

CABINET AGENDA

Tuesday, 22 March 2022 at 10.00 am in the Council Chamber - Civic Centre

From the Chief Executive, Sheena Ramsey

Item	Business
1	Apologies for absence
2	Minutes (Pages 5 - 18) Cabinet is asked to approve the minutes of the last meeting held on Key Decisions
3	Active Travel Social Prescribing Bid (Pages 19 - 30) Report of the Director of Public Health
4	Health Determinates Research Collaboration (HDRC) (Pages 31 - 36) Report of the Director of Public Health
5	North East Screen Industries Partnership (Pages 37 - 44) Report of the Strategic Director, Economy, Innovation and Growth
6	Procurement and Contracts Report (Pages 45 - 60) Report of the Strategic Director, Corporate Services and Governance Recommendations to Council
7	Consultation on 2023 Parliamentary Boundary Review (Pages 61 - 68) Report of the Strategic Director, Corporate Services and Governance
8	Corporate Commissioning & Procurement Strategy and approach to Social Value (Pages 69 - 102) Report of the Strategic Director, Corporate Services and Governance
9	Localism Act 2011 - Pay Accountability Pay Policy Statement 2022-23 (Pages 103 - 122) Report of the Strategic Director, Corporate Services and Governance

- 10 Resident Influence Strategy and Framework** (Pages 123 - 148)
Report of the Strategic Director, Housing, Environment and Healthy Communities
- 11 Treasury Policy Statement and Treasury Strategy 2022/23 to 2026/27** (Pages 149 - 182)
Report of the Strategic Director, Resources and Digital
- Non Key Decisions**
- 12 Performance Management and Improvement Framework - Six Month Performance Report 2021/22** (Pages 183 - 232)
Report of the Strategic Director, Resources and Digital
- 13 Rent Arrears for Former Tenants and Sundry Account Debts - Transfer of Uncollectable Amounts** (Pages 233 - 236)
Report of the Strategic Director, Resources & Digital and Strategic Director, Housing, Environment & Healthy Communities
- 14 Miscellaneous Income – Transfer of Uncollectable Amounts** (Pages 237 - 240)
Report of the Strategic Director, Resources and Digital
- 15 Rough Sleeping Initiative (RSI) Funding 2022-2025** (Pages 241 - 246)
Report of the Strategic Director, Housing, Environment and Healthy Communities
- 16 Covid-19 Additional Relief Fund (CARF)** (Pages 247 - 254)
Report of the Strategic Directors, Economy, Innovation & Growth and Resources and Digital
- 17 Active Travel Programme** (Pages 255 - 260)
Report of the Strategic Director, Economy, Innovation and Growth
- 18 Nomination of Local Authority School Governors** (Pages 261 - 264)
Report of the Strategic Director, Children, Adults and Families

19 Exclusion of the Press and Public

The Cabinet may wish to exclude the press and public from the meeting during consideration of the following item(s) on the grounds indicated:

Item	Paragraph of Schedule 12A to the Local Government Act 1972
20	3
21	3
22	1

Key Decisions

20 Dunston Hill Neighbourhood Growth Area - Land Collaboration Agreement
(Pages 265 - 272)

Report of the Strategic Director, Housing, Environment and Healthy Communities

21 Development of new homes at Birtley Northside by the Gateshead Regeneration Partnership (Pages 273 - 280)

Report of the Strategic Directors, Economy, Innovation & Growth and Housing, Environment & Healthy Communities

22 Review of Printpoint (Pages 281 - 286)

Report of the Strategic Director, Corporate Services and Governance

Contact: Kevin Ingledew Email: keviningledew@gateshead.gov.uk, Tel: 0191 4332142,
Date: Monday, 14 March 2022

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GATESHEAD METROPOLITAN BOROUGH COUNCIL

CABINET MEETING

Tuesday, 22 February 2022

PRESENT: Councillor M Gannon

Councillors: C Donovan, J Adams, M Brain, L Green,
G Haley, J McElroy, M McNestry and B Oliphant

Also in attendance: Councillors: R Beadle, S Green and JC
Wallace

C135 **APOLOGIES FOR ABSENCE**

An apology for absence was submitted from Councillor A Douglas.

C136 **MINUTES**

The minutes of the last meeting held on 25 January 2022 were agreed as a correct record and signed by the Chair.

C137 **HOUSING REVENUE ACCOUNT OPTIONS APPRAISAL RECOMMENDATIONS**

Consideration has been given to progress made against the options appraisals identified in the Housing Revenue Account (HRA) Asset Management Strategy and to the proposal to decommission Redheugh, Eslington and Warwick Courts as part of the work to support a statutorily compliant business plan, able to fund a compliant, well maintained and sustainable housing stock.

The alternative options to those being recommended, but which were discounted, including retaining the blocks with vary levels of investment and in respect of Warwick Court decommissioning and demolishing the block without any further appraisal.

- RESOLVED -
- (i) That the decommissioning of Redheugh and Eslington Courts and the associated garages from April 2022, with these buildings being demolished over the following three years from 2022/23, be approved.
 - (ii) That the decommissioning of Warwick Court from April 2022 and the commencement of an appraisal of the building structure to assess whether it can be decommissioned, renovated and recommissioned to provide an alternative smaller specialist housing offer, be approved.
 - (iii) That the prioritisation of tenants of the above mentioned blocks for rehousing; the issuing of Home-loss and disturbance payments as appropriate and the removal of the existing void

properties from the Housing Revenue Account rent roll, be approved.

- (iv) That the Strategic Director, Housing, Environment and Healthy Communities be authorised to commence negotiations to acquire the two residential leasehold properties and develop a suitable compensation package and should negotiations not be successful, to compulsorily acquire the properties using compulsory purchase powers as a last resort.
- (v) That the extension of the HRA Estate Regeneration Officer post to March 2025, and changes to the residential caretaker arrangements in the blocks, to support the decommissioning process, be approved.

The above decisions have been made for the following reasons:

- (A) To set a Housing Revenue Account that is not in debit as required under the Local Government and Housing Act 1989 (Part VI) and is able to meet its short- and long-term investment requirements.
- (B) To realise the Council's policies and objectives in relation to the Housing Strategy in order to maintain and enhance Council Housing provision in Gateshead.
- (C) To assist in the delivery of the Council's vision for Gateshead as set out in Making Gateshead a Place where Everyone Thrives.

C138

ENERGY TARIFFS 2022-23 FOR GATESHEAD HEIGHTS

Consideration has been given to energy tariffs for High Rise Energy Infrastructure for Gateshead Housing Tenants (HEIGHTs) project residents for 2022/23.

The alternative options to those being recommended, but which were discounted, included setting higher or lower tariffs.

- RESOLVED -
- (i) That the proposed heat and electricity tariffs for HEIGHTs project residents for the period 1 April 2022 to 31 March 2023, as set out in the report, be approved and the revised tariffs communicated to the residents.
 - (ii) That the tariffs be reviewed in six months and any proposed necessary adjustments to the tariffs agreed be the subject of a further report to Cabinet.

The above decisions have been made for the following reasons:

- (A) To comply with heat and electricity supply agreements in place with customers.
- (B) To ensure the HEIGHTs scheme recovers its operating

and construction costs over its lifetime.

- (C) To ensure HEIGHTs customers continue to pay fair and market reflective prices for their heating and electricity.

C139

THE CLEAN AIR PLAN FOR GATESHEAD AND NEWCASTLE - JOINT COMMITTEE AND LEGAL ORDER

Consideration has been given to making the legal order for the Clean Air Zone, maintaining a local register of exempt vehicles, entering into agreements with the Joint Air Quality Unit and to establish a Joint Committee with Newcastle City Council to manage the Clean Air Zone.

- RESOLVED -
- (i) That the joint making with the Newcastle City Council of the Newcastle and Gateshead Clean Air Zone Charging Order 2022 (“the Charging Order”), substantially in the form as set out in appendix 2 to the report and the delegation of authority to the Strategic Director Economy, Innovation and Growth, following consultation with the Leader and the Cabinet Member for Environment and Transport, to agree any changes to the Charging Order on behalf of Gateshead Council (and to note that such changes would also need to be agreed by Newcastle City Council), be approved.
 - (ii) That in accordance with the Council’s Constitution, the sealing and dating of the Charging Order incorporating any changes to the version provided at appendix 2 to the report, which are made as in accordance with (i) above, be approved and authorised.
 - (iii) That authority be delegated to Newcastle City Council to determine the date that charging pursuant to the Charging Order shall commence and thereafter publish notice of such date following agreement with the Strategic Director Economy, Innovation and Growth of the date.
 - (iv) That functions be delegated to Newcastle City Council to undertake enforcement of the Charging Order pursuant to The Road User Charging Schemes (Penalty Charges, Adjudication and Enforcement) (England) Regulations 2013 and all other enabling powers.
 - (v) That it be approved Newcastle City Council shall maintain and administer the local register, which will identify non-chargeable vehicles for the purposes of Part 2 of Annex 2 and of Annex 4 of the Charging Order criteria for determining applications for entry onto such local register.
 - (vi) That authority be delegated to Newcastle City Council to distribute the funding for grants for the Clean Air Zone in order to retrofit or upgrade potentially affected vehicles, in line with the Full Business Case and funding received.

- (vii) That authorisation be given for the entry into a joint working agreement with Newcastle City Council and delegated authority be given to the Strategic Director Economy, Innovation and Growth, following consultation with the Leader and Cabinet Member for Environment and Transport, to agree the terms and provisions of such agreement.
- (viii) That it be noted Newcastle City Council will enter into a Clean Air Zone Services Agreement with the Government and the entry into all necessary Data Sharing Agreements with the Government be authorised, with all such agreements to be on such terms as shall be agreed by the Strategic Director, Economy, Innovation and Growth, following consultation with the Leader and Cabinet Member for Environment and Transport.
- (ix) That the Council be recommended to agree to the establishment of an “Air Quality Joint Committee” with Newcastle City Council to exercise both executive and non-executive functions as set out in the terms of reference at appendix 3 to the report and it be noted that Full Council shall, with the agreement of Cabinet, make appointments to such Joint Committee.
- (x) That it be noted decisions are also being taken by Newcastle City Council where actions are being required to be taken jointly, in relation to the delegation of enforcement functions and in relation to the setting up of the Air Quality Joint Committee.

The above decisions have been made for the following reasons:

- (A) To put in place the legal and administrative decisions which are required to implement the Clean Air Zone.
- (B) Time is critical in delivering compliance with the legal air quality standards and therefore it is necessary to take steps relating to the introduction of the Clean Air Zone, in advance of receiving formal confirmation from the Government that the Full Business Case is approved.

C140

HOUSING REVENUE ACCOUNT (HRA) AND HOUSING CAPITAL PROGRAMME

Consideration has been given to the proposed Housing Revenue Account (HRA) budget for 2022/23, the proposed Housing Capital Programme for 2022/23 and the indicative programme for the period 2023/24 – 2026/27.

RESOLVED -

That the Council be recommended to approve:

- (i) The Housing Revenue Account (HRA) for 2022/23 as set out in appendix 2 to the report.

- (ii) The Housing Capital Programme for the five years 2022/23 to 2026/27 as set out in appendix 3 to the report.

The above decisions have been made for the following reasons:

- (A) To set a Housing Revenue Account for 2022/23 that is not in debit as required under the Local Government and Housing Act 1989 (Part VI).
- (B) To realise the Council's policies and objectives in relation to the Housing Strategy to maintain and enhance Council Housing provision in Gateshead.
- (C) To assist in the delivery of the Council's vision for Gateshead as set out in Making Gateshead a Place where Everyone Thrives.

C141 **CAPITAL PROGRAMME 2022/23 TO 2026/27**

Consideration has been given to the proposed Capital Programme for the next five years to continue to provide significant levels of strategic investment to help maintain and deliver financial sustainability and support the Council's strategic approach to Making Gateshead a Place Where Everyone Thrives.

- RESOLVED -
- (i) That the Council be recommended to approve the Capital Programme for 2022/23 and the provisional programmes for 2023/24 to 2026/27, as set out in appendix 2 to the report.
 - (ii) That the provisional capital financing required for the programme as set out in appendix 3 to the report be noted and the Strategic Director, Resources & Digital be given delegated authority to enter into prudential borrowing which is consistent with the requirements of the Capital Programme and Council's Treasury Management Strategy.

The above decisions have been made for the following reasons:

- (A) To continue to provide investment within the borough to delivery Council priorities.
- (B) To assist with the medium and long-term financial sustainability of the Council.

C142 **FEES AND CHARGES 2022/23**

Consideration has been given to fees and charges for 2022/23.

- RESOLVED -
- That the Council be recommended to approve:
 - (i) The fees and charges for 2022/23 as set out in appendix 2 to the report.

- (ii) Authorising the Strategic Director, Resources and Digital to make any necessary adjustments to correct any errors in the schedule of fees and charges.

The above decisions have been made for the following reasons:

- (A) To ensure that Fees and Charges are set in accordance with Council priorities.
- (B) To support the delivery of the Council's budget and the strategic approach to making Gateshead a place where everyone thrives.

C143

BUDGET AND COUNCIL TAX LEVEL 2022/23

Consideration has been given to recommending to Council the proposed Budget and Council Tax Level for 2022/23 and the prudential indicators and Minimum Revenue Provision (MRP) Statement as set out in the report.

RESOLVED - That the following recommendations be made to the Council:

- (1) That Gateshead's Band D council tax for 2022/23 is increased by 2.99% (including a 1% adult social care Government charge) to £1,972.17.
- (2) The revenue estimates of £254.304 million for 2022/23 are approved.
- (3) To extend the council tax hardship scheme into 2022/23 using existing funds to reduce all working age Local Council Tax Support recipients bills by £50 in 2022/23.
- (4) The budgeted use of £29.239 million Earmarked Reserves in 2022/23 be approved (comprising of £1.750 million budgeted use of strategic, £8.996 million budgeted use of pandemic, £12.675 million ringfenced covid support to retained business rates and £5.818 million budget sustainability).
- (5) That the proposed budgets including the indicative schools funding presented in appendix 2 be agreed.
- (6) That the outcome of initial budget consultation outlined in appendix 4 be noted.
- (7) To note the conclusions of the Strategic Director, Resources and Digital in respect of the robustness of budget estimates and adequacy of reserves outlined in appendix 5.
- (8) That the prudential and treasury indicators set out in appendix 7 to this report be agreed.
- (9) That the method of calculating the Minimum Revenue Provision (MRP) for 2022/23 as set out in appendix 8 be approved.

- (10) That it be noted that at its meeting on 25 January 2022, Cabinet agreed the following amounts for the year 2022/23 in accordance with regulations made under Section 31B (3) of the Local Government Finance Act 1992 as amended by the Localism Act 2011:
- (a) **52,660.9** being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as its Council Tax base for the year;
 - (b) **1,214.1** for Lamesley Parish being the amount calculated by the Council, in accordance with regulation 6 of the Regulations, as the amount of its Council Tax base for the year for dwellings in those parts of its area to which special items relate.
- (11) That the following amounts be now calculated by the Council for the year 2022/23 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992, as amended by the Localism Act 2011 ('the Act'):
- (a) **£614,685,003** being the aggregate total of the expenditure amounts, which the Council estimates for the items, set out in Section 31A (2) of the Act taking into account the precept issued by Lamesley Parish Council;
 - (b) **(£510,816,169)** being the aggregate total of the income amounts, which the Council estimate for the items, set out in Section 31A (3) of the Act;
 - (c) **£103,868,834** being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year including Lamesley Parish Council;
 - (d) **£1,972.4090** being the amount at (c) above, all divided by the amount at (10)(a) above, calculated by the Council, in accordance with Section 31B (l) of the Act, as the basic amount of its Council Tax for the year including Lamesley Parish Council;
 - (e) **£12,467.00** being the aggregate amount of all special items (Lamesley Parish Council) referred to in Section 34(1) of the Act;
 - (f) **£1,972.1723** being the amount at (d) less the result given by dividing the amount at (e) above by the amount at (10)(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in

those parts of its area to which no special item (Lamesley Parish Council) relates;

- (g) Part of the Council's area: Lamesley Parish **£1,982.4408** being the amounts given by adding to the amount at (f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (10)(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items (Lamesley Parish Council) relate;

(h)

Valuation Band	Lamesley Parish £	All other parts of the Council's area £
A	6.85	1,314.79
B	7.99	1,533.91
C	9.13	1,753.04
D	10.27	1,972.17
E	12.55	2,410.44
F	14.83	2,848.70
G	17.12	3,286.96
H	20.54	3,944.34

being the amounts given by multiplying the amounts at (f) and (g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (12) That it be noted that for the year 2022/23, the Police and Crime Commissioner for Northumbria, and Tyne and Wear Fire and Rescue Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Valuation Band	Police and Crime Commissioner for Northumbria £	Tyne and Wear Fire and Rescue Authority £
A	102.56	58.23
B	119.65	67.94
C	136.75	77.64
D	153.84	87.35
E	188.03	106.76
F	222.21	126.17

G	256.40	145.58
H	307.68	174.70

- (13) That, having calculated the aggregate in each case of the amounts at (11) (h) and (12) above, the Council in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2022/23 for each of the categories of dwellings shown below:

Valuation Band	Lamesley Parish £	All other parts of the Council's area £
A	1,482.43	1,475.58
B	1,729.49	1,721.50
C	1,976.56	1,967.43
D	2,223.63	2,213.36
E	2,717.78	2,705.23
F	3,211.91	3,197.08
G	3,706.06	3,688.94
H	4,447.26	4,426.72

- (14) That under section 52ZB of the Local Government Finance Act 1992 (as amended by the Localism Act 2011), the Council's relevant basic amount of council tax for 2022/23 is not excessive in accordance with the principles determined under section 52ZC of the Act.

The above decisions have been made to fulfil the Council's statutory duty to set the Budget and Council Tax for 2022/23.

C144

EXTERNAL AUDITOR APPOINTMENTS BEYOND 1 APRIL 2023

Consideration has been given to recommending the Council to opt into the national sector-led arrangement for the appointment of external auditors with effect from 1 April 2023.

The alternative options to that being recommended, but which were discounted, included the Council appointing its own external Auditor or in a joint arrangement with other local authorities.

RESOLVED - That the Council be recommended to approve the proposal to opt-in to the sector-led option for the appointment of external auditors for five financial years commencing 1 April 2023.

The above decision has been made for the following reasons:

- (A) To ensure the Council can make the necessary arrangements for the appointment of external auditors for the financial year beginning 1 April 2023 in compliance with the requirements of the Local Audit and Accountability Act 2014
- (B) This is the optimum arrangement for the achievement of value

for money and deliverability.

C145

PRIMARY COMMUNITY CONTROLLED SCHOOL ADMISSIONS ARRANGEMENTS AND CO-ORDINATED ADMISSION SCHEMES FOR PRIMARY AND SECONDARY SCHOOLS FOR 2023/24

Consideration has been given to the proposed Community and Voluntary Controlled Primary Schools Admission Policy 2023; the proposed Co-ordinated admission schemes for Infant, Junior, Primary schools and Secondary Schools 2023; and the proposed Planned Admission Numbers (PANs) for Community schools for 2023/24.

- RESOLVED -
- (i) That the Community and Voluntary Controlled Primary Admissions Policy as set out in appendix 2 to the report be approved and adopted for September 2023.
 - (ii) That the approved admissions policies for September 2022 are used, as a basis of consultation, if necessary, with schools and others for formulating the relevant admissions policies from September 2023/24 onwards.
 - (iii) That the approved two co-ordinated admission schemes for Secondary, Infant Junior and Primary schools, as set out in appendix 3 to the report, be adopted for September 2023.
 - (iv) That it be noted the Planned Admissions Numbers (PANs) for all community Primary schools, as set out in appendix 3 to the report, are to be adopted by the governing bodies of each school.
 - (v) That the change in PAN for both Brighton Avenue and South Street Primary Schools be approved.

The above decisions have been made to enable the Council to comply with statutory legislation as it relates to school admissions policies, admission arrangements and co-ordinated admission arrangements.

C146

COMMUNITY RENEWAL FUND PROJECT - SUNDERLAND CITY COUNCIL

Consideration has been given to the action taken by officers in accepting funding of £504,280 awarded to Gateshead Council learningSkills from Sunderland City Council for a Community Renewal Fund project, following a successful bid. The project will fund third sector organisations in Sunderland to provide wrap around support to Sunderland residents with multiple barriers and difficulties to access statutory services, the community, training, and employment opportunities.

- RESOLVED -
- That the action taken by the Service Director, Education, Schools and Inclusion in submitting the bid and accepting the funding award contract with Sunderland City Council, following consultation with the Strategic Director, Resources and Digital, in accordance with Schedule 5, Part 2 General Delegations to Managers, Paragraph (4)(e) of the Council's Constitution be noted and endorsed.

The above decisions have been made for the following reasons:

- (A) To comply with the requirements of the Council's Constitution.
- (B) To ensure openness and transparency with the decisions made by officers.

C147

COMMUNITY ASSET TRANSFER - HEWORTH WELFARE PARK BOWLING GREEN AND PAVILION

Consideration has been given to the community asset transfer by the grant of a 25-year lease in relation to Heworth Welfare Park Bowling Green and Pavilion, Smithburn Road, Felling.

RESOLVED - That as Trustee and subject to the necessary consents being obtained, the grant of a 25-year lease of Heworth Welfare Park Bowling Green and Pavilion to Active Future FP Community Interest Company, in accordance with the Community Asset Transfer Policy be approved.

The above decisions have been made for the following reasons:

- (A) To manage the Trust's assets in line with the objects of the Trust and in line with the Council's Corporate Asset Strategy and Management Plan.
- (B) To realise savings for the Trust.

C148

SURPLUS DECLARATION - OLIVER HENDERSON PARK BOWLING GREEN AND PAVILION

Consideration has been given to the surplus declaration to the Council's requirements of Oliver Henderson Park Bowling Green and Pavilion, Meresyde, Leam Lane.

RESOLVED - That subject to the proposed disposal being advertised as required by Section 123(2A) of the Local Government Act 1972:

- (i) Oliver Henderson Park Bowling Green and Pavilion be declared surplus to the Council's requirements.
- (ii) the Strategic Director, Housing, Environment and Healthy Communities be authorised to grant a 35-year lease, at a nil rent, in accordance with the Council's Community Asset Transfer Policy, to the Leam Lane Community Bowling Club Community Interest Organisation.

The above decisions have been made for the following reasons:

- (A) To manage resources and rationalise the Council's assets in line with the Corporate Asset Strategy and Management Plan.

- (B) To realise savings identified through rationalisation of the bowling green portfolio as previously agreed by Cabinet (Minute No. C62).

C149 **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED - That the press and public be excluded from the meeting during consideration of the remaining business in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972.

C150 **NEST HOUSE/OLD FOLD ESTATES - HEAT NETWORK EXTENSION**

Consideration has been given to the proposed heat network extension to Old Fold and Nest House Council estates and to accepting grant funding under the Heat Network Investment Programme, to allow project feasibility to continue.

RESOLVED - That the acceptance of the grant for the amount and on the terms set out in the report, for the proposed heat network extension to Old Fold and Nest House Council estates, be approved.

The above decision has been made for the following reasons:

- (A) To allow project feasibility to continue.
- (B) To support the Council's Zero Carbon Heat Strategy.
- (C) To continue to reduce cost and carbon emissions of energy supply for Gateshead residents.

C151 **TRANSFORMING CITIES FUND T2 HILLS STREET / GATESHEAD QUAYS SUSTAINABLE ACCESS - FULL BUSINESS CASE**

Consideration has been given to the development and submission of a full business case for the Hills Street/Gateshead Quays scheme (GA08) in order to access an allocation of funding from the Transforming Cities Fund to enable the implementation of the scheme.

RESOLVED - That the submission of the full business case for the Hills Street/Gateshead Quays Transforming Cities Scheme to Transport North East and the Joint Transport Committee be approved.

The above decision has been made to enable the implementation of the scheme using funding from the Transforming Cities Fund.

Copies of all reports and appendices referred to in these minutes are available online and in the minute file. Please note access restrictions apply for exempt business as defined by the Access to Information Act.

The decisions referred to in these minutes will come into force and be implemented after the expiry of 3 working days after the publication date of the minutes identified below unless the matters are 'called in'.

Publication date: 23 February 2022

Chair.....

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REPORT TO CABINET **22 March 2022**

TITLE OF REPORT: **Active Travel Social Prescribing Bid**

REPORT OF: **Alice Wiseman, Director of Public Health and Wellbeing**

Purpose of the Report

1. This report seeks the support of Cabinet on the Council submitting a feasibility plan to progress to the next stage of the Department for Transport (DfT) Active Travel Social Prescribing Pilot in order to bid for up to £1.5 million.

Background

2. In June 2021, The Department for Transport (DfT) announced 'Active Travel' Capital funding across the country worth £239m. This was to be provided to local transport authorities to embed walking and cycling as part of the new long-term commuting habits and to reap the associated health, air quality and congestion benefits and forms part of the Governments £2 billion commitment set-out in Gear change: a bold vision for cycling and walking (Gear Change)¹.
3. The pilot seeks to understand the relationship between personalised support plans for cycling and walking and increased cycling/walking infrastructure in a local authority to increase physical activity and a modal shift in behaviour.
4. Expressions of interests (EOI) were invited for the development of an Active Travel Social Prescribing Pilot. Shortlisted local authorities could receive up to £100,000 in revenue funding for a feasibility study to proceed to stage 2 of funding.
5. A steering group was set up in June 2021, which included the Council (Public Health, Planning Policy, Climate Change & Strategic Transport, Leisure alongside Edberts House, and Newcastle Gateshead CCG).
6. The Council submitted an EOI to the DfT in August 2021 (Appendix 2).
7. In December 2021 the Council was informed that it had been successful in the first round and, as such, was invited to submit a more detailed feasibility plan by 30th April to progress to the next stage of funding.

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/904146/gear-change-a-bold-vision-for-cycling-and-walking.pdf

Proposal

8. DfT have provided the Council with 25K, to support the steering group with the completion of the feasibility study. The feasibility study needs to outline a detailed proposal for Gateshead setting out how the prescribing pilots and related infrastructure improvements will be properly integrated into wider cycling and walking network plans.
9. The focus of the work will be in areas where there is high levels of deprivation and poor health indicators. A focus is on promoting walking and cycling for short journeys, contributing to air quality, carbon, and congestion benefits. The focus of this work will support the Council's draft Local Cycling and Walking Infrastructure Plan (LCWIP).
10. A key part of the feasibility phase includes consultation and capturing the voices of local people. This will be done by working with community groups, Voluntary, Community, Social Enterprise Organisations (VCSE) and Primary Care Networks (PCN's). Edberts House, as the Social Prescribing Provider for Gateshead, will play a key role in linking with Primary Care Networks.
11. Due to the short timescale for this work, it is proposed that the Council uses some of the feasibility resource to secure additional external capacity from an organisation/consultant with expertise in the area to support the feasibility study. This work is underway with procurement.
12. The work will be overseen by the steering group (Public Health, Transport Planning Policy, Climate Change and Strategic Colleagues, Leisure, Edberts House and Newcastle Gateshead CCG).

Recommendations

13. It is recommended that Cabinet supports the submission of a feasibility plan to bid for up to £1.5 million, to progress to the next stage of the Department for Transport (DfT) Active Travel Social Prescribing Pilot.

For the following reason:

A successful funding bid will allow further work with key communities -who will most benefit from increased levels of physical activity through cycling and walking social prescribing activities in Gateshead.

CONTACT: **Emma Gibson** extension: 2845

APPENDIX 1

Policy Context

1. As outlined in the Council Strategic Approach, Thrive, we want to help our communities not just survive, but to flourish, prosper and succeed. We have committed to five pledges to help and guide us when we make decisions. These are:
 - Putting people and families at the heart of everything we do.
 - Tackle inequality so people have a fair chance.
 - Support communities to support themselves and to support each other.
 - Invest in our economy to provide opportunities for employment, innovation, and growth.
 - Work together to fight for a better future for Gateshead

The Active Travel Social Prescribing Bid, if successful will support four of the five Thrive strategic areas. “Invest in our economy to provide opportunities for employment, innovation and growth” is not directly linked to the funding bid. The Thrive approach is at the heart of our preventative work on increasing physical activity and wellbeing through cycling and walking for some of our most deprived communities.

Gateshead’s Health and Wellbeing Strategy² (2020) states “Our understanding of the impact of climate change, air pollution, housing and active forms of travel, is improving rapidly.” By using place-shaping approaches, our vision is that by 2030 Gateshead will be a more prosperous, attractive sustainable place to live with improved quality of life and thriving communities

Background

2. The Department for Transport (DfT) published their Cycling and Walking Investment Strategy in April 2017, setting out the Government’s ambition to make cycling and walking a natural choice for shorter journeys, or as part of longer journeys by 2040.
3. Tranche 3 of the Active Travel Fund Capital Funding 2021-22 for Local and Combined Authorities is focused on delivering the Department of Transport’s longer term ambitions for walking and cycling, in line with Government objectives set out in Gear Change³. DfT want local authority feasibility bids that are supported by well-developed, long-term infrastructure plans, that are backed by thorough local engagement and are strongly supported by council leaders.
4. Heralded in ‘Gear Change’, the social prescribing and active travel pilot is about helping people to live healthier lives. Taking up cycling is among the most effective health interventions a person can make according to a recent Glasgow University study⁴. This pilot seeks to understand the relationship between personalised

² [Health and wellbeing strategy 2020.pdf \(gateshead.gov.uk\)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/904146/gear-change-a-bold-vision-for-cycling-and-walking.pdf)

³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/904146/gear-change-a-bold-vision-for-cycling-and-walking.pdf

⁴ https://www.gla.ac.uk/news/archiveofnews/2017/may/headline_522765_en.html

support plans to cycle and increased cycling infrastructure in a local authority as a means to increase physical activity and modal shift to cycling.

5. The Department of Transport is keen to evaluate the impact on cycling and walking levels with a holistic approach to increasing physical activity and developing the local environment. The pilot aims to improve physical and mental well-being of individuals referred to the social prescribing pilot, managing existing physical and mental health conditions, and reducing the prevalence of future conditions. This will be supported by developing the transport environment to support efficient and safe travel.
6. The aims of the project are: (Defined by DfT)
 - address local community identified need relating to underrepresented groups, high levels of deprivation and health inequalities,
 - actively promote increased levels of physical activity through cycling and walking,
 - demonstrate clear links between infrastructure development and the proposed social prescribing schemes
 - support modal shift to active travel providing people with travel choices and supporting changes in behaviour.
7. The intention is to focus the pilot on two specific areas of Gateshead (Central and East wards) linking to Gateshead's first Local Cycling and Walking Infrastructure Plan. (LCWIP). This would act as pilots for the rest of the Borough in establishing locally driven, ongoing, evolving plans to improve conditions for cycling and walking.

Consultation

8. The Cabinet Members for Environment & Transport and Health & Wellbeing have been consulted.

Alternative Options

9. There are no alternative funding options available at the present time from DfT or other funding bodies, that are focused solely on active travel and social prescribing.

Implications of Recommended Option

10. **Resources:**
 - a) **Financial Implications** –The Strategic Director, Resources and Digital confirms that there are no direct financial implications resulting from this report. Any financial implications will be brought to Cabinet at a later date.
 - b) **Human Resources Implications** – No Human Resource implications, other than the time of the Officers who will oversee the feasibility work and pilot programme if successful.
 - c) **Property Implications** - No property implications.
11. **Risk Management Implication** - No risks associated with the proposal have been identified and therefore no requirement for measures to be taken to mitigate risks.

12. **Equality and Diversity Implications** - No equality and diversity implications of the recommended option.
13. **Crime and Disorder Implications** – No crime and disorder implications of the recommended option.
14. **Health Implications** - The Active Travel Social Prescribing work aims to improve physical and mental well-being of individuals as part of a social prescribing programme. This work falls in line with the Council's aspirations for 'health and wellbeing' as part of Gateshead's Thrive approach.
15. **Climate Emergency and Sustainability Implications** - There is an opportunity through the work programme to convert short vehicle journeys into cycling and walking, resulting in potential carbon, air quality and congestion benefits for Gateshead.
16. **Human Rights Implications** - No Human Rights implications.
17. **Ward Implications** – The bid is focused on Gateshead wards linked to the Draft Gateshead Local Cycling and Walking Investment Plan (LCWIP). If successful, the pilot will enable work to be targeted at specific communities living in our most deprived wards of Central and East Gateshead e.g., Felling, Deckham and Birtley.

Background Information

18. See list of documents that have been referenced as part of the registration document attached to this report:

-DFT (2018) Government Response to Call for Evidence Cycling and Walking Investment Strategy: Safety Review (online). Available at:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/758519/cycling-walking-investment-strategy-safety-review.pdf

-Saunders, L.E., Green, J.M., Petticrew, M.P., Steinbach, R., Roberts, H.. What are the health benefits of active travel? A systematic review of trials and cohort studies. PLoS One. 2013;8(8):e69912. Published 2013 Aug 15. doi:10.1371/journal.pone.0069912

-Celis-Morales, C.A., Lyall, D.M., Welsh, P., (2017) Association between active commuting and incident cardiovascular disease, cancer, and mortality: prospective cohort study. BMJ. 2017;357:j1456. Published 2017 Apr 19. doi:10.1136/bmj.j1456
<https://www.bmj.com/content/357/bmj.j1456.full.print>
<http://www.bmj.com/content/357/bmj.j1456>

-Public Health England (2019) Physical activity: applying All Our Health (online). Available at: <https://www.gov.uk/government/publications/physical-activity-applying-all-our-health/physical-activity-applying-all-our-health>

-DFT (2020) Cycling & Walking Investment Strategy Report to Parliament (online). Available at: <https://assets.publishing.service.gov.uk/government/uploads/system/>

uploads/attachment_data/file/863723/cycling-and-walking_investment-strategy-report-to-parliament.pdf

-DfT (2018) National Travel Survey (online). Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/823068/national-travel-survey-2018.pdf

-Marmot, M., Allen, J., Boyce, T., Goldblatt, T., Morrison, J. (2020) Health equity in England: The Marmot Review 10 years on. London: Institute of Health Equity (online) Available at: https://www.health.org.uk/sites/default/files/upload/publications/2020/Health%20Equity%20in%20England_The%20Marmot%20Review%2010%20Years%20On_full%20report.pdf

-DfT (2020) Statistics on transport use during the coronavirus pandemic (online). Available at: <https://www.gov.uk/government/statistics/transport-use-during-the-coronavirus-covid-19-pandemic>

-Gateshead Health and Wellbeing Strategy. Good jobs, homes, health and friends (2020) [Health and wellbeing strategy 2020.pdf \(gateshead.gov.uk\)](#)

APPENDIX 2- Expression of Interest Active Travel Social Prescribing pilot

2nd August 2021

Dear Sir/Madam

Active Travel Fund-Social Prescribing Pilot

Please find the expression of interest for the active travel fund - GP Prescribing Pilot from Gateshead Council and partners, including Edberts House, Newcastle Gateshead Clinical Commissioning Group (CCG) and Gateshead Primary Care Networks. This is a joint project group of partners with expertise from public health, the community and voluntary sector, health, transport, and active travel.

To achieve our vision ‘Making Gateshead a place where everyone Thrives,’ we understand the importance of working together, across Gateshead, with communities, breaking down boundaries between organisations and services. Gateshead’s Health and Wellbeing Strategy (2020) has been developed and agreed by all strategic partners. Rather than acting on individual issues we recognise the need for a place-based approach.

Gateshead’s Joint Strategic Needs Assessment (JSNA) helps us to understand ongoing challenges, and emerging issues, for the health and wellbeing of communities in Gateshead. Gateshead has further developed a Local Index of Need (LIoN) to identify geographically where our most vulnerable communities are within Gateshead, so that we can effectively target our resources. We know that people in Gateshead experience significant health inequalities. The Director of Public Health Annual Report 2017-18 “Inequalities – ‘it never rains but it pours’” focused specifically on this issue.

Gateshead’s aim through the ‘thrive approach’ is to deliver the most positive outcomes for everyone, however the focus is for resources is to benefit those in most need. There is a need to do more to address inequalities and we have prioritised the use of our collective resources to those communities in Gateshead that need us most. This is very different to how we have previously allocated resources based on equality (everyone getting the same).

Gateshead’s Profile

Health in Gateshead is poorer than average health outcomes across England as a whole. Gateshead is the 47th most deprived area out of the 317 local authorities in England. Furthermore, life expectancy varies by up to ten years among local communities within electoral wards. Not only do local people live shorter lives but the average quality of life is

poorer when compared to England as a whole – a higher proportion of people suffer from limiting long-term illnesses such as heart disease, cancers or respiratory disease.

- Healthy life expectancy for men in Gateshead is about 2 1/2 years less than across England as a whole and for women it is about 6 years less. In Gateshead males can expect to have 60 years of disability free life compared to the England average of 64.1 years. A woman can expect to have an average of 61.8 years compared to the England average of 65 years.
- Around 32,700 (16%) people in Gateshead live in one of the 10% most deprived areas of England. There are ten wards containing areas within the 10% most deprived in England. At 82%, Felling ward is estimated to have the highest proportion of its population living in the 10% most deprived areas in England. This is followed by Deckham (60%) and High Fell (53%) wards.

Health and Wellbeing indicators

- The percentage of adults classed as overweight or obese in Gateshead is 70.8% (2019/20), significantly higher than the England average of 62.8%.
- Percentage of physically inactive adults is 26.6% in Gateshead (2019/20), significantly worse than the England average of 22.9% (2019/20). The percentage of adults walking for travel at least three days a week 16.4%, this compares to the regional rate of 18.4% and England rate of 27.7% (2018/2019).
- Percentage of adults cycling for travel at least three days a week 2.1%, compared to an England average of 3.1%. (2018/2019).⁵
- 14.5% of adults in Gateshead were found to utilise outdoor spaces for exercise/health reasons, compared to 17.3% regionally and 17.9% nationally.
- GP Patient Survey data estimates that the proportion of the adult population in Newcastle and Gateshead with both depression and anxiety is 17.3%, which is significantly higher than the estimated England average of 13.7%.⁶

Air quality indicators

- Gateshead Council currently monitors Nitrogen Dioxide and in 2019 3.5% of adult deaths (aged 30+) in Gateshead were estimated to be attributable to particulate air pollution. Applying this to the number of deaths of those aged 30+ in Gateshead for 2019 (from MYE components of change) means there may have been 72 deaths.
- Gateshead has an AQMA in the Town Centre which although shows improving and compliant (under LAQM,) NO₂ levels remains in place. Further, Gateshead Council along with Newcastle Council are subject to a legal direction (March 2020) from government requiring submission of a Full Business Case for a Clean Air Plan and the implementation of the Plan.

⁵ [Physical Activity - PHE](#)

⁶ Estimated Depression and anxiety prevalence <https://fingertips.phe.org.uk/profile-group/mental-health/profile/common-mental-disorders/data#page/4/qid/8000026/pat/46/par/E39000047/ati/154/are/E38000212/iid/90647/age/168/sex/4>

Infrastructure and behaviour change

Gateshead has a long-standing commitment to the improvement of sustainable transport infrastructure. Existing walking and cycling networks include major traffic free routes providing access to the countryside (such as the Derwent Walk and Bowes railway path) as well as connections to local services and facilities.

Work to improve existing networks continues, from major corridor-based improvements to more minor works, as well the rolling out of 20mph zones across the borough. One example is the improvement at Wellington Street at the north end of Gateshead town centre in 2016/17. This saw daily cycle use increase by 35% between 2015 and 2018 (weekday flows, June each year). More recent major investment includes improvements to the Great North Cycleway approaching Gateshead town centre in 2018/19 (£1.3 million) and investment under the Transforming Cities Fund Tranche 1 in improvements to a cycleway leading to the major employment growth area at IAMP/Follingsby (£0.5 million). Due to the abnormal travel patterns resulting from Covid it has not been possible as yet to monitor the outcome from these more recent schemes.

Development of proposals to improve walking and cycling networks is underway through a number of Transforming Cities Fund (Tranche 2) projects. These include two major cycle corridor improvements and improved networks in two major regeneration areas within Gateshead. The Council has developed a draft Local Cycling and Walking Investment Plan (LCWIP), with technical support funded by DfT. The draft focuses on two pilot areas: East Gateshead and Birtley & Kibblesworth. The East Gateshead pilot covers the Felling and Deckham wards and was chosen specifically because of the current poor health outcomes in the area. The Council is intending to review the draft to ensure compliance with LTN1/20 (the draft pre-dates the guidance) before adoption. The Council is also intending to then expand coverage of the LCWIP to the whole borough. Both of these workstreams will utilise funding from the Capability Fund.

The Council is, however, already bringing forward schemes from the draft LCWIP. Some of the measures included in the draft Plan for Birtley & Kibblesworth are being taken forward through Tranche 2 of the Transforming Cities Fund. In addition, the elements proposed by Gateshead for inclusion in the North East regional bid for Tranche 3 of the Active Travel Fund are taken entirely from the draft LCWIP with a main focus on local links in and around Felling and Deckham. The current, and subsequently expanded, LCWIP will form the basis of the development of a pipeline of walking and cycling schemes for future investment.

