sleeper Navigator and personalisation fund of £5,000 per year	Joint Rough Sleeper Co-ordination and personalisation fund of approx. £3,000	Homelessness Healthcare Worker (in year 1 this is for the vehicle as officer costs are carried forward from existing funding)	Flexible innovative fund and cold weather fund	Tenancy Sustainment Officer and personalisation fund of £5,000 per year	Support Officer and personalisation fund of £3,000 per year	Homeless Hub
2022 / 23	41,940	15,000	10,000	15,000	32,705	16,168	31,520
2023 / 24	42,679	15,000	40,000	15,000	42,678	20,557	37,222
2024 / 25	43,809	15,000	40,000	15,000	43,432	20,908	38,423
Total	128,428	45,000	90,000	45,000	118,815	57,633	107,165

8.2 There is no requirement for match funding.

9. Major Risks

9.1 One of the key risks is the ability to recruit suitably qualified officers for the posts outlined, by taking this report to Cabinet in March the intention is to be prepared to recruit as soon as the funding is announced.

9.2 There is a risk that the services proposed are insufficient to meet the demand; however officers believe the proposals are appropriate taking into account current and potential needs.

9.3 Should the funding cease in 2025 the Council can end the contracts. The new officers will be appointed on temporary contracts so there will be no employment issues should the funding cease.

10. UN Sustainable Development Goals (UNSDG)

10.1 As the proposals relate to improving sustainability they will impact a number of UN Sustainable Development Goals (UNSDG). These are:-



11 **Key Decision Information**

11.1 This is a key decision as the grant is over £100,000.

12 **Earlier Cabinet/Committee Resolutions**

12.1 None

13 **List of Appendices**

13.1 None.

14 **Background Papers**

14.1 None.

FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE

Work Programme 2019/21

Chair: Councillor Mark Holland

Vice-Chair: Councillor Bert Proctor

Members: Burnett, Fear, Grocott, Hutton, Kearon, Pickup, Rout, Stubbs and P. Waring

Portfolio Holders covering the Committee's remit:

Councillor S Tagg, Leader – One Council, People and Partnerships

Councillor Stephen Sweeney - Deputy Leader – Finance, Town Centres and Growth



The following services fall within the remit of this Scrutiny Committee:

Corporate Strategy	Revenue and Capital Budgets
Council Structure and Democracy	Surplus Assets
External Partnerships (including Newcastle Partnership, Staffs. Strategic Partnership, Stoke on Trent and Staffordshire LEP, Town Centre BID and Constellation Partnership)	Financial Monitoring
District Deal	Internal Audit
Economic Development Strategy	Procurement
Human Resources and Payroll	Treasury Management
Keele Deal	Revenues and Benefits
LAPs	Increasing Revenue Generation
Localism	Performance Management and Risk Champion

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Customer and ICT Services	Licensing (incl Taxis)
Communications and Website	Financial Inclusion (incl Living wage)
Guildhall	Health and Safety Champion
Sports and Leisure Provision for Kidsgrove	Car Parks
Ryecroft and Civic Hub projects	

The core Work Programme is determined at the beginning of the municipal year. Issues can be added throughout the year with the Chair's approval or where a new priority area comes to the Committee's attention.

For more information on the Committee or its Work Programme please contact Denise French on 01782 742211 or at denise.french@newcastle-staffs.gov.uk

DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES	OUTCOME
Thursday 19 September 2019	Q1 Finance and Performance		
	Work Programme		
	Revenues and Benefits – Universal Credit	Impact on benefit claimants and organisational impact on NULBC.	
	Digital Strategy	Pre-Cabinet scrutiny of Outline Business Case	
	ICT Strategy and Development Programme	Review of ICT strategy and development programme including plans to migrate to Windows 10/Office 365.	
Monday 16 December 2019	Revenue and Capital Budgets	Pre-cabinet Scrutiny of draft savings proposals and capital programme	Alignment to Council Plan
	MTFS	Pre-cabinet Scrutiny	Alignment to Council Plan

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DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES	OUTCOME
	Commercial Strategy	Review Governance and Risk Management	Assurance that risks are being appropriately managed. Compliance to MTFS.
	Revenues, Benefits and Customer Services	Update on restructure proposals	Assurance that resourcing levels will be sufficient to ensure achievement of agreed performance targets
	Quarter 2 Performance Report	Review performance indicators.	Assurance that indicators accurately reflect progress with Council Plan. Alignment to MTFS and Budget.
Thursday 16 January 2020	Revenue/Capital Budget and Council Tax	Pre-Cabinet Scrutiny	Alignment to Council Plan and MTFS.
	Capital Strategy	Pre-Cabinet Scrutiny	Alignment to Council Plan and MTFS.
	Investment Strategy	Pre-Cabinet Scrutiny	Alignment to Council Plan and MTFS.
	Scale of Fees and Charges	Pre-Cabinet Scrutiny	Alignment to Council Plan and MTFS.
	Treasury Management	Pre-Cabinet Scrutiny	Alignment to Council Plan and MTFS.
Thursday 19 March 2020	Asset Transfer/Community Management	Review examples (e.g. Guildhall) and determine preferred model based on learning points. Consider other potential assets for transfer (e.g. Community Centres, Kidsgrove Sports Centre).	Adequate community capacity and capability. Financial sustainability.
	Kidsgrove Sports Centre	Review progress on asset repair/transfer and CIC operating model.	Financial sustainability. Community demands.