Social Prescribing Programme

Gateshead is ideally placed to host one of the GP Prescribing Pilots. We have strong established relationships across Local Authority, Primary and Secondary care, Police and (Voluntary, Community and Social Enterprise) (VCSE) and meet regularly across the system, creating effective pieces of partnership work. Our social prescribing scheme is well established, having begun prior to the establishment of the PCN's in 2014, and benefitting from 6 years' of experience. Nominated this year for 'Social Prescribing Scheme of the Year' by the National Association of Link Workers, our social prescribing is managed across the whole Borough by Edberts House, an innovative community charity, who were cited as an national example of good practice in Michael Marmot's 10 year

review. Edberts House CEO and Development Manager also work for NHSE as Regional Learning Co-ordinators and PCN Advisors, and support the NHSE National Social Prescribing team, advising on national policy, leading national webinars and supporting the establishment of new schemes.

The pilot would support the 5 Gateshead PCN's, 'Care and Support Planning' approach already undertaken in four practices with patients as part of their annual long term conditions reviews (LTC) which supports identification of opportunities where patients will benefit from social prescribing and does this by enabling patient focused care and support planning conversations to agree priorities for the patient to improve their health and wellbeing.

Working with the Edberts House social prescribing scheme across the Borough has allowed us to develop a number of innovative projects to tackle multiple issues. Gateshead have an established track record of innovative pilots around physical activity. For example, data demonstrated that local usage of Gateshead International Stadium – one of our Borough's finest assets – was very low. This was concerning, as it is situated in one of the areas of highest deprivation in the UK, with 45% child poverty, and in the top 5% IMD. Partnership work between Gateshead Public Health, Edberts House, Gateshead Harriers and local primary schools enabled local young people to get priority access to the club: young people who had never run on a 'proper' track before, and 2 young people went on to achieve further honours with the Harriers. The importance of this work was recognised by England Athletics, who awarded it a national Innovation in Athletics award.

Gateshead are committed to exploring new and innovative ways to link staff across our systems, creating the best possible platforms for our residents to try new forms of physical activity. We have seconded leisure staff into the VCSE to work alongside our communities to increase physical activity and have developed bike clinics at some of our community venues and promotion of bike safety alongside, community led walking groups.

We feel we could utilise our existing experience, desire to continue to learn, and flexible multi-sector approach to be the perfect pilot site for this project in evaluating the impact of walking and cycling levels, linked to behaviour change interventions and infrastructure developments. As a project group we would like to target specific communities living in our most deprived wards of Central and East Gateshead e.g., Felling, Deckham and Birtley linking this to the builds on the work of the Local Cycling and Walking Investment Plan (LCWIP) in these areas. We would propose to use the funding to further develop bike and walk clinics at community venues at the heart of communities, promoting bike safety and to encourage children and families to take up cycling and walking. This would be inclusive with a focus on the use of bikes as mobility aids for disabled cyclists and raising awareness of cycles as mobility aids with communities. We would build on the existing community led approaches utilised by our link workers and would look to support to further train local people to be bike leaders/walk leaders and trained in bike maintenance, to empower our communities and to embed the expertise required for sustainability.

Connections to local health campaigns

Gateshead runs several successful local and national health campaigns, information, and support through the Gateshead Resource Hub and One you Gateshead. Local and national campaigns which would support this pilot, include Change4 Life, One You, Active at home, Better Health, Change 4 Life and Healthier you campaign to support lifestyle

changes. This programme of work links with local weight management interventions from PHE, currently being delivered by the local authority for adults to increase their physical activity and improve their lifestyle choices through a tier 2 behaviour change weight management programme, which link workers will refer into.

Gateshead also has a nationally recognised Covid Community Champions programme and Making Every Contact Count (MECC) programme supporting the community and workforce with the skills to engage individuals in conversations about the benefits of behaviour change to boost physical and mental health and wellbeing.

Active travel work/campaigns

Gateshead is part of the regionally based Go Smarter, Go Active Steering Group and cycling based roadshows. The social prescribing work will link with the [Go Smarter, Go Active](#) Microsite which can also be used to access brand new regional interactive walking and cycling maps. Part of this work incorporates guides for days out in the North East by foot and by bike on the website. Gateshead is also signed up to 'Bike Life,' which is the biggest assessment of cycling in urban areas in the UK and Ireland. It is delivered by Sustrans and the reports on inequalities in cycling and walking in Gateshead, has allowed us to look at the opportunities in getting more people active, in our communities.

Living Streets is engaged with 17 schools within Gateshead to deliver their [walk to school](#) initiative. The Council delivers Bikeability across schools in Gateshead and child pedestrian training to children in Gateshead and five other authorities in the region. We promote active travel engagement through Modeshift Stars and have in place a developing toolkit "[Be Cool](#)" to enable schools to engage in active travel. During 2020 we implemented a bike amnesty to support access to services by bike during a period in COVID where use of public transport was discouraged.

Gateshead has a proven track record of social prescribing involving a number of local partners which would provide an excellent foundation on which to build new and extended activity in the areas of- community bike and walk clinics that are accessible for communities, led by physical activity staff and link workers, the promotion of bikes as mobility aids and building on community led approaches utilised by our link workers to train and empower local people to be bike leaders/walk leaders. The similar commitment to improving walking and cycling infrastructure across the borough will complement this and help ensure that the enhanced activities can be carried out safely and successfully. The established record of delivery and partnership working in these areas together mean that Gateshead is an excellent candidate for this Social Prescribing Pilot initiative.

Yours sincerely

Chief Executive of Gateshead Council

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TITLE OF REPORT: Health Determinates Research Collaboration (HDRC)

REPORT OF: Alice Wiseman, Director of Public Health and Wellbeing

Purpose of the Report

1. This report seeks the support of Cabinet on the Council submitting a final stage application for the National Institute of Health Research (NIHR) Health Determinates Research Collaboration (HDRC) initiative to bid for up to £5 million over 5 years.

Background

2. National Institute for Health Research (NIHR) is seeking to award up to £5 million, per local authority, totalling 5 awards nationally to enable innovative research collaborations between local government and academic sector that focus on reducing inequality and improving the wider determinants, or drivers, of health.
3. The health of the public is fundamentally influenced by the wider determinants, or drivers, of health.
4. The work of local government profoundly impacts on these drivers, but there is a paucity of evidence available, to support policy and practice. It is vital that local government is better supported to become more research-active and further build this evidence base and act as an enabler towards the Council's long term aims associated with Thrive and the operationalisation of the Health and Wellbeing Strategy.
5. Research activity demands infrastructure within and owned by local government, mirroring the culture of research that has taken many years to develop in the NHS.
6. This funding will enable the Council to develop a research infrastructure and culture, which will drive high quality evidence based decision making, in turn significantly improving long-term inequality and health outcomes for our residents.
7. First stage applications were invited by NIHR in September 2021 for submission in November 2021.
8. A project group was established September 2021, to assess viability and consult both internally and externally with partner organisations. The outcome was significant support for 1st round bid and establishing the Council's academic partner as being Newcastle University.

9. Following the successful 1st stage bid, the Council has been invited to submit a final stage bid by end of April 2022.
10. If successful it is expected funds will be made available in October 2022 to initiate and operationalise HDRC within the Council.

Proposal

11. What will HDRC do?

- (i) Focus on wider drivers of population health and health inequalities, explicitly addressing the needs of disadvantaged groups and areas within the relevant geography.
- (ii) Foster a culture of research and development
- (iii) Build local authority research capacity and resource
- (iv) Enable and facilitate local authority research activity, partnerships, and collaborations
- (v) Lead a systematic and structured approach to research and evidence use throughout the Council
- (vi) Enable effective and timely dissemination of research evidence
- (vii) All with appropriate governance via CMT, HWBB, NIHR and ethics committee

12. What will HDRC funding cover?

- (i) Funding for the Council would be at 100% Full Economic Costings and include reasonable overheads
- (ii) ALL Core staff costs (e.g., Director, HDRC manager, R&D practitioner posts, IT support, administrators etc
- (iii) Training and development.
- (iv) Materials and consumables for core HDRC facilities.
- (v) Communication and dissemination activity costs.
- (vi) This funding cannot be used to fund interventions/ initiatives or council services.
- (vii) Activity for applying for research costs from funders.

13. What will HDRC look like?

- (i) Directed by Alice Wiseman DPH, with operational lead by HDRC manager (senior council officer)

- (ii) Team of officers trained in research; each being aligned to specific directorates key priorities (similar to business partners), with a remit to lead of evidence cocreation & collaboration as part of HDRC on behalf of the directorate.
- (iii) Research activity supported by Data Scientist, Finance officer, Communication and knowledge dissemination officer and Administration officer
- (iv) Drawing support from our academic partner (Newcastle University) and other academic organisations e.g., The Centre for Translational Research in Public Health (FUSE), Clinical research network (CRN), The National Health Service (NHS)
- (v) With strong and very visible links with community and third sector organisations e.g., Edberts House and Connected Voices
- (vi) Gateshead Council HDRC will become a centre of excellence locally, regionally, and nationally driving change, tackling health inequalities and addressing the wider determinates of health and their drivers.

Recommendations

14. It is recommended that Cabinet approves the Council and Newcastle University final stage bid for up to £5 million, to host the HDRC over 5 years.

For the following reason

A successful bid will enable Gateshead Council to become a centre of excellence in research locally, regionally, and nationally. Enabling a long lasting culture of high quality evidence based decision making cocreated with the communities and people that have the greatest need. All for the purpose of tackling inequality and addressing the wider determinates of health in order to significantly improve health outcomes for all our residents.

Policy Context

1. As outlined in the Council Strategic Approach, Thrive, we want to help our communities not just survive, but to flourish, prosper and succeed. We have committed to five pledges to help and guide us when we make decisions. These are:
 - Putting people and families at the heart of everything we do.
 - Tackle inequality so people have a fair chance.
 - Support communities to support themselves and to support each other.
 - Invest in our economy to provide opportunities for employment, innovation and growth.
 - Work together to fight for a better future for Gateshead
2. The Health Determinates Research Collaboration, will underpin all areas by developing a body of high quality evidence, co-created with residents and partner organisations. For the purpose of embedding a culture of evidence based decision making at all levels of the Council driving effective policy and practice to address inequality and the wider determinates of health

Background

3. UK public health research is undergoing substantial evolution following the publication of the Academy of Medical Sciences report 'Health of the Public 2040' and establishment of the Strategic Coordination of Health of the Public Research (SCHOPR) Committee. SCHOPR has recommended future priorities for public health research to the four CMOs in the UK. More recently the new Office for Health Promotion (OPH) was announced, which will lead national efforts to improve and level up the health of the nation by tackling wider preventable risk factors and working across government departmental boundaries.
4. There is a push to build on existing strengths to make the UK a world leader in public health and prevention research. This will centre on co-producing research with the public, policymakers and practitioners to ensure it helps answer the most important research questions facing policymakers and services at local and national levels.
5. Work to understand the research and evidence challenges facing local authorities started before the COVID19 pandemic, with external reports from sources such as NETSA, SOLACE and LACoR. In 2018/19 Professor Chris Whitty visited local authorities within England, to hear, first-hand, about the public health challenges local authorities face and how research can help address them. A round table event with local authority leaders was hosted by Professor Whitty and Dame Professor Anne Johnson at the Kings Fund in 2019.
6. In recognition of the challenges faced by local authorities, the NIHR has begun to widen its initiatives aimed at strengthening the research culture within local government, aiming to build and strengthen capacity and capability both within councils and academic institutions.

7. The fourteen NIHR Local Authority Research Systems projects commissioned in the summer of 2020 are of particular note. These projects were tasked with rapidly reviewing how research systems and structures within local authorities across the UK could be developed and enhanced should they be provided with the tools to do so. This learning helped lead to the development of the Health Determinant Research Collaborations (HDRCs) concept.

Consultation

8. The following People and Groups have been consulted in the preparation of this report:
- Supported and endorsed by Leader and Cabinet Member for Healthy Communities
 - Supported and endorsed by Cllr Caffrey, Chair, Health & Wellbeing Board
 - Supported and endorsed by Edberts House
 - Supported and endorsed by Connected Voices
 - Supported and endorsed by NIHR Applied Research Collaboration (ARC)
 - Supported and endorsed by Gateshead Foundation Trust

Alternative Options

9. There are no alternative's available at the present time

Implications of Recommended Option

10. Resources:

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms that there are no direct financial implications resulting from this report. Should the application be successful HDRC is fully funded by NIHR.
- b) **Human Resources Implications** – No Human Resource implications arising from this report.
- c) **Property Implications** - No Property Implications arising from this report.

11. **Risk Management Implication** - No Risk Management implications arising from this report.

12. **Equality and Diversity Implications** - No Equality and Diversity implications arising from this report.

13. **Crime and Disorder Implications** – No crime and disorder implications arising from this report.

14. **Health Implications** - Potential for significant long-term health benefits for Council residents, by addressing inequality and the drivers of wider determinates of health in a robust and scientific manner leading to increased effectiveness of policy and practice.

15. **Climate Emergency and Sustainability Implications** - No climate emergency or sustainability implications arising from this report.

16. **Human Rights Implications** - No human rights implications arising from this report
17. **Ward Implications** - No ward implications arising from this report

Background Information

18. Full background documents are located on the following link -
<https://www.nihr.ac.uk/documents/nihr-health-determinants-research-collaborations-hdrc-specification/28341>

TITLE OF REPORT: North East Screen Industries Partnership

REPORT OF: Peter Udall, Strategic Director, Economy, Innovation and Growth

Purpose of the Report

1. To seek Cabinet approval to contribute to the North East Screen Industries Partnership region-wide development programme, and implementation of the associated Memorandum of Understanding (MOU) with the BBC.

Background

2. In early 2021, the BBC published a UK commissioning strategy – ‘The BBC Across the UK’ – and announced its commitment to increase out-of-London production by 10% by 2028 (equivalent to £700m of expenditure). This strategy sets out to ensure increased representation of communities throughout the UK across all BBC platforms and increase commissioning spend in the nations and regions.
3. A MoU between the BBC and the North East region was signed on 22 September 2021 following discussions and agreement with the three Combined Authorities and individual local authorities across the region. This sets out the BBC’s intention to invest up to £25m over 5 years into regional programming and content and establish a new North East Screen Industries Partnership (NESIP) between the BBC and the North East local authorities through which a co-ordinated regional Screen Industries development Programme can be funded and delivered.
4. Development of the MoU with the BBC, and the targeted implementation arrangements now proposed are designed to grow the screen industries sector. This reflects both the scale of opportunity represented by the growth of the UK’s screen industry and the relative lack of investment across the region in the sector in recent years.

Proposal

5. It is proposed that implementation of the MoU will be taken forward through a new Screen Industries Development Programme. This is designed to maximise opportunities for significant growth of the screen industries sector, in line with the Economic Development Strategy priorities in Gateshead and across the region, which will increasingly attract additional private sector investment.
6. The Screen Industries Development Programme includes workstreams in relation to: production service, production fund, skills, business support, and marketing. These workstreams will be fulfilled by Northern Film and Media (NFM), as the regional screen agency, which will re-brand as North East Screen as part of the

new arrangements and for the purposes of the MoU act as the key interface between the North East local authorities, the BBC and other partners. The MoU envisages that the North East authorities shall determine the funding and governance arrangements for NFM for the duration of the MOU.

7. The Development Programme will include activity aimed to grow the regional economy in that sector: attract productions to be filmed in the region; attract independent production companies to relocate to or set up in the region; support ongoing business development of existing and new screen industry companies across the North East. It will also directly deliver a range of skills development programmes with a clear focus on ensuring accessibility to employment and training opportunities in the screen industries sector - as well as working closely with further and higher education partners in relation to their own provision - to ensure that, through a strategic and co-ordinated approach, the region has the level and nature of skilled workforce and pipeline of future talent that the industry requires.
8. Detailed governance arrangements are being developed to cover strategic and operational management of the North East Screen Industries Partnership which will bring together all key stakeholders with representatives including from local and combined authorities, further and higher education, the BBC and screen industry.
9. During the first full financial year of activity (2022/23) a financial contribution of £158,481 is proposed to be made via the North East Combined Authority (NECA) pursuant to the MoU. Each of the local authorities are making the same contribution.
10. Monitoring requirements will be agreed across the region and with NFM to enable reporting within individual local authorities, combined authorities and to the NE Screen Industries Partnership.

Recommendations

11. It is recommended that Cabinet
 - (i) Approve a financial contribution of £158,481 to be made via the North East Combined Authority (NECA) in respect of the development programme to be implemented during the 2022/23 financial year.
 - (ii) Authorise the Strategic Director Economy Innovation & Growth, following consultation with the Strategic Director, Resources and Digital, the Leader and Cabinet Member for Economy, to agree the associated Business Case and delivery arrangements in conjunction with NECA and its constituent local authorities, the North of Tyne Combined Authority (NTCA) and the Tees Valley Combined Authority (TVCA); and
 - (iii) Authorise the Strategic Director Economy Innovation & Growth, following consultation with the Strategic Director, Resources and Digital, the Leader and Cabinet Member for Economy, to approve the terms of a Grant Funding Agreement with Northern Film and Media in respect of the

2022/2023 financial contribution alongside the equivalent contributions of the constituent local authorities within NECA.

For the following reasons:

- (i) To support the Council's Economic Development Strategy.
- (ii) Specifically to increase opportunities for the development of media content businesses to grow or locate in Gateshead to provide more and better jobs for Gateshead residents.

Policy Context

1. On a local level, the scheme will directly deliver many objectives within the Thrive agenda, as follows
 - a. *Invest in our economy.* To invest in and promote the region's cultural and creative industries, through the strategic development of the local TV and screen industry and skills which increases external spend in Gateshead, to then increase local businesses in this sector in Gateshead.
 - b. *Opportunities for employment, innovation and growth.* To further support business case and attractiveness of cultural and creative media industries in Gateshead to provide more opportunities for employment of Gateshead residents.

Background

2. In early 2021, the BBC published a UK wide commissioning strategy – 'The BBC Across the UK' – and announced its commitment to increase out-of-London production by 10% by 2028 (equivalent to £700m of expenditure). This strategy sets out to ensure increased representation of communities throughout the UK across all BBC platforms and increase commissioning spend in the nations and regions.
3. A Memorandum of Understanding (MoU) between the BBC and the North East region was signed on 22 September 2021 following discussions and agreement with the three Combined Authorities and individual local authorities across the region. The MoU sets out the BBC's intention to invest up to £25m over 5 years into regional programming and content and a region-wide target commitment to seek to commit £11.4m to support creation of a sustainable screen industries ecosystem over the same period of time.
4. The MoU sets out a series of shared ambitions and established a new North East Screen Industries Partnership (NESIP) between the BBC and the North East local authorities as a new partnership initiative through which a co-ordinated regional Screen Industries development Programme can be funded and delivered. Signing of the MOU followed a period of engagement with the BBC and partners across the region, co-ordinated by Northern Film & Media (NFM) which is the North East's not for profit regional screen agency.
5. UK's screen industry is flourishing, generating a Gross Value Added (GVA) of £6.1 billion in 2016 and representing growth of 140% over the past ten years. There is huge potential to grow the sector locally by capitalising on the rapid expansion of the industry at UK level, while the re-location of Channel 4 to Leeds is opening-up new opportunities for North-East-based companies. The growing interaction between film, TV & screen, and gaming & virtual reality (VR) is also catalysing new opportunities for UK creative content businesses, which presents great opportunities to Gateshead's VR businesses.
6. Over a decade of low or no investment in screen sector support and infrastructure and a lack of a regional production fund to attract new investment, combined with

major programming cuts made by broadcasters in 2008, has left the North East as one of the smallest screen sectors in the UK. Less than 2% of content produced in the UK is made in the North East and just 0.9% of production and post-production industry companies are based here.

7. Regional data on the sector and its impact is currently limited. Development of robust regional data will be critical as the North East Screen Industries Partnership moves forward. In the interim, data and research commissioned by the BBC, British Film Institute and the Liverpool City Region Film Office has been used to identify anticipated economic impact as follows:
 - BBC spend in the Nations and Regions has an economic multiplier effect of 2.63 for every £1 of spend
 - The average medium-sized production spends the majority of its budget (circa 67%) on 'non-screen' activities, including construction, professional services, logistics and hospitality & leisure
 - In the Liverpool City Region £7 was generated in the wider economy for every £1 investment via the production fund, which drives demand for and supports the growth and sustainability of local supply chains, talent development pipelines and the visitor economy.
8. Gateshead is well placed to benefit from growth in the screen sector and given the existing cluster of production firms, the range of content production services at PROTO and facilities at the Pride Media Centre.
9. An officer working group has been established and will work with NFM and regional and national partners to ensure the economic benefits of investment in the screen industries is maximised for the benefit of Gateshead's residents and businesses.
10. As an illustration of the impact of investment in the screen industries on the local economy BBC Children's 'The Dumping Ground' is currently filmed in Hookergate School, Rowlands Gill. For six months of the year the BBC have 75 people working from the site (including cast) and they spend circa £700,000 (excluding salaries). This spend supports the wider Gateshead economy and includes catering costs, hotels and accommodation, transport (including taxi and mini bus hire) as well as local sub-contractors (make-up, costume hire, etc).

Proposal

11. Implementation of the MoU will be taken forward through a new Screen Industries Development Programme. This is designed to maximise opportunities for significant growth of the screen industries sector across the North East to enable the development of a thriving and sustainable ecosystem, in line with economic development strategy priorities in Gateshead and across the region, which will increasingly attract additional private sector investment.
12. The Screen Industries Development Programme includes workstreams in relation to: production service, production fund, skills, business support, and marketing. These workstreams will be fulfilled by NFM (as the regional screen agency), which will re-brand as North East Screen as part of the new arrangements and for the purposes of the MoU act as the key interface between the North East local authorities, the BBC and other partners. The MoU envisages that the North East

authorities shall determine the funding and governance arrangements for NFM for the duration of the MOU.

13. The Development Programme will include activity aimed to grow the regional economy in that sector: attract productions to be filmed in the region; attract independent production companies to relocate to or set up in the region; support ongoing business development of existing and new screen industry companies across the North East. It will also directly deliver a range of skills development programmes with a clear focus on ensuring accessibility to employment and training opportunities in the screen industries sector - as well as working closely with further and higher education partners in relation to their own provision - to ensure that, through a strategic and co-ordinated approach, the region has the level and nature of skilled workforce and pipeline of future talent that the industry requires.
14. The Development Programme will include activity to: attract productions to be filmed in the region (facilitated in part by the proposed new North East Production Fund); attract independent production companies to relocate to or set up in the region; support ongoing business development of existing and new screen industry companies across the North East. It will also directly deliver a range of skills development programmes with a clear focus on ensuring accessibility to employment and training opportunities in the screen industries sector - as well as working closely with further and higher education partners in relation to their own provision - to ensure that, through a strategic and co-ordinated approach, the region has the level and nature of skilled workforce and pipeline of future talent that the industry requires.
15. It is recognised that the region is starting from a low base, as illustrated in paragraph 6 above, in relation to the screen industries sector and that a staged approach will be necessary to build a strong ecosystem within the area which can deliver the maximum impact across the region. It is expected that independent production companies seeking to secure commissions for regional programming / content, to be increased as part of the BBC's commitments through the MoU, will increasingly be encouraged or required to set up an office in the North East. Northern Film and Media are currently handling a number of such enquiries. As initial examples, Fulwell73 announced that Fulwell North would be set up in the region in September 2021 with its office to be in the University of Sunderland and a BBC factual entertainment commission to be filmed in Durham is set to be made by an established independent production company from outside of the North East which is now based in Gateshead with staff recruited from across the region.
16. Targeted marketing will be important to attract skilled NE industry professionals, currently working away from home, back to the region in addition to business support to help independent production companies scale up and grow in the North East. It is, however, recognised that, in the short term, independent production companies will need to bring skilled staff into the region to support commissions which they win. Maximising skill development opportunities for emerging talent from within the region alongside this will therefore be key to the medium-term goal of creating a strong ecosystem. In the short term, however, there will be a condition that commissions, where they are not able to attract local partners and talent from within the region, will offer opportunities to upskill the local base. Localised targeted marketing of the skills and wider screen industry opportunities available will also be prioritised.

17. The NE Production Fund is expected to play an important part in helping to attract additional filming to the region, within the context of this phased building of a screen industries ecosystem, and to generate benefits across the North East as a whole. These are expected to reflect those demonstrated to have been achieved in other parts of the country and will be closely monitored to ensure progress and return on investment can be evidenced.
18. Detailed governance arrangements are being developed to cover strategic and operational management of the North East Screen Industries Partnership which will bring together all key stakeholders with representatives including from local and combined authorities, further and higher education, the BBC and screen industry (both supply and demand and appropriate representative bodies). These have been informed by a number of guiding principles agreed across the region in relation to finance and governance. They will be built into the Business Case covering the life of the MoU (with appropriate funding gateways) for approval across the region prior to 1 April 2022, which will be subject to agreement by each of the Combined Authorities and by individual local authorities within the North East Combined Authority (NECA). Any subsequent funding from individual local authorities within the North East Combined Authority area beyond 2022/23 will be subject to separate Cabinet decisions at the appropriate time.
19. The proposed funding arrangements for the public sector under the MoU are to be delivered through the three combined authorities. In the case of NECA, it is proposed that each of the constituent authorities provide an equal contribution to meet NECA's overall contribution for 2022/2023.
20. The Council's proposed funding contribution will therefore be provided direct to NECA as another public authority. A full subsidy control analysis will then be undertaken by NECA as part of the proposed business case relating to the full MoU and prior to any grant funding being provided to any third party to ensure that in each case the proposed financial assistance is compliant with the subsidy control principles.

Consultation

21. The Leader, Deputy Leader and Cabinet Member for Economy have been consulted in the preparation of this report.

Alternative Options

22. The alternative option would be to not support the regional funding proposal. However, this would be contrary to the strategic objectives and commitments of the North East authorities and the BBC through the MoU to promote the region's TV and screen industry and skills.

Implications of Recommended Option

23. Resources:

- a) **Financial Implications** – Gateshead Council's annual share of the North East Regions local authority contribution is £158,481. The Strategic Director, Resources and Digital, confirms that this contribution has been

provided for in the 2022/23 budget and the Medium-Term Financial Strategy.

b) Human Resources Implications – None

c) Property Implications - None.

24. Risk Management Implication - This approach has a number of risks, which are addressed below:

Project does not deliver outcomes. The proposal will be monitored against economic data to be agreed and outcomes assessed. The governance proposals will allow for the approach to be modified during the year to better target the programme to deliver the outcomes.

The council will be engaged at every level to ensure that the monitoring and delivery is maximised to the advantage of Gateshead residents.

During the first full financial year of activity (2022/23) a consistent approach to data collection will be developed. This will facilitate assessment of economic impact and support future co-investment decisions.

Monitoring requirements will be agreed across the region and with NFM to enable reporting within individual local authorities, combined authorities and to the NE Screen Industries Partnership.

25. Equality and Diversity Implications - There are no Equality and Diversity implications arising from this report..

26. Crime and Disorder Implications – There are no Crime and Disorder implications arising from this report.

27. Health Implications – There are no health implications arising from this report although the improved opportunities for business and employment are a determinant of health.

28. Climate Emergency and Sustainability Implications - There are no Climate Emergency implications arising from this report.

29. Human Rights Implications - There are no Human Rights Implications arising from this report.

30. Ward Implications - Proposals will impact the whole borough

Background Information

31. None.

REPORT TO CABINET **22 March 2022**

TITLE OF REPORT: Procurement and contracts report

REPORT OF: Mike Barker, Strategic Director, Corporate Services and Governance

Purpose of the Report

1. Cabinet is asked to consider and approve the procurement and award of the contracts listed in appendix 2.

Background

2. On 21st May 2019, Cabinet agreed that a procurement and contract reports would be considered by Cabinet approximately twice per year. This was a move away from the previous process where approval to award contracts or to invite tenders for contracts that exceeded £250,000 were sought on a contract-by-contract basis.
3. A National Procurement Policy Statement was issued by Government in June 2021 setting out a number of strategic priorities for public procurement and describing how Contracting Authorities can support their delivery. One of the principles is that public sector organisations with a spend of £200m or more should publish annual pipelines of their planned procurements and commercial activity looking forward at least 18 months but ideally 3 to 5 years. Under the current short term financial settlement and grant funding arrangements, it is difficult to plan procurement activity 3 to 5 years ahead other than the recurring contracts for commodities and some services; however, the proposed procurement activity listed in appendix 2 includes all known activity up to the end of 2023. There will inevitably be projects undertaken or services funded as a result of funding bids which do not align to these timescales, and Cabinet will be updated accordingly within the twice-yearly reports.

Proposal

4. The contracts listed in appendix 2, table 1, are at various stages of the procurement cycle, exceed £250k in value and require Cabinet approval to invite tenders, or undertake some other procurement process in accordance with the Contract Procedure Rules, and to continue through to award of contract. The table includes the proposed route to market including using existing frameworks, collaborating with other organisations, or directly awarding contracts where there is justification to do so.
5. It is also proposed that following approval by Cabinet, the contracts listed in appendices 2 and 3 form the basis of the Council's Procurement Pipeline and are published accordingly.

Additional Information

6. Appendix 3 provides Cabinet with an updated picture of all other current and recently concluded procurement activity. This information enables Councillors to feed into processes that are not yet complete, obtain further information from the appropriate Service Director, or to ensure that Council priorities are adequately built into procurement activity from the outset. The information provided is set out in 4 further tables as follows:

Table 2	Provides information on contracts that are valued at below £250k (total contract value) and do not require Cabinet approval;
Table 3	Provides progress on contracts that have previously been reported to and approved by Cabinet;
Table 4	Provides information on contracts that have been varied;
Table 5	Provides an update on contracts that have been awarded or are no longer required and will be removed from the current procurement workplan and future Cabinet reports.

7. Cabinet is asked to note that as some of the contracts are not required immediately, or new contracts are at the very early planning stage, information may not be complete as, for example, the contract value may not yet be known, or may be based on previous contract information, which will be updated before the contracts are advertised; or the route to market may not yet have been determined. There is also a possibility that some of the proposed procurements may not progress. All information provided will be updated within the next report to Cabinet.
8. Cabinet may also note that some contracts have been extended due to Covid-19, or shortages of officer capacity, and these are highlighted in the appropriate table.

Recommendations

9. It is recommended that:
- (i) The Service Director, Corporate Commissioning and Procurement be authorised to invite or negotiate tenders or conduct other procurement processes (or to complete the relevant processes where they have already begun) in respect of the contracts listed in appendix 2 and to award the relevant contracts to the tenderers submitting the most economically advantageous tenders (or otherwise proving successful in accordance with other procurement processes) in accordance with the Contract Procedure Rules;
 - (ii) Cabinet continues to receive an updated report twice per year;
 - (iii) Following Cabinet approval, the procurement activity set out in appendices 2 and 3 will form the basis of the Council's Procurement Pipeline and will be published on the internet.

For the following reasons:

- (i) To enable the procurement of goods, works and services required for the efficient and effective delivery of services.
- (ii) To enable Cabinet to be updated with progress and changes to the procurement forward plan.
- (iii) To comply with the National Procurement Policy Statement.

CONTACT: Andrea Tickner

extension: 5995

Policy Context

1. To deliver efficient and effective services, and the Council's Thrive agenda it is necessary for the Council to procure a wide variety of goods, works and services from a range of external organisations in accordance with the current Corporate Commissioning and Procurement Strategy and Council Constitution.

Background

2. Procurement activity exceeding specific financial thresholds must comply with the Public Contract Regulations 2015 amended by Public Procurement (Amendment etc) (EU Exit) Regulations 2020.
3. The Council's Contract Procedure rules set out a framework within which all procurement activity must be undertaken and implement the above Regulations.
4. On 21 May 2019, Cabinet approved amendments to the Contract Procedure Rules that require approval of Cabinet for all contracts exceeding £250,000 to:
 - “2.1 invite or negotiate tenders, or conduct some other procurement process and to award the Contract to the tenderer(s) submitting the most economically advantageous tender(s) as determined by the Service Director, Corporate Commissioning and Procurement, in accordance with the stated terms of the tender or other process, or:
 - 2.2 subsequent to the conduct of a tendering process or other procurement process to award the Contract to the tenderer(s) submitting the most economically advantageous tender(s) in accordance with the stated terms of the tender or other process.”
5. Prior to this date Cabinet approval was only required for 2.2 above. Councillors were not always aware of the procurements that were planned, and therefore had limited input into the scope and content of contracts, or proposed route to market. The effect was that Cabinet had no input until the tender or procurement process had identified the preferred bidder.
6. The revised Contract Procedure Rules are designed to be more flexible by not requiring specific processes to be carried out based on value alone and will enable Cabinet members to influence specific contracts by contacting the Service Director, Corporate Commissioning and Procurement to discuss any aspects of contracts before the procurement processes commence.

Consultation

7. Consultation has taken place with Service Directors to identify their future requirements as set out in appendices 2 and 3. In many instances a procurement working group has been established to oversee the procurement and comprises officers who have appropriate technical expertise in relation to the subject matter of the procurement and they too will have been consulted.

8. Prior to issuing tenders or commencing other procurement processes, varying degrees of market engagement routinely takes place.

Alternative Options

9. For each contract, a range of options are considered as part of the procurement process and the options can include:
- (i) whether or not works and services can be delivered via a directly employed workforce (i.e.in-house), in which case no procurement activity will be undertaken;
 - (ii) a range of routes to market (including obtaining tenders, use of existing procurement arrangements, procuring collaboratively with other organisations, using frameworks established by other organisations, directly awarding contracts where it is appropriate to do so, etc);
 - (iii) whether a simple quotation or other process can be used rather than a comprehensive tender process;
 - (iv) the actual procedure to follow where the contract exceeds the threshold (open tender, restricted tender, dynamic purchasing system, process using negotiation etc.).

Implications of Recommended Option

10. Resources:

- a) Financial Implications** – The Strategic Director, Resources and Digital will be asked to confirm that budgetary provision is available prior to any tender being issued and/or contract being awarded.
- b) Human Resources Implications** – In the event that there are potential human resource implications that may result from a procurement process (e.g. TUPE may apply), advice will be sought from the Service Director, Human Resources and Workforce Development.
- c) Property Implications** - In the event that there are potential property implications that may result from a procurement process advice will be sought from the Strategic Director, Housing, Environment and Healthy Communities.

11. Risk Management Implications -

Each contract will be subject to various risk assessments including health and safety, financial, and where appropriate safeguarding on a contract by contract basis. Processes have also been implemented to try to minimise the risk of procurement challenges.

12. Equality and Diversity Implications -

Each contract will be considered in terms of equality and diversity implications prior to the procurement process commencing. The use of the Corporate Social

Responsibility Pledge will also communicate the minimum equality and diversity standards that the Council requires from its supply chain and the use of the Social Value Toolkit will help to address equality and diversity issues across the Borough.

13. Crime and Disorder Implications –

Each contract will be considered in terms of crime and disorder implications prior to the procurement process commencing.

14. Health Implications -

Each contract will be considered in terms of health implications prior to the procurement process commencing. The use of the Corporate Social Responsibility Pledge will also communicate the minimum health implication standards that the Council requires from its supply chain and the use of the Social Value Toolkit will help to address health issues across the Borough.

15. Climate change and Sustainability Implications -

Each contract will be considered in terms of sustainability implications prior to the procurement process commencing. The use of the Corporate Social Responsibility Pledge will also communicate the minimum sustainability standards that the Council requires from its supply chain and the use of the Social Value Toolkit will help to maximise sustainability outcomes.

16. Human Rights Implications -

Each contract will be considered in terms of human rights implications prior to the procurement process commencing. The use of the Corporate Social Responsibility Pledge will also communicate the minimum human rights standards that the Council requires from its supply chain.

17. Ward Implications -

Each contract will be considered in terms of ward implications prior to the procurement process commencing.

Background Information

18. The report to Cabinet on changes to the Constitution on 21 May 2019, Corporate Commissioning and Procurement Strategy, Corporate Social Responsibility Pledge, National Procurement Policy Statement and Gateshead Social Value Toolkit have all been relied on in the preparation of this report.

**Appendix 2
CONTRACT LIST FOR CABINET APPROVAL
MARCH 22**

The following contracts exceed £250k (total contract value) and require Cabinet approval:

Table 1

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Contract for	Estimated Annual Value (value over current contract period)	Date of Cabinet Report	Service Director	Route to market
Children, Adults and Families				
Residential and non-residential school placements	£9,000,000 (£45,000,000)	March 22	Lynn Wilson	Collaborating via NEPO. New contract required Jan 23
Falls Management Exercise Programme (FAME) – Staying Steady	To be confirmed	March 22	Lynn Wilson	Gateshead direct to market. New requirement
Integrated Trauma Care	To be confirmed	March 22	Lynn Wilson	Gateshead direct to market on behalf of Gateshead Health and Care System. New requirement
Corporate Services and Governance				
Workplace counselling services	£69,000 (£276,000)	March 22	Janice Barclay	Gateshead direct to the market. New contract required Sep 23
Temporary Agency Workers	£2,300,000	March 22	Janice Barclay	Collaborating via NEPO. New contract required Nov 23
Occupational Health Physician	£55,000 (£220,000)	March 22	Janice Barclay	Gateshead direct to the market. New contract required Mar 23
Economy, Innovation and Growth				
Housing, Environment and Healthy Communities				
Support for Voluntary and Community Sector	£160,000	March 22	Alison Dunn	Gateshead direct to market. New contract required Aug 23
Heavy Goods Vehicles and Specialist Vehicles	£100,000 (£400,000)	March 22	Phil Hindmarsh	Collaborating via NEPO/TPPL. New contract required May 23
Highways Surfacing Framework	£1,700,000 (£6,800,000)	March 22	Marc Morley	Collaborating via NEPO. New contract required Dec 23
Management of untreatable residues	£94,000 (£843,000)	March 22	Marc Morley	Gateshead direct to market. New contract required March 23
Collection and disposal of construction waste	£190,000 (£760,000)	March 22	Ian Price	Gateshead direct to market. New contract required April 23
Construction Works Framework	To be confirmed	March 22	Ian Price	Collaboration via NEPO if necessary, however main route to market is via SCAPE
Licensed domestic energy supplier and energy management of void properties	£200,000 (£1,000,000)	March 22	Ian Price	Gateshead direct to market. New contract required Nov 23
Provision and distribution of milk and dairy products	£109,000 (£654,000)	March 22	Sandra Watson	Collaboration via NEPO. New contract required Dec 23
Food and general provisions	£2,268,000 (£9,072,000)	March 22	Sandra Watson	Collaboration via NEPO. New contract required Dec 23
Public Health				
Young Persons Drug and Alcohol Services	£320,000 (£1,600,000)	March 22	Andy Graham	Gateshead direct to market. New contract required Nov 22
0-19 Children's Health Care	£4,264,000 (£21,320,000)	March 22	Andy Graham	Gateshead direct to market or use S75 agreement or OHID provider selection regime. New contract required July 23
Resources and Digital				
Leaseholder property insurance	£91,000 (£455,000)	March 22	John Shiel	Gateshead direct to market. New contract required Mar 23
Cloud hosting and technical management service for Agresso	To be confirmed	March 22	John Shiel	To be confirmed
Fixed Voice and Data Telecom Service	Previously £667,000 per annum but will be less due to the new IP Voice contract	March 22	Roy Sheehan	Considering options for residue of this contract once the new voice contract has been established.
Electronic Document Management Support and Maintenance	(£330,000)	March 22	Roy Sheehan	To be confirmed

Appendix 3

The following contracts are expected to be below £250k (total contract value) and do not require Cabinet approval. They are included for information and/or to enable Councillors to influence them:

Table 2

Contract for	Estimated Annual Value (value over current contract period)	Date of Cabinet Report	Service Director	Route to market
Children, Adults and Families				
Hearing loss equipment	To be confirmed	March 22	Lynn Wilson	Gateshead direct to the market. New contract required Sept 23
SEND information and advice support	£50,000	March 22	Lynn Wilson	Gateshead direct to the market. New contract required April 22
Independent Visitors Services	To be confirmed	March 22	Lynn Wilson	Collaborating via NEPO. A larger procurement failed to secure these services and therefore a stand alone contract will be put in place.
Corporate Services and Governance				
RIIA Coaching Bid	£10,000	March 22	Janice Barclay	Gateshead direct to market
Electronic signature software	To be confirmed	March 22	Andrea Tickner	To be confirmed
Economy, Innovation and Growth				
Digital planning tool	To be confirmed	March 22	Anneliese Hutchinson	To be confirmed
Support for local cycling and walking infrastructure plan extension	£65,000	March 22	Anneliese Hutchinson	Gateshead direct to the market
Retail centres footfall analysis	£50,000	March 22	Peter Udall	Gateshead direct to the market
Baltic quarter business case (Growth fund)	£40,000	March 22	Peter Udall	Gateshead direct to the market
Solar photo voltaic inspection and maintenance service	£20,000 (£80,000)	March 22	Peter Udall	Gateshead direct to the market. New contract required Nov 23
Future Place Consultancy (replaced Urban Core Master planning and Delivery Strategy)	To be confirmed	Nov 20, May 21	Peter Udall	Gateshead direct to the market
Local Economic Assessment	To be confirmed	March 22	Andrew Marshall	To be confirmed
Housing, Environment and Healthy Communities				
Lubricants and vehicle parts	To be confirmed	March 22	Phil Hindmarsh	Collaborating via NEPO New contract required Dec 23
Route optimisation software	£64,000 contract value. (varies over 3 years)	March 22	Phil Hindmarsh	Gateshead direct to the market This procurement was almost complete however the supplier stalled regarding negotiation on T's and C's and the situation is under review
Roundabout Sponsorship	-£25,000 - (£100,000)	March 22	Phil Hindmarsh	Gateshead direct to the market. New contract required Sept 23
Public right of way strimming contract	£20,000 (£100,000)	March 22	Marc Morley	Gateshead direct to the market
Street Lighting Columns	£22,000 (£88,000)	March 22	Marc Morley	Collaborating via NEPO. New contract required Dec 23
Management and collection of W.E.E.E	nil	March 22	Marc Morley	Collaborating via NEPO. New contract required Dec 23
Bus lane notice processing system	To be confirmed	March 22	Marc Morley	To be confirmed
Service and repairs to dry and wet risers	£3,000	March 22	Ian Price	Current arrangements extended for 12 months and new procurement to start
Testing, servicing and maintenance of all TME valves	£16,000	March 22	Ian Price	Current arrangements extended for 12 months and new procurement to commence
Service and repairs to automatic and powered access doors within housing stock	£19,000	March 22	Ian Price	To be confirmed
HRA Business Tool	£4,000 (£12,000)	March 22	Kevin Scarlett	Gateshead direct to the market. New contract required Dec 23
Consultancy to support the Housing management system review	£50,000	March 22	Kevin Scarlett	Gateshead direct to the market
Consultancy for homelessness and tenancy allocation policy review	£80,000	March 22	Kevin Scarlett	Gateshead direct to the market
Removals and storage	£30,000 (£120,000)	March 22	Kevin Scarlett	Gateshead direct to the market. New contract required April 23
Compliance Workbook	£37,000	March 22	Sandra Watson	Contract renewal required Jan 23

	(£111,000)			
Asset Data System	To be confirmed	March 22	Sandra Watson	Exploring options
Collection and secure disposal of waste paper	Nil – will try to secure income	March 22	Sandra Watson	Gateshead direct to the market. New contract required July 23
Office of the Chief Executive				
Distribution of the Council News and other publications	£23,000 (£69,000)	March 22	Iain Burns	Gateshead direct to the market. New contract required April 23
Public Health				
*Subject to ongoing review of Leisure Services				
*Sports Equipment	£12,000 (£48,000)	March 22	Andy Graham	Gateshead direct to the market
*Pool Plant Maintenance	£10,000 (£40,000)	March 22	Andy Graham	Gateshead direct to the market. New contract required Nov 23
*Swimming pool chemicals	£15,000 (£60,000)	March 22	Andy Graham	Procured via ESPO contract or directly to the market
*Leisure management system	TBC	March 22	Andy Graham	Gateshead direct to the market. New contract subject to funding availability
Resources and Digital				
PCI secure telephone payment solution	£70,000	March 22	Marisa Jobling	Gateshead direct to the market
Burials and Cremations	£9,000	March 22	Marisa Jobling	Gateshead direct to the market
External auditor for Keelman Homes	£10,000	March 22	Lindsay Murray	Gateshead direct to the market. New contract required Aug 22
Replacement of Flexi system	£40,000 (£95,000)	March 22	John Shiel	Gateshead direct to the market
Accounts payable forensics system	£15,000 (£45,000)	March 22	John Shiel	Gateshead direct to the market. New contract required Dec 23
Insurance broker service	£3,000 (£15,000)	March 22	John Shiel	Gateshead direct to the market. New contract required April 23
Treasury Management Consultancy Services	£14,000 (£70,000)	March 22	John Shiel	Gateshead direct to the market. New contract required May 23
Renewal of VMware Enterprise Licence Agreement	£140,000	March 22	Roy Sheehan	Call off via framework. Requirements to begin from April 22. To be renewed by December 2022.
Renewal of Citrix Licences	£100,000	March 22	Roy Sheehan	Call off via framework. New contract required Feb 2023.
Renewal of the licences for the Councils Security Awareness online portal	£100,000	March 22	Roy Sheehan	Requirements still in discussion
Microsoft Premier Support Agreement	£130,000	March 22	Roy Sheehan	Position to be reviewed during 2022.

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The following contract have previously been approved and are still in progress:

Table 3

Contract for	Estimated Annual Value (value over current contract period)	Date of previous Cabinet Report	Service Director	Route to market	Progress since May 21
Children, Adults and Families					
Information Advice and guidance	To be confirmed	Nov 20, May 21	Lynn Wilson	Gateshead direct to market	The Council is establishing an alliance contract which will take longer to set up. Work is ongoing with this contract
Day Care Services	To be confirmed	Nov 20, May 21	Lynn Wilson	Gateshead direct to market.	Service looking at various delivery models
Residential and care homes	£9,000,000 per annum	Nov 20, May 21	Lynn Wilson	Gateshead developing its own contract	Still in discussion with the service about the best way to comply with procurement legislation and also not lose any market capacity.
Provision of Healthwatch	£150,000 (£750,000)	May 21	Lynn Wilson	Gateshead direct to market.	Tender about to be published
Independent Fostering Services	£800,000 (£2,100,000)	May 21	Lynn Wilson	Collaborating via NEPO	Tender about to be issued by Newcastle on behalf of NEPO
Generalist Homecare	£6,300,000 (£24,960,000)	May 21	Lynn Wilson	Gateshead direct to market	New model of Homecare provision being developed when funding becomes available but in the meantime the existing arrangements will continue via the DPS's
Children's Complaints, Advocacy and Representation,	£22,000 (£66,000)	May 21	Lynn Wilson	Collaborating via NEPO	This contract will be awarded in time for an April 22 start
NHS Complaints and Advocacy	£53,000 Per annum	May 21	Lynn Wilson	To be determined	Short term contract being put in place until this can be included in the Information, Advice and Guidance contract

Corporate Services and Governance					
Print DPS	£70,000 (£280,000)	Nov 20, May 21	Andrea Tickner	Gateshead direct to market	The procurement documentation is being finalised for publication
Catering services for Parkhead and Washingwell Primary schools	£200,000/(£600,000)	Nov 20, May 21	Andrea Tickner	Gateshead direct to market	New procurement process in progress and tenders have been issued
Cleaning for Parkhead and Kells Lane primary schools	£55,000 (£220,000)	May 21	Andrea Tickner	Gateshead direct to market.	Tenders almost ready to issue once the pension information has been confirmed by the pension fund.
Assistive technology including loan working equipment	To be confirmed	Nov 20, May 21	Andrea Tickner	Gateshead acting as Lead Spoke on behalf of NEPO	Gateshead is now leading this new contract on behalf of NEPO and work is progressing.
Occupational Health Software	To be determined	Nov 20, May 21	Janice Barclay	Use of G-Cloud framework - TBC	Finalising specification
Economy, Innovation and Growth					
Askew Road Housing Development	To be determined	Nov 20, May 21	Peter Udall	Change of route	Call off under Homes England was aborted due to lack of interest from the supply chain – now Gateshead developing its own procurement and tender documentation will be issued in next few weeks
Maintenance of Ground Source Heat Pumps	To be determined	Nov 20, May 21	Peter Udall	To be determined	Procurement process about to start
Gateshead Quays Multi Story Operator	£150,000	Nov 20, May 21	Peter Udall	Gateshead direct to market.	Tender process had to be re-started as unable to award the contract
Topographical Surveying Services	£13,000 (£52,000)	Nov 20, May 21	Peter Udall	Gateshead direct to market	Quotations being sought due to low value and renewal underway
Geo-technical Consultants	To be determined	Nov 20, May 21	Peter Udall	Gateshead direct to market	Tender to be issued Feb/Mar 22
Replacement Calorifier for Heworth Leisure Centre	To be determined	Nov 20, May 21	Peter Udall	To be determined	
Provision and management of pool car vehicles	£70,000 (£350,000)	Nov 20, May 21	Anneliese Hutchinson	Gateshead direct to market.	Current arrangements being extended for up to 12 months to facilitate a review of demand and service still considering options.
Highway Asset Management Software	£35,000	May 21	Anneliese Hutchinson	To be determined	In early discussion with the service as contract required 2023 but requires long implementation.
Database for Environmental Health & Planning	To be confirmed	May 21	Anneliese Hutchinson	To be determined Stewart Sorrell	Specification is in development. Market engagement to be carried out summer 2021. Contract not required until 2023 but requires long implementation
EV Charging Infrastructure	To be confirmed	May 21	Anneliese Hutchinson	Collaborating with NEPO	Procurement process in progress
Business Centre Unified Communications	£10,000 (£40,000)	May 21	Andrew Marshall	To be determined	Still in discussion around scope of this tender with the service.
Housing, Environment and Healthy Communities					
Repair, recovery, and modification works to commercial vehicles	£57,000 (£171,000)	Nov 20, May 21	Phil Hindmarsh	Gateshead direct to market	Delayed due to Covid-19. Market engagement about to start
Tyres and associated services	£158,000 (£474,000)	Nov 20, May 21	Phil Hindmarsh	Gateshead direct to market	Tender could not be awarded and process had to be re-run. Tender documents currently being finalised
Bus and Coach Procurement Framework	£60,000	Nov 20, May 21	Phil Hindmarsh	Call off from NEPO/TPPL Framework	Tender process led by NEPO/TPPL still in progress
Supply and application of herbicide	£65,000	Nov 20, May 21	Phil Hindmarsh	Gateshead direct to market.	Tender process underway
Lift refurbishment and maintenance	£570,000 (£3,420,000)	Nov 20, May 21	Ian Price	Gateshead direct to market	To commence soon after lift consultancy contract.
Long Term Hire of Road Sweepers	£150,000 (£750,000)	May 21	Philip Hindmarsh	Gateshead direct to market	Market engagement currently taking place
Grounds Maintenance and Plant Equipment	£260,000 (£1,040,000)	May 21	Philip Hindmarsh	Call off from NEPO/TPPL Framework	NEPO are working on this tender for award prior to its start date of September 22
Crematoria Emissions Testing	£3,000 (£18,000)	May 21	Philip Hindmarsh	Gateshead direct to market.	Final extension taken up to December 22. New tender process to commence soon.
Driver License verification software	To be determined	Nov 20 May 21	Phil Hindmarsh	Gateshead direct to market	Confirming requirements
Demolition Works and Associated Services and Asbestos Management	£2,400,000	Nov 20, May 21	Ian Price	Gateshead acting as Lead Spoke on behalf of NEPO	Tender documentation has been issued

Skip Hire	£30,000 per annum	Nov 20, May 21	Ian Price	Gateshead direct to market	Contract has been delayed due to capacity issues. Tender ready to issue.
Decoration allowance scheme for tenants	£30,000 (£90,000)	Nov 20, May 21	Ian Price	Gateshead direct to market	Finalising tender documentation for issue within the next couple of weeks
Managed Warehouse	£3,000,000 to £4,000,000 per annum	May 21	Ian Price	Call off from NEPO Contract	This contract has been put on hold due to Covid and Brexit impacts on the building material supply market
Consultant to undertake lift condition survey and provide technical advice	£50,000	Nov 20, May 21	Ian Price	Gateshead direct to market.	Tender has been delayed but due to be issued in the next couple of weeks
Schedule of Rates system to price up work	£60,000 (£240,000)	May 21	Ian Price	To be procured via G Cloud	Contract has been delayed but is now due to be published
Construction engineering and consultancy frameworks	£21,000 (30,000)	May 21	Ian Price	Collaborating via NEPO	Contracts are progressing to be awarded in time for a Sept 22 start
Supply and installation of isolators	To be confirmed	May 21	Ian Price	To be confirmed	In early discussion with the service
Traffic Counters	£30,000 (£90,000)	Nov 20, May 21	Marc Morley	Gateshead direct to market	Tender documents in final stage of drafting
Supply of street luminaires	£600,000 (£2,400,000)	May 21	Marc Morley	Either Gateshead direct to the market or via YPO framework	In discussion with service
Pay and Display Machine Emptying and first line maintenance	£95,000 (£475,000)	Nov 20, May 21	Marc Morley	Gateshead direct to market.	Delayed due to Covid-19 but work due to start on this soon subject to funding for machines
Car parking payment scheme	£20,000 (£80,000)	May 21	Marc Morley	Calling off from either CCS or ESPO framework	Market engagement complete and finalising specification
Provision of Road Traffic Management	£200,000 (£800,000)	May 21	Marc Morley	Collaborating via NEPO	Tender process underway for March 22 start
Street lighting electrical connections and works	To be determined	May 21	Marc Morley	Potential to collaborate via NEPO	Contract progressing towards award for a June 22 start.
Bus lane cameras	Income upto £120,000	May 21	Mark Morley	Gateshead direct to market.	Market engagement to commence Feb 22
Digitisation of wet film speed cameras	To be confirmed	Nov 20, May 21	Anneliese Hutchinson	Gateshead leading regional procurement	Market engagement undertaken and awaiting confirmation of funding before proceeding further
Accommodation and support for those who are homeless, or at risk of homelessness	To be confirmed	Nov 20, May 21	Neil Bouch	Possibly via Gateshead Accommodation DPS	Review and Strategy on homelessness now completed and discussions to take place regarding requirements
Franking Machines and post room equipment	To be confirmed	Nov 20, May 21	Sandra Watson	Gateshead direct to market	On hold until impacts of agile working are known
Sandwiches and packed lunches and buffet catering	To be confirmed	Nov 20, May 21	Sandra Watson	Gateshead direct to market.	Paused due to Covid-19. Quotation issued summer 21 combined with bread and bakery contract, but failed to secure bids within budget therefore alternative options being considered and specifications being reviewed
Bread and bakery products	To be confirmed	Nov 20, May 21	Sandra Watson	Gateshead direct to market.	
Voids electricity supply	Varies but estimated £70,000 per annum	May 21	Sandra Watson	Gateshead direct to market.	Tender documents prepared and to be issued soon.
Window Cleaning	£20,000 (£80,000)	May 21	Sandra Watson	Gateshead direct to market.	Tender process underway for Jun 22 start
Commercial and domestic gas catering and electrical repairs to catering equipment	£30,000 (£120,000)	May 21	Sandra Watson	Gateshead direct to market.	Tender process to begin soon for a Nov 22 start
Temporary alarms and CCTV	£30,000 (£120,000)	May 21	Sandra Watson	Gateshead direct to market.	Work to commence soon
Consultant architects for complex adaptations	To be confirmed	Nov 20, May 21	Kevin Scarlett	Gateshead direct to market.	In discussion with the service. Paused due to other workload commitments.
Public Health					
*Subject to ongoing review of Leisure Services					
*Provision of a saleable stock service for Leisure Services	£15,000 (£75,000)	17 Nov 20, May 21	Andy Graham	Gateshead direct to market	On-hold pending the outcome of the Leisure Services review
Provision of library books and e books	£110,000 (£330,000)	May 21	Andy Graham	Collaborate via NEPO	Contract due to be awarded Feb 22
Allotment Management App	To be confirmed	May 21	Andy Graham	Use of G Cloud	Service seeking quotations
Resources and Digital					
Empty Property Council Tax Review	To be confirmed	17 Nov 20, May 21	Marisa Jobling	Gateshead direct to market	Delayed due to Covid-19 and current contract extended to May 22. Waiting for capacity from the service and to

					combine with Single Person Discount Review
Council tax single person discount review	£21,000 (£84,000)	17 Nov 20, May 21	Marisa Jobling	Gateshead direct to market	Delayed due to Covid-19 and current contract extended to May 22. Waiting for capacity from the service and to combine with Empty Property Review
Enforcement Agent Services	£150,000	17 Nov 20, May 21	Marisa Jobling	Gateshead direct to market	Contract has expired and renewal delayed due to Covid-19. Waiting until the service can resource a re-tender
Licenses for Council Digital Platform	£150,000 (£450,000)	May 21	Marisa Jobling	To be procured via G Cloud	Market scoping is underway before the documentation is developed
Provision of a prepaid card	£14,000 (£70,000)	May 21	Marisa Jobling	Call off from NEPO Contract	Contract extended until end of August 22 as NEPO framework delayed. NEPO have advised new framework should be awarded by June 22.
Credit Status Searches	To be confirmed	May 21	Marisa Jobling	To be determined	No progress yet on this contract
Payment Swipe Card Production	To be confirmed	May 21	Marisa Jobling	To be determined	Early discussions taking place with the service
Leasing Database	£30,000	17 Nov 20, May 21	John Shiel	Gateshead direct to market.	Progressing with the tender documentation
Banking services	£40,000	17 Nov 20, May 21	John Shiel	Gateshead direct to market.	Work to commence on this contract for an October 23 start
IP Telephony Services	£400,000 (£2,200,000)	17 Nov 20, May 21	Roy Sheehan	To be determined	Tender process had to be abandoned due to ambiguous market responses. New process in final stages of contract award
Break-fix server support contract	£45,000	17 Nov 20, May 21	Roy Sheehan	To be determined	18 month contract in place Work to commence soon for a Feb 23 start
Supply, installation and maintenance of meeting room equipment	£80,000	17 Nov 20, May 21	Roy Sheehan	Gateshead direct to market	Procurement process underway with documentation being published in January
Multi-functional Devices	To be determined	17 Nov 20, May 21	Roy Sheehan	To be determined	Short term arrangements being considered to enable impacts of agile working to be evaluated
MS Enterprise Subscription Renewal	£730691 per annum	Nov 20	Roy Sheehan	To be determined	Service currently reviewing demand. New arrangements to be in place by Dec 22
Annual Support and Maintenance of Assysnet	£43,512	Nov 20	Roy Sheehan	To be determined	Renewal due Nov 22. Currently scoping requirements
Office 365 Backup Solution	£100,000	May 21	Roy Sheehan	Using NHS framework	Procurement process underway
IT Equipment Disposal Contract	Nil	May 21	Roy Sheehan	NEPO and HealthTrust COMIT frameworks	Unable to find a framework and considering Gateshead running own procurement
Events management and infrastructure	Varies depending on no of events	May 21	Lindsay Murray	Collaborate via NEPO	NEPO procurement underway with a contract award anticipated to be May 22 for a June 22 start

Contract Variations

The following contracts have been, or are intended to be varied:

Table 4

Contract for	Comment
Additional work for Housing Consultant	Small amount of additional work added to initial contract
Co-ordination and management of sector insight events for young people	Current contract extended by 9 months to spring school term 22 to conclude the programme due to disruption from COVID
Enforcement Services	Contract extended to compensate for service suspension during COVID
Pay and display machine supply and maintenance	Contract extended to compensate for service suspension during COVID and until funding is available for new machines
Testing, servicing and maintenance of all TMV valves	Contract extended until new arrangements can be put in place
Pre-paid cards	Existing contract for 6 months until NEPO contract ready
Cloud hosting and technical management service for Agresso	Contract extended for 2 years
Provision of Independent Mental Health, Mental Capacity and Advocacy Services	To be extended for a further 12 months whilst the AIGA review is completed
Network Technologies Support Services	Extended for 2 years taking contract to Oct 24
Boarding, kennelling and collection of animals	Extended for 2 months due to delay by South Tyneside in renewal contract

The following contracts have been awarded, or are no longer required and will be removed from the current procurement workplan:

Table 5

Contract for	Date of Cabinet Report	Service Director	Progress since February 2020
Substance mis-use testing	Nov 20, May 21	Janice Barclay	Contract not progressing at this time
Learning Management System	Nov 20, May 21	Janice Barclay	Contract awarded
Independent Medical Examiner	May 21	Neil Bouch	No longer required as included in Occupational Health Physician Contract
Printing and Fulfilment Framework	Nov 20, May 21	Iain Burns	Contract no longer required. To be included in next Print Framework
Call it Quits Software	March 22	Andy Graham	Contract awarded
Leisure booking software	March 22	Andy Graham	Contract awarded
Healthy weight measurement programme	March 22	Andy Graham	Contract awarded
Better Health at work awards	May 21	Andy Graham	Contract awarded
Consultancy to develop the Leisure Built Facilities Strategy	March 22	Andy Graham	Contract awarded
Flu and other vaccinations for Council employees	May 21	Andy Graham	Contract awarded
Healthy weight measurement programme	March 22	Andy Graham	Contract awarded
Salt Barn	May 21	Phil Hindmarsh	Contract not progressing in the foreseeable future due to lack of funding.
Liquid fuels	Nov 20, May 21	Phil Hindmarsh	Contract awarded by NEPO
Bereavement System	Nov 20	Phil Hindmarsh	No Procurement required as perpetual license in place
Vehicle Rental	May 21	Philip Hindmarsh	Current contract in place until 2024 and will probably use NEPO/TPPL contract after this time
On-Road National Standard Cycle Training	May 21	Anneliese Hutchinson	Contract awarded
Pedestrian Counters	May 21	Anneliese Hutchinson	Contract awarded
Carbon monitoring tool	March 22	Anneliese Hutchinson	Contract awarded
Cycle to work and E bikes	Nov 20, May 21	Anneliese Hutchinson	Contract awarded
Northumbria Safer Roads Initiative, Road Respect Roadshow and Events	Nov 20, May 21	Anneliese Hutchinson	Contract awarded
Consultancy to develop a document for planning and delivery purposes	Nov 20, May 21	Anneliese Hutchinson	Contract no longer required
Annual Publicity and Marketing Plan for Road Safety Great Britain North East	Nov 20, May 21	Anneliese Hutchinson	Contract awarded
Riverside Park Spatial Delivery Plan	March 22	Anneliese Hutchinson	Contract awarded
Drainage Management System	March 22	Anneliese Hutchinson	Contract awarded
Gateshead draft local walking and cycle infrastructure plan update	March 22	Anneliese Hutchinson	Contract awarded
Walk to school outreach project	March 22	Anneliese Hutchinson	Contract awarded
Capita Pay 360 income collection system hosting and support	March 22	Marisa Jobling	Contract awarded via Kent framework
Provision of a payment card service	Nov 20, May 21	Marisa Jobling	No longer required as included in banking contract
Outline Business Case for National Centre for Immersive Technologies Programme	May 21	Andrew Marshall	Contract awarded
Blue badge system	May 21	Mark Morley	Contract no longer required as in house system developed
STWWMP material recovery facility	Nov 20, May 21	Marc Morley	Contract awarded.
Composting Facility	May 21	Marc Morley	Contract awarded
Refuse and Recycling Products including wheeled bins	May 21	Marc Morley	Contract no longer required as call off from ESPO framework as and when required
Millennium Bridge light replacement	March 22	Marc Morley	Contract awarded
Highways and Civils Materials	May 21	Marc Morley	Contract awarded
Spray injection patching	May 21	Marc Morley	Contract no longer required as will use NEPO Contract
Flood risk engineer	March 22	Marc Morley	Contract awarded
Gateshead Quays Link Road & Green Corridor – Earthworks Contract	May 21	Marc Morley	Contract awarded
Election and electoral print	Nov 20, May 21	Ged Morton	Contract awarded by NEPO
Aggregates and Concrete	Nov 20, May 21	Ian Price	Contract awarded by NEPO
Stair lifts	May 21	Ian Price	Combined with adaptations and awarded via a call off under the DPS
Electrical and remedial and maintenance works	May 21	Ian Price	Contract awarded
Intruder alarms maintenance and monitoring	Nov 20, May 21	Ian Price	Contract awarded
Modification of dry riser testing	March 22	Ian Price	Contract awarded
Service and repairs to automatic and powered access doors within housing stock	March 22	Ian Price	Contract awarded
Lightening protection contract on housing stock	March 22	Ian Price	Contract awarded
Domestic electrical, remedial and maintenance works over £250,000 in value	Nov 20, May 21	Ian Price	To be procured via the Construction DPS
Hire of construction plant and equipment	Nov 20, May 21	Ian Price	Awarded
Homelessness Assessment and Review	May 21	Kevin Scarlett	Contract awarded
Van livery	May 21	Kevin Scarlett	Contract awarded
Dog boarding	May 21	Kevin Scarlett	NEPO decided not to renew this contract, however working with South Tyneside who are leading this

			work and progressing towards awarding a contract with a Feb 22 start
Strategic Housing Assessment	May 21	Kevin Scarlett	Contract no longer required
Public analyst	Nov 20, May 21	Kevin Scarlett	Contract awarded
Kaspersky Suite	Nov 20, May 21	Roy Sheehan	Contract awarded.
ICT Networking Equipment	Nov 20, May 21	Roy Sheehan	No Procurement required as perpetual license in place
Break-fix server support contract	17 Nov 20, May 21	Roy Sheehan	Contract awarded for 18 months
Solar winds license and maintenance renewal	17 Nov 20, May 21	Roy Sheehan	Contract awarded
Storage Area Network	17 Nov 20, May 21	Roy Sheehan	Contract awarded
Cyber Incident Response Service	May 21	Roy Sheehan	Contract awarded
Citrix Support Agreement	May 21	Roy Sheehan	Contract awarded
McAfee licence Renewal	May 21	Roy Sheehan	Contract awarded
Adobe Creative Cloud Licence Renewal	May 21	Roy Sheehan	Contract awarded
Office 365 backup	March 22	Roy Sheehan	Contract awarded
Material Damage for the Sage Gateshead	May 21	John Shiel	Included in multi-lot insurance contract
Baltic Arts Centre Property Owners Insurance, Combined Liability Insurance. Motor Vehicle Cover, Terrorism Cover, Engineering Inspections and miscellaneous cover	May 21	John Shiel	Included in multi-lot insurance contract
Gateshead Council Property Insurance, Fidelity Insurance, Commercial and Industrial Property Insurance and Property Insurance for Gateshead Interchange	May 21	John Shiel	Included in multi-lot insurance contract
Cash Collection Service	May 21	John Shiel	Contract awarded
Provision of CIL and Section 106 Obligation Management System	Nov 20	John Shiel	No Procurement required as perpetual license in place
Public service report evaluation of scope	Nov 20, May 21	Mark Smith	Contract no longer required
British sign language services	May 21	Andrea Tickner	Contract awarded by NEPO
Strategic analysis system	Nov 20	Andrea Tickner	No Procurement required as perpetual license in place
Schools go smarter in theatre in education	May 21	Andrea Tickner	Contract no longer required
Autodesk renewals software license	May 21	Andrea Tickner	Contract no longer required
Energy Data collector	May 21	Peter Udall	Contract awarded by NEPO
Private Wire Network (GEC)	May 21	Peter Udall	Contract awarded via Gateshead Construction DPS
Gas	May 21	Peter Udall	Contract awarded by NEPO
Meter Operator	May 21	Peter Udall	Contract awarded by NEPO
Civil engineering and infrastructure	May 21	Peter Udall	Contract awarded by NEPO
Gateshead Heat Network – East Extension network install	May 21	Peter Udall	Contract awarded
Gateshead Heat Network – Connection / Supply Agreement	May 21	Peter Udall	Contract awarded
Chopwell External Wall Insulation	May 21	Peter Udall	Contract awarded
ERDF Growth Fund Summative Assessment	May 21	Peter Udall	Contract awarded
District energy network extension phase 3	March 22	Peter Udall	Contract awarded
Structural Engineer for Quays Conference Centre and Maidens Walk Coal drops	March 22	Peter Udall	Contract awarded
Immex Project	March 22	Peter Udall	Contract awarded
Scaffolding at Maidens Walk Coal Drops	March 22	Peter Udall	Contract awarded
Flood prevention consultancy for Derwent West Bank	March 22	Peter Udall	Contract awarded
Consultancy for High Street Traders	March 22	Peter Udall	Contract awarded
MetroGreen – (1) Area Action Plan (AAP); (2) Derwent West Bank; and (3) Delivery Strategy	Nov 20, May 21	Peter Udall	Contract awarded
Solar panel design and installation	March 22	Peter Udall	Contract not required to be renewed
Drainage and landscape design works to Baltic Quarter	Nov 20, May 21	Peter Udall	Contract awarded
Derwent Flood additional works	March 22	Peter Udall	Contract awarded
Pre-packed sandwiches	March 22	Sandra Watson	Short term contract awarded via ESPO framework when supplier went into administration
School Catering Electronic choice system	May 21	Sandra Watson	Contract awarded
Janitorial and facilities supplies contract	Nov 20, May 21	Sandra Watson	Contract awarded by NEPO
Light catering equipment and catering disposables	Nov 20, May 21	Sandra Watson	Insufficient demand for a contract
Contract for Revaluation of Property Assets	Nov 20, May 21	Sandra Watson	Contract no longer required
Service and repairs to dry and wet risers	March 22	Sandra Watson	Interim Contract Awarded
Alcoholic beverages and mixer drinks	May 21	Sandra Watson	Insufficient demand for a contract
Keyholding Service	March 22	Sandra Watson	Contract awarded

High rise fire risk assessments	March 22	Sandra Watson	Contract awarded
Washroom services will migrate to NEPO's Janitorial and Facilities Support Contract	May 21	Sandra Watson	Gateshead Contract no longer being progressed as migrated to NEPO Contract
Janitorial and Facilities support contract	March 22	Sandra Watson	Contract awarded
Children's barrister services	May 21	Lynn Wilson	Contract awarded
Virtual Learning Environment	Nov 20 May 21,	Lynn Wilson	Contract awarded with perpetual license
Care leavers local offer IT system	Nov 20 May 21	Lynn Wilson	No Procurement required as perpetual license in place
Drug and alcohol testing on behalf of Family Drug and Alcohol Court NE	March 22	Lynn Wilson	Contract awarded
Pseudo DPS for Home Care Zone 2	March 22	Lynn Wilson	Contract awarded
Business Objects Licenses	May 21,	Lynn Wilson	Contract awarded
Alternate Education	Nov 20, May 21	Lynn Wilson	Contract no longer being progressed
Short breaks for complex health needs	Nov 20, May 21	Lynn Wilson	Contract no longer being progressed
Support for children with multi-sensory impairment	Nov 20, May 21	Lynn Wilson	Contract no longer being progressed
Active travel promotion in schools	May 21	Lynn Wilson	Contract no longer required as service delivered in house
Landscape Analytical Tool	March 22	Lynn Wilson	Contract awarded

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TITLE OF REPORT: Consultation on 2023 Parliamentary Boundary Review

REPORT OF: Mike Barker, Strategic Director, Corporate Services and Governance

Purpose of the Report

1. The purpose of this report is to seek Cabinets views on the 2023 Parliamentary Boundary Review and its implications for Gateshead.

Background

2. The Boundary Commission for England (BCE) have been tasked to conduct a review of the parliamentary constituencies in England based on the updated rules in the Parliamentary Constituencies Act 2020.
3. Parliamentary constituency boundaries are reviewed periodically. This is principally so that constituencies are altered occasionally to take account of changes in population. Changes are also made to reflect local government boundary changes, so that administrative boundaries coincide as much as possible.
4. The reviews are undertaken by independent Boundary Commissions. There are four Commissions, one each for the four nations of the United Kingdom. For English constituencies the Boundary Commission for England (BCE) is responsible.
5. Boundary reviews in 2013 and 2018 aimed at reducing the total number of seats to 600 were either abandoned by the Government before completion or cancelled.
6. The current rules for reviews were approved by the Parliamentary Constituencies Act 2020, (2020 Rules) that Act fixed the number of constituencies in the House of Commons at 650.
7. The number of seats between the four nations of the UK are allocated proportionally. This is based on the registered Parliamentary electorate in each part of the UK. There is no longer a guaranteed minimum for any country.
8. The BCE have now been tasked to conduct a review of the parliamentary constituencies in England based on the 2020 Rules. The BCE must complete the current review and make a formal report to the Speaker of the House of Commons before the 1 July 2023.
9. It is important to note that these changes have no direct bearing on the administrative area of the Council or Council functions. However, changes may

impact upon our residents who may find that their parliamentary constituency has changed.

10. The Commission is also required to ensure that each proposed constituency has an electorate as at 2 March 2020 that is no less than 95% and no more than 105% of the UK electoral quota. This quota has been calculated at 73,393. Accordingly, each constituency must have an electorate that is no smaller than 69,724 and no larger than 77,062.
11. Taking these requirements and other statutory factors into account, the BCE published its initial proposals for England, including the North East on the 8 June 2021.
12. Other statutory factors include:
 - a. Special geographical considerations e.g. mountains lakes rivers
 - b. Local Government boundaries as they exist or were in prospect on 1 December 2020
 - c. Boundaries of existing constituencies
 - d. Any local ties
 - e. The inconveniences attendant on such changes

North East Region

12. The Commission's approach is to sub-divide the allocation of constituencies between the nine English regions, which have historically been the regions used at European Elections.
13. In relation to the North East Region the Commission has allocated 27 constituencies a reduction of 2 from the current 29. The Commission's initial proposals have aimed to wholly contain each of these constituencies within the North East region
14. Their initial proposals leave two of the existing 29 constituencies wholly unchanged, and 11 with what they describe as only minor non-substantive changes of one to two wards.
15. As it has not always been possible to allocate whole numbers of constituencies to individual counties, they have grouped some county and unitary authority areas into sub-regions and based on the relatively recently created combined authorities, which encompass the entire North East region. The number of constituencies allocated to each sub-region has been determined by the combined electorate of the included authorities. Therefore, they have found it necessary to propose some constituencies that cross county or unitary authority boundaries but are not proposing that any of the proposed constituencies cross any combined authority boundaries.
16. This has resulted in them sub dividing the region as follows

Sub-region	Existing allocation	Proposed allocation
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Newcastle, North Tyneside and Northumberland	9	8
County Durham, South Tyneside and Sunderland	11	10
Gateshead	2	2
Tees Valley	7	7

Gateshead Proposals

17. In relation to Gateshead the electorate used (144,619) means an entitlement of 1.97 constituencies and has resulted in a proposal of two constituencies that do not cross the authority's boundaries.
18. The Commission found that the current configuration of both Blaydon and Gateshead constituencies are below the permitted electorate range and they proposed, therefore, that the new Blaydon constituency includes Dunston and Teams ward from Gateshead, and that the new Gateshead constituency includes Pelaw and Heworth, and Wardley and Leam Lane from the existing Jarrow constituency.
19. The Commission consider the proposals better adhere to the statutory factors, as both resulting constituencies will be of the right size and be wholly contained within the administrative boundaries of Gateshead. They also respect the additional statutory factors such as geographical considerations, they recognise the River Tyne as an important natural boundary as well as local ties.
20. This will result in the proposed constituencies potentially being

Blaydon constituency <i>(electorate 74,066)</i>	Gateshead constituency <i>(electorate 70,553)</i>
Birtley	Bridges
Blaydon	Chowdene
Chopwell and Rowlands Gill	Deckham
Crawcrook and Greenside	Felling
Dunston and Teams	High Fell
Dunston Hill and Whickham East	Lobley Hill and Bensham
Lamesley	Low Fell
Ryton Crookhill and Stella	Pelaw and Heworth
Whickham North	Saltwell
Whickham South and Sunniside	Wardley and Leam Lane
Winlaton and High Spen	Windy Nook and Whitehills

Initial consultation period (complete)

21. An 8-week initial period of consultation by the BCE on its initial proposals began on 8 June 2021 and has been completed. The BCE is required to consider all written

representations made to it during this time and representations have been published on the [BCE reviews website](#).

22. Cabinet considered the initial proposals on 20 July 2021 and supported the BCE proposals for Gateshead, and this was fed into the initial consultation.

Secondary consultation period

23. From Tuesday 22 February to Monday 4 April 2022, a secondary consultation on the initial proposals for new constituencies in England has commenced. During this consultation, the BCE intend to hold 32 public hearings across the country.
24. Individuals can also be able to submit comments on the [BCE reviews website](#).
25. It is anticipated that members will continue to support the proposal for two constituencies whose geographical boundaries fall within the borough.
26. The Council can also make a further submission to the Commission as part of this stage of the consultation.
27. After the end of the secondary consultation period, all of the representations received from the initial consultation and all written and oral presentations made during the secondary consultation period will be considered and reports will be prepared for each region. The reports will summarise and consider each of the representations, and if the BCE's initial proposals may be revised in light of the representations.
28. Following this, the BCE will publish a report in each region, stating whether revisions have been made to its initial proposals for that region. All the written representations submitted during the 6-week secondary consultation period and transcripts from the public hearings will be published at the same time.
29. If the initial proposals are revised, there would then be a further, final period of 4 weeks for written representations to be made to the BCE on the revised proposals for that region.
30. Once the BCE has taken into account any final representations made in the four weeks consultation period, they will make their final recommendations for the whole of England, it will then draft and submit a formal report to the Speaker of the House of Commons. The report, which will be published, once it has been laid before Parliament, will contain a description of the review in each region, a textual description of all of the final recommendations, and a set of maps to illustrate the existing constituency boundaries and those proposed by the final recommendations.
31. The submission of the formal, final report will conclude the review process.
32. The timetable and process is set out below. The current stage of the process is highlighted.

Dec 2020 – March 2021	Boundary Commission for England working with counterparts in Scotland, Wales and Northern Ireland to establish the data to be used for the review including the number of constituencies across each part of the UK.
March 2021 – May 2021	Preparing initial proposals
June 2021 – 2 August 2021	Consultation on initial proposals. An 8-week period of consultation.
Early 2022	Second period of consultation (6 weeks) and public hearings.
Late 2022	Final consultation (4 weeks) on “revised proposals”.
By 1 July 2023	Final report and recommendations.
Late 2023	Recommendations made into law with new proposals being used for next general election (but no by-elections in the interim period).

Recommendations

32. Cabinet is asked to recommend to full Council that proposed changes to the Blaydon constituency and Gateshead constituency be supported and to authorise officers to respond to the formal Boundary Commission for England consultation, both at the public hearing and in a formal written response.

CONTACT: Ged Morton extension: 2110

Policy Context

1. Electoral administration.

Background

2. The report relates to a periodic review of parliamentary constituency boundaries. Reviews take place principally so that constituencies take account of changes in population in accordance with statutory criteria.
3. The reviews are undertaken by independent Boundary Commissions. For English constituencies the Boundary Commission for England (BCE) is responsible.

Consultation

4. The Leader of the Council and Cabinet members have been consulted on the proposals and are supportive of the recommendations.

Alternative Options

4. Cabinet could choose not to respond to the initial BCE proposals and not make a recommendation to the full Council, but that could mean that amendments are subsequently made without the Gateshead position having been set out. This could have a detrimental impact on the final decision on constituency boundaries.

Implications of Recommended Option

6. Resources:

- a) **Financial Implications** – There are no direct financial implications from the proposals.
 - b) **Human Resources Implications** – There are no direct human resource implications from the proposals.
 - c) **Property Implications** - there are no property implications arising from the recommendations within this report.
7. **Risk Management Implication** – There are no direct risk management implications from the proposals.
 8. **Equality and Diversity Implications** – There are no specific Equality and Diversity Implications.
 9. **Crime and Disorder Implications** – there are no Crime and Disorder implications.
 10. **Health Implications** – there are no health implications.
 11. **Climate Emergency and Sustainability Implications** – there are no Climate Emergency and Sustainability Implications

12. **Human Rights Implications** – there are no human rights implications arising from this report
13. **Ward Implications** – if these proposals are followed through to the final report a small number of wards will be allocated within different parliamentary constituencies, but all within the Gateshead administrative area.
14. **Background Information** - none

REPORT TO CABINET
22nd March 2022

TITLE OF REPORT: Corporate Commissioning and Procurement Strategy 2021/22 – 2026/27

REPORT OF: Mike Barker, Strategic Director, Corporate Services and Governance

Purpose of the Report

1. Cabinet is asked to consider and approve a new Corporate Commissioning and Procurement Strategy 2021/22 – 26/27 and the implementation of a new approach to achieving Social Value in procurement activity.

Background

2. The Council agreed to implement a 5 year Corporate Commissioning and Procurement Strategy at its meeting on 2nd February 2017. Since then, the Thrive agenda together with a range of specific strategies have been developed, and as the current Corporate Commissioning and Procurement Strategy expires, it is time to refresh it and ensure that the Council's spend continues to be aligned to Council priorities.
3. The revised strategy (attached as Appendix 2) is built on 4 key themes which reflect Thrive, and the Health and Wellbeing Strategy, the Economic Development Strategy and the Climate Emergency Strategy. Reducing external expenditure and maximising the value of the Gateshead £ through Community Wealth Building are also key features running through the strategy. The themes include:
 - **Tackling inequality, supporting local communities, and putting people at the heart of everything we do**
 - **Investing in our local economy**
 - **Working together for a better and greener future**
 - **Delivering value for money and ensuring a sustainable council**
4. A comprehensive action plan is being developed to implement the Strategy and ensure it is embedded in all activity.
5. Alongside the development of the Strategy, a new approach to Social Value has been developed to facilitate the implementation of the new strategy. Based on a streamlined and prioritised version of a national social value toolkit developed by a social enterprise, Social Value Portal, and commonly known as TOMS (which stands for themes, outcomes and measures), the Gateshead Social Value Toolkit focuses on the outcomes that are important to Gateshead . A summary of the toolkit is attached as appendix 3.

6. The measures within the Gateshead toolkit are based on Gateshead specific metrics and have been provided by the Social Value Portal, however we have been advised that any updates of the metrics will be chargeable and we are working with NEPO to consider alternative solutions.
7. It is proposed that all procurements exceeding £100k will incorporate the new Gateshead Social Value Toolkit with a default evaluation weighting of 20% (the remaining 80% being divided between price and quality), thus helping to implement the new strategy. The exact evaluation weighting for each theme within the toolkit will be considered on a tender by tender basis, but any deviations from the 20% weighting on social value shall require approval from the Service Director, Corporate Commissioning and Procurement.
8. Work is ongoing to develop a simplified approach to social value, based on similar principles but less onerous for procurements under £100k in value.
9. The use of existing procurement frameworks including North East Procurement Organisation (NEPO), SCAPE and Crown Commercial Service frameworks are likely to prohibit the use of the Gateshead toolkit, as new criteria cannot be incorporated into existing frameworks, however the contracting organisations letting the frameworks will have already included an approach to social value.