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DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES	OUTCOME
			Councillor Burnett to be asked to undertake some research into this topic initially and report back to the committee.
	Ethical Debt Collection	Review progress of pilot schemes in Hammersmith & Fulham and Bristol, and draft NULBC Code of Collection Practice.	Assurance that use of collection agent is appropriate and proportionate, and impact on vulnerable residents is minimised.
	Outsourcing of Payroll Services	Review of progress.	Assurance that new arrangements have delivered an improved service and cost savings.
	Quarter 3 Performance Reports	Review Performance Indicators	Assurance that indicators accurately reflect progress with Council Plan. Alignment to MTFS and Budget.
Thursday 25 June 2020	LAPS	Review of impact on local services.	Focus on key local issues. Resource solutions.
	Procurements	Review commissioning and procurement process including whole life costs of projects/contracts and robustness of contract management procedures.	Best value.
	Quarter 4 Performance Reports	Review Performance Indicators.	Assurance that indicators accurately reflect progress with Council Plan. Alignment to MTFS and Budget.
	Procurement	Review commissioning and procurement process including whole life costs of	Councillor Hutton to report back on his investigative findings.

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DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES	OUTCOME
		projects/contracts and robustness of contract management procedures.	
Thursday 17 September 2020	Financial Sustainability and Recovery Plan Quarter 1 Performance Report CIPFA Guide to Financial Scrutiny	Pre-cabinet scrutiny Review Performance Indicators Information and guidance to members on best practice	Alignment to Council Plan and MTFS Assurance that indicators accurately reflect progress with Council Plan. Alignment to MTFS and Budget Financial scrutiny is carried out in accordance with best practice
14 December 2020	Medium Term Financial Strategy 2021/22 – 2025/26 Revenue and Capital Budget 2021/22 – First Draft Savings Plan	Review Performance Indicators	

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DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES	OUTCOME
	Quarter 2 Performance Report		Assurance that indicators accurately reflect progress with Council Plan.
18 January 2021	Revenue/Capital Budget plus Capital Strategy, Treasury Management Strategy and Investment Strategy Scale of fees and charges	Pre-cabinet scrutiny Pre-cabinet scrutiny	Alignment to Council Plan and MTFS
25 March 2021	Quarter 3 Performance Report Commercial Strategy and Portfolio Asset Management Strategy	Review Performance Indicators Update on progress and review Update on progress	Assurance that indicators accurately reflect progress with Council Plan Alignment to Council Plan and MTFS Alignment to Council Plan and MTFS
24 May 2021	Newcastle Crematorium - outcome of consultation	Pre-cabinet scrutiny	
16 September, 2021	Commercial Strategy Update	Regular update	6 month review requested by the Committee

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DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES	OUTCOME
	Procurement Review Q4 Finance and Performance Review Q1 Finance and Performance Review J2 Resolution of issues Covid review	Review Performance Indicators Review Performance Indicators Update To enable scrutiny of lessons learned	Requested by the Committee Assurance that indicators accurately reflect progress with Council Plan
13 December 2021	Q2 Finance and Performance Review Draft savings proposals & MTFS 2022/23 One Council update	Review Performance Indicators	Assurance that indicators accurately reflect progress with Council Plan To enable scrutiny of the programme
20 January 2022	Draft Revenue & Capital Budget and Strategies 2022/23 Schedule of Fees and Charges	Pre-Cabinet Scrutiny Pre-Cabinet Scrutiny	Alignment to Council Plan and MTFS Alignment to Council Plan and MTFS
24 March 2022	Commercial Strategy update	Regular update	6 month review requested by the Committee

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DATE OF MEETING	ITEM	BACKGROUND/OBJECTIVES	OUTCOME
	Q3 Finance and Performance Review Procurement Strategy to include the effectiveness of the strategy in achieving its aims	Review Performance Indicators Regular updates requested by the Committee	Assurance that indicators accurately reflect progress with Council Plan
30 June 2022	Q4 Finance and Performance Review Asset Management Strategy	Review Performance Indicators Update on progress	

To keep under review

- Procurement Strategy – to review whether resources are available to provide a report for June/September 2021
- Commercial Strategy Update – 6 monthly update to the Committee

December 2021

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