Recommendations

10. Cabinet is asked to recommend the Council to approve:
 - (i) the Corporate Commissioning and Procurement Strategy as set out in appendix 2; and
 - (ii) the implementation of the Gateshead Social Value Toolkit as summarised in appendix 3 and to the evaluation weighting of 20% being applied to all procurements of £100k in value or more, unless the Service Director, Corporate Commissioning and Procurement authorises an exception.

For the following reasons:

- (i) To ensure that the procurement of goods, works and services aligns to the Council's priorities as set out in Thrive, the Health and Wellbeing Strategy, the Economic Strategy and the Climate Emergency Strategy;
- (ii) To maximise the social value achieved from the Council's external expenditure.

Policy Context

1. A new Corporate Commissioning and Procurement Strategy has been developed to ensure that the Council's spend is aligned to Thrive and the Council's priorities as set out in the Health and Wellbeing Strategy, The Economic Development Strategy, the Emergency Climate Strategy. It also focuses on maximising the Gateshead £ and securing value for money.

Background

2. On 2 February 2017, the Council agreed to implement a 5 year Corporate Commissioning and Procurement Strategy. Since then, the Thrive agenda together with a range of other specific strategies have been developed, and it is time to refresh the Corporate Commissioning and Procurement Strategy, to ensure that the Council's spend continues to be aligned to Council priorities and maximising value for money.
3. The revised strategy (attached as Appendix 2) is built on 4 key themes which reflect Thrive, and align with the other key Council strategies including the Health and Wellbeing Strategy, the Economic Development Strategy and the Climate Emergency Strategy. Reducing external expenditure and maximising the value of the Gateshead £ through Community Wealth Building are also key features running through the strategy. The themes include:
 - **Tackling inequality, supporting local communities, and putting people at the heart of everything we do;**
 - **Investing in our local economy;**
 - **Working together for a better and greener future;**
 - **Delivering value for money and ensuring a sustainable council**
4. A comprehensive action plan is being developed to implement the Strategy, deliver the outcomes set out within it, and ensure it is embedded in all activity.

Proposal for a new approach to Social Value

5. The Public Services (Social Value) Act 2012 came into force on 31st January 2013. The Act was inspired by a recommendation in Social Enterprise UK's 2010 election manifesto and tabled by Chris White MP as a Private Member's Bill. In 2013 the Council implemented a flexible approach to social value based on the Council Plan that existed at that time and Vision 2030 themes.
6. At the pre-procurement stage, the Act requires contracting authorities to consider not only how to improve the economic, social, and environmental well-being of the area served by them through the procurement, but also how to undertake the process of procurement with a view to securing that improvement and measuring it during the life of the contract.

7. Alongside the development of the Corporate Commissioning and Procurement Strategy 2021/22 – 26/27, the Procurement Team, have worked with NEPO and other local authorities in the North East on the further development of social value criteria that can be measured across various social value outcomes. A social enterprise, the Social Value Portal, has developed a national toolkit to translate social value measures into a monetary value, and therefore enable comparisons to be made across a wide range of social value criteria. This toolkit has been extensively adopted in various ways by authorities across the Country and this forms the basis of the proposed Gateshead approach to social value.
8. Whilst the measures have been devised nationally, the Social Value Portal agreed to provide local, Gateshead specific metrics to use in our social value evaluations. The ongoing maintenance of the metrics is under consideration as the Social Value Portal have advised that updating the metrics will be chargeable, and the fee associated with updating the metrics is not insignificant, therefore, working with NEPO we are considering alternative options regarding the longer term maintenance of local metrics, or the development of a regional social value toolkit that will be embedded within the new procurement system that NEPO are also developing.
9. In the interim, a team of subject experts from across the Council came together to form a Social Value Delivery Group and they considered the 150+ measures from the national toolkit, streamlined and prioritised them against Gateshead priorities and the themes in the Corporate Commissioning and Procurement Strategy to create the Gateshead Social Value Toolkit (summary attached as Appendix 3).
10. The actual measures will vary for each procurement and although the 150+ measures have been streamlined and prioritised, there may be occasion when additional measures are required, to reflect new priorities or feedback from suppliers during market engagement.
11. It is proposed that all procurements exceeding £100k will incorporate the new Gateshead Social Value Toolkit with a default evaluation weighting of 20% (the remaining 80% being divided between price and quality), thus helping to implement the new strategy. The exact evaluation weighting for each individual measure or theme within the toolkit will be considered on a tender by tender basis to ensure that the measures are relevant and proportionate to each contract, but any deviations from the overall 20% weighting on social value, or any alternative measures shall require approval from the Service Director, Corporate Commissioning and Procurement.
12. Work is ongoing to develop a simplified approach to social value, based on similar principles but less onerous for procurements under £100k in value.
13. The use of existing procurement frameworks including NEPO, SCAPE and Crown Commercial Service frameworks are likely to prohibit the use of the Gateshead toolkit, as new criteria cannot be incorporated into existing frameworks. The contracting organisations letting the frameworks will have already included an approach to social value within their frameworks but this will not be based on Gateshead metrics.

Consultation

14. Consultation has taken place with the Corporate Resources Overview and Scrutiny Committee at their meetings on 29th November 2021 and 24th January 2022. External consultation has also taken place with a number of organisations including NEPO, SCAPE, Construction Alliance North East, Connected Voice, Federation of Small Businesses, Gateshead College, Centre for Economic Strategies (CLES), all of which was positive and their comments have been considered and incorporated into the Strategy where appropriate.

Alternative Options

15. There is no alternative option but to update and renew the Corporate Commissioning and Procurement Strategy. A number of alternatives have been considered to developing the Gateshead Social Value Toolkit including:
- (i) Implementing the National TOMS Social Value Toolkit in its entirety, however this does not focus on Gateshead Priorities or incorporate Gateshead metrics;
 - (ii) Retaining the original, flexible approach to social value, however this will not implement the new Strategy.

Implications of Recommended Option

16. Resources:

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms the new strategy will ensure that value for money is delivered through all procurement activity. Additional Social Value will be achieved with the implementation of the Gateshead Social Value Toolkit.
- b) **Human Resources Implications** – There are no direct human resource implications arising from this report and the new strategy and social value toolkit will help to increase employment and deliver better quality jobs and opportunities for local people.
- c) **Property Implications** – There are no property implications arising from this report.

17. Risk Management Implication -

There are no risk management implications arising from this report.

18. Equality and Diversity Implications -

The new Strategy and Social Value Toolkit will ensure that procurement activity makes a positive contribution to the equality and diversity issues faced by Gateshead people.

19. Crime and Disorder Implications –

There are no crime and disorder implications arising from this report.

20. Health Implications -

The new Strategy and Social Value Toolkit will ensure that procurement activity makes a positive contribution to the health issues faced by Gateshead people.

21. **Climate change and Sustainability Implications -**
The new strategy and Social Value Toolkit will ensure that procurement activity makes a positive contribution to climate change and sustainability.
22. **Human Rights Implications -**
The new strategy and Social Value Toolkit will ensure that procurement activity makes a positive contribution to the human rights issues.
23. **Ward Implications -**
There are no specific ward implications arising from this report.

Background Information

24. The Corporate Commissioning and Procurement Strategy 21/22-26/27 and the Social Value Toolkit.

Insert the Strategy as appendix 2

Appendix 3

Summary of the Gateshead Social Value Toolkit

Themes from the Corporate Commissioning and Procurement Strategy

1. TACKLING INEQUALITY, SUPPORTING LOCAL COMMUNITIES, AND PUTTING PEOPLE AT THE HEART OF EVERYTHING WE DO	2. INVESTING IN OUR LOCAL ECONOMY
3. WORKING TOGETHER FOR A BETTER AND GREENER FUTURE	4. DELIVERING VALUE FOR MONEY AND ENSURING A SUSTAINABLE COUNCIL

TACKLING INEQUALITY, SUPPORTING LOCAL COMMUNITIES, AND PUTTING PEOPLE AT THE HEART OF EVERYTHING WE DO	
Between 1 and 3 measures shall be selected from 1.0 to 1.12 plus any of the optional measures 1.13 - 1.17	
1.0	No. of armed forces veterans employees (FTE) hired on the contract as a result of a recruitment programme who are long term unemployed (unemployed for a year or longer) and are facing specific barriers to transitioning to civilian employment that do not qualify them as disabled (e.g. long term service)
1.1	No. of mothers returning to work (FTE) hired on the contract as a result of a recruitment programme who are long-term unemployed (unemployed for a year or longer) - (when the mother is the primary carer)
1.2	No. of employees (FTE) hired on the contract who are Not in Employment, Education, or Training (NEETs) as a result of a recruitment programme
1.3	No. of 16-25 y.o. care leavers (FTE) hired on the contract as a result of a recruitment programme
1.4	No. of disabled employees (FTE) hired on the contract as a result of a recruitment programme
1.5	No. of weeks of training opportunities on the contract (BTEC, City & Guilds, NVQ, HNC) that have either been completed during the year, or that will be supported by the organisation until completion in the following years - Level 2,3, or 4+ - delivered for groups specified in 'LISTNT9a' (e.g. NEETs, under-represented gender and ethnic groups, disabled, homeless, rehabilitating young offenders)
1.6	No. of weeks of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+ - delivered for groups specified in 'LIST NT10a' (e.g. NEETs, under-represented gender and ethnic groups, disabled, homeless, rehabilitating young offenders)
1.7	Equality, diversity and inclusion training provided both for staff and supply chain staff
1.8	Initiatives to be taken to support older, disabled and vulnerable people to build stronger community networks (e.g. befriending schemes, digital inclusion clubs)
1.9	No. of employees on the contract that have been provided access for at least 12 months to multidimensional wellbeing programmes that include flexible working time arrangements; healthy nutrition options; physical health programmes; a health risk appraisal questionnaire; access to health and wellbeing resources (e.g. a tailored health improvement web portal; wellness literature; and seminars and workshops focused on identified wellness issues)
1.10	No. of employees provided with workplace screening (e.g. questionnaire) and support (e.g. six session of cognitive behavioural therapy) for anxiety and depression
1.11	Mental Health campaigns for staff on the contract to create community of acceptance, remove stigma around mental health
1.12	Initiatives taken or supported to engage people in health interventions (e.g. stop smoking, obesity, alcoholism, drugs, etc.) or wellbeing initiatives in the community, including physical activities for adults and children
1.13	Initiatives aimed at reducing crime (e.g. support for local youth groups, lighting for public spaces, private security, etc.)
1.14	Percentage of employees (FTE) BAME hired on the contract
1.15	Specific initiatives or recruitment programmes for women run for the contract (Y/N)
1.16	Specific initiatives or recruitment programmes for BAME run for the contract (Y/N)
1.17	Percentage of women (FTE) hired on the contract

INVESTING IN OUR LOCAL ECONOMY	
Between 1 and 3 measures shall be selected from 2.0 to 2.7 plus any of the optional measures 2.08 to 2.26	
2.0	No. of local direct employees (FTE) hired or retained (for re-tendered contracts) on contract for one year or the whole duration of the contract, whichever is shorter
2.1	No. of residents (FTE) from the listed sub-localities employed directly or through the supply chain as a result of your procurement requirements on the contract for one year or the whole duration of the contract, whichever is shorter (see sub-localities listed in 'LISTNT1b')
2.2	No. of local people (FTE) on contract for one year or the whole duration of the contract, whichever is shorter, employed through the supply chain as a result of your procurement requirements
2.3	Meaningful local work placements that pay Minimum or National Living wage according to eligibility - 6 weeks or more (internships)
2.4	Number and type of initiatives to be put in place to reduce the gender pay gap for staff employed in relation to the contract (describe and document initiatives)
2.5	No. of hours of support into work provided to local unemployed people through career mentoring, including mock

	interviews, CV advice, and careers guidance -(over 24 y.o.)
2.6	Total amount (£) spent through contract with LOCAL micro, small and medium enterprises (MSMEs)
2.7	Total amount (£) spent with VCSEs within your supply chain
2.8	Percentage of local employees (FTE) on contract
2.9	Percentage of staff on contract that is paid at least the relevant Real Living wage as specified by Living Wage foundation
2.10	Percentage of invoices on the contract paid within 30 days
2.11	No. of staff hours spent on local school and college visits e.g. delivering careers talks, curriculum support, literacy support, safety talks (including preparation time)
2.12	No. of weeks of training opportunities on the contract (BTEC, City & Guilds, NVQ, HNC) that have either been completed during the year, or that will be supported by the organisation until completion in the following years - Level 2,3, or 4+
2.13	No. of weeks of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation until completion in the following years - Level 2,3, or 4+
2.14	Support a 'just transition' for workers by supporting those in 'traditional' high carbon industries to retrain
2.15	No. weeks on the contract of apprenticeships relating to the low carbon economy - opportunities either to be completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+
2.16	No. of hours dedicated to support young people into work (e.g. CV advice, mock interviews, careers guidance) - (under 24 y.o.)
2.17	No. of weeks spent on meaningful work placements or pre-employment course; 1-6 weeks student placements (unpaid)
2.18	Employment taster days for those interested in working in the real estate and construction industry
2.19	Provision of expert business advice to help VCSEs and MSMEs achieve net zero carbon by 2030
2.20	Occupier satisfaction score (NPS)
2.21	No. of local direct employees (FTE) which are TUPE transfers retained on contract for one year or the whole duration of the contract, whichever is shorter (re-tendered contracts only - to be used at Measurement)
2.22	Total amount (£) spent in LOCAL supply chain through the contract
2.23	Total amount (£) spent with local Micro and Small enterprises within your supply chain through the contract
2.24	Meet the buyer' events held to highlight local supply chain opportunities
2.25	Donations or in-kind contributions to local community projects (£ & materials)
2.26	No. of hours volunteering time provided to support local community projects

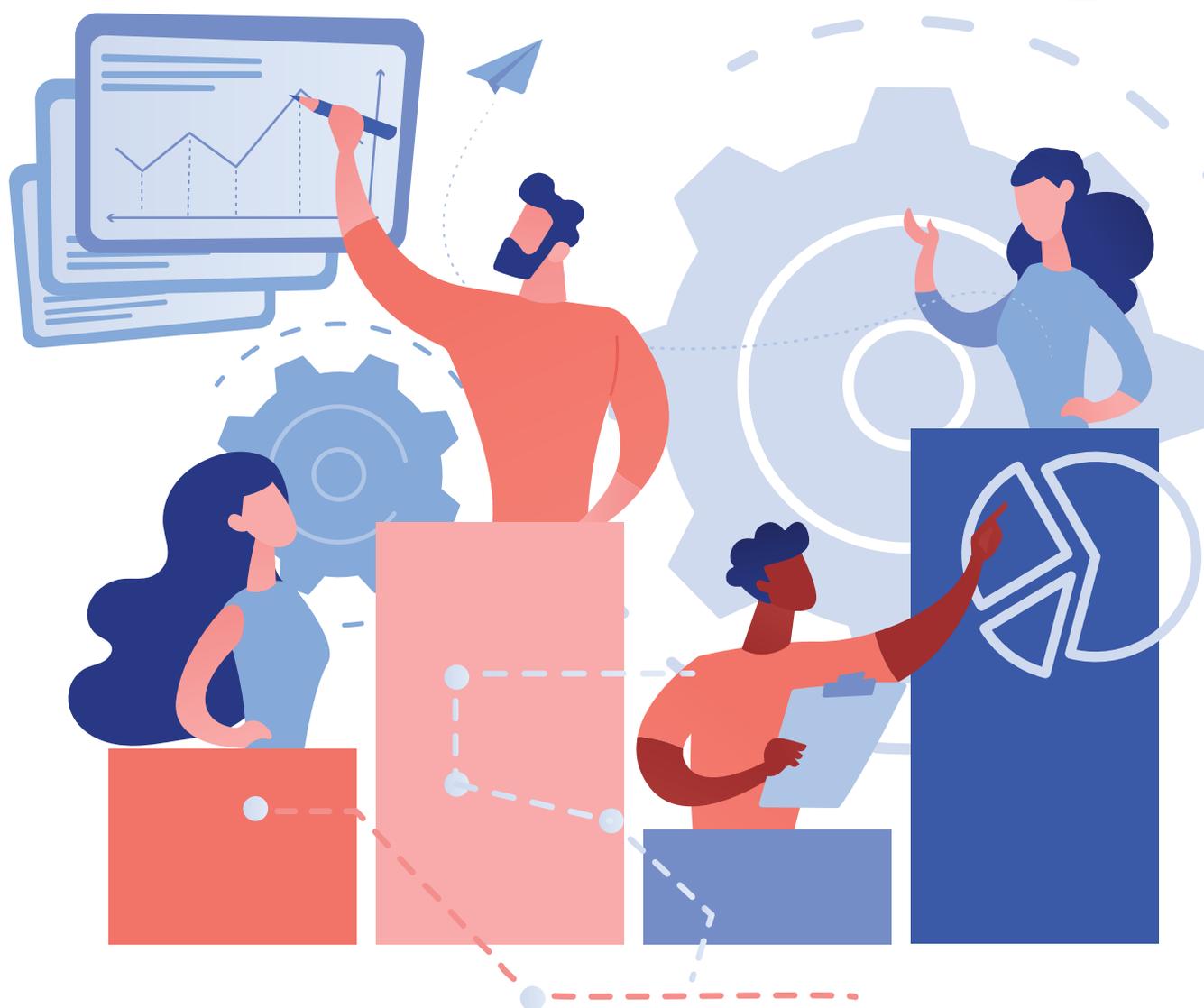
WORKING TOGETHER FOR A BETTER AND GREENER FUTURE	
Between 1 and 3 measures shall be selected from 3.0 to 3.7 plus any of the optional measures 3.08 to 3.29	
3.1	Savings in CO2 emissions on contract achieved through de-carbonisation (specify how these are to be achieved)
3.2	Contribution made on the contract to own carbon offset fund (when it has been demonstrated said carbon cannot be reduced within the contract's timeframe)
3.3	Carbon savings from energy efficiency measures on site (e.g. increased use of renewables)
3.4	Embodied Carbon reductions in CO2e emissions against baseline
3.5	Car miles saved on the project as a result of a green transport programme or equivalent (e.g. cycle to work programmes, public transport or car pooling programmes, etc.)
3.6	Car miles driven using low or no emission staff vehicles included on project as a result of a green transport programme
3.7	Offsets or mitigation initiatives on biodiversity delivered whenever restoration is not available, and when implemented beyond legislative or regulatory requirements: Natural Capital Approach carbon sequestration and air quality benefits
3.8	Percentage of assets where sustainability risk has been reduced
3.9	Offset embodied carbon emissions from construction material
3.10	Carbon offset fund payments against new developments (payments into external carbon offset funds e.g. through S106)
3.11	Corporate travel schemes available to employees on the contract (subsidised public transport, subsidised cycling schemes and storage, sustainable corporate transport such as electric bus from public station to corporate facilities)
3.12	Percentage of fleet or construction vehicles on the contract that is at Least Euro 6 or LEV
3.13	Fleet emissions monitoring programme on the contract, including data collection (miles, type of vehicle, engine type, emission standard)
3.14	Carbon Certification (Carbon Trust Standard, Planet Mark or equivalent independently verified) - achieved or to achieve for current year
3.15	Carbon reductions through energy efficiency measures or renewables - building operations - (e.g. REEB benchmark or 3 year baseline)
3.16	Supply Chain Carbon Certification (Carbon Trust Standard for Supply Chain or equivalent independently verified) - achieved or to achieve for current year
3.17	Percentage of contracts with the supply chain requiring contractors to operate low or zero emission vehicles
3.18	No. of opportunities created for local MSMEs to respond to tenders for de-carbonisation work on the contract
3.19	Policy and programme to achieve net zero carbon by 2030 including monitoring plan with specific milestones (issued or to be issued by the end of 2020)
3.20	Percentage of procurement contracts that includes sustainable procurement commitments or other relevant requirements and certifications (e.g. to use local produce, reduce food waste, and keep resources in circulation longer.)
3.21	Requirements or support (for Micro or Small enterprises) for suppliers to demonstrate climate change and carbon reduction training for all staff - e.g. SDGs Academy courses (NTs) or (e.g. RE) Supply Chain Sustainability School bronze or higher or equivalent
3.22	Percentage of assets that have undergone a climate risk assessment
3.23	Plastic recycling rate on the contract (to e.g. reduce microplastics)
3.24	Single-use plastic packaging eliminated through reusable packaging solutions or schemes (e.g. Loop or equivalent) on the contract
3.25	Value of local partnerships to implement circular economy solutions
3.26	Hard to recycle waste diverted from landfill or incineration through specific recycling partnerships (e.g. Terracycle or equivalent)
3.27	Waste management verification policies: audit hierarchy, downstream audits for waste stream
3.28	WATER: Percentage of buildings meeting good practice benchmark (e.g. REEB)
3.29	M3 water saved against relevant benchmark (e.g. REEB)
3.30	WASTE: Percentage of buildings meeting good practice benchmark (e.g. REEB)

3.31	Tonnes waste diverted against relevant benchmark (e.g. REEB)
3.32	Percentage of biocomposites and equivalent materials

DELIVERING VALUE FOR MONEY AND ENSURING A SUSTAINABLE COUNCIL	
4.1 must be included and 4.2 is optional	
4.1	Tenderers to confirm they agree to a 1% saving to be achieved during each year of this contract, including any contract extensions. (Track achievement of saving)
4.2	Percentage of contracts with the supply chain on which Social Value commitments, measurement and monitoring are required

Corporate Commissioning & Procurement Strategy

2021/22 - 2026/27





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Foreword

This new Corporate Commissioning and Procurement Strategy sets out Gateshead's approach to pro-actively using our collective resources within the borough in the most effective way to deliver the best outcomes for Gateshead people to help them to thrive.

Our approach to strategic commissioning helps us to understand what needs to be done to tackle inequalities and improve the life of the communities that we serve. A radical rethink is needed about the way that we work as a Council and what we should expect from our suppliers, service providers, contractors, and sub-contractors (referred to as our "supply chain").

Gateshead is a vibrant place and residents have a strong sense of community and local pride. We recognise the need to be inclusive, and work more closely with Gateshead People, our partners, and our supply chain to achieve maximum value for money and make the "Gateshead Pound" go further. We will continue to encourage others to play a bigger role in the delivery of improved, person-centred outcomes and explore innovative ways of supporting them to do so.

We want to work in partnership to pursue wider social and economic benefits for local people in a constructive and collaborative way in order to realise our ambition of a thriving Gateshead whilst not restricting free trade.

Our Strategy ensures that we take into account key principles: to strengthen our local economy, reduce our environmental impact, and tackle inequality and disadvantage. It is more important now than ever before to focus on buying locally when we can and encourage others to support Gateshead's economy, in order to build and retain wealth in our communities which will help to reduce demand for some of our services.

Our Corporate Commissioning and Procurement Strategy will help us to work more innovatively to continue to improve Gateshead the place, and provide the best opportunities for those who live, work, and visit here.



Councillor M Gannon
Leader of the Council

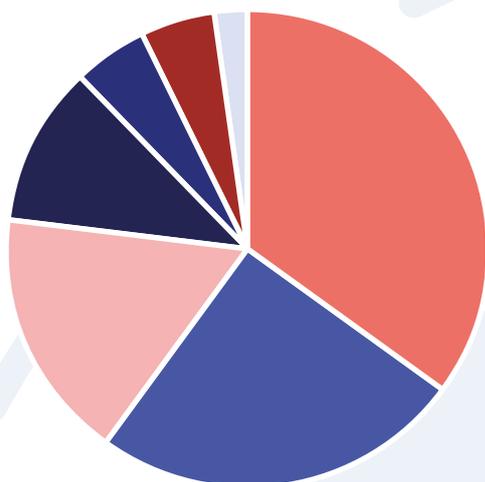


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Introduction

Gateshead Council has a gross expenditure budget of £668M (2021/22) and in the region of £275M per annum is spent on external provision of works, goods and services (supplier and third party payments) as illustrated in the diagrams below.

2021/22 Gross Expenditure by Subjective (£668m)



35% - Direct Employees £236.12m

25% - Third Party Payments £165.11m

17% - Supplier Payments £113.21m

11% - Payments to individuals £73.65m

5% - Capital Financing - Council £35.31m

5% - Capital Financing - Housing £34.06m

2% - Levies £11.01m

We understand our responsibility to use this money in a way that achieves the best possible outcomes for Gateshead people, the local economy, and generates maximum value for the 'Gateshead Pound'. The Gateshead Pound is a term we use meaning that we will endeavour to maximise the benefit of each £ we spend in Gateshead through spending locally, using local supply chains, supporting local employment and upskilling local people to create a more regenerative local economy where more money recirculates within Gateshead.

We continue to face significant financial and demand pressures arising from reductions in public spending along with increasing expectations, an ageing population, and inequalities across the borough. The situation has been exacerbated with the recent outbreak of Covid-19 which has hugely impacted the people of Gateshead and the Council's ability to deliver service by increasing financial and demand pressures further. The Council has played a vital role in leading emergency responses to the pandemic and we are now in new and uncertain times. Planning for recovery will enable us to take the lead in rebuilding and reforming our local economy and supply chain to make it stronger, more resilient, innovative and sustainable.

"Our commissioning and procurement activity has a key role to play in that recovery and the transformation necessary to support people to thrive, continually seeking improved outcomes by exploring ways of doing things differently, finding new, lower cost and often better solutions and determining what services and support will be provided by whom".





“Commissioning in Gateshead is defined as a cycle of activity that begins by considering what evidence is telling us about our community, and then leads us to determine the needs of our local population and analyse what must be done to achieve the best possible outcomes within our available resources”.

Our commissioning activity will continue to be undertaken at all levels from a strategic level that determines how we allocate our budget, to a service level that determines how a service should be delivered and by whom, or at an individual level to understand what care package may be required to support a Gateshead resident.

Our procurement activity covers the whole process from the initial identification of a need for goods, works or services; decisions about routes to market and market engagement; through selecting suppliers or partners; receiving the goods, works or services; managing contracts; achieving the benefits expected, to finally disposing of any assets, transitioning to new contracts, or ending contractual arrangements that are no longer viable or required.

“Procurement in Gateshead is defined as the process of acquiring goods, services and works, to achieve the optimum combination of costs, benefits and risk management, to meet the Council’s objectives”.



Our Commissioning and Procurement Strategy sets out the strategic framework to help us deliver excellence in terms of value for money and better outcomes in all our procurement and commissioning activity. It supports the delivery of the Council's key priorities and strategies such as tackling inequality; supporting the local economy by creating new businesses, new jobs and new skills; reducing waste; reducing carbon and tackling climate change; and maximising the value of the Gateshead £; all within the constraints of ever reducing budgets.

In accordance with the public procurement rules and the new National Procurement Policy Statement, our approach is relevant, proportionate and aims to secure “best value”, i.e. the optimum combination of whole life costs and social benefits to meet our requirements.

We have a good track record of working in partnership with others such as various health sector organisations, other councils, NEPO, SCAPE, and we believe that by working together on social value and wider corporate responsibilities we can develop and implement a Gateshead specific Community Wealth Building Programme and achieve more for the people of Gateshead, but we need to re-define our relationship with some of the markets within which we operate, and to support the community and voluntary sector to become more resilient.

We expect high standards of integrity and professionalism in all business dealings and practices from everyone we deal with. We have developed our Corporate Social Responsibility Pledge and a Gateshead Social Value Toolkit to clearly set out our requirements and ask that our supply chain incorporates them in all business activities and cascades them throughout their supply chains, enabling us all to work towards a fair, inclusive, sustainable, and progressive economy.

Our Vision

We will continue to provide first class, outcome focused services based on compliant commissioning and procurement activity that delivers value for money, maximises the value of the Gateshead £, tackles inequality, helps to reduce our carbon footprint and supports Gateshead people to thrive.

Our Values

How we work is as important as what we set out to do. For us to be effective it's not just about what we do, but how we do it. Our values define how we work as a Council and help to inform important decisions and choices. Our values are evident in everything we do and will be demonstrated by us all.

Integrity

We will always work with integrity - demonstrating fairness and respect every day and in every way.

Inclusive

We will be inclusive - **one council** working together and engaging people to get better results and ensure equality of opportunity.

Inspirational

Thinking creatively, being dynamic and motivating and empowering everyone to do the things that make a real difference for the people of Gateshead.

Our Behaviours

Our behaviours will be evident in how we approach our work, how we treat others and how we expect to be treated, as well as how we work together.

- We will always be positive, helpful, and supportive in our approach
- We will be professional and lead by example
- We will work as a team and take personal responsibility for our actions
- We will learn from our mistakes and celebrate our successes
- We will embrace and promote equality
- We will be flexible and adaptable to change

Our Approach

Thrive

Our strategic approach, “Making Gateshead a place where everyone thrives”(Thrive), has been developed through the following pledges:

- Put people and families at the heart of everything we do
- Tackle inequality so people have a fair chance
- Support our communities to support themselves and each other
- Invest in our economy to provide sustainable opportunities for employment, innovation, and growth across the borough
- Work together and fight for a better future for Gateshead.

Our commissioning and procurement activity plays a key role in the delivery of Thrive

Health and Wellbeing Strategy

Our “Thrive” delivery plan is contained within our Health and Wellbeing Strategy This Strategy is focussed on the following key aims:

- Giving every child the best start in life, with a focus on conception to age two;
- Enabling all children, young people and adults to maximise their capabilities and have control over their lives;
- Creating the conditions for fair employment and good work for all;
- Ensuring a healthy standard of living for all, in accordance with international law on economic and social rights;
- Creating and developing sustainable places and communities;
- Strengthening the role and impact of ill health prevention.

Our commissioning and procurement activity plays a key role in the delivery of the Health and Wellbeing Strategy.

Climate Emergency Strategy

In May 2019 Gateshead Council declared a Climate Emergency, with a commitment for the Council’s activities to be carbon neutral by 2030. The Council’s commissioning and procurement activity can play a significant role in reducing the Council’s carbon footprint. This Strategy sets out a range of measures that will help achieve this objective, in keeping with the Council’s Climate Emergency Action Plan, published in February 2021 and emerging Climate Emergency Strategy.

Our commissioning and procurement activity plays a key role in the delivery of the Climate Emergency Strategy.

Economic Strategy

In September 2021, the Council began to develop an Economic Strategy that focuses on 5 policy objectives to drive the Thrive agenda:

- Building the economy of the future
- Supporting businesses
- Helping People
- Shaping future places
- Improving connectivity

Our approach to social value and commissioning and procurement activity will help to implement the Economic Strategy.

Corporate Commissioning and Procurement Strategy

Our Corporate Commissioning and Procurement Strategy will help us to meet the objectives in all of the key strategies highlighted above by using our resources within the borough in the most effective way. It is structured around the following:

- Tackling inequality, supporting local communities, and putting people at the heart of everything we do
- Investing in our local economy
- Working together for a better and greener future
- Delivering value for money and ensuring a sustainable Council

Strategic Commissioning

Our Strategic Commissioning activity begins by considering what data and evidence is telling us about our community, and then leads us to determine the needs of our local population. Further consultation and data analysis enables us to understand what must be done to achieve the best possible outcomes within available resources, considering our statutory obligations and what role we, and our partners should play in the delivery of those outcomes.



We are increasingly using a strategic commissioning approach in the design of services and to channel the resources of our communities to best effect to gain maximum value for everyone.

Our Commissioning and Procurement Strategy will communicate to all stakeholders our vision for the way forward in commissioning and procuring goods, works and services and detailing everyone's responsibilities in achieving Thrive. We recognise that by implementing our Strategy we will become a more strategic and modern organisation which is networked and agile; empowers communities, employees and its partners; and is focused on reducing cost and place shaping.

An emerging approach to commissioning in complexity

Working with Collaborate for Social Change and Newcastle Business School we have begun to explore new ways of commissioning services for individuals. We recognise that the current ways of working do not enable service providers to respond effectively to the challenges faced by people today. We are in complex times and complexity of need is increasing. Our assumptions about what people want, need, and aspire to are changing as we learn more from our Public Sector Reform work to understand individual people who lead complex lives.

By recognising our communities as complex systems and complex places influenced by many but controlled by none, we know that working in isolation or silos, and in a way that considers and attempts to help specific issues faced by people, one by one, is not likely to be successful in the longer term. The three shifts in thinking and practice that underpin the emerging new ways of working include:

Motivation

Our new assumption will be that people are intrinsically motivated to do a good job. They do not require 'incentivising' to do the right thing. Instead, they need help and support to continuously improve their judgement and practice.

Learning and adaptation

We will also assume that learning is the mechanism to achieve excellent performance and continuous improvement. Learning comes from many sources – from measurement and analysis, to reflection on the sensemaking and judgements we make every day in situations of uncertainty. We will view learning as a feedback loop which will drive adaptation and continuous improvement.

System Health

Outcomes are created by people's interaction with whole systems, not by particular interventions, or organisations. As part of our co-ordinating role, we need to invest in network infrastructure to enable organisations to communicate effectively; build positive, trusting relationships; and develop the skills of people who work in the system to create healthy systems which will produce better outcomes.

While undertaking this work we will not lose sight of the Standards of Good Commissioning as set out in "Commissioning for Better Outcomes" by Institute of Local Government Studies and University of Birmingham.



Tackling inequality, supporting local communities, and putting people at the heart of everything we do

Our Gateshead Joint Strategic Needs Assessment helps us to understand the key issues facing people in Gateshead, however our work around “Commissioning for Complexity” and “Public Sector Transformation” tells us that people are rarely facing single issues and that there are often numerous influences that lead to inequalities. Helping people to thrive depends upon us really understanding them in the round and the range of issues that influence them and impact on their lives. We therefore will involve local people in the planning of services so that their priorities are incorporated in service provision.

Our Commissioning for Complexity work will enable us to take a step back and consider more flexible approaches to supporting people which may no longer be measured in terms of time and/or task but monitor success in terms of improved wellbeing, independence and social connections. Through better commissioning of services, we want to empower people to make the most of their lives and reach their full potential.

We want children and young people to have the best start in life. We know that many families already enable this and therefore we will target our support to children and young people who need it the most.

We will also deploy our every contact matters approach to identify potential support at an early stage to prevent issues from escalating and we will ensure that our partners and supply chains adopt this approach in their everyday work.

We know that health inequalities and poverty (including in work poverty) are the biggest challenges that the people of Gateshead face and therefore we will target some elements of service provision to those most in need, and we will engage our supply chain to help us to readdress some of the inequality between different areas within our borough, or sectors of our population through our Social Value Toolkit. We will encourage our partners and supply chain to provide greater opportunity to parts of our communities to prosper by, for example, targeting recruitment and training initiatives to those who are most disadvantaged.

Other forms of inequalities can also impact on people’s ability to thrive including digital exclusion. Whilst pursuing our digital by default policy, we will ensure that our communications, engagement, and service provisions are conducted through a wide range of channels, so that we do not inadvertently leave behind those who are unable to access or communicate via digital means.

Inequalities exist beyond the boundaries of Gateshead and we will strive to reduce inequalities in everything we do, for example in addition to supporting local people and our local communities, we will support fair trade where possible so that people in third world countries also have a fair chance.

The action we will take includes:

- Implementing a strategic commissioning approach that ensures that services are person centred, flexible, accessible, and focused on delivering more effective and progressive needs and outcomes to enable everyone to maximise their potential, strive for independence and have control over their lives;
- Considering people's needs in the round, involving them in the planning and co-production of services that impact on their lives, and delivering them where and how people want to receive them;
- Further developing our Commissioning in Complexity work to implement more flexible approaches to supporting people that measures success in terms of improved wellbeing, independence and social connections, rather than tasks or time;
- Integrating our health and care services whilst ensuring they are place based and bespoke to the needs of individuals;
- Deploying our every contact counts approach to all activity, and ensuring that our partners and supply chains adopt the same approach;
- Focussing on early intervention and striving to reduce future demand for services and taking a whole life cost approach to measuring outcomes.
- Applying appropriate challenge to all decision making using open, fair, non-discriminatory, and transparent processes that are proportionate, build confidence and create a level playing field for all;
- Using our commissioning and procurement levers to tackle poverty, (with particular focus on in work poverty), ill health, social inequality, isolation, and digital exclusion; and promoting good health and wellbeing in everything we do;
- Basing our resource allocation on the priorities of our communities, targeting those individuals and communities most disadvantaged, or at risk;
- Taking appropriate, proportionate action to support fair trade and tackle the risks associated with Human Trafficking and Serious and Organised Crime groups infiltrating supply chains;

We will deliver this through:

- Our Health and Wellbeing Strategy
- Our Housing Strategy
- Our "Commissioning for Complexity" work
- Maximising the value of the Gateshead £
- Our Social Value Toolkit
- Our Corporate Social Responsibility Pledge
- Our category management approach and category strategies

How will we measure success?

- Our supply chain will be more diverse
- The value of the Gateshead £ will be maximised
- Contracts will be more effective as a result of improved customer input, supplier input and continuous learning.



Investing in our local economy

To enable Gateshead people to thrive we need to invest in our local economy and one of the ways that we can do this is by maximising the benefits derived from every £ spent in Gateshead, not only by us but by our partners too.

Working with Centre for Local Economic Strategies (CLES), we are becoming a committed practitioner of community wealth building principles. Driven by a desire for our communities to greatly benefit from our spending power; and to develop more inclusivity, we aim to reorganise the Gateshead economy so that wealth is not extracted; but broadly retained and generative, with local roots, so that income is recirculated; communities are put first and the people of Gateshead are provided with opportunity, dignity, and well-being.

The recent Covid-19 crisis has highlighted the fragilities and failings of our national and local economies and has demonstrated that the procurement and economic development practices of the past should not provide a road map for the future. We need to skilfully plan the process for economic recovery and reform at a local level, working with CLES to try to combat the coming economic turmoil which is likely to intensify the long-term economic challenges that have been identified by the Council in recent years.

Our place leadership and procurement and commissioning activity will help to stimulate private, public, and social investment in Gateshead. We have developed a flexible Social Value Toolkit to ensure that maximum and focussed social value considerations are built into all our commissioning and procurement activity to maximise the value of our commercial arrangements. The more money we spend locally, and with organisations that are locally regenerative, the greatest impact this will have on our local economy. We will prioritise the use of Gateshead based organisations with a focus on providing opportunities to local people to develop life skills and help to prepare them for work to support Gateshead people to thrive where possible and legal to do so.

Our commissioning and procurement activity aligned with community wealth building practices will help us to deliver our emerging Economic Strategy and advance the 'Thrive' agenda aspirations to develop Gateshead as a place where more people are flourishing, prosperous, successful, and faring well. Some work has already started, and we are refining our approach to various spend categories, however, we need to focus more on bringing about structural and societal change for our communities and local economies by taking responsibility for generating economic, environmental, and social growth.

Our communities, partners and supply chains are playing an increasingly key role in helping us to achieve outcomes. We will work with them, in addition to our own workforce, to ensure that skills continue to be developed so we can successfully make the changes needed to create a better future for the people of Gateshead. We are also committed to identifying and sharing best practice, by engaging a range of local organisations with whom we can work to extend community wealth building aspirations across the borough.



The action we will take includes:

- Implementing category strategies for all our key spend areas which will have a focus on maximising the value of the Gateshead £;
- Continuing our work with CLES and our partners to further develop and promote Community Wealth Building in Gateshead;
- Supporting the local economy by making procurement spend more accessible to local small businesses and community and voluntary sector, and ensuring that local organisations can compete;
- Developing and implementing our Gateshead Social Value Toolkit across all high value procurements and developing a proportionate approach for all lower value procurements;
- Identifying gaps in our local supply chains and supporting the creation of diverse, sustainable, and good quality local supplier/provider markets;
- Supporting people to thrive by ensuring that local wages are fair, good recruitment and employment practices are adopted, and by providing life skills, experience and opportunities for readiness for work for young people and adults throughout their lives;
- Reviewing our Corporate Social Responsibility Pledge to streamline and prioritise the areas that will have the greatest impact;
- Improving engagement with local suppliers, social enterprises and supported businesses to help grow local provider capability and capacity and to promote innovation;
- Improving the quality of data used to support our commissioning and procurement activity by developing more category and local market knowledge and expertise;
- Helping to build more sustainable, sufficiently skilled, and regenerative businesses that create wealth which remains within Gateshead and is not extracted;

We will deliver this through:

- Our Economic Strategy
- Maximising the value of the Gateshead £
- Our Community Wealth Building work
- Our Social Value Toolkit
- Our category management approach and category strategies
- Our Corporate Social Responsibility Pledge

How will we measure success?

- Community Wealth Building principles are embedded across everything we, and our partners do
- A greater proportion of our spend is with organisations based in Gateshead, or the North East region
- An increased number of Gateshead people are employed in the delivery of services across the Borough

Working together for a better and greener future

We know that where we live and the home we live in, together with the physical environment, the communities, and social networks to which we belong can all significantly impact on our achievements and wellbeing. Developing Gateshead as a greener, sustainable, thriving borough lies at the heart of what we are trying to achieve, and our commissioning and procurement activity can play key role in helping us to succeed.

The Council has declared a climate emergency and we are doing everything we can through our commissioning and procurement activity to improve air quality, minimise waste and reduce the borough's carbon footprint. In February 2021 we published a Climate Emergency Action Plan that will deliver on the council's commitment to make its own activities carbon neutral by 2030. We have made significant progress in recent years in reducing the carbon emissions associated with our own activities. We have invested in new technologies to help us reduce reliance on fossil fuels for providing heat and power to our buildings, and improved the efficiency of street lighting, and this has resulted in a reduction in carbon emissions by 55% since 2010.

However, the Council's own activities account for only around 2.5% of Gateshead's total emissions. Clearly, achieving a significant reduction in total emissions from Gateshead requires action within our communities, our business sector and from our partners. Our Climate Emergency Strategy sets out how communities, businesses and other agencies can reduce their carbon footprint, and the steps that the Council can take in facilitating this.

Our procurement and commissioning activity will support the delivery of the Climate Emergency Strategy and Action Plan through the inclusion of carbon reduction criteria within our specifications and the implementation of our Social Value Toolkit.

Resilient, inclusive, greener communities are more sustainable and more likely to support people to thrive than those dependant on the council and/or its partners. We fully understand the benefits of working with our communities, supply chain and partners in all our commissioning and procurement activity. Working collaboratively enables:

- Accessing resource that otherwise would not be available to us;
- Streamlining of processes and sharing capacity which may lead to investment in carbon reduction solutions;
- Spend aggregation to maximise economies of scale, where appropriate;
- Sharing and effectively using data across a wider range of organisations;
- Access to wider experience and greater expertise;
- Greater influence on providers and supply markets to tackle climate emergency;

Our inclusive approach to Community Wealth Building will bring about structural and societal change which is required to provide a better future for our communities and local economies. We also have a good track record in commissioning and procuring jointly with others as evidenced by the many lead roles we have undertaken and joint arrangements we participate in, as the examples below evidence:

Integrated Commissioning with Health

Working closely with Newcastle/Gateshead CCG (CCG), we have made huge progress with an integrated commissioning model for health and social care to meet the needs of our communities. The Gateshead Health & Care System (Gateshead Cares) developed an Alliance Agreement in April 2021 that has provided an opportunity for the Gateshead system to set its stall out, making the most of the relationships that have been developed at Place over a long period and looking to maximise benefits for the Gateshead population in the future.

The Agreement supports the Gateshead Thrive agenda and it will facilitate further progress towards integrated commissioning and delivery of health and care services across Gateshead through its core objectives which are to:

- (i) reduce levels of inequality through tackling the circumstances that lead to inequality;
- (ii) shift the balance of services from acute hospital care and crisis interventions to community support with a focus on prevention, early help and self-help, matched by appropriate resource levels;
- (iii) support the development of integrated care and treatment for people with complicated long-term health conditions, social problems or disabilities;
- (iv) create a joint planning and financial framework for managing the difficult decisions required to ensure effective, efficient and economically secure services, getting the most from the Gateshead £.

Strategic thinking through an integrated service will increase the knowledge base and enhance the development of services to meet the challenges being faced by commissioning services in the ever-changing market. The CCG has increasingly moved towards Place based working arrangements in anticipation of future changes to the health landscape and this has included the development of a Gateshead Team so that it can work more closely and more effectively with the Council and other partners within the Borough.

North East Procurement Organisation

We continue to support and fully engage with the North East Procurement Organisation. As a founder member of the consortium we benefit from NEPO's capacity, co-ordination role, governance structure and operational model designed to harness the expertise and experience of procurement officers from across the region and this is set out in a Regional Collaborative Procurement Strategy. We also work together to develop joint strategies and policies.





SCAPE

As a founder member of SCAPE, we play a key role in developing the SCAPE construction frameworks which are recognised nationally as an effective route to market. We will work with SCAPE to ensure that organisations based in Gateshead are tender ready and able to compete for future opportunities when the frameworks are re-advertised.

Commissioning and procurement of services for children and adults

We participate in arrangements for the joint commissioning and procurement of services for children and adults. Some of the work is around developing joint strategies for service provision and other work has led to joint procurement of services such as children's residential services, advocacy services and arrangements for independent fostering organisations. Whilst accepting that working in collaboration brings about many benefits, we must however learn to better balance the benefits of working collaboratively with the benefits of engaging Gateshead based organisations and the retention of wealth within our borough and reducing travel and distribution (road miles) where possible.

The action we will take includes:

- Demonstrating a whole system approach to promote sustainability values and behaviours, and ensuring the best use of all resources through joint working between the Council, other public services, the private and voluntary sectors;
- Supporting growth in the "green economy" and facilitating a transition to more environmentally sustainable (often also more financially efficient) working practices.
- Maximising our social value leverage to deliver a sustainable future for all by considering climate emergency and environmental impacts throughout our commissioning and procurement activity
- Upskilling our employees and our supply chains on improving environmental impacts such as knowledge of sustainable materials and processes, waste minimisation, sustainability accreditations etc;
- Considering the benefits of regional or national collaboration against the potential impact on the Gateshead economy for all commissioning and procurement activity.
- Developing a culture of innovation and improvement, using business intelligence to ensure that services procured are designed and delivered to meet sustainability criteria, changing outcomes and future needs.

We will deliver this through:

- Our Climate Emergency Strategy and Action Plan
- Maximising the value of the Gateshead £
- Our category management approach and category strategies
- Our Social Value Toolkit
- Our Corporate Social Responsibility Pledge

How will we measure success?

- Benefits have been realised from the implementation of the Gateshead Health and Care System Alliance Agreement
 - Climate change and environmental sustainability impacts have been minimised
 - The Council is on track to achieve its CO2 zero emissions target by 2030

Delivering value for money and ensuring a sustainable Council

The Council has faced many years of austerity and has delivered over £170m of budget cuts whilst trying to minimise the impact on the people of Gateshead. There is a considerable estimated funding gap in the years to come and therefore it is important that we try to minimise spend and achieve value for money in all of our commissioning and procurement activity.

Achieving value for money means spending wisely, strategically planning the use of resources using category management techniques, challenging unnecessary spend, reducing demand, and managing contracts when they are in place. The Council has plans to achieve value for money in the following ways:

Category Management

Category management can help to drive effective commissioning and procurement activity and help us to plan the best way of delivering outcomes. Starting with a comprehensive analysis of the Council's spend and local market capacity and capability, it will enable a strategic approach that focuses on the entire spend within a specific category, and if applied effectively it will reduce demand, simplify the way we buy, improve market engagement and aggregate spend across all groups and services. The results can be significantly greater than traditional transactional and silo-based purchasing by;

- improving overall value from all external spend through better planning and co-ordination resulting in budget reductions;
- identifying, managing and reducing risks;
- maximising social value by considering it in a wider context;
- identifying the best routes to market;
- enabling us to balance potential savings to be made through effective collaboration, with potential negative impacts on the local economy should local suppliers fail to win collaborative contracts;
- gaining access to more innovation from procurement processes through better supplier engagement.

Demand management

We will better understand, manage, reduce demand, and develop flexible services that better target scarce resources and shift away from a typical 'universal' service approach. Procurement and commissioning teams should strive to find alternative and lower cost ways of meeting customer needs through challenging the status quo. Demand management practices often involve changing the respective roles and relationships between provider and customer, such as by promoting independence, facilitating peer to peer support and by empowering customers to decide how their needs can best be met within the overall reducing budgetary constraints.

Contract and supplier management

A significant amount of time and resource is spent on managing external provision for the delivery of goods, works or services to our communities. Although areas of best practice exist within the Council, we need to ensure that we maximise all our commercial arrangements, and realise what we set out to achieve in terms of value for money. A more consistent approach to supplier and contract management built on appropriate relationship management of supply chains will be developed to:

- ensure that suppliers meet their contractual obligations;
- achieve savings, and continuous improvement throughout the life of our contracts;
- evidence contract performance and effectiveness in gaining maximum value from contracts;
- identify and manage our own risks in addition to better understanding supplier's risks;
- measure ongoing savings, social value, value for money, and outcomes;
- ensure that contracts remain responsive, relevant, and effective;
- ensure that what was envisaged from the outset (outcomes) is actually achieved.

We will also try to ensure that our contractors act fairly with their own supply chains in terms of passing on fair terms and conditions, paying promptly, promoting good employment practices, and ensuring their sustainability.

Risk Management

We will identify and manage risks through a number of approaches that are integral to our commissioning and procurement activity, and continue through contract management. Greater attention will be paid to higher value and higher risk areas to ensure proportionality of our approach.

Good Governance

Operating within a good governance framework is essential for any commissioning and procurement function, and we therefore will ensure that officers involved in these activities have full awareness of the Public Contract Regulations 2015 and subsequent amendments, National Procurement Policy Statement, Council Constitution, Contract Procedure Rules, Financial Procedure Rules and various other Council policies and strategies that apply to this activity.



Modernisation

Continuous change is becoming the norm and our commissioning and procurement activity must adapt to change and ensure that solutions are flexible, progressive, innovative and effective.

Working alongside NEPO, we were at the forefront of implementing eTendering many years ago, and at that time were able to demonstrate increased efficiency and productivity using e-procurement solutions, leading to a reduction in the capacity of our procurement team. A wider range of suppliers have been encouraged to do business with us through our procurement portal and some barriers to doing business have been removed without compromising process.

Procurement processes have changed significantly since the development of the existing eTendering solution; however, the electronic procurement solution providers have not kept up with the changes and modernised their systems sufficiently. The procurement systems available on the market are clunky, overly bureaucratic, operate on old technology and are often cited as a barrier to SME engagement.

Since 2017, we have worked collaboratively with, and contributed to, the development of NEPO's "OPEN" project. The ultimate driver of this project is to establish an innovative solution that optimises the end to end procurement function through automation, standardisation and improved technology. Built around the needs of the procurement functions within the NEPO member authorities and focussed on streamlining procurement processes and making it easier for businesses to trade with us, the new, intuitive system will be designed and built on the latest technology platforms and will include a suite of tools and processes to ensure that procurement activity is undertaken effectively and efficiently. It will enable a greater level of data collection, manipulation, and analysis to achieve outcomes more cost effectively. It is anticipated that the new system will be available for implementation during 2022.

Commercialisation

Recognising the importance of increasing commercial activity to drive financial self-sufficiency, there is an increasing role for commissioning and procurement in commercialisation and income generation. Renegotiation of existing contract could be a source of further savings or income, and each new contract will consider opportunities for efficiency savings throughout the duration of the contract, and a more commercial approach which may also include exploiting assets, selling services and further reducing costs through cost/benefit analysis.



Developing capacity and skills

We will build better procurement competencies across the Council by ensuring staff are equipped with the knowledge training and relevant practical skills to drive maximum benefit from commissioning and procurement activity, take on a more influential role with suppliers and incorporate a more commercial approach by embracing the flexibilities afforded by the Public Contract Regulations.

To deliver this strategy, the upskilling of officers across the council will ensure that they understand the role they play in delivering Thrive through their commissioning and procurement activity. Capacity and skills of officers will continue to be improved through:

- providing opportunities for modern apprentices and obtaining appropriate professional qualifications;
- supporting continuing skills development and experience for our employees to ensure knowledge is up to date and aligned to developments in the sector;
- engaging with other local authorities, public sector organisations and other relevant organisations to support knowledge transfer;
- providing mentoring, coaching and work shadow opportunities;
- developing and delivering in-house workshops, training, and guidance to support better commissioning, commercial awareness and legislative knowledge;
- the ongoing training of technical officers and those involved in procurement evaluations prior to embarking on specific procurement processes.

Training and support will also be provided to local SME's and other potential suppliers on general business improvement, how to tender, and also in the use of the Council's e-tendering system (both current system and the new OPEN system) in conjunction with our Economic Development colleagues and NEPO's Business Club.



The action we will take includes:

- Developing and implementing a Category Management approach to the Council’s spend;
- Developing and implementing Category Strategies for key areas of spend;
- Working with and engaging suppliers in the delivery of cost reductions throughout the life of contracts;
- Improving demand management and introducing more targeted arrangements rather than universal services;
- Developing and implementing a more consistent approach to contract management to ensure that what we set out to achieve is realised;
- Identifying and managing risk proportionately and effectively throughout the procurement cycle;
- Maximising the benefits that can be achieved through the implementation of “Open”, the new electronic procurement solution, by reviewing our commissioning and procurement processes;
- Identifying opportunities for greater commercialisation in our commissioning and procurement activity;
- Committing to the ongoing development of upskilling our employees engaged in commissioning and procurement activity;
- Ensuring that our local suppliers have the necessary skills to tender and deliver services to the People of Gateshead.

We will deliver this through:

- Our approach to budget setting and management
- Our category management approach and category strategies
- The setting of savings targets for specific contract areas
- Our risk management processes
- Our Social Value Toolkit
- The implementation of “Open”

How will we measure success?

- By implementing the ‘OPEN’ digital procurement system, the council has:
 - Streamlined procurement processes
 - Improved contract management and risk management
 - Improved the quality of supplier, market and spend data
- Additional value for money has resulted from the re-negotiation of existing contracts and the implementation of efficiency targets in procurement activity
- Procurement officers and suppliers are skilled to deliver better quality services



Strategy Implementation Action Plan

The Council will develop and maintain a Strategy Implementation Action Plan. Progress against the plan will be monitored by the Councils Corporate Strategic Commissioning and Procurement Group and further details are available from: Procurement@gateshead.gov.uk

REPORT TO CABINET **22 March 2021**

TITLE OF REPORT: Localism Act 2011 – Pay Accountability
Pay Policy Statement 2022-23

REPORT OF: Mike Barker, Strategic Director, Corporate Services & Governance

Purpose of the Report

1. To agree a revised pay policy statement, for approval by the Council, as set out in Appendix 2 to this report.

Background

2. Section 38(1) of the Localism Act 2011 requires local authorities to produce an annual pay policy statement. The policy must be approved by full Council before 31 March each year, but it may be amended by Council during the course of the year.
3. Whilst there is no set format to which the policy statement must conform, Chapter 8 of the Localism Act is prescriptive in determining the elements that must be included. It also provides for statutory guidance to be issued by the Secretary of State, to which authorities must have regard when preparing their policies.
4. The policy must be published on the Council's website and be applied particularly when the Council sets the terms and conditions for Chief Officers.
5. The Council's Pay Policy reflects the statutory requirements and in its development the guidance issued by the Department for Housing, Communities and Local Government under Section 40 of the Act has been duly considered. It has been reviewed and updated since first agreed by Council on 22 March 2012, with the last amendments approved on 23 March 2021.
6. Low pay continues to be a matter of focus and debate both nationally and regionally. The statutory National Living Wage (NLW) for employees aged 23 and over is £9.50 per hour with effect from 1 April 2022. The UK Living Wage, as promoted by the Living Wage Foundation, rose to £9.90 per hour outside London with effect from November 2021.
7. The Pay Policy also sets out the Council's approach to applying market supplements to address recruitment and retention issues to ensure they are appropriate to the circumstances and their necessity is evidenced.
8. The 2021 NJC pay award has been agreed and the revised salary scale is shown at Annex 1 of the Pay Policy Statement 2022/23.

Proposal

9. The Pay Policy as proposed in Appendix 2 covers all elements of the legislation set out under main headings that are intended to demonstrate the consistency in the Council's approach to pay across the workforce and to highlight any differences. Those main headings are:
 - General principles regarding employee pay
 - Lowest paid employees and chief officers (and including the relationship between median pay and highest pay)
 - Governance arrangements and development of pay structures
 - Payment for additional duties and work outside the Council
 - Termination payments
10. Although the Council has previously established rates of pay for apprentices up to and including Level 3, the Pay Policy now includes proposed starting salaries for apprentices at Level 4 and above. This will support the implementation of the Council's Apprenticeship Strategy which aims to increase the number of apprenticeships at all levels of the workforce.
11. In order to provide greater flexibility in addressing recruitment and retention issues, it is also proposed that the Strategic Director, Corporate Services and Governance be granted the discretion to award, in very exceptional circumstances, a recruitment and retention allowance in excess of 15% (for example, 20% RRA).

Recommendation

12. It is recommended that the attached draft policy is agreed by Cabinet and referred to the Council for approval at its meeting on 24 March 2022.

For the following reason:

To comply with the requirements of the Localism Act 2011.

Policy Context

1. The annual publication of a pay policy statement is a requirement of Chapter 8 of the Localism Act 2011, which aims to bring greater transparency to pay in the public sector.

Background

2. The Council's approach to pay has been determined by reference to collective bargaining structures, national and local agreements, and job evaluation in the context of its recruitment markets. The Pay Policy Statement 2022-23 incorporates the key principles which underpin these arrangements.

Consultation

3. The Council's recognised non-teaching trade unions have been consulted on the Pay Policy. Consultation is ongoing with the trade unions on further options to address low pay.

Management and the trade unions are also working together to review the current position relating to job evaluation and pay and grading.

4. The Leader of the Council has been consulted on the Pay Policy Statement and is supportive of the recommendations.

Alternative Options

5. The publication of a pay policy statement is a legal obligation under the Localism Act 2011.

Implications of Recommended Option

6. **Resources:**

- a) **Financial Implications** – the Strategic Director, Resources & Digital confirms that any financial implications arising from the pay policy statement have been considered as part of revenue budget setting 2022/23 and cost implications will be further reviewed as part of the of the Medium-Term Financial Strategy
- b) **Human Resources Implications** – the Council's Pay Policy and practice is designed to recruit, reward, motivate and retain as necessary employees with the skills and attributes required to deliver Council services. It is part of the Council's overall human resources policy framework, through which it aims to be an exemplary employer.
- c) **Property Implications** – there are no property implications arising from the recommendations within this report.

7. **Risk Management Implications** - The changes in the Council's Pay Policy statement as recommended in the report are relatively minor and are not considered to introduce any new risk.
8. **Equality and Diversity Implications** – Fair pay and reward are fundamental to the Council's approach to employment. The Council's use of equalities-tested job evaluation schemes, Trade Union representation in collective bargaining, and application of consistent pay principles throughout the organisational structure ensure that equality and diversity issues are properly taken into account.
9. **Crime and Disorder Implications** – There are no crime and disorder implications.
10. **Health Implications** - There are no health implications.
11. **Sustainability Implications** - There are no sustainability implications.
12. **Human Rights Implications** - There are no human rights implications.
13. **Ward Implications** - There are no ward implications.
14. **Background Information** - Gateshead Council's pay policies from 2013 to 2021/22.

Pay Policy Statement 2022 - 23

Links to Other Policies:

Redundancy Policy and Procedure

Retirement Policy

Effective date:

1 April 2022

Status:

This policy and procedure does not form part of any employee's contract of employment and the Council may amend it at any time.

HR and Workforce Development Policy and Guidance in Gateshead Council

Gateshead Council's HR and Workforce Development policies take into account current legislation, rules, regulations and best practice guidance from a range of professional and public bodies, including the following:



UK Legislation



ACAS



CIPD Best Practice

Gateshead Council

Pay Policy Statement 2022/23

Introduction

1. This document sets out Gateshead Council's pay policy in relation to the remuneration of its staff in accordance with section 38(1) of the Localism Act 2011. The policy reflects the Council's consideration of the Guidance issued by the former Department for Communities and Local Government under Section 40 of the Act and is subject to review and changes approved by the Council. The policy will be published on the Council's website as soon as reasonably practicable after approval or amendment.
2. The key principles of the Council's pay policy are set out below and are effective from 1 April 2022. The policy includes commentary upon:
 - The general principles that underpin the Council's approach to its pay policy;
 - Definitions of the 'lowest paid employees' and 'chief officers' for the purposes of pay comparison;
 - The relationship between the remuneration of chief officers, average pay, and the remuneration of the lowest paid employees; and
 - The re-employment of former employees who left the Council with enhanced retirement and redundancy benefits.
3. The policy also includes discretion for the Strategic Director, Corporate Services & Governance, in the interpretation and application of nationally agreed terms and conditions of employment to Gateshead Council employees.
4. The arrangements set out within this document do not extend to those members of staff who are employed within schools, which are matters for the schools' discretion.
5. The salaries quoted in the pay policy reflect the current NJC Green Book Pay Award which was implemented with effect from 1 April 2021. The Council's current pay scale is shown at Annexe 1.

General principles regarding employee pay

6. This pay policy provides a basis on which Gateshead Council can compete in labour markets at all levels and for all roles, enabling the Council to attract, retain, and fairly reward people with the knowledge, experience, skills and attributes that are essential to the effective delivery of services to residents, businesses, and other stakeholders in Gateshead.
7. Gateshead Council is mindful of its obligations as an equal opportunities employer, and wants to ensure that people are treated fairly and with respect in all its activities and processes. The Council aims to be an organisation that recruits and retains a diverse and skilful workforce from the local community and beyond, and its approach to the pay and conditions of its workforce is intended to support this objective.

8. In supporting the aim of ensuring equality and transparency in its pay practices, the Council recognises the role of trade unions and employee representatives in consultation and negotiation within a process of free collective bargaining. It supports the national machinery for negotiation of terms and conditions of employment and applies the agreements reached in the various Joint Councils.
9. The Strategic Director, Corporate Services & Governance, following consultation with the Leader of the Council, the Strategic Director, Resources and Digital, and (if deemed appropriate by him/her) having taken advice from the LGA and/or Employers' Organisation, has the discretion to interpret and apply national agreements if the subject matter is not specifically covered by the pay policy.
10. Gateshead Council's main (NJC) pay and grading structure has been developed by creating grades around the national 'spinal column' of salary points. The grades allocated to particular posts in Gateshead Council are determined by job evaluation (JE) of the posts, with jobs of the same JE size being allocated to the same grade.
11. The Council's graded pay structures include scope for service-based incremental advancement in every case except for the Chief Executive, who is paid a spot salary of £175,226 and employees at Grades A (SCP 2), B (SCP 3) and C (SCP 4), who are paid a spot salary of £18,516, £18,887 and £19,264 respectively. For all other employees, increments are paid on 1st April each year until they reach the top of their grade, subject to the following qualifications:
 - Increments may be accelerated within an employee's grade at the discretion of the authority (exercisable by the Strategic Director, Corporate Services & Governance at the request of the employee's Service or Strategic Director) on the grounds of special merit or ability, subject to the maximum of the grade not being exceeded.
 - An increment may be withheld by a Service Director following an adverse report on an employee. Any withheld increment may be paid subsequently if the employee's services become satisfactory.
 - Employees with less than six months' service in the grade by 1 April are granted their first increment six months after their appointment, promotion or re-grading: except where their salary on the 1 April would be less than one SCP in excess of the salary they would have received on that day had they remained on their previous grade, when they will be entitled to their increment on 1 April.
12. New appointments are subject to the Council's recruitment and selection policies and will generally be made at the bottom spinal column point of all pay bands unless there are special circumstances that objectively justify payment at a higher level within the grade, as determined by the Strategic Director, Corporate Services & Governance.
13. The Council operates a recruitment and retention allowances policy which is shown at annexe 2. This allows an additional supplement to be applied on top of basic salary in order to attract applicants of the right calibre, and to retain employees with necessary skills and experience. A recruitment and retention allowance or market supplement can only be approved by the Strategic Director, Corporate Services & Governance. All such allowances are subject to review.

14. In the event of any employee securing a higher-graded post via internal promotion/recruitment and there being an overlap of spinal column points between their current post and bottom point of the newly secured position, the Council will generally pay salary on a higher spinal column point.
15. Arrangements exist to protect for a limited period the basic pay of employees who are appointed for various reasons to posts with a lower substantive salary. These arrangements are set out in the Council's policies covering redundancy, restructuring, redeployment, ill health and disability, and bullying and harassment.
16. There may from time to time be situations where employees are transferred into the Council from other organisations which have different pay and conditions. The employees' terms and conditions on transfer may be subject to protection under TUPE or TUPE-like arrangements, and as such may be outside the Council's main pay structure until such time as it is possible for them to be integrated.
17. Various pay enhancement arrangements are in place to reflect non-standard working patterns at a local operational level or in recompense for taking on additional duties and responsibilities.
18. The Council does not operate performance bonus payment schemes at any level of the organisation.

National Minimum Wage, National Living Wage, UK Accredited Living Wage:

19. The National Minimum Wage for employees aged 21 to 22 is £9.18 per hour; the statutory National Living Wage (NLW) for employees aged 23 and over is £9.50 per hour from 1 April 2022.
20. The Council's lowest grade (£9.60 per hour) is £0.30 less than the current UK Accredited Living Wage rate outside of London of £9.90 per hour.

Lowest-paid employees:

21. 'Lowest paid employees' is defined as those full-time employees in jobs paid at Grade A at spinal column point 2. It excludes apprentices, whose pay remains subject to other regulations or conditions, and has specific treatment under this policy.
22. Spinal column point 2, at £9.60 per hour from 1 April 2021, is £0.10 per hour more than the National Living Wage and £0.30 per hour less than the UK Accredited Living Wage (outside London).
 - Annual salary at spinal column point 2 is currently £18,516.
 - The mode (i.e. most frequently used) salary for full-time employees falls within Grade D, the maximum of which is £20,043. The mode salary will be recalculated post pay award.
 - The median salary for full-time employees, excluding overtime and any other additional payments, is £25,927.

Chief Officers:

23. 'Chief Officer' is defined in the Localism Act 2011 as:
- the head of the authority's paid service designated under section 4(1) of the Local Government and Housing Act 1989;
 - the monitoring officer designated under section 5(1) that Act;
 - any statutory chief officer mentioned in section 2(6) of that Act;
 - any non-statutory chief officer mentioned in section 2(7) of that Act; and
 - any deputy chief officer mentioned in section 2(8) of that Act.

Under the above provisions, 'statutory chief officer' includes:

- the person having responsibility, for all statutory purposes (inc. section 151 of the Local Government Act 1972), for the administration of the authority's financial affairs;
- the Director of Children's Services appointed under section 18 of the Children Act 2004;
- the Director of Adult Social Services appointed under section 6(A1) of the Local Authority Social Services Act 1970 (as amended by the Children Act 2004); and
- the Director of Public Health appointed under section 73A(1) of the National Health Service Act 2006.

'non-statutory chief officer' includes:

- a person for whom the head of the authority's paid service is directly responsible;
- a person who in relation to most of their duties is required to report direct or is directly accountable to the head of paid service and any person who similarly is required to report direct or is directly accountable to the authority or its committees.

24. The Council applies the terms and conditions of the Joint Negotiating Committee (JNC) for Chief Officers to all officers included in paragraph 23, above, and has therefore determined that the following roles identified in the Council's Constitution to be 'chief officers' for the purposes of this policy:
- the Chief Executive
 - Strategic Directors
 - the Director of Public Health and Wellbeing
 - Service Directors
25. The Chief Executive is paid on a fixed salary point of £175,226 p.a.
26. The current ratio of lowest paid employee to highest paid employee is currently therefore slightly less than 1:10.
27. Strategic Directors are all paid on the same pay band, which is:

Step1	Step 2	Step 3	Step 4	Step 5
£104,129	£109,484	£112,861	£118,671	£124,600

28. All other chief officer posts are paid on one of three pay bands which are:

	Step 1	Step 2	Step 3	Step 4	Step 5
Service Director Band 1	£84,384	£88,723	£93,287	£98,085	£103,129
Service Director Band 2	£69,369	£72,935	£76,688	£80,635	£84,780
Service Director Band 3	£61,029	£64,172	£67,475	£70,942	£74,591

29. Salaries in the pay bands at paragraphs 27 and 28 are subject to any general increase agreed at the JNC for Chief Officers, and in the case of the Chief Executive, the JNC for Chief Executives.
30. General increases for other employees are mainly determined by the National Joint Council, although different national bargaining arrangements are in place for a small number of occupational groups such as craft trades, youth & community workers and educational psychologists.
31. It is a recommendation of the DCLG¹ that Full Council should be offered the opportunity to vote before a salary of £100,000 or more is offered in respect of a new appointment. In Gateshead, all new appointments to chief officer posts are made in accordance with the pay bands identified within this statement, which includes those in excess of £100,000. Any proposed variation to the application of this policy in this regard will be reported to Full Council. Reporting of any recruitment and retention allowances is outlined in Annexe 2. Of those Chief Officer posts whose salary exceeds £100,000 the following arrangements apply under the Council's Constitution: the appointment of the Chief Executive is approved by Full Council, while Strategic Directors are appointed by the Council's Special Appointments Committee.

Apprenticeships (up to and including Level 3)

32. Rate for first year of Apprenticeship:

- £5.29 per hour (£10,209 p.a. pay award pending), irrespective of age

From second year of Apprenticeship:

Non-Craft Apprentices:

¹ Openness and accountability in local pay: Guidance under section 40 of the Localism Act (February 2012)

- Aged 17 £5.29 per hour (£10,209 p.a. pay award pending)
- Aged 18-20 £6.83 per hour (£13,177 p.a.)
- Aged 21-22 £9.18 per hour (£17,711 p.a.)
- Aged 23 and over £9.50 per hour (£18,328 p.a.)

Craft Apprentices are paid the rate linked to the respective craft rate as set out in Joint Negotiating Committee for Local Authority Craft & Associated Employees, Red Book.

Higher and Degree Apprenticeships (Level 4 and above)

33. Rate for first year of apprenticeship:

- £9.79 per hour (£18,887) p.a., irrespective of age

From second year of apprenticeship, salary progression will be determined by the Council's established pay and grading method.

34. Schools will be advised that the apprenticeship rates at paragraphs 32 and 33 are the Council's position and they will be asked to apply these rates to school apprentices.

Governance Arrangements and Development of Pay Structures

35. The current pay structure applicable to NJC employees was determined following a comprehensive job evaluation exercise following the provisions and processes of the national JE scheme. Separate pay structures are in place for employees covered by the following agreements:

- JNC for Local Authority Craft and Associated employees
- JNC for Youth and Community Workers
- The Soulbury Committee
- School Teachers Pay and Conditions Document (applies to centrally employed teachers)

36. The Contracts Committee comprises a cross-party group of elected members who oversee pay and conditions issues for all posts which attract Chief Officer pay and conditions. The Chair of the Corporate Resources Overview & Scrutiny Committee has *ex officio* status on the Contracts Committee.

37. In considering pay structures and pay levels for Chief Officers, the Contracts Committee will seek external advice from an independent person or organisation with expertise in senior remuneration and benefits. It will take into account matters including:

- An assessment of the size and market value of a job by reference to an established job evaluation system that allows objective comparison to data bases of similar jobs

- The affordability of the recommended outcome from the job evaluation and market reference exercise in the short, medium and long term
 - The prevailing markets in which the Council operates, and the risk being unable to recruit or retain senior officers with the ability to manage the Council's affairs to its best advantage
 - The relationship with the remuneration of the wider Council workforce and national negotiating frameworks
 - The Council's senior structure and planned or foreseeable future changes to these
 - The expectations of the community and stakeholders
 - The total remuneration package
38. Since 1 October 2012, all Strategic Directors and Service Directors have been employed on JNC Chief Officer terms and conditions.
39. The top three levels of the Council's organisation structure and their associated pay bands are published on the Council's website in accordance with the requirements of the Local Government Transparency Code 2014. This information will be published annually, in addition to the requirement to publish the annual pay policy by 31 March.

Payment for Additional Duties and Work outside the Council

40. Chief Officers are not eligible for overtime and/or premium rates of pay for unsocial hours that apply to other groups of staff.
41. Contracts Committee will consider requests from the Chief Executive to undertake secondary employment or outside duties, whether remunerated or otherwise, to ensure there is no conflict of interest. In accordance with the Council's Code of Conduct for Employees, requests from Strategic Directors are determined by the Chief Executive. For all other employees, requests to take up remunerated appointments are determined by the Strategic Director, Corporate Services & Governance; unpaid appointments are determined by the relevant Strategic Director.
42. Employees may be eligible to receive payments for additional duties and responsibilities beyond their normal role with the Council subject to the approval of the Strategic Director, Corporate Services & Governance. These payments may include honoraria, additional duties or responsibilities payments, acting duty pay or the use of accelerated increments. Payments may also be authorised for electoral Returning Officers or specific responsibilities where the Council is the Lead Authority and for which services are re-charged by the Council. The Contracts Committee may approve the level and payment of such allowances to Chief Officers where they are not prescribed elsewhere.

Termination Payments

43. The Council operates a discretionary selective redundancy scheme which provides enhanced redundancy payments and a retirement policy that operates in accordance with the provisions of the Employment Rights Act 1996 and the Local Government Pension Scheme. The redundancy scheme implemented in January

2012 was reviewed in November 2012, and a further revised (reduced) Redundancy Payments Scheme was implemented with effect from 1 September 2013; in accordance with good HR practice, the scheme was reviewed in 2018/19 although no substantive changes were made to it.

44. Applications for voluntary redundancy from areas of the Council not 'at risk' of redundancy will only be approved where to do so would clearly support business planning and service delivery in the long-term, and wider strategic objectives as set out in the Council's Thrive Agenda. In order to reach a decision on whether or not to support an application, consideration will be given to the viability of a bumped redundancy where appropriate.
45. Whilst there is nothing to prevent employees who have received voluntary redundancy and/or early retirement pension payments from working for another organisation or for themselves, the Council's general practice is to not re-employ them. The clear intention is that individuals should not benefit from further employment with the Council when they have already been compensated for loss of their job and may be in receipt of enhanced redundancy payments or pensions in accordance with this pay policy statement and other associated policies. A similar principle applies to re-employment of employees who have previously taken early retirement with enhancements.
46. There should therefore be a minimum of 12 months' break before consideration is given to their return to employment within the Council in the circumstances outlined above. There may, however, be occasions when labour, skills or knowledge are required, and particularly in the case of employees who were made redundant, individuals will not be barred from applying for roles such as casual workers (NOMOs) if there is no direct link with their former job and is outside of the service they were previously employed in.

Publication and Access to Information

47. The Council's annual pay policy and any in-year revisions will be published in full on the Council's website. The Local Government Transparency Code 2014 also requires publication of certain organisational issues, and these overlap the pay policy in a number of respects; these will also be accessible on the Council's website.

Pay Spine from 1 April 2021

Grade		SCP	Salary	Hourly Rate
			£	£
Apprentice	1st 12 Mths	App1	10,209	5.29
Apprentice	Age 18-20	App2	13,177	6.83
Apprentice	Age 21-22	App3	17,711	9.18
Apprentice	Age 23+	App4	18,328	9.50
		1	18,333	9.50
	A	2	18,516	9.60
B		3	18,887	9.79
	C	4	19,264	9.99
D		5	19,650	10.19
D		6	20,043	10.39
		7	20,444	10.60
	E	8	20,852	10.81
	E	9	21,269	11.02
	E	10	21,695	11.25
	E	11	22,129	11.47
		12	22,571	11.70
		13	23,023	11.93
F		14	23,484	12.17
F		15	23,953	12.42
		16	24,432	12.66
F		17	24,920	12.92
		18	25,419	13.18
F	G	19	25,927	13.44
	G	20	26,446	13.71
		21	26,975	13.98
	G	22	27,514	14.26
	G	23	28,226	14.63
		24	29,174	15.12
H		25	30,095	15.60
H		26	30,984	16.06
H		27	31,895	16.53
H	I	28	32,798	17.00
	I	29	33,486	17.36
	I	30	34,373	17.82
J	I	31	35,336	18.32
J		32	36,371	18.85
J		33	37,568	19.47
J	K	34	38,553	19.98
	K	35	39,571	20.51
	K	36	40,578	21.03
L	K	37	41,591	21.56
L		38	42,614	22.09
L		39	43,570	22.58
L	M	40	44,624	23.13
	M	41	45,648	23.66
	M	42	46,662	24.19
N	M	43	47,665	24.71
N		44	48,709	25.25
N		45	49,756	25.79
N		46	50,800	26.33

Recruitment and Retention Allowance Policy

Statement of Purpose

1. The Aim

In order to deliver high quality services consistently, Gateshead Council has to attract and retain high quality people. In some circumstances, such as market forces in the job market, may occasionally require the Council to consider exceptional payments in addition to the “rate for the job” which our internal pay structures would normally indicate. This policy outlines how the Council will assess whether a recruitment and retention allowance needs to be paid to attract and retain the right person for the job.

2. Definition of recruitment and retention allowance/market supplement

A recruitment and retention allowance is a separately identifiable sum paid in addition to the salary for a post in recognition that current levels of pay within the wider employment market are greater than the salary determined by internal pay structures which has resulted in recruitment and/or retention difficulties.

3. Who is covered by this policy

The policy applies to all employees of the Council, (excluding employees directly employed by schools), who hold posts which have been identified by management and Human Resources as having recruitment and retention difficulties, for example due to skills shortages and/or in comparison with current levels of pay within the wider employment market.

4. Additional Information

4.1 Other Council policies and procedures, which are relevant to this policy:

- Equal Opportunities Policy

5. Objective justification for payment of a recruitment and retention allowance

Where a manager considers there is a case for payment of a recruitment and retention allowance in order to either recruit or retain employees, it will be necessary to submit a portfolio of supporting evidence to their Strategic Director.

A portfolio of evidence should include the following:

5.1 In cases for recruitment

- For all posts below Service Director level, details of previous efforts made to fill the post. This may include advertising in different publications, changing the wording of the advert, redesigning the job etc. At least two previous attempts must have been made to recruit to the post.
- Number and quality of applicants.
- Cost of recruitment where applicable.
- Details of any offers of employment made and reasons why they were rejected.

In the case of Strategic Director and Service Director posts, the decision to award a recruitment and retention allowance will be determined by reference to prevailing market rates, alongside the above evidence where available.

5.2 In cases for retention

- Consideration of other issues that may not relate to pay, for example redesigning the job, job rotation and career development. This may be appropriate in cases where an employee is considering leaving the Council, for a more “challenging or interesting” role, or a role which would provide better promotional opportunities. Payment of a recruitment and retention allowance in these circumstances would not necessarily encourage the employee to remain with the Council. As an alternative, the service may look at ways of making their job more interesting, such as giving them specific responsibility for a project, which would develop skills in different areas. The service may also look at opportunities for secondment or a transfer to another section or job role.
- Analysis of exit interview data.

5.3 In all cases

- A copy of the job profile and structure chart
- Copies of at least five comparable job adverts from a variety of publications over the last six months including copies of job profiles/job descriptions and person specifications.

It should be noted that production of several higher paying job adverts which may not be representative of the whole market will not warrant the approval of a supplement.

The portfolio of supporting evidence should be submitted to the relevant Strategic Director who will assess the evidence to ensure there is objective justification to pay a recruitment and retention allowance. Should the Strategic Director not support the

payment of a recruitment and retention allowance, that decision is final. Where there is justification to pay, the Strategic Director will indicate the monetary value of the recruitment and retention allowance requested and forward the portfolio and their comments to Human Resources.

6. Procedure for approval of a request to pay a recruitment and retention allowance

Human Resources will quality check the information presented and seek any further clarification from the service concerned. It is the responsibility of the service to ensure that sufficient evidence is provided in each case to warrant the consideration of a payment.

Human Resources will review the request and:

- a) undertake further research using comparative salary benchmark data where available; and
- b) consider whether this causes significant recruitment and retention difficulties which are detrimental to operational activities; and ensure that payment of a recruitment and retention allowance is objectively justifiable and proportionate, and will not contravene equal pay legislation and the Council's Equal Opportunities Policy; and,
- c) check that the relevant service Finance Business Partner has confirmed that there is sufficient funding available to pay the recruitment and retention allowance.

Where Human Resources support the request, the portfolio of evidence will be referred to the Strategic Director, Corporate Services & Governance who will make a final decision as to whether an allowance can be authorised. Any decision to award a recruitment and retention allowance must be clearly evidenced to ensure that the policy is applied fairly, consistently and is free from any bias.

In the case of Strategic Director and Service Director posts, any proposal to award a new retention allowance to retain an employee will be referred to Contracts Committee for a decision. The Strategic Director, Corporate Services and Governance will make a decision as to whether an allowance is offered as part of a recruitment process.

7. Value of recruitment and retention allowance

If the request to pay a recruitment and retention allowance is approved, Human Resources will determine the actual monetary value of the allowance using salary benchmark information and also the portfolio of evidence submitted by the service.

The recruitment and retention allowance will normally be paid at the equivalent of either the mean market salary or up to 15% of basic pay, whichever is lower. In very exceptional circumstances, the Strategic Director Corporate Services and Governance may approve a higher percentage.

8. Review of recruitment and retention allowance

To ensure that the payment of an allowance continues to be justified and proportionate, it is necessary to review the position regularly against the criteria that was applied to the initial assessment. It is essential that the rationale and supporting evidence for payment of a recruitment and retention allowance remains current and a review is documented.

For this reason, the Strategic Director, Corporate Services & Governance will only approve payment of a recruitment and retention allowance for an initial period of up to two years subject to review. In exceptional circumstances this may be extended to up to five years in recruitment cases. Human Resources will assess the need to continue the payment using comparative benchmarking data. The decision to continue the payment rests with the Strategic Director, Corporate Services & Governance.

9. Conditions applicable to recruitment and retention allowance

- The payment will be expressly identified as a separate pay element and will be subject to the usual deductions for tax, national insurance and pension contributions.
- Employees working part time will receive any payment on a *pro rata* basis depending on their contracted hours.
- If a post holder in receipt of a recruitment and retention allowance moves to an alternative post within the Council, which does not attract a recruitment and retention allowance, the allowance shall cease from the date on which the post holder leaves the post which attracts the recruitment and retention allowance.
- A recruitment and retention allowance paid as a percentage of salary will be adjusted in line with annual pay increases.
- A recruitment and retention allowance will cease with immediate effect if (a) a recipient is subject to formal capability procedures i.e. formal capability action has been taken and the employee is subject to a capability improvement note or final capability improvement note and (b) where the employee is absent due to long term sickness (absent for 4 weeks or more), except where the employee's absence is directly related to a disability. The recruitment and retention allowance will be reinstated once the employee returns from long term sickness or is no longer subject to formal action under the capability procedure.

10. Record keeping

HR Advice will maintain a central record of any recruitment and retention allowances awarded and all supporting evidence.

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TITLE OF REPORT: Resident Influence Strategy and Framework

REPORT OF: Colin Huntington – Strategic Director Housing,
Environment and Healthy Communities.

Purpose of the Report

1. To seek formal approval of a new Resident Influence Strategy and Framework.

Background

2. Following the decision to bring together housing services within the Council we commissioned TPAS, a not-for-profit national tenant organisation to work with tenants, leaseholders, and employees to design a Resident Influence Strategy for Gateshead.
3. In drafting this strategy, it acknowledges tenants and leaseholders desire expressed during the Housing review that they can influence decisions, shape policies, and recommend service improvements. Furthermore, that the Council communicates with residents, is transparent and that they listen to them.
4. The strategy will underpin and support the Council in responding to the challenges and requirements of the Social Housing White Paper. It will also help to ensure that we meet the current and future requirements of the Tenant Involvement and Empowerment Standard (one of the 4 Consumer Standards of the social housing regulatory framework). The anticipated Building Safety Act will also place an enhanced requirement on landlords to engage with residents.
5. The strategy and framework have been drafted based on the findings and recommendations from the work with TPAS.

Proposal

6. The Resident Influence Strategy is set out in Appendix 2 of this report.
7. It includes seven clear objectives:
 - We will provide a wide range of accessible opportunities for residents to engage, feedback and influence.
 - We will use all forms of customer insight and feedback to improve the services that matter most to customers.
 - When promoting influencing opportunities, we will explain clearly what it is, what it will entail and how the outcomes will benefit them.

- We will use existing data analysis to identify and understand key themes. This will help target listening activities, and by doing so get a clear understanding of the customer experience.
 - We will monitor and review the impact on residents and the organisation.
 - To ensure that residents get a clear understanding of how we have used their feedback to make changes and the impact it has had we will adopt a closed loop feedback approach.
 - We will ensure that our tenants and leaseholders are supported to participate and engage in both regional and national opportunities to have their voice heard.
8. To oversee delivery of the strategy a new Resident Influence Panel (RI Panel) has been established. The RI Panel comprises a mix of tenants, leaseholders and employees. It aims to meet on a monthly basis and a tenant representative from the Strategic Housing Board is also invited to maintain a link between both. This approach aims to help to embed a collaborative approach with residents and employees working together to co-design service delivery.
9. The RI Panel has two main aims:
- To make sure that residents' experiences are influencing service design and delivery
 - To make sure we act on what customers tell us through formal engagement, but to also make sure that we proactively listen and gather feedback from the wider resident base
10. One of the first tasks the RI Panel has completed is to draft a Resident Influence Framework that sets out how we will deliver on the first objective to provide a range of accessible opportunities for residents to engage, feedback and influence.
11. The key features include:
- Establishment of three formal groups; Resident Influence Panel, Multi Storey Building Safety Group and Equality Diversity and Inclusion Group.
 - Resident Insight and feedback to inform engagement and scrutiny
 - Adopt a single issue, task, and finish approach
 - Greater use of digital engagement methods to reach the wider resident base alongside more traditional methods.
12. A copy of the Framework is included in Appendix 3 of this report.

Recommendations

13. Cabinet is asked to recommend to Council that the Resident Influence Strategy and Framework as set out in Appendices 2 and 3 be approved.

For the following reasons:

- (i) To ensure that the Council delivers on resident expectations following the Housing Review.
- (ii) To ensure we are meeting all current and future statutory and regulatory requirements.

CONTACT: Martin Poulter

extension: 5380

Policy Context

1. The Resident Involvement Strategy and Framework has been developed within the context of a national regulatory framework. The Regulator of Social Housing regulates registered social housing providers including local authorities and housing associations. It is a stand-alone non departmental public body of government. Their role through regulation is to promote a viable, efficient, and well-governed social housing sector able to deliver homes that meet a range of needs.
2. The Regulator of Social Housing sets four Consumer standards that applies to all registered social landlords including local authorities. Consumer standards are set so that tenants, landlords and stakeholders know the outcomes that are expected. They play an important role in supporting tenants to hold landlords to account effectively.
3. The Tenant Involvement and Empowerment standard is one of the four Consumer standards. It sets out clearly the requirement that registered providers shall ensure that tenants are given a wide range of opportunities to influence and be involved in:
 - the formulation of their landlord’s housing-related policies and strategic priorities
 - the making of decisions about how housing-related services are delivered, including the setting of service standards
 - the scrutiny of their landlord’s performance and the making of recommendations to their landlord about how performance might be improved
 - the management of their homes, where applicable
 - the management of repair and maintenance services, such as commissioning and undertaking a range of repair tasks, as agreed with landlords, and the sharing in savings made, and
 - agreeing local offers for service delivery.
4. The 2020 Social Housing White Paper outlined the Government’s plans for social housing residents, including shared owners and leaseholders. It sets out the Government’s expectations, and the detailed provisions that they expect to implement. This includes a number of measures that seek to strengthen the landlord and tenant relationship including:
 - To be safe in the home – this includes supporting the development of statutory and good practice guidance on engaging residents in all tenures on safety issues

- To know how a landlord is performing, including on repairs, complaints, and safety, and how it spends its money, so that residents can hold their landlord to account.
 - To be treated with respect, backed by a strong consumer regulator, and improved consumer standards for tenants.
 - To have the resident voice heard by the landlord, for example through regular meetings, scrutiny panels or being on its Board. The Government will provide help, to ensure landlords listen to their tenants.
5. The Resident Influence Strategy and Framework has been designed to ensure that Gateshead Council meets existing and future regulatory requirements.

Background

6. At The Gateshead Housing Company, in addition to surveys and seeking transactional feedback, resident influence had been sought through a framework of formal resident groups including the Customer Scrutiny Panel, Service Improvement Groups and the Equality, Diversity and Inclusion Group. The estate walkabout programme provided the opportunity to engage with tenants and leaseholders in their communities.
7. However, it was acknowledged that there were some issues with a reliance on formal structures including:
- A minority of residents are involved, and those that are involved are not representative, frequently sitting on numerous groups, which can lead to consultation fatigue and a narrow base of experiences
 - A minority view may therefore be more influential than it should be, in the absence of anything else and the voices of residents placing higher demand on services are often unheard
 - Formal mechanisms set up to enable resident influence can sometimes be a barrier to involvement.
8. To meet the existing and future regulatory requirements and to deliver on expectations of tenants and leaseholders following the Housing Review it was decided that a re-design of resident engagement was required. By engaging TPAS we were able to access expert advice and guidance to help shape a new strategy and framework.

Consultation

9. The Resident Influence Strategy and Framework have been developed collaboratively, in partnership between tenants, leaseholders and employees. The initial project with TPAS involved a number of joint workshops including with Directors and the Cabinet Member for Housing.
10. The Resident Influence Strategy and Framework was co-designed with the Resident Influence Panel. This included a joint workshop on 12 October 2021 with tenant members of the Strategic Housing Board.
11. The strategy has also been shared in draft form on the Council's website for comment and promoted via social media and the Housing E-Newsletter.

12. The draft Resident Influence Strategy and Framework has been shared with and commented on by the Strategic Housing Board. Updates on progress in delivering on the new strategy will be taken to the Strategic Housing Board and Resident Influence Panel.

Alternative Options

13. The alternative to approving a new Resident Influence Strategy and Framework would be to continue with the existing tenant engagement arrangements that transferred from the housing company. However, that would not address the issues raised by TPAS and it would not future proof our approach for the anticipated enhanced regulation.

Implications of Recommended Option

14. **Resources:**

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms there are no additional financial implications arising from the strategy and framework. An existing budget supports delivery of resident engagement activities.
- b) **Human Resources Implications** – Delivery of this strategy will be overseen by the Tenant Involvement team although all Housing services will have a role in its delivery. Employee briefing sessions will be held with different services and regular updates will be included in the employee newsletter.
- c) **Property Implications** - there are no specific property implications.
15. **Risk Management Implication** - The Resident Influence Strategy has been developed to mitigate the risks associated with failure to comply with the Tenant Involvement and Empowerment Standard and the requirements of the Social Housing White Paper.
16. **Equality and Diversity Implications** - An Integrated Impact Assessment (IIA) has been completed for the proposed Resident Influence Strategy to identify potential implications and impacts related to protected characteristics identified in the Equality Act 2010. The IIA is attached as Appendix 4
17. **Crime and Disorder Implications** – there are no specific crime and disorder implications arising from the strategy and framework.
18. **Health Implications** – activities relating to the delivery of the strategy can have health benefits.
- Engaging with peers and being active can lead to an improvement in mental health.
 - Confidence of attendees can grow when attending meetings/events by increasing their skills and knowledge.

- Increased skills and knowledge of attendees by learning more about housing and external services, ICT skills are transferrable outside of the meetings and can help people engage and interact more with friends, family and hobbies resulting in improved mental health.

19. **Climate Emergency and Sustainability Implications** - the strategy and review will contribute to the achievement of having sustainable communities and neighbourhoods within Gateshead
20. **Human Rights Implications** - There are no direct human rights implications arising from this report.
21. **Ward Implications** – Whilst the Resident Influence Strategy focuses on our relationship with Council tenants and leaseholders it also recognises that housing estates and communities across Gateshead are now multi-tenure, and the Council needs to have effective engagement channels in place.

Background Information

- [Tenant Involvement and Empowerment Standard](#)
- Social Housing White Paper ([The Charter for Social Housing Residents](#))

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Gateshead Council - Resident Influence Strategy

- **Introduction**
- **Gateshead in context**
- **National context**
- **Future Housing Vision**
- **Aims & objectives**
- **How will we deliver**
- **Measuring the impact**
- **Review**

1. Introduction

In November 2020 after widely consulting with tenants and stakeholders and receiving strong support, the Council made the decision to bring all Housing services together within the Council from 1st April 2021. One of the key messages that came from the customer consultation was how important it is that tenants and leaseholders can influence decisions, shape policies and recommend service improvements. The Council recognises and supports this, and a resident influence strategy has been developed to deliver on that commitment.

In terms of national context, the strategy will also underpin and support the Council in responding to the challenges and requirements of the Social Housing White Paper. It will help to ensure that we meet the requirements of the Tenant Involvement and Empowerment Standard (one of the 4 Consumer Standards of the social housing regulatory framework).

Proposals within the Building Safety Bill will put in place a new and enhanced regulatory regime for building safety. It includes a requirement to ensure residents have a stronger voice and role and that we develop and resource a resident engagement strategy.

2. Gateshead in context

The borough of Gateshead is the largest of the five Tyne and Wear authorities and comprises of a mix of both urban hubs and rural areas with smaller settlements. Poverty and health inequalities are placing an increasing demand on the services we provide, so we need more than ever to focus our work and the money we have to spend on what matters most. We want to help our communities not just survive, but to thrive.

The Council's Thrive agenda recognises Housing as a key determinant in the health and wellbeing of our communities and individual residents. In Gateshead 50% of housing is owner occupied, and 20% is managed by Gateshead Council. 23% of housing is rented from a private landlord or letting agency and 7% from a registered social landlord (Gateshead Council, May 2019).

Through the impact of right to buy and new housing developments, the tenure mix of what were once Council owned single tenure estates is changing. These estates are now often a mix of tenures including homeowners, leaseholders, private rented households as well as Council tenants. Issues that are important to Council tenants can also impact on other residents such as the maintenance of open spaces and anti-social behaviour.

Whilst the Council has a unique relationship with its tenants, a legal one that is subject to regulation it also recognises the importance of engaging with the wider community. It is therefore important that we provide opportunities for all residents to provide feedback and have influence on the delivery of services that may affect the whole community.

3. Future Housing Vision

Investing in homes and communities

Gateshead Council is committed to investing in Council homes and communities around them including the management and maintenance of open spaces. The Council aims to invest £104 million in Council homes over the next four years. To deliver on this commitment we will work with customers, employees and stakeholders to develop and steer our investment programme.

Improving services that matter most

It is clear from what tenants and leaseholders have told us that they want the Council to improve the services that matter most to them and this will be our focus going forward. To achieve this, we need to ensure we have a wide range of feedback and influencing opportunities available for residents and this strategy sets out how we will achieve this.

4. Developing our approach to resident influence

Whilst acknowledging the positive work with tenants and leaseholders undertaken by the Housing Company the Council recognised that it was important to carry out a significant reengineering of engagement to optimise resident feedback and ensure it

has a voice within the Council. The expectations of the Social Housing White paper, the existing and future regulatory requirements also mean that we have to future proof our approach.

To deliver on this the Council commissioned TPAS, a not for profit national organisation that is recognised as experts in this area to work with the Council and its tenants to develop a new resident influence strategy. The findings and recommendations from this project have informed this strategy and the actions that will result from it.

5. Four principles of capturing the customer experience

The four principles that inform this strategy include; the role of Leadership; Everyone; Listening and Process.

Leadership

- Informal individual opportunities – e.g. having a chat with a resident and acting on what was heard, receiving a complaint or compliment and acting on what is being said and acting in response to local or community level insight.
- Operational and procedural – e.g. routinely analysing outcomes of resident influence to understand impact & building this approach into process, proactively analysing transactional & qualitative insights & data and noticing what is happening in the non-vocalised resident experience – making changes & reporting and Actively seeking out the experiences of constituted groups .
- Strategic leadership opportunities – e.g. routinely reporting on resident influence outcomes, with particular attention to how services were affected and being transparent about resident influence on decisions in reports to the Executive Management Team and Strategic Housing Board

Everyone

- Individual – being on the lookout for opportunities to learn more about the resident experience & seek time to network, undergo training and to challenge and discussing influencing opportunities and approaches when in conversation with residents
- Operational and procedural - Proactively seeking out experiences of a broad range of residents, including non-involved residents through targeted work, Providing the right resources, training & support as a matter of routine (staff & residents), including in recruitment, induction and appraisals. Understanding whether different groups of resident's experience services

differently & to learn from their experience, challenging where resident influence is not in-built.

- Strategic - strategic decision-makers understanding the importance of resident influence and the impact it should have; strategic decision-makers challenging when broad spectrum of resident experience is not evident in recommendations for change, strategically involved residents seeking out wider resident experiences & do not simply contribute their own experiences & make decisions based on these examples.

Listening

- Individual - having a chat with a resident and listening, communicating / giving feedback in plain English and in a range of languages (where necessary), listening to local or community level insight (e.g. resident groups, social media), receiving a complaint or compliment and hearing what is being said.
- Operational and procedural - commissioning, designing & analysing resident feedback & consultation exercises, Analysing transactional & qualitative insights & data (non-vocalised resident experience), Hearing the experiences of a constituted group, participating in estate inspections or other local-based activities, developing a neighbourhood agreement.
- Strategic - Listening to the recommendations made from the formal influencing vehicles e.g. Scrutiny Panel, ensure initiatives presented to Board show how the resident voice has been heard

Process

- Individual - challenging ineffective processes, being inquisitive & curious about the impact of processes
- Operational and procedural - developing processes to ensure resident influence is a key part of service design and delivery, building sufficient activities & time into processes to enable resident experience of services (including non-vocalised) to genuinely influence service design and delivery
- Strategic - challenging examples of where insufficient attention has been given to resident influencing opportunities, leading by example when commissioning work to understand resident experiences by expecting compliance with process, building in to reporting process the expectation that resident influence is a key consideration

6. Aims and Objectives

- a. We will work with customers to develop a resident influence framework that will provide a wide range of accessible opportunities for residents to engage, feedback and influence.

We recognise the importance of offering a range of activities in which as many residents as possible can take part that can influence and, therefore, improve services. Those influencing activities are summarised in the graphic below.



The diminishing size of the segments in this graphic reflects that fewer residents will be involved in activities such as leading and collaborating, however all activities are valuable.

To ensure that the overall value gained from each activity is similar we will give appropriate regards to the greater volume of residents influencing through, for example “be aware” and “opt in”.

- Lead – provide strategic opportunities for tenants through the Council’s governance structure.
 - Collaborate – Influence through insight and scrutiny activities
 - Co- create – member of a formal involvement group or a regular contributor
 - Chip in – complete surveys, contribute to social media, register a complaint, attend local meetings.
 - Opt-in – add name to a database to be consulted and surveyed in the future
 - Be Aware – read newsletters, website and social media.
- b. We acknowledge that all form of feedback and insight have value. We will use all forms of customer insight and feedback to improve the services that matter most to customers.

- c. We will be clear when promoting influencing opportunities to customers, explaining what it is, what it will entail and how the outcomes will benefit them.
- d. We will use existing data analysis to identify and understand key themes. This will play a crucial role to help target listening activities and by doing so get a clear understanding of the customer experience.
- e. We will monitor and review the impact on residents and the organisation This may include cost and savings; the number of changes to strategic policies and process implemented and related benefits; improvements in service delivery; VFM and social value.
- f. We will adopt a closed loop feedback approach. This will ensure that residents are provided with a clear understanding of how we have used their feedback to make changes and the impact it has had. We will also ensure that the same information is routinely shared with employees to help embed resident influence in day to day activities.
- g. We will ensure that our tenants and leaseholders are supported to participate and engage in both regional and national opportunities to have their voice heard.

7. How will we deliver?

An action plan will be developed which will set out the steps to be taken to implement this strategy.

A Resident Influence Panel will be established that will initially oversee the implementation of the action plan. Going forward the panel will act to ensure that residents' experiences are influencing service design and delivery.

To ensure that resident influence is heard at every level we will provide opportunities for tenants and leaseholders to be represented within the Council governance structure.

To ensure that as many residents as possible engage with us we will provide a wide range of accessible ways to feedback and influence both formally and informally. This will include the greater use of digital platforms to ensure that we hear a wide range of experiences.

We will ensure that appropriate and sufficient resources for resident influencing activities are made available and this will be reviewed on an annual basis.

We will put a focus on capacity building to remove any barriers and empower, encourage and enable more residents to participate.

We will engage with voluntary groups and organisations that operate across Gateshead to identify volunteer opportunities for tenants and leaseholders who may wish to engage with us.

We recognise that the successful implementation of this strategy will depend on embedding the role of resident influence in all employee roles and activities. We will achieve this through a range of actions including job profiles, recruitment, induction and training.

We will work with residents to develop a closed loop feedback approach.

Whilst our approach will aim to ensure that we meet the regulatory standards, we will look to go beyond by keeping track of emerging trends and best practice.

8. Measuring Impact

We will develop a range of measures to evaluate the impact of our Resident Influence strategy. These will initially include:

- Tenant feedback on their experience. We will proactively seek this out via a range of channels.
- Performance indicators that measure customer satisfaction with key services that matter the most to tenants and leaseholders.
- An ongoing self-assessment against the Tenant Involvement and Empowerment standard.
- We will aim to seek TPAS accreditation in 12 – 18 months from the date this strategy is agreed. This will provide an independent evidence-based assurance that we are meeting the requirements of the regulatory standard and our strategic objectives.

9. Review

We will work with residents to review and update this strategy on an annual basis to ensure that it continues to deliver the stated aims and objectives and reflects emerging trends and best practice.

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Resident Influence Framework

Introduction

At Gateshead we believe that working closely with our residents is the most effective way to improve services. Our Resident Influence Strategy sets out our commitment to provide tenants and leaseholders with a range of opportunities to engage and influence the way we design and deliver services. The Resident Influence Framework describes how we deliver on our commitment.

We know that residents have diverse communication preferences, and we will therefore target and tailor our approach to engagement to ensure feedback reflects our wider customer base. This will mean making much greater use of digital engagement blended with more traditional forms of engagement.

The Strategic Housing Board

This is a formal advisory committee of the Council and considers and makes recommendations on a wide range of proposals relating to housing across all tenures in Gateshead. The SHB consists of 21 members including three tenant/leaseholder representatives who are appointed on a skills basis, annually.

Resident Influence Panel

The Resident Influence Panel (RI Panel) is the main customer group that oversees and supports delivery of our commitment to design services based on real customer experiences. The RI Panel includes tenants, leaseholders and officers who work together using customer insight and feedback to inform and commission engagement activity.

It meets on a monthly basis although this may vary depending on the tasks being undertaken. They are held as a mixture of in-person and online meetings.

A tenant/leaseholder representative of the Strategic Housing Board (SHB) is invited to every meeting to ensure a link is maintained between the SHB and the RI Panel.

Insight and feedback is provided to the RI Panel from a range of sources including:

- Resident surveys
- Performance data
- Complaints; key themes and trends
- Social Media comments and feedback
- Day to day informal conversations between officers and residents.

The RI Panel also consider Legislative and Regulatory requirements to identify areas of engagement and scrutiny.

The RI panel is not a consultative group but will identify areas to engage and scrutinise using a task and finish style approach.

The range of engagement tools that are used include:

- Resident and employee focus groups – these provide the opportunity to discuss issues in an informal setting delivered online where appropriate.
- Online Surveys – short single-issue surveys to understand residents' views.
- Customer journey mapping – to create a visual story of how customers interact with a service and to identify where service failure has occurred and why.
- Mystery Shopping – to reality check the processes and procedures used in the delivery of a service.

The RI Panel recruit participants from the Resident Voice Pool and the wider customer base using a variety of communication channels and promotional tools.

Whilst the RI Panel is the main formal resident group that will lead on delivery of the Resident Influence Strategy it is also recognised that there is a need to have some specialist formal engagement that focuses on key areas.

Multi-Storey Safety Group

The focus of the Multi-Storey Safety Group (MSG) is to ensure Gateshead Council delivers multi-storey housing that is safe to live in and provides relevant and up to date information to residents in accordance with the Building Safety Act.

The MSG will act as a steering group providing oversight as to how we deliver on the resident engagement requirements of the Building Safety Act. The MSG will not be a substitute for wider informal engagement with residents in each block.

The MSG will comprise of both tenants, leaseholders, and officers and we will aim to have broad representation from as many multi-storey blocks as possible. The group works on a task and finish style approach with meeting frequency reflecting work tasks.

The Building Safety Manager will attend meetings with representation from the Multi Storey Team, Home Ownership team and other officers as required. A designated officer from the Involvement team will provide support to the group as required.

Progress updates will be provided to the Resident Influence Panel. Any issues identified by the group that sit outside of the BSG remit will be referred to the Resident Influence Panel.

Equality Diversity and Inclusion group

Residents, Officers, and partners work together to ensure that the services we provide are fair, accessible, and designed around the needs of all our customers.

The group aims to ensure we understand and then respond to the diverse needs of tenants. Their work considers the requirements placed on Gateshead Council by the Tenant Involvement and Empowerment Regulatory Standard, the Equality Act 2010 and the Public Sector Equality Duty.

The group supports the work of the Council's Employee Equality Network where resident engagement is required.

More broadly the group looks at how we can work to remove issues of stigma that residents may face in their communities and seek opportunities to engage nationally around important equality issues.

Updates will be provided to the Resident Influence Panel and any issues identified by the group that sit outside of their remit will be referred to the Resident Influence Panel.

Resident Voice Pool

This offers the opportunity for tenants and leaseholders to engage with us on their own terms. This is not a formal group; residents simply register with us and choose how and when they engage. Residents who sign up will be provided with the opportunity to receive:

- Latest news and updates
- Notification of consultations
 - Task and finish focus groups.
 - An invite to complete an online survey
- Live streamed meetings of the Resident Influence Panel
- Online training

By joining the RVP residents get the opportunity to work on a specific project relating to their homes, communities, and housing services for a short period of time, whilst potentially learning new skills.

In The Community

We will support and deliver a range of activities and opportunities for residents to engage in their local communities.

We offer a comprehensive programme of Estate Walkabouts that give residents the opportunity to meet up with Neighbourhood Housing Officers, report any issues, and suggest improvements to their estates.

Each estate hosts two walkabouts a year. These are on pre-arranged dates and times. The year's first inspections are in April and May and the second inspections are in September and October.

In addition we will host "pop up" engagement at Community events throughout the year to find out residents views about homes, communities and services.

Annual Review

We will discuss progress over the previous 12 months with tenants and leaseholders at an Annual Review event. This will provide the opportunity to thank residents for their time and commitment to working with us to improve services for Gateshead tenants and leaseholders. We will showcase examples of where engagement has influenced service design and delivery and discuss priorities for the coming year. An update will also be published in our Annual report.



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

Title of proposal: Resident Engagement	Age	Race	Sex	Gender reassignment	Disability	Religion or Belief	Pregnancy and Maternity	Sexual Orientation	Marriage and Civil Partnership	Description of potential mitigation
Equality impact: (✓ all that apply. The assessment should also consider impact on council employees and carers where applicable) Description of impact: Age When considering the impact of Age, need to consider the following: <ul style="list-style-type: none"> Older people may need support to get to and from face to face meetings. Younger people may not have capacity to attend meetings during the day due to college, work or family commitments. Older people may need more support to access meetings online or via Microsoft Teams. 	x									We offer transport support (taxis or reimbursement of bus fares) for people who need it. Look to offer meetings, focus groups, online events etc. at different times. Check with attendees the most appropriate time and try to accommodate this. We offer 121 support to help customers join Teams meetings and have offered basic ICT



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Race</p> <p>When considering the impact of Race, we need to consider the following:</p> <ul style="list-style-type: none"> • Language barriers • Confidence in speaking in attending meetings for first time, could be seen as intimidating • Consider cultural issues on attending meetings <p>Gender reassignment / Sexual Orientation</p> <p>When considering the impact on the above. Need to consider:</p> <ul style="list-style-type: none"> • Currently low levels of declared engaged residents from LGBT community. 		x						x		<p>training to older people in Sheltered Schemes to develop digital skills.</p> <p>Establish requirements and offer interpreters if needed.</p> <p>Allow people more time to speak in meetings.</p> <p>Make stronger links with local BME support groups to raise awareness of opportunities for residents to engage with us.</p> <p>Consider when we offer food and transport for meetings, any cultural implications ie. Halal, not able to share taxi with opposite sex passenger</p> <p>Proactively engage with local LGBT community. Northern Pride, local LGBT support groups – Pride Media Centre etc to encourage more take-up</p>
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Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Disability</p> <p>When considering the impact on the above. Need to consider:</p> <ul style="list-style-type: none"> • Use of ICT. • Confidence in speaking in online meetings. • Ability to attend meetings without transport support. • Requirement of information in large print and other formats for people with specific needs ie, Deaf, blind. • Physical access in venues 					x					<p>Work with the EDI group to do some targeted work around this to establish what barriers may exist.</p> <p>Awareness that due to disabilities not everyone will be able to access meetings online. We must send clear messages that residents can still join meetings in other ways – telephone link up etc.</p> <p>Offer transport for those who require it including accessible taxis.</p> <p>Use customer’s preferred method of contact i.e. email, large print etc. Are adequate support facilities available on Microsoft Teams ie, subtitles.</p> <p>Need to consider venues being used for meetings/events and are accessible to all.</p>
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Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Religion or Belief</p> <p>When considering the impact on the above. Need to consider:</p> <ul style="list-style-type: none"> • Holding meetings/events on unsuitable dates ie, religious festivals 						x					<ul style="list-style-type: none"> • Avoid arranging meetings/events on key diversity dates
<p>Health impact: (eg physical, mental health, wellbeing, substance misuse)</p> <ul style="list-style-type: none"> • Engaging with peers and being active can lead to an improvement in mental health • Confidence of attendees can grow when attending meetings/events by increasing their skills and knowledge. • Increased skills and knowledge of attendees by learning more about housing and external services, ICT skills are transferrable outside of the meetings and can help people engage and interact more with friends, family and hobbies resulting in improved mental health. 											



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Socio Economic impact: (eg neighbourhood, ward, area of deprivation, household group, income, wealth)</p> <ul style="list-style-type: none"> • Enabling people to engage online and take part in matters that affect them where they may not otherwise have been able to allows us to gain feedback from more residents across the borough to find out what matters most to them. • Technology – not everyone has access to ICT equipment or wi-fi, so we need to continue to tailor communication methods as customers advise us ie, post. Consider provision of re-conditioned iPads to those who need them. • By collecting profile information it helps us to identify who is engaging with us and to establish if there are any gaps across the socio-economic groups. 	
<p>Environmental impact: (does the proposal impact on climate change and the Council’s commitment to be carbon neutral by 2030?)</p> <p>Aim to reduce carbon footprint of the council in line with our Climate Strategy by sending meeting papers digitally by default, where this is appropriate and to reduce carbon emissions by holding meetings digitally where this is appropriate and in line with customer needs. We encourage use of public transport or sharing taxis rather than personal car use to attend meetings if in person.</p>	
<p>Cumulative impact: (consider impact based on successive budgetary decisions relating to the proposal or is the proposal part of wider budgetary considerations that may collectively have an impact on service users, and is potentially at odds with the Thrive agenda)</p> <p>The resident influence strategy should have a positive impact on council decision making and policy development by establishing a mechanism and framework for consultation and engagement of tenants on housing related issues. This should have a positive impact on all tenants as the policy development and decision making process is influenced by the resident voice.</p>	



Tackle inequality so people have a fair chance INTEGRATED IMPACT ASSESSMENT TEMPLATE

Summary of consultation/data/research undertaken to inform the assessment:

(eg feedback and engagement with service users, trade unions, employees, partners, public, benchmarking, case studies)

TPAS undertook a review of customer engagement in 2021 to establish our existing methods and how they could be improved to suit current needs. Recommendations were made and some have already been implemented ie, Resident Influence Panel, Strategic Housing Board. As a result a new strategy and framework have been produced to demonstrate our continued commitment towards customer engagement and will be used to focus our ongoing work with customers.

Signed: (completing officer) Helen Watson

A handwritten signature in black ink, appearing to read 'Helen Watson'.

Date: 18/02/2022

Service Director: (approved) Mr Kevin Scarlett

A handwritten signature in black ink, appearing to read 'Kevin Scarlett'.

Date: 21/02/2022

TITLE OF REPORT: Treasury Policy Statement and Treasury Strategy 2022/23 to 2026/27

REPORT OF: Darren Collins – Strategic Director, Resources and Digital

Purpose of the Report

1. Cabinet is asked to recommend that Council approve the attached Treasury Policy Statement and Treasury Strategy for 2022/23 to 2026/27.

Background

2. To provide a framework for the Strategic Director, Resources and Digital to exercise his delegated powers, the Council agrees a five-year Treasury Management Policy and Treasury Strategy which is reviewed at the start of each financial year.
3. The attached Treasury Policy and Treasury Strategy have been prepared considering the Local Government Act 2003, Ministry of Housing, Communities and Local Government 's (MHCLG) Guidance on Local Government Investments, CIPFA's Prudential Code for Capital and CIPFA's Code of Practice on Treasury Management (2017).
4. The Audit and Standards Committee reviewed the Treasury Policy Statement and Treasury Strategy on 7 March 2022 and raised no comments for submission to Cabinet.

Proposals

5. Cabinet is asked to recommend that Council approve the Treasury Policy and Treasury Strategy attached at Appendix 2 and Appendix 3, to ensure that the Council fully complies with the requirements of good financial practice in Treasury Management.

Recommendation

6. Cabinet is asked to agree the Treasury Policy Statement attached at Appendix 2 of this report and the Treasury Strategy as attached at Appendix 3 and recommend them for approval to Council.

For the following reason:

To ensure that the Council fully complies with the requirements of good financial practice in Treasury Management.

Policy Context

1. The proposals in this report are consistent with Council priorities and in particular they ensure that effective use is made of the Council's resources to ensure a sustainable financial position. The Council has approached the budget consultation for 2022/23 within a framework for achieving the Council's strategic approach 'Making Gateshead a Place Where Everyone Thrives'. The Council recognises there are huge financial pressures on not just council resources, but those of partners, local businesses and residents. To deliver on the strategic approach over the next five years, the Council will need to be resolute in its determination to make Gateshead a place where everyone thrives. This means the Council's decision-making will be policy and priority led and driven.

Background

2. The Prudential Code plays a key role in capital finance in local authorities. Local authorities determine their own programmes for capital investment that are central to the delivery of quality public services. The Prudential Code was developed by CIPFA, the Chartered Institute of Public Finance and Accountancy, as a professional code of practice to support local authorities in taking their decisions. Local authorities are required by regulation to have regard to the Prudential Code when carrying out their duties in England and Wales under Part 1 of the Local Government Act 2003.
3. In December 2021 CIPFA issued a revised Treasury Management Code of Practice and a revised Prudential Code (the Code) which represents best practice. The Council fully complies with the Code and this contributes towards achieving good practice.
4. Part 1 of the Local Government Act 2003 specifies the powers of a local authority to borrow for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs. Borrowing is linked to the CIPFA Prudential Code for Capital which sets out a range of prudential and treasury indicators that must be calculated to ensure borrowing is affordable, prudent and sustainable. The Prudential Code refers to the need for a clear and integrated treasury strategy.
5. In addition, under Section 15 of the Local Government Act 2003, authorities are required to have regard to the MHCLG's guidance on Local Government Investments. This document stipulates the requirement for an annual investment strategy to be integrated into the Council's Treasury Strategy.
6. MHCLG introduced revised investment guidance which was effective for financial years commencing on or after 1st April 2018. The revised guidance focuses on non-financial asset investments, for example investment in commercial property.
7. Under Part 4 of the Council's Constitution the Strategic Director, Resources and Digital will produce a Treasury Policy Statement annually, setting out the general policies and objectives of the Council's treasury management function.

Treasury Policy

8. The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on the risk implications for the Council.
9. The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
10. CIPFA's Treasury Management Code requires the setting out of responsibilities and duties of councillors and officers to allow a framework for reporting and decision making on all aspects of treasury management. To achieve this CIPFA has recommended the adoption of 13 treasury management practices (TMPs).
11. These principles are intended to provide a working document that forms a detailed framework for treasury management activities. The policy fully encompasses CIPFA's Code of Practice. In addition, the policy fully takes account of the requirements of the Prudential Code for Capital Finance in Local Authorities and the guidance issued by the MHCLG supporting Part 1 of the Local Government Act 2003 in respect of local authority investments. The Treasury Policy is attached at Appendix 2.

Treasury Strategy

12. The Treasury Strategy for 2022/23 to 2026/27 is attached at Appendix 3. This covers the specific activities proposed for 2022/23 to 2026/27 in relation to both borrowing and investments and ensures a wide range of advice is taken to maintain and preserve all principal sums, whilst obtaining a reasonable rate of return, and that the most appropriate borrowing is undertaken. The primary objective of the investment strategy is to maintain the security of investments at all times.
13. The term "investments" used in the definition of treasury management activities also covers non-financial assets which the Council may hold primarily for financial returns. The control of risk and optimising returns on these more commercial investments is consistent with the Council's risk appetite.
14. Under the requirements of the Prudential Code and Treasury Management Code of Practice the Council have adopted prudential indicators (detailed in Appendix 4). Details of investment types, minimum credit ratings, circumstances of use and maximum investment period are shown in Appendix 5.
15. The Council have reviewed the maximum maturity periods and amounts which can be invested with counterparties outlined in Appendix 6. In ensuring that these limits meet our requirements an assessment of risk has been undertaken and advice obtained from Link Asset Services.
16. The Council has produced the Treasury Strategy to comply with the requirements of the Code, the Prudential Code for Capital Finance in Local Authorities (2021) and Part 1 of the Local Government Act 2003. The Council considers that compliance with the above ensures that best practice is followed.

Consultation

17. Consultation on the production of the Treasury Policy Statement, including the Treasury Strategy for 2022/23 to 2026/27, has taken place with the Council's treasury advisers (Link Asset Services). The outcome of the consultation process, along with guidance issued by CIPFA and the MHCLG, has informed the format and content of the policy and strategy statements.
18. The Leader of the Council has been consulted on the contents of this report.

Alternative Options

19. There are no alternative options, as the Treasury Policy and Strategy reports recommended for approval are required in order to comply with CIPFA's Code of Practice on Treasury Management (2021), the Local Government Act 2003 and MHCLG Guidance on Local Government Investments.

Implications of recommended options

20. Resources:

- a) **Financial Implications** - The Strategic Director, Resources and Digital, confirms that the financial implications are set out in this report. There are no additional financial implications associated with the report itself.
- b) **Human Resources Implications** - There are no human resources implications arising from this report.
- c) **Property Implications** – There are no property implications arising from this report.

21. Risk Management Implications

The Treasury Policy and Treasury Strategy which informs activity in this area were prepared with the primary aim of minimising risk to ensure that the Council's principal sums are safeguarded. Maximising income is considered secondary to this main aim.

22. Equality and Diversity Implications

There are no equality and diversity implications arising from this report.

23. Crime and Disorder Implications

There are no crime and disorder implications arising from this report.

24. Climate Emergency and Sustainability Implications

There are no climate emergency or sustainability implications arising from this report.

25. **Human Rights Implications**

There are no human rights implications arising from this report.

26. **Ward Implications**

There are no direct area and ward implications arising from this report.

27. **Background Information:**

The following documents have been used in preparation of the report:

- Local Government Act 2003
- MHCLG Guidance on Local Government Investments
- CIPFA's Prudential Code for Capital (2021)
- CIPFA's Code of Practice on Treasury Management (2021)

Treasury Policy 2022/23 to 2026/27

1. Approved Activities of the Treasury Management Operation

- 1.1 In December 2021 CIPFA published a revised Code of Practice on Treasury Management in the Public Services (the Code), which represents best practice. Treasury management activities are defined by CIPFA as:

“The management of the organisation’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

- 1.2 The term “investments” used in the definition of treasury management activities includes all financial assets of the organisation, as well as other non-financial assets which the Council may hold primarily for financial returns. The control of risk and optimising returns on these more commercial investments is also consistent with the Council’s risk appetite.

2. Formulation of the Treasury Strategy

- 2.1 The formulation of a Treasury Strategy involves determining the appropriate borrowing and investment decisions with the prime objective of safeguarding the Council’s assets and secondary objectives of obtaining a reasonable rate of return on investments and minimising the costs of borrowing. Accordingly, the analysis and reporting of treasury management activities will focus on the risk implications for the Council and ensure robust due diligence procedures cover all treasury and non-treasury investments.
- 2.2 The Treasury Strategy encompasses the requirements of CIPFA’s Treasury Management Code of Practice, Prudential Code for Capital and the MHCLG Guidance on Local Government Investments.
- 2.3 The revised Treasury Management Code and revised Prudential Code were published by CIPFA on 20 December 2021. The Council are complying with all requirements contained in the revised codes, any additional reporting obligations arising from the revised codes will be implemented in the 2023/24 Treasury Policy Statement and Treasury Strategy reports as set out in the Codes.
- 2.4 The Strategy for 2022/23 to 2026/27 is attached at Appendix 3.

3. Prudential and Treasury Indicators

- 3.1 Under Part 1 of the Local Government Act 2003 the Council may borrow money

- (a) for any purpose relevant to its functions under any enactment, or
- (b) for the purposes of the prudent management of its financial affairs.

3.2 Under the requirements of the Prudential Code and Treasury Management Code of Practice the Council have adopted prudential indicators (detailed in Appendix 3, section 1.4).

4. Annual Investment Strategy

4.1 The MHCLG has issued guidance to supplement the investment regulations contained within the Local Government Act 2003. It is also referred to under Section 15 (1) of the 2003 Local Government Act which requires authorities to “have regard (a) to such guidance as the Secretary of State may issue and (b) to such other guidance as the Secretary of State may by regulations specify”. The guidance encourages authorities to invest prudently but without burdening them with the detailed prescriptive regulation of the previous regime.

4.2 Central to the guidance and the Code is the need to produce an Annual Investment Strategy. This is included as Section 6 of the Treasury Strategy in Appendix 3.

4.3 The Annual Investment Strategy document will include:

- The Council’s risk appetite in respect of security, portfolio liquidity and return;
- The definition of ‘high’ and ‘non-high’ credit quality to determine what are specified investments and non-specified investments;
- Which specified and non-specified instruments the Council will use, dealing in more detail with non-specified investments given the greater potential risk;
- The categories of counterparties that may be used during the course of the year e.g. foreign banks, nationalised/part nationalised banks, building societies;
- The types of investments that may be used during the course of the year;
- The limit to the total amount that may be held in each investment type;
- The Council’s policy on the use of credit ratings, credit rating agencies and other credit risk analysis techniques to determine creditworthy counterparties for its approved lending list and how the Council will deal with changes in ratings, rating watches and rating outlooks;
- Limits for individual counterparties, groups and countries;
- Guidelines for making decisions on investments and borrowing; and
- The Council’s policy on commercial investments held for return.

4.4 As part of the annual review of counterparty limits changes to the existing market conditions and level of council reserves held have been identified. The level of investment per counterparty has therefore been increased in some instances, the new limits are shown in Appendix 3 Sections 6.15 and 6.21 respectively.

5. Policy on Interest Rates Exposure

5.1 The use of any financial instruments, such as derivatives, to mitigate interest rate risks will be considered on an individual basis and the Strategic Director, Resources and Digital, will obtain approval from the Council prior to entering into any arrangement of this nature.

6. Policy on Delegation, Review Requirements and Reporting Arrangements

6.1 It is the Council’s responsibility under the Code to approve a Treasury Policy statement.

- 6.2 The Council delegates the review of the policy and monitoring of the performance of the treasury management function to Cabinet, the scrutiny of treasury management strategy and policies to the Audit and Standards Committee, and the execution and administration of treasury management decisions to the Strategic Director, Resources and Digital, who will act in accordance with the organisations policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management. Any proposals to approve, adopt or amend policy require the consent of the Council and are matters for the Council to determine.
- 6.3 Treasury Strategy (Appendix 3, Section 1.3) outlines the Council's arrangements for reporting on Treasury Management. Any additional reporting arrangements resulting from changes to the Treasury Management Code in December 2021 will be introduced in financial year 2023/24.
- 6.4 As from 1st April 2019, CIPFA required all local authorities to prepare an additional report, a Capital Strategy report, which is intended to provide the following: -
- a) a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - b) an overview of how the associated risk is managed; and
 - c) the implications for future financial sustainability.
- 6.5 The aim of this report is to ensure that all elected members of the Council fully understand the overall strategy, governance procedures and risk appetite entailed by this Strategy.
- 6.6 The Capital Strategy 2022/23 to 2026/27 was approved by Cabinet on 16th November 2021.

Treasury Strategy 2022/23 to 2026/27

1. Introduction

1.1 The CIPFA Code of Practice on Treasury Management 2017 (the Code) emphasises a number of key areas including the following:

- a) All authorities must formally adopt the Code.
- b) The strategy report will affirm that the effective management and control of risk are prime objectives of the Council's treasury management activities.
- c) The Council's appetite for risk, including the appetite for any use of financial instruments in the prudent management of those risks, must be clearly identified within the strategy report and will affirm that priority is given to security and portfolio liquidity when investing treasury management funds and explain how that will be carried out.
- d) Responsibility for risk management and control lies within the organisation and cannot be delegated to any outside organisation.
- e) Credit ratings should only be used as a starting point when considering risk. Use should also be made of market data and information, the quality financial press, information on government support for banks and the credit ratings of that government support.
- f) Councils need a sound diversification policy with high credit quality counterparties and should consider setting country, sector and group limits.
- g) Borrowing in advance of need is only to be permissible when there is a clear business case for doing so and only for the current capital programme or to finance future debt maturities.
- h) The main annual treasury management reports must be approved by full Council.
- i) There needs to be a mid-year review of Treasury Management Strategy and performance. This is intended to highlight any areas of concern that have arisen since the original strategy was approved.
- j) Each council must delegate the role of scrutiny of Treasury Management Strategy and policies to a specific named body.
- k) Treasury Management performance and policy setting should be subjected to prior scrutiny.
- l) Councillors should be provided with access to relevant training as those charged with governance are also personally responsible for ensuring they have the necessary skills and training.
- m) Responsibility for these activities must be clearly defined within the organisation.
- n) Officers involved in treasury management must be explicitly required to follow treasury management policies and procedures when making investment and borrowing decisions on behalf of the Council (this will form part of the Treasury Management Practices).
- o) "Investments" covers the financial and non-financial assets which the organisation holds primarily for financial returns. This will include investments which are not managed as part of the normal treasury management delegations.

1.2 This Strategy has been prepared in accordance with the Code.

1.3 The Council will adopt the following reporting arrangements in accordance with the requirements of the revised Code:

Area of Responsibility	Council/ Committee/ Officer	Frequency
Treasury Management Policy & Strategy / Annual Investment Strategy	Council approval with review delegated to Cabinet/ Audit and Standards Committee	Annually before the start of the year or where a material change is proposed
Annual Report on borrowing and investment activity	Council with review delegated to Cabinet/ Audit and Standards Committee	Annually by 30 September after the end of the year
Scrutiny of treasury management performance via mid-year report	Council approval with review delegated to Cabinet / Audit and Standards Committee	Mid-Year
In year changes to agreed Treasury Management Policy & Strategy / Annual Investment Strategy / Prudential and Treasury Indicators	Cabinet	By exception
Scrutiny of treasury management Policy, Strategy and procedures	Audit and Standards Committee	Annually before the start of the year
Treasury Management Monitoring Reports	Strategic Director, Resources and Digital	Bi-Monthly/Weekly
Treasury Management Practices	Strategic Director, Resources and Digital	Monthly

1.4 Given the link to the revenue budget and capital programme, the following indicators were approved by the Council on 24 February 2022 as part of the Budget and Council Tax Level 2022/23 report. For completeness, the approved indicators are attached at Appendix 4:

- Actual and estimates of financing costs to net revenue stream;
- Estimates of capital expenditure;
- Actual capital expenditure;
- Estimate of Capital Financing Requirement;
- Actual Capital Financing Requirement;
- Authorised limit;
- Operational boundary;
- Actual external debt;
- Gross debt and Capital Financing Requirement;
- Upper and lower limit of maturity structure of borrowing fixed and variable; and
- Upper limit on principal sums invested for periods of over 365 days.

- 1.5 In addition to the above indicators, local indicators showing the level of reserves which are backed by cash in the bank and internal borrowing as a percentage of the capital financing requirement are included in this report. Also, where there is a significant difference between the net and the gross borrowing position the risk and benefits associated with this strategy will be clearly stated in the annual strategy. This is highlighted within the main borrowing strategy outlined in Section 4.6 below.
- 1.6 The Strategy covers:
- Prospects for interest rates;
 - Treasury limits in force which will limit the treasury risk and activities of the Council, including prudential and treasury indicators;
 - The borrowing strategy;
 - Sensitivity forecast;
 - External and internal borrowing;
 - Debt rescheduling;
 - Policy on borrowing in advance of need;
 - The investment strategy; and
 - The policy on the use of external service providers.

2. Prospects for Interest Rates

Interest Rates

- 2.1 The coronavirus outbreak has caused huge economic damage to the UK and economies around the world, leading to the Bank of England taking emergency action and cutting the Bank Rate. It was initially cut in March 2020 to 0.10%, remaining at that level until 4 December 2021 when it was increased to 0.25% and then further increased on 3 February 2022 to 0.5%. The Governor of the Bank of England has also decided not to reinvest any of the government bonds it bought under the recent quantitative easing programmes. As shown in the table below increases in the Bank Rate are forecast as the Bank of England need to balance controlling inflation with the expected gradual economic recovery over a prolonged period.
- 2.2 The table shown below outlines the Council's view of anticipated movements in interest rates, based on guidance received from the Council's treasury management advisers Link Asset Services as at 8th February 2022.

	March 2022	June 2022	Sept 2022	Dec 2022	March 2023	March 2024	March 2025
Bank Rate	0.75%	1.00%	1.00%	1.25%	1.25%	1.25%	1.25%
5 yr PWLB	2.20%	2.30%	2.30%	2.30%	2.30%	2.3.0%	2.30%
10 yr PWLB	2.30%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%
25 yr PWLB	2.40%	2.50%	2.50%	2.60%	2.60%	2.60%	2.60%
50 yr PWLB	2.20%	2.30%	2.30%	2.40%	2.40%	2.40%	2.40%

Long Term Interest Rates

- 2.3 Investment returns are likely to remain exceptionally low during 2022/23 with little increase in the following two years.

3 Treasury Limits for 2022/23 to 2026/27 including Prudential Indicators

- 3.1 It is a statutory requirement of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, Section 31(a), as amended by the Localism Act 2011, requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from increases in interest charges and increases in running costs from new capital projects are limited to a level, which is affordable within the projected income of the Council for the foreseeable future. This is reported within the Council's Medium-Term Financial Strategy.
- 3.2 It is a statutory duty under Section 3 of Part 1 of the Local Government Act 2003, and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the Affordable Borrowing Limit. The Authorised Limit represents the legislative limit specified in the Act.
- 3.3 The Prudential Code for Capital Finance in Local Authorities is a professional code that sets out a framework for self-regulation of capital spending, in effect allowing councils to invest in capital projects without any limit as long as they are affordable, prudent and sustainable. The Code requires that treasury management decisions be taken in accordance with good professional practice and in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to the Council. The Council will take into account its arrangements for the repayment of debt and consideration of any impact, on the authority's overall fiscal sustainability.
- 3.4 The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires the Council to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax and housing rent levels is affordable.
- 3.5 To facilitate the decision-making process and support capital investment decisions the Prudential Code and the Treasury Management Code require the Council to agree and monitor a minimum number of prudential indicators which were approved by Council on 24 February 2022 as attached at Appendix 5.
- 3.6 The Strategic Director, Resources and Digital, will ensure systems are in place to monitor the treasury limits and will report to Council instances where limits are breached, with the exception of short-term breaches of the Operational Boundary. The Operational Boundary is set so that if breached it acts as an early warning of the potential to exceed the higher Authorised Limit and as such temporary breaches due to debt restructuring and temporary borrowing are acceptable, providing they are not sustained.

4 Borrowing Strategy

- 4.1 The Local Government Act 2003 does not prescribe approved sources of finance, only that borrowing may not, without the consent of HM Treasury, be in other than Sterling.
- 4.2 The main options available for the borrowing strategy for 2022/23 are PWLB loans, market loans, capital market loans and the Municipal Bond Agency. The interest rate applicable to either PWLB or markets loans can be fixed or variable.

- 4.3 Variable rate short term borrowing is expected to be cheaper than long term fixed borrowing and therefore may be considered throughout the financial year. Due to the expectation that interest rates will rise, the risk of the potential increase in interest rates will be balanced against any potential short-term savings.
- 4.4 There are different types of market loans available, including forward starting, at variable and fixed interest rates. It is not usual practice to agree forward starting loans, but their use may be considered to avoid the 'cost of carry' – the difference between borrowing costs and investment returns. These loans generally would have to be offered at rates below the current or future PWLB forecast rates to make them an attractive option and considered as a means of mitigating future interest rate movements if the opportunity arose, i.e. where the Council can agree an interest rate ahead of when it would actually be required to draw down the funds.
- 4.5 To mitigate this interest rate risk a limit is placed on the total level of borrowing that can be taken as variable interest rate loans. To provide scope to utilise new market products should they become available as well as minimise the cost of borrowing and increase the diversification of the debt portfolio it is proposed that the limit on variable rate loans should be 40% of total borrowing in 2022/23.
- 4.6 The main strategy is therefore:
- Current (February 2022) long term PWLB rates (50 years) are around 2.11%. It is forecast that there will be little upward movement in PWLB rates over the next two financial years, being 2.30% Q1, 2.30% Q2, 2.40% Q3 and 2.40% Q4. Should interest rates fall below these targets borrowing should be considered, with preference given to terms which ensure a balanced profile of debt maturity, this may include Local Infrastructure Rate borrowing. The average interest rates forecast across this financial year for various borrowing periods are as follows: -
 - 10 years – 2.40%
 - 25 years – 2.55%
 - 50 years – 2.35%
 - Whilst monitoring borrowing interest rates if there appears to be an upward trend then it may be considered prudent to lock into rates which exceed those outlined in paragraph 4.6 above, to minimise interest rate risk.
 - The use of short-term borrowing (6 months to 18 months) will also be considered with the aim of minimising borrowing costs. This short-term borrowing will be replaced with longer term loans when rates are preferable.
 - External borrowing rates currently far exceed the return that is available for investments, meaning savings can be achieved by borrowing internally from reserves in the short term. The current policy of internal borrowing will continue to be followed as a short-term funding option serving to minimise overall cost.
 - Consideration will be given to borrowing market loans which are at least 20 basis points below the PWLB target rate.

Sensitivity of the forecast

- 4.7 The Council, in conjunction with Link Asset Services, will continually monitor both the prevailing interest rates and the market forecasts, adopting the following responses

to any changes. The main sensitivities of the forecast are likely to be the two scenarios below:

- *if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.*
- *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity, or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

4.8 Against this background, caution will be adopted in the management of the 2022/23 treasury operations. The Strategic Director, Resources and Digital, will monitor the interest rate market and adopt a pragmatic approach to any changing circumstances having delegated powers to invest and manage the funds and monies of the Council.

External and Internal Borrowing

4.9 As at 31 January 2022 the Council had net debt of £511.888m; this includes total borrowing of £660.572m and investments of £148.684m.

4.10 Investment returns are expected to improve in 2022/23. However, while markets are pricing in a series of anticipated Bank Rate increases, actual economic circumstances may fall short of these expectations.

4.11 Borrowing interest rates fell to historically very low levels as a result of the covid pandemic and the quantitative easing operations of the Bank of England and remain at relatively low levels. The policy of avoiding new borrowing by running down spare cash balances has served the Council well over recent years. The Council will assess its risk appetite in conjunction with budgetary pressures to reduce total interest costs. Although short-term interest rates are cheapest, longer-term borrowing could also be undertaken for the purpose of certainty.

4.12 There remains a cost of carry, (the difference between higher borrowing costs and lower investment returns) to any new long-term borrowing that causes a temporary increase in cash balances as this position will most likely incur a revenue cost.

Borrowing in advance of need

4.13 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure that it is in line with the projected capital financing requirement and prudential indicators and that the Council can demonstrate value for money and ensure the security of the funds.

4.14 In determining whether borrowing will be undertaken in advance of need the Council will;

- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need;
- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered;

- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow; and
- consider the alternative forms of funding.

5. Debt Rescheduling

- 5.1 Any rescheduling opportunities will be considered in line with procedures approved under the Council's Treasury Management Practice Statements and will include a full cost/benefit analysis of any proposed variations. Any positions taken via rescheduling will be in accordance with the strategy position outlined in Section 4 above and will also take into account the prudential and treasury limits.
- 5.2 The reasons for any proposed rescheduling will include:
- the generation of cash savings at minimum risk;
 - help to fulfil the treasury strategy; and
 - in order to amend the maturity profile and/or the balance of volatility in the Council's borrowing portfolio.
- 5.3 The Strategic Director, Resources and Digital, in line with delegated powers outlined in the approved Treasury Management Practice Statement, will approve all rescheduling.
- 5.4 The Council has examined the potential for undertaking early repayment of external PWLB or LOBO debt in order to reduce the difference between its gross and net debt positions. The significant difference between early redemption rates and interest rates payable on new debt means that large premiums are likely to be incurred by such action. This situation will be monitored in case the differential is narrowed by changes in current borrowing rates.
- 5.5 Consideration will also be given to the potential for making savings by running down investment balances by repaying debt prematurely as short-term rates on investments are likely to be lower than rates paid on currently held debt. However, this will need careful consideration in the light of premiums that may be incurred by such a course of action and other financial considerations.
- 5.6 All rescheduling will be reported to Council in the mid-year and annual reports.

6. Investment Strategy 2022/23 to 2026/27

Introduction

- 6.1 The Council has regard to the Department for Levelling up, Housing and Communities (DLUHC) Guidance on Local Government Investments and CIPFA's Code of Practice. The Council must produce a strategy on an annual basis which covers the subsequent five years.
- 6.2 The CIPFA definition of "investments" covers all the financial assets of the organisation, as well as other non-financial assets which the organisation holds primarily for financial returns, such as investment property portfolios. This may

therefore include investments which are not managed as part of normal treasury management or under treasury management delegations.

6.3 This annual strategy states which investments the Council may use for the prudent management of its treasury balances during the financial year under the categories of **specified investments** and **non-specified investments**.

- Specified investments are those with a high-level credit quality and subject to a maturity limit of one year.
- Non-specified investments are those with less high credit quality, may be for periods in excess of one year and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

6.4 Both specified and non-specified investment types currently utilised by the Council are detailed in Appendix 6, along with approved limits. These limits reflect the Council's investment requirements whilst assessing risk and obtaining advice from Link Asset Services.

6.5 In addition to these, numerous other investment options are available for use and these may be considered suitable for use in the future. Should this be the case then the option will be evaluated in line with the procedures contained within the approved Treasury Management Practice Statement.

Investment Objectives

6.6 All investments will be in Sterling and all investment decisions are taken on data available on the day of investment.

6.7 The Council's primary investment objective is the security of the capital investment. The Council will also manage the investments to meet cash flow demands and to achieve a reasonable return commensurate with the proper levels of security and liquidity. The risk appetite of the Council is low in order to give priority to security of its investments.

6.8 The borrowing of monies purely to invest is unlawful and the Council will not engage in such activity.

Creditworthiness Policy

6.9 The Council applies the creditworthiness service provided by Link Asset Services. The service uses a sophisticated modelling approach with credit ratings from the three main rating agencies - Fitch, Moody's and Standard and Poor's. This service uses a scoring system to ensure that it does not give undue consideration to just one agency's ratings. It does not rely solely on the current credit ratings of counterparties but also uses the following information as overlays which are combined in a weighted scoring system:

- Credit watches and credit outlooks from credit rating agencies;
- Credit Default Swap spreads, financial agreements that compensate the buyer in the event of a default, which give an early warning of likely changes in credit ratings; and
- Sovereign ratings to select counterparties from only the most creditworthy countries.

6.10 The end product of this modelling system indicates the relative creditworthiness of counterparties. The Council is satisfied that this service gives the required level of security for its investments. It is also a service which the Council would not be able to replicate using in-house resources.

The minimum credit rating criteria the Council use will be a Short-Term rating (Fitch or equivalents) of F1 and a long-term rating of A. In circumstances where ratings from all three agencies are not available, two acceptable ratings will be deemed as sufficient.

Where three ratings are published and all three do not meet our minimum criteria the counterparty will not be used until such a time as all three ratings meet the minimum criteria or the lowest rating is withdrawn.

6.11 The credit ratings will be monitored as follows:

- All credit ratings are reviewed weekly. The Council has access to Fitch, Moody's and Standard and Poor's credit ratings and is alerted to changes through its use of the Link Asset Services creditworthiness service. Ongoing monitoring of ratings also takes place in response to ad-hoc e-mail alerts from Link Asset Services.
- If a counterparty's or deposit scheme's rating is downgraded with the result that it no longer meets the Council's minimum criteria, the further use of that counterparty/deposit scheme as a new deposit will be withdrawn immediately.
- If a counterparty is upgraded so that it fulfils the Council's criteria, its inclusion will be considered for approval by the Strategic Director, Resources and Digital.

6.12 Sole reliance will not be placed on the use of this external service. In addition, the Council will also use market data and information on government support for banks and the credit ratings of government support.

6.13 The Council has determined the minimum long term and short-term ratings it deems to be "high" for each category of investment. These "high" ratings allow investments of 365 days or less to be classified as **specified investments**. The Council's approved limits for this "high" credit rating for deposit takers is as follows:

High Rated	Fitch	Moody's	Standard & Poor's
Short Term (ability to repay short term debt)	F1	P1	A1
Long Term (ability to repay long term debt)	A	A2	A

6.14 In addition to the above specified investments, the Council has also fully considered the increased risk of **non-specified investments** and has set appropriate limits for non-high rated deposit takers. These are as follows:

Non- High Rated	Fitch	Moody's	Standard & Poor's

Short term	F1	P1	A1
Long term	A-	A3	A-

The selection of counterparties with an acceptable level of creditworthiness will be achieved by selecting institutions down to a minimum durational band within Link Asset Services weekly credit list of worldwide potential counterparties. The maximum maturity periods and amounts to be placed in different types of investment instruments are detailed in Appendix 6.

- 6.15 As part of the annual review of counterparty limits changes to the existing market conditions and level of council reserves held have been identified. The level of investment per counterparty has therefore been increased by £5m for High and & Non-Higher rated counterparties respectively. The existing % limit per counterparty and credit rating requirements have been retained to ensure risk is minimised and security of the councils investments is maintained. UK Government nationalised/part nationalised banks will have a maximum limit of 40% or £20m of total investment, all other counterparties will not exceed a maximum limit equal to 20% of total investments or £20m. Unless there are major changes in the level of investment balances throughout the year this limit will be reviewed prior to the commencement of each financial year.
- 6.16 Where more than one counterparty from a group is included on the counterparty list the group in total will be controlled by the above limits with the maximum limit being that of the parent company. Within the group each counterparty/subsidiary will have individual limits based on their creditworthiness although the total placed with the subsidiaries will not exceed the limit of the parent company. Subsidiaries that do not satisfy the minimum credit criteria will not be included.
- 6.17 A number of counterparties are also approved by the Strategic Director, Resources and Digital for direct dealing. These counterparties are included on the approved list and dealing will be within agreed limits. Direct dealing with individual counterparties must be approved by the Strategic Director, Resources and Digital prior to investments being placed.

UK Banks - Ring Fencing

- 6.18 The largest UK banks were required by UK law to separate core retail banking services from their investment and international banking activities by 1 January 2019. This is known as “ring-fencing”.
- 6.19 Ring-fencing is a regulatory initiative created in response to the global financial crisis which improves the resilience of banks by changing their structure. In general, simpler, lower risk activities will be offered by a ring-fenced Bank (RFB), whilst more complex and riskier activities will sit within a non-ring-fenced bank (NRFB).

Foreign Banks

- 6.20 The Council will continue to use UK banks irrespective of the UK sovereign rating, however non-UK banks domiciled in countries with a minimum sovereign rating of AA+ will be considered for inclusion on the approved list, they must also meet the high rated lending criteria and have operations based in the UK.

- 6.21 As part of the annual review of investments balances limits on individual countries have been increased by £5m. The existing % limit per counterparty and credit rating requirements have been retained to ensure risk is minimised and security of the councils investments is maintained. Limits will be prescribed by the Link Asset Services creditworthiness list and limited to 365 days or less. Each country will be limited to the maximum investment limit of £20m or 20% of the Council's total investments and individual counterparties will not exceed a maximum limit equal to 20% of total investments or £15m. A list of those countries with a minimum sovereign rating of AA+ is shown in Appendix 6.

Local Authorities

- 6.22 The Council invests with other Local Authorities on an ad hoc basis; each investment is considered on an individual basis and agreed by the Strategic Director, Resources and Digital, prior to funds being placed. Limits are detailed at Appendix 7.

Investment balances / Liquidity of investments

- 6.23 Creditworthiness of counterparties is considered prior to depositing funds. The maximum term for investments is 3 years. Longer term deposits will continue where the counterparty is deemed to be a low credit risk to ensure a good rate of return is maintained in the current market conditions. Deposits beyond 365 days will only be considered when there is minimal risk involved. With deposits of this nature there is an increased risk in terms of liquidity and interest rate fluctuations. To mitigate these risks a limit of £15m (20% of total investments whichever is the higher) has been set and a prudential indicator has been calculated (See Appendix 4). Such sums will only be placed with counterparties who have the highest available credit rating or other local authorities.
- 6.24 Deposits for periods longer than 365 days are classed as **non-specified investments** and this will increase the total limit of overall deposits in this classification to 25%.

Non-Treasury Investments

- 6.25 The acquisition of share capital or loan capital in any body corporate is defined as capital expenditure under the Local Government Act 2003. Such investments will have to be funded out of capital or revenue resources and will be classified as '**non-specified investments**'.
- 6.26 A loan or grant by the Council to another body for capital expenditure by that body is also deemed by regulation to be capital expenditure by the Council. It is therefore important for the Council to clearly identify if the loan was capital expenditure or if it is an investment made primarily to generate a financial yield. The latter will be assessed using the Council's Investment Framework.
- 6.27 The Council will ensure that all the organisation's investments are covered in either the Capital Strategy or Investment Strategy, and will set out, where relevant, the organisation's risk appetite and specific policies and arrangements for non-treasury investments. It will be recognised that the risk appetite for these activities may differ from that for treasury management.

Commercial Investments

- 6.28 To date the Council have not entered into any non-treasury investments which are purely to generate a commercial return, neither are there any plans to consider entering into non-treasury investments solely or primarily to obtain a revenue return. However, if an opportunity to do so arose the long-term financial impact and the risks inherent to the scheme would be assessed as part of the due diligence process. Where the size of the investment or the risk of the investment required external advice, this will be obtained. Any potential investment entered for a commercial return will require prior Cabinet approval.
- 6.29 The Council does not invest for solely commercial reasons or to generate income to support the revenue budget. Any capital investment entered into to deliver service objectives and/or the placemaking role of the local authority is monitored and reported in line with the Capital Strategy. Capital investments are assessed in terms of their contribution to deliver the following objectives:
- Health and Housing
 - Economy
 - Poverty and Equality
 - Climate Change
 - Transport

Further information can be obtained from the Council's Capital Strategy at the following link: [Capital Strategy 2022/23 to 2026/27](#)

- 6.30 The Council maintains a schedule setting out a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and the organisation's risk exposure, which is attached at Appendix 8.

Internal Investment Strategy

- 6.31 The Strategic Director, Resources and Digital will monitor the interest rate market and react appropriately to any changing circumstances.
- 6.32 The Council takes the view that bank rate is forecast to remain the same over the next few years. Bank rate forecasts for financial year ends are 2021/22 1.00%, 2022/23 1.25%, 2023/24 1.25% and 2024/25 1.25%.
- 6.33 The overall balance of risks to economic growth in the UK are probably weighted to the downside. This will be from the Bank of England reducing its economic forecast, saying the UK economic growth would slow to subdued rates. High inflationary pressure on the economy will continue, with inflation rates in excess of bank targets and expected to remain high for a prolonged period.
- 6.34 The balance of risks to increases or decreases in Bank Rate and shorter term PWLB rates are also weighted to the downside.

Investment Risk Benchmark

- 6.35 The use of LIBOR/LIBID rates as a benchmark ceased on 31 December 2021. The Council is now using an investment benchmark to assess the investment performance of its investment portfolio against the Sterling Overnight Investment Rate (SONIA) 3-month rate. The Council is also a member of the Link Asset Services investment benchmarking Group who meet semi-annually. As a member, quarterly reports on comparative performance with other members of the group and the wider Link Asset Services client base are received. The benchmarking return for

the group is a reasonable target for the Council, which allows the relative risk appetite to be considered as part of the benchmark.

End of year investment report

- 6.36 By the end of September each year Council will receive a report from Cabinet on its investment activity as part of its annual treasury report.

Policy on use of external service providers

- 6.37 The Council currently uses Link Asset Services as its external treasury management advisers.
- 6.38 It is recognised that responsibility for treasury management decisions remains with the Council at all times and will ensure that undue reliance is not placed upon our external service providers.
- 6.39 It is also recognised that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

Scheme of Delegation

- 6.40 As required by the Guidance Notes for Local Authorities the Treasury Management Scheme of Delegation is detailed in Appendix 3, paragraph 1.3.

Role of the Section 151 Officer

- 6.41 As required by the Guidance Notes for Local Authorities the role of the Section 151 Officer in relation to treasury management is detailed below:
- Recommending the Code of Practice to be applied, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
 - Submitting regular treasury management policy reports;
 - Submitting budgets and budget variations;
 - Receiving and reviewing management information reports;
 - Reviewing the performance of the treasury management function;
 - Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
 - Ensuring the adequacy of internal audit, and liaising with external audit; and
 - Arranging for the appointment of external service providers;
 - Preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management;
 - Ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority;
 - Ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
 - Ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources;

- Ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities;
- Provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees;
- Ensuring that members are adequately informed and understand the risk exposures taken on by an authority; and
- Ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above.

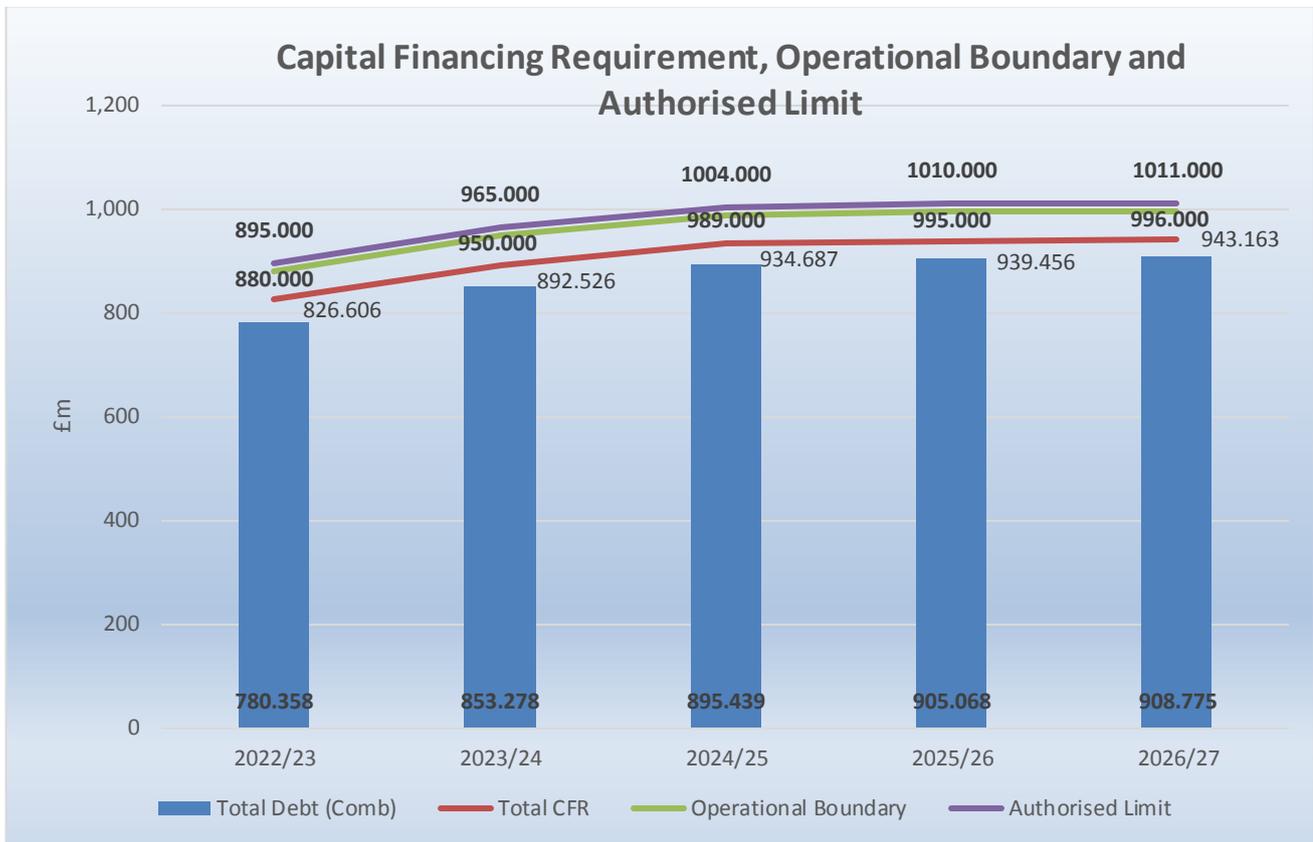
Prudential Indicators –Treasury Management

Authorised Limit for External Debt					
	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Borrowing	895,000	965,000	1,004,000	1,010,000	1,011,000

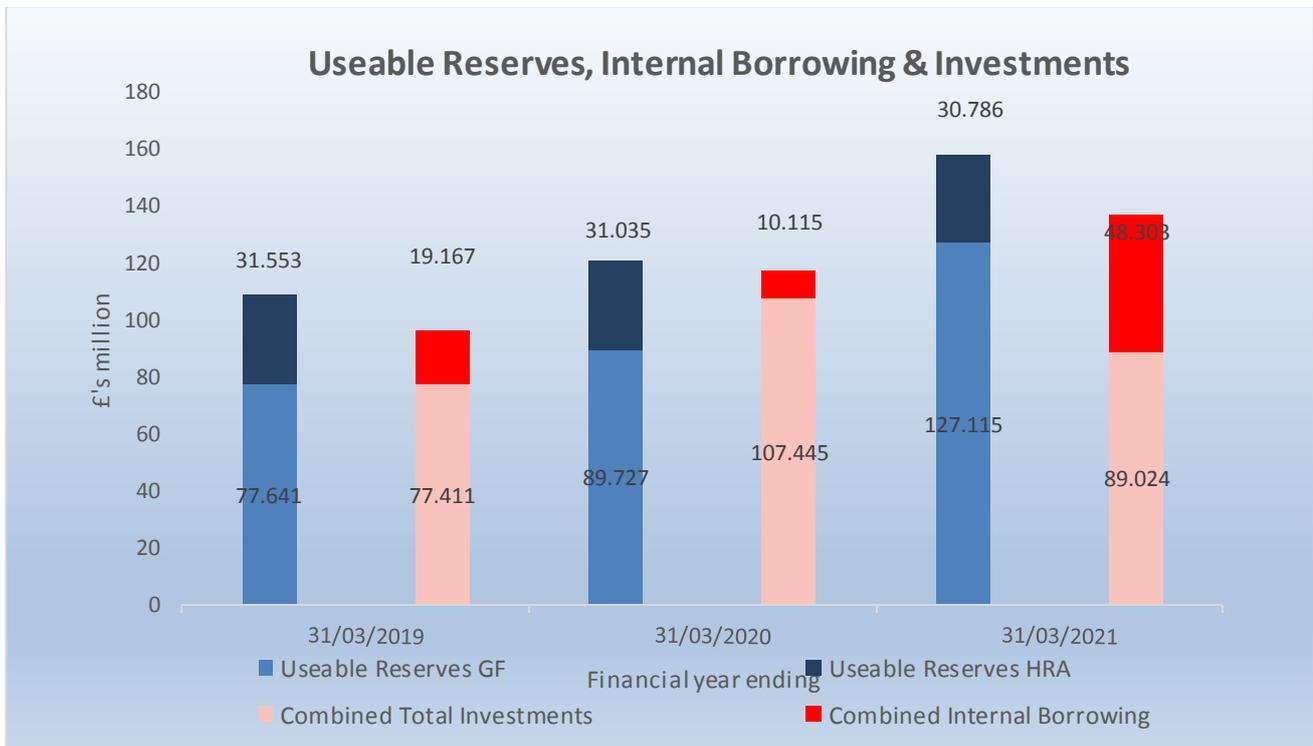
The Authorised Limit for External Debt sets the maximum level of external borrowing that the Council can incur. It reflects the level of borrowing which, while not desired, could be afforded in the short-term, but is not sustainable. It is the Council's expected maximum borrowing need with headroom for unexpected cashflow. The limit also provides scope for the Council to borrow in advance of need.

Operational Boundary for External Debt					
	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Borrowing	880,000	950,000	989,000	995,000	996,000

The Operational Boundary for External Debt is based on the probable external debt during the course of the year. It is not a limit and actual borrowing could vary around this boundary for short times during the year. It acts as an early warning indicator to ensure the authorised limit is not breached. Similar, to the authorised limit it also provides scope for the Council to borrow in advance of need.

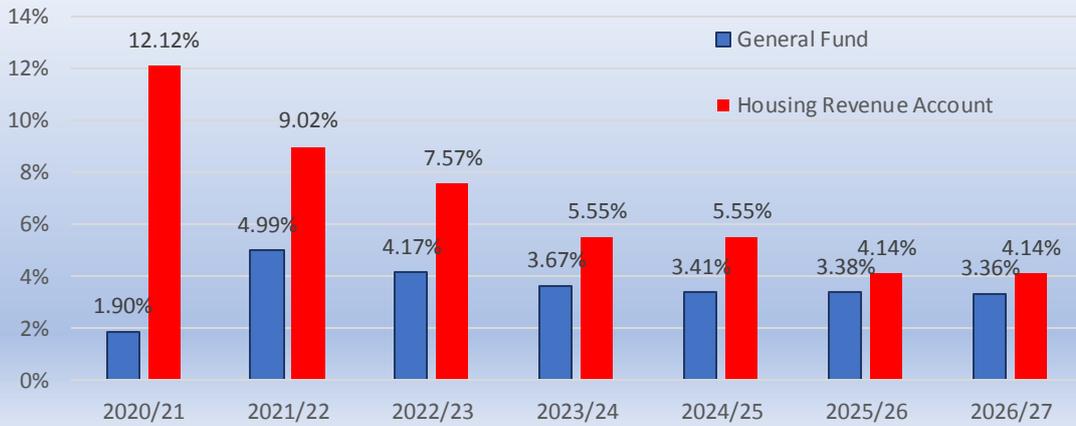


Capital Financing Requirement (CFR) shows the Council’s capital borrowing requirement. Any gap between the CFR and the total debt highlights the potential to borrow further if the cashflow and treasury management position dictate.



The internal borrowing position represents the level to which reserves have temporarily been used to support funding of the capital programme.

Internal Borrowing as a % of Capital Financing Requirement



Internal borrowing as a percentage of the Council's underlying borrowing requirement reflects the Council's exposure to interest rate movements and the element of borrowing that is being undertaken at variable rates (i.e. rates equivalent to the lost interest on investment income).

Estimated Ratio of Financing Costs to Net Revenue Stream



Ratio of financing costs to net revenue stream – financing costs must be met before any services have been delivered. Higher financing costs leaves less available to provide services.

Treasury Indicators

Upper and Lower Limits for the Maturity Structure of Fixed Rate Borrowings		
	Upper Limit	Lower Limit
Under 12 months	20%	0%
12 months and within 24 months	19%	0%
24 months and within 5 years	26%	0%
5 years and within 10 years	26%	0%
10 years and within 20 years	22%	0%
20 years and within 30 years	43%	0%
30 years and within 40 years	46%	0%
40 years and within 50 years	48%	0%
50 years and above	17%	0%

Upper and Lower Limits for the Maturity Structure of Variable Rate Borrowings		
	Upper Limit	Lower Limit
Under 12 months	25%	0%
12 months and within 24 months	20%	0%
24 months and within 5 years	20%	0%
5 years and within 10 years	20%	0%
10 years and within 20 years	20%	0%
20 years and within 30 years	20%	0%
30 years and within 40 years	20%	0%
40 years and within 50 years	20%	0%
50 years and above	20%	0%

Upper Limit on Amounts Invested Beyond 365 Days					
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Investments	15,000	15,000	15,000	15,000	15,000

Specified Investments (All Sterling Denominated)

Investment type	Share/ Loan Capital	Repayable/ Redeemable within 12 months	Security / Minimum Credit Rating	Capital Expenditure	Circumstance of use	Maximum period
Term deposits with the UK Government or with UK local authorities (i.e. local authorities as defined under Section 23 of the 2003 Act) with maturities up to 365 days.	No	Yes	High security although LA's not credit rated. <i>See appendix 3 Creditworthiness Policy</i>	No	In-house	365 days
Term deposits with credit-rated deposit takers (banks and building societies), including callable deposits with maturities up to 365 days.	No	Yes	Secure Varied minimum credit rating <i>See appendix 3 Creditworthiness Policy</i>	No	In-house	365 days

<p>Short Term Money Market Funds The majority of these funds are instant access and therefore do not have a maturity date.</p>	No	Yes	Secure Varied minimum credit rating <i>See appendix 3 Creditworthiness Policy</i>	No	In-house	The investment period is subject to liquidity and cash flow requirements. It is assumed that funds are placed overnight and will be returned and reinvested the next working day (although no actual movement of cash may take place).
<p>Standard Money Market Funds and Ultra Short Duration Funds 3-day notice cash plus fund These funds require three-day notice for withdrawals and therefore do not have a maturity date.</p>	No	Yes	Secure Varied minimum credit rating <i>See appendix 3 Creditworthiness Policy</i>	No	In-house	The investment period is subject to liquidity and cash flow requirements. Notice required is three days, however it is the intention to leave these funds for terms longer than other money market funds to achieve greater returns.

Non-Specified Investments (All Sterling Denominated)

Investment type	(A) Why use it (B) Associated risks	Share/ Loan Capital	Repayable/ Redeemable within 12 months	Security / Minimum credit rating	Capital Expenditure	Circumstance of use	Max % of overall investments	Maximum maturity of investment
Rated deposit takers (banks and building societies) which do not meet the Council's "high" credit rating 177	(A) To improve ability to place smaller amounts (B) Greater risk than "high" credit rating counterparties but advance warning by rating agency of potential problems. The Council has fully considered this investment category and set appropriate investment and maturity limits in order to minimise risk.	No	Yes	Secure Varied minimum Credit rating <i>Minimum:</i> Long term A- Short term F1	No	In-house	Total not high rated deposits as a proportion of total investments 25%	6 months (but set on an individual counterparty basis)
Term deposits with UK Government, UK Local Authorities or credit rated banks and building societies, with maturities over 1 year	A) To improve the ability to "lock in" at times of high interest rates to secure a higher return over a longer period should rates be forecast to fall. B) Lower liquidity and greater risk of adverse interest rate fluctuations. The Council has fully considered this investment category and set appropriate investment and maturity limits in order to minimise risk.	No	No	Secure Varied minimum credit rating	No	In-house	Total investment per Counterparty 20%	3 years

Certificate of Deposits issued by banks and building Societies	<p>A) Provides additional counterparties, as many banks do not want to take fixed term cash deposits.</p> <p>B) Credit risk could change but if adverse there is an option to sell onto a secondary market.</p> <p>The Council has fully considered this investment category and set appropriate investment and maturity limits in order to minimise risk.</p>	No	Yes	Secure Varied minimum Credit rating <i>Minimum:</i> <i>Fitch</i> <i>Long term</i> <i>A-</i> <i>Short term</i> <i>F1</i>	No	In-House	20%	12 months (but set on an individual counterparty basis)
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Maximum Maturity Periods and Amounts

Organisation	Criteria	Max Amount*	Max Period
High Rated (Specified Investments – High rated and up to 365 days see Appendix 4)	Minimum Fitch rating of F1 short term and A long term. Moody's minimum rating of P1 short term backed by A2 long term and S&P minimum rating of A1 short term and A long term.	£20m	3 years
Foreign Banks	Must meet the minimum high rated criteria above and have a minimum sovereign rating of AA+	£20m country limit (£15m individual counter party limit)	365 Days
Non-High Rated	Minimum Fitch rating of F1 short term and A- long term. Moody's minimum rating of P1 short term backed by A3 long term and S&P minimum rating of A1 short term and A- long term.	£15m	6 months
UK Local Authorities	(i.e. local authorities as defined under Section 23 of the 2003 Act) Each investment is considered on an individual basis	£10m	3 years
Short-Term Money Market Funds (Same day settlement)	AAA MMF fund rating or equivalent with assets >£1bn	£10m	Overnight
Standard Money Market Funds and Ultra-Short Duration Funds (Trade plus 3-day settlement)	AAA fund rating or equivalent, backed up with lowest volatility rating (S1) or equivalent with assets > £0.75bn	£10m (excludes any compound interest)	3 days

* Restricted to a maximum of either 40% if government backed or 20% of total investments if non-government backed counterparty.

Foreign Banks

This list is based on those countries which have non-UK sovereign ratings of AA+ or higher at 21/01/2022.

AAA

- Australia
- Canada
- Denmark
- Germany
- Netherlands
- Singapore
- Sweden
- Switzerland
- U.S.A.

AA+

- Finland

Non-Treasury Management Investments

Investment	Latest Balance 31 January 2022	Notes
Long term loans to Keelman Homes	£ 16,668,454.07	Loan Balance at 31/01/2022
SCAPE System Build Ltd	£ 784,000.00	17% Shareholding in SCAPE
Newcastle International Airport	£ 8,410,238.23	13.33% shareholding in Newcastle Airport
Loan to Citizens Advice Bureau	£ 512,141.70	Loan Balance at 31/01/2022
Loans to Trading Company	£ 2,246,677.76	Loan Balance at 31/01/2022
Newcastle International Airport Long Term credit notes	£ 10,330,541.41	Loan notes - interest paid bi-annual principal repayment due 2032
Soft Loans	£ 219,259.90	North Music Trust - Soft Loan
Loan to NE Credit Union	£ 102,994.86	Loan Balance at 31/01/2022
Loans to Gateshead Energy Company	£ 3,000,000.00	Loan Balance at 31/01/2022
Loan to NGI	£ 196,872.88	Loan Balance at 31/01/2022

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TITLE OF REPORT: Performance Management and Improvement Framework - Six Month Performance Report 2021/22

REPORT OF: Darren Collins, Strategic Director, Resources and Digital

Purpose of the report

1. This report sets out the 6 month 2021/22 assessment of performance against the Council's new Performance Management and Improvement Framework (PMIF) along with the recommendations made by Overview and Scrutiny Committees for improvement. Cabinet is asked to approve the report and proposed actions.

Background

2. A new approach to performance management and improvement was approved by Cabinet on 20th April and agreed by Council on 27th May 2021 with the draft measures and interventions agreed by Cabinet in October 2021. The PMIF has a clear focus on policy and priorities, delivery, measurement and analysis of impact to support effective resource allocation and is based on Thrive and the Health and Wellbeing Strategy.

Six Month Reports

3. The Six Month Performance Report is set out at Appendix 2. The Framework identifies both qualitative and quantitative data to provide an analysis of how the Council is performing against Thrive policy. It focuses on the analysis of performance against each of six Policy Objectives in the Health and Wellbeing Strategy and the Balanced Scorecard. This identifies achievements, challenges and areas for improvement at an overarching level and sets out suggested actions to address these. It aligns these to resources, the budget approach to priority transformation areas and fundamental reviews, connecting priorities, resources and performance.
4. In summary, the 6 month Performance Report identifies areas for improvement across six areas:
 - Increasing demand for Adult Social Care
 - Increasing demand for Children's Social Care
 - Reduction in jobs and quality of jobs
 - Reduction in levels of income preventing people from Thriving
 - Health and Wellbeing e.g. Mental health; Treatment access; Ill health prevention
 - Organisational capacity

Views of Overview and Scrutiny Committees (OSC)

5. Each of the Council's Overview and Scrutiny Committees considered the Six Month Performance Report in its entirety and a 'deep dive' into areas relevant to each Committees remit. The following key themes were identified by the Committees:

- I. **Prioritisation and Thrive Policy** – clearer priorities to achieve Thrive, focus resources to achieve the biggest impact and emphasis on early intervention and reducing longer term demand
- II. **Locality based working** – ensuring that the right approach is taken with councillor and community involvement from the outset and recognising that different approaches may be needed in different areas of Gateshead
- III. **Housing repairs and maintenance** – Housing Improvement Plan and timescales for tackling the issues and backlog to meet housing requirements and standards
- IV. **Place and Environment** – importance of a clean, safe attractive environment to support the health and wellbeing of local people
- V. **Climate Change** – Clarity on actions and progress the Council is making towards its Climate Change ambition with greater communications with local people
- VI. **Employees and Workforce** – Improvements to employee morale and address recruitment and retention

6. Actions to address these are identified in Appendix 1. Committee members expressed support for the new approach to the PMIF and suggested some areas for future development. A copy of the draft minutes from each Committee is at Appendix 3.

Proposal

7. It is proposed that Cabinet consider and agree the performance report at Appendix 2 including the analysis, key actions and areas identified for improvement by Overview and Scrutiny Committees, which are summarised in paragraph 5.
8. These will be taken forward and the PMIF will be aligned to the Budget approach agreed by Cabinet. Further development will take place to address comments made by Overview and Scrutiny Committees, with a Year End performance report and analysis due to be reported in the summer. The development of the PMIF is iterative and will be a tool used throughout the year to manage performance and improvement against priorities and see the impact of policy and resource decisions.

Recommendation

9. It is recommended that Cabinet:
 - (i) approves the 2021/22 six-month performance report (Appendix 2) and the key themes from the Council's Overview and Scrutiny Committees
 - (ii) Notes the areas identified by Overview and Scrutiny Committees at paragraph 5 above and at Appendix 3.

For the following reason:

- To ensure performance supports the delivery and achievements of Making Gateshead a Place Where Everyone Thrives.

CONTACT: Lindsay Murray - Extension 2794

Policy Context

1. The proposal supports the Council's priorities for Thrive by setting out a framework to manage performance against its key priorities for thrive, tackle inequalities and the impact being made on delivery of the Health and Wellbeing Strategy. The Performance Management and Improvement Framework (PMIF) analysis in the report, informs future policy decisions as well as resource allocation to ensure these are focused on Council priorities as part of a broader evidence based approach.
2. The Council's Medium-Term Financial Strategy sets out the financial context for the Council's resource allocation process and budget setting. The proposals support the aims within the Strategy by aligning performance with the overall approach to the budget to support the financial sustainability for the Council ensuring that resources are deployed on the outcomes for making Gateshead a place where everyone Thrives.

Background

3. Performance Management is used by local authorities to identify how well they are delivering outcomes for local people. The Council's current performance framework has been in place for several years and has evolved over time.
4. A new framework was agreed by Cabinet (20 April 2021) and Council (27 May 2021) that better reflects the priorities of the Council – the delivery of the Council's Thrive policy and Health and Wellbeing Strategy.
5. The development of a new approach was taken forward using extensive engagement. Stages included engagement with councillors through Advisory Groups and Overview and Scrutiny Committees. Engagement with employees has taken place on a regular basis through employee workshops and Management Team discussions. Engagement with partners has also taken place at the Health and Wellbeing Board and with the Voluntary and Community sector.
6. The engagement along with research into best practice was used to develop the PMIF and was agreed by Council in June 2021. Following this, the draft content including measures and interventions were agreed by Cabinet in October 2021

Six Month Performance Reports 2021/22

7. The analysis of performance for the 6 month stage against each of the 6 policy objectives of the Health and Wellbeing Strategy and the Balanced Scorecard is set out at Appendix 2. It outlines the challenges, achievements, actions and resources for each policy objective. It also contains performance data including strategic and operational measures, resources and risks.
8. Each Overview and Scrutiny Committee considered the Six Month Performance Report in its entirety and a 'deep dive' into areas relevant to the role and remit of each committee. In summary the key themes identified through the committees are set out below along with some activities to help to address these:

- I. **Prioritisation and Thrive Policy** – Clarity on the Council's Thrive priorities, the outcomes it is seeking to realise through Thrive and how to best focus resources to achieve the biggest impact with a focus on early intervention and reducing longer term demand
 - Proposed actions include a focus and engagement on Thrive policy. Budget approach priority based transformation review of Thrive and early intervention
- II. **Locality based working** – Ensuring that the right approach is taken with councillor and community involvement from the outset and recognising that different approaches may be needed in different areas of Gateshead
 - Proposed action to address this - following further discussion with a number of partners and Members, a presentation will be made to the April Strategic Housing Board confirming the details of the launch of the first operating model, ahead of a roll out across the whole of Gateshead over the subsequent 12 months.
- III. **Housing repairs and maintenance** – Housing Improvement Plan and timescales for tackling the issues and backlog to meet housing requirements and standards
 - Proposed action to address this - work is progressing on identifying systems issues and why there is so much failure demand; an improvement plan will be in place March 2022, with 3 / 6 / 12 month milestones. Immediate contact centre capacity issues have been resolved ahead of a more permanent solution. This will reduce call waiting times etc
- IV. **Place and Environment** – Importance of a clean, safe attractive environment to support the health and wellbeing of local people
 - Proposed action - Consider the best way to deliver environmental services as part of the zero based budget reviews to ensure the Council is able to deliver its priorities for a clean attractive local environment that contributes to health and wellbeing and addresses councillor concerns. This will part of the overall budget approach agreed by Cabinet and ensuring resources are deployed in a way that achieves the biggest impact on priorities. New measures to more closely reflect environmental standards will be considered in line with the outcome of the review.
- V. **Climate Change** – Clarity on actions and progress the Council is making towards its Climate Change ambition with stronger messages and communications to local people
 - Proposed actions include the current consultation on Climate Strategy which will help to identify issues with meetings to be held with ward councillors mapping findings at a ward level. The Climate Strategy with actions will improve the Council's score in the annual audit. This will also help with clear messaging on progress.
- VI. **Employees and Workforce** – Improvements to employee morale and address recruitment and retention issues
 - Proposed action - Office of the Chief Executive and Human Resources are developing a framework with actions to support employees and which will consider the impact on employee morale and wellbeing

9. The Committees expressed support for the new approach to reporting and suggested some areas to develop in the future as part of the iterative approach. These will be taken forward as part of the next steps. Comments included:
- The approach was felt to be the right one, particularly with the emphasis on analysis and drawing out key areas for each committee, though this could be developed further with greater emphasis on each in the future
 - The feed-back loops could be strengthened in the next iteration to help with a further deeper dive into areas highlighted through the analysis, with feedback provided on actions undertaken to drive improvement
 - Consideration of development of an online / digital presentation format
 - The use of Direction of Travel arrows was considered to be helpful in understanding movement in performance at a glance
 - Consider new measures for:
 - Environmental service standards
 - Children with SEND / EHCP and impact made through Council activities
 - Include tolerances for measures in the Balanced Scorecard to help understand scale of change
 - Comments relating to clarity on areas such as employment opportunities for younger people and the Council's role in supporting this

Further development and review

10. The approach will be reviewed to check how effective it is in enabling performance management and improvement towards better outcomes. The flexible, iterative approach that has been adopted to develop the PMIF, reflects the changing circumstances that the Council works within and aims to ensure that performance against priorities can be managed in the most efficient and pragmatic way being responsive to changing needs to ensure it will remain fit for purpose.

Alternative Options

11. An alternative option would be to identify alternative actions to address performance, however the activities recommended in the report are based on analysis of performance data and would support delivery of the Council's Thrive policy.

Consultation

12. All Overview and Scrutiny Committees have considered the Six month performance reports. A copy of the minutes of each Committee is attached at Appendix 3. The Leader and Deputy Leader of the Council have also been consulted on the proposal.

Implications of Recommended Option

Resources

13. **Financial Implications** – The Strategic Director, Resources and Digital confirms that the proposal will have no direct financial implications as a result of this report. The proposal aims to align performance with resources and enable better informed decision making.

14. **Human Resource Implications** – There are no Human Resource implications arising directly from this report, although there are areas relating to employees highlighted in the report.
15. **Property Implications** – There are no property implications arising directly from this report.
16. **Risk Management Implication** - The proposals will reduce the risk of the Council not achieving its priorities by enabling effective performance management across strategy corporate priorities.
17. **Equality and Diversity Implications** –There are no direct equalities and diversity implications arising from this report, however the framework has a focus on addressing inequalities.
18. **Crime and Disorder Implications** –There are no crime and disorder implications arising directly from this report.
19. **Health Implications** – While there are no direct health implications arising from this report, the PMIF is based on the 6 policy objectives within the Health and Well-being Strategy so will help to manage performance at a strategic level across a range of wider determinants of health.
20. **Climate Emergency and Sustainability Implications** – There are no climate emergency or sustainability implications arising directly from this report, though the PMIF will seek to manage performance across a range of strategic priorities including climate change.
21. **Human Rights Implications** – There are no human rights implications arising directly from this report
22. **Ward Implications** –There are no implications for a specific ward arising directly from this report, though the framework will include a geographical focus on performance where appropriate.

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The circumstances which result in adverse childhood experiences are prevented
 Parents can access support proportionate to meet their needs, to be the best parents they can be

All children start school ready to learn
 All permanent school exclusions are prevented

CHALLENGES / AREAS FOR IMPROVEMENT

Strategic

- As set out in the Thrive Policy Framework and the Health and Wellbeing Strategy, pre-COVID almost a third of the local population were vulnerable and similar levels were just coping, with large numbers of children living in poverty. We know that the impact of COVID has been felt throughout the borough and that the real picture is still emerging. As a Local Authority we have experienced an increase in the numbers of families and young people needing support:
- increase in the number of children requiring Early Help services
- Increase in the number of children being identified as 'children in need'
- Increase in the number of children and young people requiring an Education Health Care Plan
- increase in the number of children entitled to a Free School Meal
- Staffing issues due to recruitment continues to be a challenge while the impact of Covid is also causing issues in children's services

Operational

- School meals relaunch is on-going, but we have been very limited in what we could do since September. This should get back on track when schools are more open to visitors and when Covid cases reduce so that we can organise events aimed at both pupils and parents

AREAS OF EXCELLENCE

Strategic

- Ofsted Focused visit to Gateshead Children's Services - Gateshead's highly skilled, committed and caring social workers and their managers in the front door teams provide sensitive, innovative child-centred help & protection to most children seen during the visit.
- Reduction in time for children entering care and being placed for adoption, helping to improve outcomes for vulnerable children
- Increase in Early Help cases closed with an outcome of all needs met while more families are being offered and are accepting family group conferencing. To further enhance the Family Group Conferencing offer, a consultation has taken place to review the existing offer. A new strategy outlines clear expectations and development of working practices and skills to expand the approach across the spectrum of children's services. Our ambition is that a more robust and consistent approach will reduce the number of children becoming looked after, reduce the number of families re-entering services and enable families to feel more empowered to support themselves

Operational

- Regained pre-Covid school meals uptake levels of 75%, an increase of over 3% since schools reopened fully & customer survey shows a satisfaction rating is 4.5 out of 5
- Grant funding being used to support families eligible for free school meals ensuring access to meals during the holidays including Winter Support Grant funded 3 weeks of holiday FSM costing £0.348m; Covid Local Support Grant funded 8 weeks of holiday FSM costing £0.794m; Household Support Grant will fund 6 weeks of holiday FSM costing an estimated £0.817m; Average weekly pupil numbers are c7,000; The Holiday Activity Fund provided c20,000 meals during school holidays at a cost of £0.110m.
- Activities improving outcomes for children ensuring they get the best start included:
 - Social Workers in schools programme embeds social workers in 6 secondary schools to reduce referral rates to social care. Funding also secured for a Social Work Academy including 10 newly-qualified social workers and a team manager.
 - Youth Justice Divert from Charge is a new referral process which no longer sees young people being charged by police unless in extreme cases. Cases are referred to a panel before final decision. Through this young people are not be labelled as offenders and helps them from forming delinquent identities that may interfere with their development. Tailored diversionary interventions will be targeted & appropriate.
 - In June we started the development of a Kinship Care Team to deliver a bespoke service focused on the needs of Kinship Carers and children in Kinship placements.

ACTIONS

Strategic

- Looked After Children Strategy to be finalised
- Delivery of Early Help Strategy
- Ofsted inspection areas for improvement. These are: The quality and impact of supervision and contingency planning for children in need; and The routine inclusion of the views of children and their families in audits.

Operational

- Over the coming months the service will be focussing on further innovative developments with the intention to further enhance the services we provide, including:
- We have been successful in a regional bid to implement the Mockingbird model into fostering. It is an evidence-based model that nurtures the relationships between children, young people and foster families supporting them to build a resilient and caring community. Implementation will now take place to develop the model in Gateshead
 - Investing in an additional 2 residential homes in Gateshead. 1 for 3 young people with Autism/learning disabilities and a 3 bedded therapeutic home.
 - Redesign our Edge of care offer looking at ways to expand this to reach out to more YP in crisis. We are offering a model for intensive advocate support to families whereby there is a risk of accommodation of the YP.
 - CCG trauma informed therapeutic Team - Funding has been granted to support work with young people requiring support around mental health and accessing services.
 - Permanent Exclusion's prevention - we are strengthening the impact of two main devices within the authority over the coming year so that young people are well supported to stay within mainstream education and achieve well.
 - Extension of PAUSE programme, this is a voluntary programme for women who have experienced, or are at risk of, repeat removals of children from their care. Since commencement engagement of the women has been very successful; 29 women have been referred and 18 women are currently supported

SUMMARY

What is this telling us about how we are performing across Gateshead?

Even though the service has been under significant pressure, we have continued to undertake significant innovative developments to help improve support we provide, and the outcomes for our most vulnerable children: Demand is increasing for children's social care services. This is a strategic issue and is not unique to Gateshead. Operationally the Council is improving its focus on early help though greater preventative and early help would likely be needed to reduce demand in the longer term. In the short term demand may still increase. The impact of current issues including the pandemic will continue to be monitored to identify areas of key concern for Gateshead.

What will we be doing in response?

Supporting early intervention measures and working with families to help prevent longer term issues for children and young people. Where children do need to come into care, we are focusing on enabling better outcomes and improving the life chances of children and young people. There are a range of activities that will be taking place to support early intervention as well as improve outcomes for young people in care. The Budget Approach review of Children's services will also focus on how best to use resources to achieve outcomes.

Future Direction of Travel and Expectations over the next six months

Third quarter figures show an increase in children in care of the Council. It is likely that demand will continue to increase given the wider uncertainties around the pandemic and the longer-term impacts of this including pressure on services.

RESOURCES

- The growth in demand for children's services will put pressure on Council budgets. In order to reduce this a greater focus may be needed on prevention and early intervention services in order to improve longer term outcomes for children.
- A specific taskforce will focus on Children and will directly inform this priority objective as one of the Priority Based Transformational Areas in the budget approach.
- Other resource areas to highlight include human resource concerns and the recruitment of staff to support delivery of Children's Social Care and Early Help services
- 2022/23 pressures calculated for MTFS as follows:
 - Demand £2.41m
 - Fees £0.30m
 - Covid £1.00m
- 2021/22 savings of £0.50m expected to be delivered.

CHALLENGES / AREAS FOR IMPROVEMENT

Strategic

- Increase in demand being seen across the adult social care services due to pressures relating to Covid which is impacting on waiting lists and availability of packages of care
- The pressures of Covi-19 are also impacting on others areas particularly public health as resources are being prioritised to support the response needed in Gateshead.
- Provider market issues surrounding sustainability, as well as increases in serious provider concerns
- Recruitment and retention issues being seen in the commissioned workforce as well as in house employees who are being impacted by the pressures as well as fatigue setting in after a challenging 18 months
- Young people who are NEET has increased, which is in line with the general economic position across Gateshead.

Operational

While a slight reduction in those with a learning disability being helped into employment it is also most likely indicative of the economic position in Gateshead locally and nationally

AREAS OF EXCELLENCE

Strategic

- The build of the new ICC, Sister Winifred Laver Promoting Independence Centre, is now underway and progressing which will help to support longer term outcomes for adults with social care needs
- New online policies and procedures platform for social care has been developed, implemented and rolled out across the whole service
- Response to the pandemic and the hard work undertaken to support vulnerable people in Gateshead

Operational

- There are a number of pilots taking place using innovative technology to replace traditional adult social care support including an electronic medication system and a non-wearable falls solution
- Schools Recovery Curriculum - From the initial school lockdown it became very obvious, that children would not experience the same high quality education at home than at school. The LA and its schools response was to form a working party to prepare for returning to school. This produced a range of documents that supported pupils and staff to follow a curriculum, primarily, in English and Mathematics that identified key areas of learning that would be needed before further progress could be made. An assessment framework was also produced to track progress.
- The Schools Sport Partnership provided expert advice to schools with guidance on getting all children physically active.
- Gateshead Educational Psychology service, working alongside teachers produced a range of materials that supported the mental health of returning children. This work has continued. A further working group provided advice to school clusters on transition arrangements from Year 6 to Year 7.
- Response of Gateshead volunteers and VCS working with the Council to support vulnerable people during the pandemic

ACTIONS

Strategic

- Further consultation amongst Gateshead young people as part of the survey to identify issues and impact of Covid 19
- Work with partners on innovative workforce solutions including accessing the Kickstart scheme for our Provider and Care Call services and developing a Trainee SW programme
- Work closely with housing and commissioning colleagues with regards to our social care Market Position Statement and influencing the direction of future housing requirements in the Borough such as extra care facilities
- Complete the Health and Wellbeing Review

Operational

- Undertake work on proportionate reviews and our direct payments offer to improve performance and our offer in these areas
- Develop the Mosaic IT case management system in preparation for this to replace CareFirst. This will streamline case management and also produce performance data to inform service improvement

SUMMARY

What is this telling us about how we are performing across Gateshead?

While actions and plans are in place for longer term achievement of outcomes, there are some immediate pressures facing services including the need to respond to the Covid-19 pandemic and staff pressures, some of which are related. This has also impacted on the ability to collect and assess data, due to service disruption. The longer term outcomes to enable more people to have greater choice and control their lives remains a priority and activities are directed toward achieving. Increases in demand along with recruitment issues are key challenges, though these are reflected in the identified actions. A fuller analysis will not be able to be undertaken until Year end. There are already positive steps through the Council's activities to enable more people to have control over their lives such as there are more carers who have access to direct payments which will improve independence. This is an area that will develop in the future to increase access further.

What will we be doing in response?

Social care is responding to increased demand but is also focusing efforts to improve independence amongst clients which will reduce the need for longer term costly interventions in the future. Work will continue with the care market and providers to establish the needs and response required in Gateshead. The Council is undertaking research into the health and wellbeing of young people and has commissioned a survey to understand the issues facing young people in Gateshead. This will help to identify measures to support young people in ways that matter to them and their lives.

Future Direction of Travel and Expectations over the next six months

Demand is expected to increase which will put additional pressure on services, which means it will be increasingly important to improve preventative services and enable more people to be independent. The Council continues to focus on responding to Covid-19 and the changing measures needed to tackle the new variants. Business Impact Assessments and Business Continuity plans are being used to identify particular pressures so these can be managed in the shorter term.

RESOURCES

Adult Social Care resource issues:

- A specific taskforce will focus on Adults Services and will directly inform this priority objective as one of the Priority Based Transformational Areas in the budget approach.
- 2021/22 significant grants received for, infection control and rapid testing (3.986m) and recruitment and retention (£2.184m) to support the sector. Funding also received to facilitate Hospital Discharge on a claim basis (£2.196m claimed April to December).
- 2021/22 savings of £4.925m expected to be delivered.
- Demand pressures of £2.700m fee increases of £3.250m and Covid Pressures of £2.000m are estimated for 2022/23 and included within the Medium Term Financial Strategy.

**Create Fair Employment and Good Work for All - ANALYSIS – WHAT IS THIS TELLING US?
What do we Want to Achieve? Our Outcomes**

- All working age residents have access to good quality, sustainable work with decent pay and conditions
- All people in low paid, low skilled jobs have opportunities to improve their skills base so they can more easily achieve personal progression and attain an improved standard of living

CHALLENGES AND AREAS FOR IMPROVEMENT

Strategic

- It is clear that the pandemic has had a significant impact on the economy and that some sectors e.g. leisure and hospitality have been affected more acutely than others. A number of economic indicators collectively illustrate the difficulties seen in the economy since March 2020 with fewer businesses, and a lower employment rate.
- Brexit has also played a role in some of the issues being experienced in growing the economy such as disruption to supply chains
- Inevitably many of the events that would normally be held during the year have not been able to go forward due to the pandemic or have been reduced in scale. Some larger events were held albeit with Covid restrictions, and in many cases, attendance has been restricted to ensure they are safe. Other challenges include recruitment and retention in the local labour market across sectors as well as increasing energy and fuel costs

Operational

- Engagement of economically inactive residents who have left the labour market but can and want to work.
- Engagement with strategic employers to delivery business improvement, investment and growth.
- Stimulation of entrepreneurship within our communities

AREAS OF EXCELLENCE

Strategic

- Agreement of Gateshead Economic Strategy and areas of priority
- Enabling works for the Conference and Exhibition Centre have commenced on site with this due to be operational in 2024
- Successful strategic events including Tour of Britain two Athletics Diamond League events; Great North Run and Try on the Tyne, which all helped to showcase Gateshead locally, nationally and across the world

Operational

- Impactful and meaningful cross council and external stakeholder relationships are helping residents access Working Gateshead employment support and move into work
- Cross council working to administer COVID grant support to businesses. Advice and guidance in relation to grant entitlement, discounts and other financial support and on business compliance and safe trading supported businesses to improve resilience and keep trading. Business Resilience Fund helped businesses to invest in new ways of working to increase business resilience survival. Support for businesses identifying new opportunities, or residents made unemployed to start up and commence trading.
- The total number of enterprises has increased, which is encouraging though the short term outlook for local economic growth currently remains unclear
- Community Renewal Fund bid success with the largest allocation in the North East. This will support projects such as immersive Technology; Riverside Park Improvements and a LEP led innovation project

ACTIONS

Strategic

- Implementation of the Economic Strategy and development of delivery plans across themes of: Digital; Visitor; Green; Local;
- Further progression of the construction of the Conference and Exhibition Centre
- Deliver the Apprenticeship Strategy recently approved by Cabinet

Operational

- Place based, person-centred Working Gateshead engagement plan to target those residents who are not accessing mainstream employment support
- Strategic Account Management Programme to increase business expansion and retention creating sustainable opportunities for employment, innovation, and growth across the borough.
- Improved coordination of enterprise support services to increase and service demand for start-up support and increase number of local owned businesses including social enterprises and cooperatives

SUMMARY

What is this telling us about how we are performing across Gateshead?

Performance in the economy is illustrative of the challenges being faced including the global Covid-19 pandemic and the impact of Brexit. Many of these issues are not unique to Gateshead, though some sectors in Gateshead have been more adversely impacted such as the leisure and hospitality sectors. The Economic Strategy puts Gateshead in a good position to move forward focusing on key priorities. Good progress is being made on projects, through securing funding and also progressing the Quays development, which will secure longer term economic benefits including local jobs for people in Gateshead in the future.

What will we be doing in response?

The new Economic Strategy identifies the challenges and issues for Gateshead. The next step is to develop the Delivery Plan which will bring partners together to focus on priority areas and identify the actions needed to develop the Gateshead economy, increase jobs and employment opportunities for local people. Person centred approaches will also be a key operational focus of activity.

Future Direction of Travel and Expectations over the next six months

The future direction of travel is being monitored, though it is difficult, given the recent changes on advice in relation to the Pandemic, to fully predict the next six months. Analysis will be developed for the Year End stage when a full year of 2021/22 performance is known. It is clear that the Economy is facing a challenging time. The Council is working partners to support a longer term strategic approach to growth. There are activities already in place, such as support to businesses, achieving bid success, while other activities are being planned such as person centred approaches to support people into employment. Alongside this capital investment in projects such as the Gateshead Quays Conference and Exhibition Centre demonstrate that Gateshead is ambitious and taking steps to deliver economic growth

RESOURCES

- One of the Priority Based Transformation Areas as part of the budget approach is Economy and Business, considering the new Economic Strategy outcomes, the approach to jobs and support to businesses. A three-year plan will be agreed with savings identified for each year.
- Secured £2.1m funding from CRF for projects including “Future You” (£0.7m) considering unemployment, “Immex City” (£0.7m) considering immersive technology adoption, “Gateshead Riverside Partnership” (£0.6m) enhancing the visitor market, and “Future Markets Acceleration Programme” (£0.1m) considering business innovation.
- Administered £76.6m in covid grants to around 5000 businesses and awarded over £77m Retail Discount rate relief to 1,200 businesses impacted by covid.
- The Council have been reimbursed by way of a S.31 grant for the rate reliefs granted to businesses throughout the pandemic, however once these reliefs come to an end there is a risk that businesses will be unable to pay, which may significantly impact the Council’s financing

What do we want to Achieve? Our Outcomes

- All working age residents receive a wage that considers the true cost of healthy living
- Affordable childcare is accessible to those who need it
- Individuals and families are supported to have the best possible financial well-being to access debt and social welfare advice to maximise household income and improve financial management skills

CHALLENGES / AREAS FOR IMPROVEMENT

Strategic

- Current context of increasing energy costs is generally a challenge and without interventions things would be worse for local people facing higher costs to heat their homes and risk of increase in fuel poverty
- The cost of energy project interventions the Council has been pursuing is also increasing as the lower cost projects have largely been or are being implemented.
- The removal of the £20 weekly Universal Credit uplift and general cost of living pressures will make the second half of the year more difficult.
- Recent LloN data suggests that while more people have moved out of the 'Vulnerable' Thrive area, further analysis is needed to understand other changing between Thrive areas including those moving between Managing and Just coping. Analysis will be used to inform Council priorities and identify targeted interventions

Operational

- Making progress towards achieving the target to attach 10,000 households to the District Energy Scheme which should help to improve energy affordability
- Improve the time taken to process Housing benefit Changes and claims to help people access income sooner

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AREAS OF EXCELLENCE

Strategic

- Secured £6.2m funding to improve energy efficiency of 620 homes in Chopwell including up to 120 Council homes
- Agreed energy connection of 270 homes in Freight Depot to expand the delivery in Gateshead
- 650 homes in Winlaton on 20% hydrogen supply pilot
- The principles of THRIVE have been long established in the approach to supporting and sustaining tenancies.
- Reduction in % of residents identified as vulnerable through Lion data
- A key element of the locality working approach has been the collaborative working between the Council and its VCSE partners to support households affected by the pandemic through community hubs. Based on this the Council and 5 community anchor organisations have embarked on a 3-year £1.2m project with £500k Lottery Community Fund support to develop community led locality working, develop anchor organisation capacity, and help reduce demand for services by tackling challenges in neighbourhoods

Operational

- Rent: 99.23% of rent due was collected in the first half of year, and over £950k of financial gains for tenants were delivered through advice and support from the Rent and Income Team.
- Reduced the time taken to process Council Tax support and changes helping people to get support earlier
- Implementation of new household support grant to help vulnerable residents with food and energy needs
- Make A Change, funded by the European Social Fund, is focused on providing specialist, well targeted and integrated employment support to those with multiple barriers and complex needs. The project has supported 131 females, 132 males, 84 residents with disabilities and 40 BAME's

ACTIONS

Strategic

- Developing and agreeing systems to support and operate a new homes allocations policy will be a key activity over the next 12-18 months
- Develop locality based working approach across Gateshead building on the local hubs which will offer localised support to Gateshead residents in need, but who may not meet thresholds for statutory services

Operational

- Continue to support tenants, including identification of suitable recipients for Household Support Grant. Legal recovery will be escalated in a small number of cases where tenants are not engaging with services and are not paying.
- Delivery of energy efficiency projects in Gateshead to help to reduce fuel poverty and enable people to keep warm in their homes
- Ongoing advice and support is critical as Universal Credit brings a much greater risk of higher rent arrears. 6,140 council tenants are already in receipt of Universal Credit and 7,408 tenants still receive Housing Benefit and may move onto Universal Credit.

SUMMARY

What is this telling us about how we are performing across Gateshead?

The impact of the pandemic and Brexit on the local economy while increasing energy and fuel costs are all having broader consequences for the standard of living. This is a national issue and is not unique to Gateshead, however there are real risks to local people in terms of income levels compared to increased household costs. Progress in improving energy efficiency for local people which will reduce or maintain (in the current context of increasing costs) energy costs is heading in the right direction but is slower than needed to reach our ambitious targets.

What will we be doing in response?

While longer term the Economic Strategy seeks to improve economic growth, more short terms support through the approaches being developed through locality working will help to support the most vulnerable. Tenants will also be supported using grants available where appropriate as well as advice to help local people to manage finances as appropriate. Development of locality working approaches to support local people to improve their financial position such as through advice on housing, debt, or support into employment etc. The Council is also committed to working with its partners and local communities to support the development of locality working approaches to offer targeted and tailored support.

Future Direction of Travel and Expectations over the next six months

Given the current economic position of the UK, it is unlikely that the position will see much improvement over the next 6 months and income levels are likely to be impacted due to financial pressures. Despite excellent performance in the first half of the year, rental income will be impacted by the increasing take-up of Universal Credit in Gateshead and financial pressures placed on households. Average rent arrears for those on Universal Credit are more than 5x higher than those receiving Housing Benefit. Impact of this magnitude can be mitigated but not prevented. Signs of increased Government grants to increase interventions to improve energy into homes, however there is a risk that the benefits of these interventions may cancel out the increased costs being faced.

RESOURCES

- Two of the Priority Based Transformation Areas as part of the budget approach are Assets and Locality Working which will make better use of assets to help support people through local hubs with ongoing advice being critical to local people.
- A further area is through the review of Economy and Business considering the new Economic Strategy outcomes, the approach to jobs and support to businesses which can help local people to improve their income and standard of living through employment. A three-year plan will be agreed with savings identified for each year.
- There are currently 20,700 residents supported by the Council's Local Council Tax Support scheme (12,345 working age and 8,355 pensionable age). Discretionary Hardship Fund payments totalling £1.7m have been awarded to 15,845 working age claimants in 2021/22.

What do we want to Achieve? – Our Outcomes

- Local communities and social networks are strong
- All residents have access to a high quality, affordable, warm and energy efficient home
- All communities have access to good quality natural environment

- Gateshead has clean air with low levels of pollution
- Gateshead has low levels of crime and anti-social behaviour
- Gateshead is carbon neutral by 2030

CHALLENGES / AREAS FOR IMPROVEMENT

Strategic

- Total housing delivery remains below the target required. Challenges include technical and viability issues at brownfield sites, lack of diversity in the market, impact of Covid 19 and increased cost of materials. The Council published a Housing Delivery Test Action Plan in July 2021 setting out measures to help increase delivery. Latest information on housing and affordable housing delivery both show on average a marginal improvement on the previous year
- Focus on Tenancy Management to improve choices for under occupiers; use of stock; response to statutory overcrowding and reduce time homes are empty.
- Current housing decency projection end 2021/22 is 95.5% homes decent. Customer Satisfaction with Repairs & Maintenance to resolve issues on 'Right first time' basis.
- Achieving zero carbon heat generation in the community is a challenge. Technology currently isn't there to develop solutions in all communities yet

Operational

- Blue bin contamination rates have increased since introduction of a new contractor. A visit to the Facility identified high levels of textiles (not a target material). Significant investment would be required to implement food waste collection to increase recycling. Proposals under the Resource and Waste Strategy may result in this being mandatory. Other potential changes could affect the quantity and type of material collected as recycling e.g. deposit return scheme.
- Streetlighting / highways repairs within timescales did not meet the target, however data analysis demonstrates that there were capacity issues during the summer, though it is also recognised that winter may impact on performance
- While orders have been made for electric vehicles to improve the environmental sustainability of the fleet, delivery is delayed due to current national industry issues.
- Vacant properties have been reducing over the last 12 months from 752 in Nov '20 to 631 at the 6 month stage. This reduces to 544 once vacancies in multi-storey blocks subject to consultation are considered and would be within target. With the vacant property repairs backlog now reducing, activity can focus on recent vacancies.

AREAS OF EXCELLENCE

Strategic

- Continued improvement in Investors in the Environment Audit (progress towards Climate Change Emergency) achieving Silver
- 25% of Council electricity demand from local generation.
- 100% of remaining power from 100% green energy contracts. Strong progress regionally and nationally in promoting heat networks
- Timely removal of Regulatory Notice (breach of Home Standard).
- New HRA Asset Management Strategy developed underpinned by HRA Business Plan.
- Strategic Housing Improvement Programme established 15 key areas for Review, to deliver value & efficiencies.
- Resident Influence Strategy being drafted from review of customer engagement; strengthened by a new Resident Influence Panel and Strategic Housing Board. Tenants and Leaseholders have been appointed to both.
- Strategic Review of housing Voids with a Voids Action Plan now in place

Operational

- Planning permission granted (including section 106 agreements) for housing at Ryton (550 units) and High Spen East (132 units) Preliminary works have commenced.
- Obtained new carbon monitoring tool, Smart Carbon, to improve / broaden carbon emissions monitoring
- Launched Online reporting service for Repairs and Maintenance in July 2021, which provides the customer with more information about their repair reports. more than 1000 repairs now reported this way. We are using data to identify the areas of greatest need.

ACTIONS

Strategic

- Development of a new 'fit for purpose' Allocations Policy, to be presented to Cabinet April 2022.
- Implementation of Voids reduction plan.
- Second phase of Homelessness Review following the approval of the Strategy and Charter consideration by Cabinet.

Operational

- Jointly involved in tree planting initiatives:
 - Durham Wildlife Trust – Creation of >1ha of new / enhance existing woodland at Beggars Wood 21/22
 - Whitehills Carbon Park planting 5ha woodland 21/22
 - Urban tree planting including planting of standard trees, hedges and fruit trees in parks, open spaces & schools
 - Queens Green Canopy – Plant a tree for the jubilee, 0.4ha (2500 trees) from 2021/22
 - Woodland Trust development of new c.30ha of Community Woodland at Dunston Hill, 2022
- Behavioural Change Officers to work with residents to improve the recycling rate via targeted action.
- Use of social media for regular recycling messages. Toolbox talks have also been issued to crews to reiterate the message about tagging, and not emptying blue bins presented with contamination
- Phase 2 of the implementation of Repairs & Maintenance Improvement Plan due to commence, a designated Project team has been put in place. Plus roll out of all 15 work streams identified in Housing Improvement Programme. Review of Anti -Social Behaviour has begun along with a Review of High-Rise Living.

SUMMARY

What is this telling us about how we are performing across Gateshead?

Gateshead is making progress towards its Climate Change emergency and has been independently assessed as Silver which demonstrates good progress. A Self-Assessment exercise was carried out in March, to rate compliance with the four housing Consumer Standards plus the Rent Standard which identified areas designated 'good', 'satisfactory' or 'requires improvement'. This provided a current position statement including evidence of compliance and identified specific areas for improvement to become fully compliant. We achieved a 65% average compliance score across all standards.

What will we be doing in response?

We will work to progress the Climate Change Strategy and Delivery Plan towards our ambition of being Carbon neutral by 2030. The Council must ensure it is fully compliant with the existing housing Regulatory Standards and that we have robust governance arrangements in place to provide assurance and scrutiny. An action plan has been developed for the outstanding 35% compliance score (82 key actions; 43 have commenced, with a further 16 complete).

Future Direction of Travel and Expectations over the next six months

A Climate Action Plan is adopted (2021) and being implemented which will drive carbon reduction in Council operations. The Council is exploring ways to better monitor and report scope 3 emissions going forward. The Council is working towards a zero carbon heat strategy targeting heat network growth to 20.0 Household waste sent for recycling performance is higher in the first 6 months due to seasonal variations including garden waste, so year-end performance is likely to be closer to 30%. It is anticipated that all outstanding actions contained within the Regulatory Standards action plan will be completed within 18 months. We are in a much stronger position following the removal of the Regulatory Notice for breach of the Home Standard; with a new HRA Asset Management Strategy underpinned by a costed and affordable HRA Business Plan. Delivery and accountability have been strengthened by the creation of a new Strategic Housing Board. Digital enhancements, including the launch of Online Reporting Service for Repairs and Maintenance in July 2021. A Regulatory Standards action plan in place with governance arrangements to monitor and report to OSC on a quarterly basis, which is complemented by a new Performance Framework and suite of indicators. Great progress being made on the Council's sustainability agenda, though challenges remain, particularly around resource and technology

RESOURCES

- Priority Based Transformation Areas which are cross cutting and will address longer term challenges with a focus on delivering Council services differently and managing demand. The areas of Climate Change and Housing Improvement Plan will inform this priority objective theme.
- Other resource areas to highlight include:
- New 30 year costed, affordable and sustainable HRA Business Plan approved by Cabinet and has a £3.5m efficiencies target built in for 2022/2026
- Business plan includes capacity to deliver new affordable homes together with the objectives of the HRA Asset Strategy.
- Secured £7.5m grant to install solar PV parks in Gateshead town centre to supply council buildings. Major capital grant support would be needed to fully deliver ambitions on energy.
- Ensure effective implementation and delivery of the Housing Improvement Plan.

Ill Health Prevention - ANALYSIS – WHAT IS THIS TELLING US?

What do we want to Achieve – Our Outcomes

- All preventable ill health is reduced, to end the gap in inequalities within the borough
- No-one will be homeless or living in accommodation that does not provide a safe and healthy environment

- All residents will be able to access flexible health and care support, when and where they need it

CHALLENGES / AREAS FOR IMPROVEMENT

Strategic

- Significant service disruption / distraction due to impact of Covid-19 pandemic. A number of measures were not collected during the pandemic while some activities were stopped due to the need to social distance as well as prioritise public health resource to tackle the pandemic while the impact is showing an increase in inequalities – DoPH Annual report “Behind the masks, Gateshead’s Covid stories, Gateshead Director of Public Health Annual Report 2021/22”
- Draft Homelessness and Rough Sleeping Strategy outlines improvements required
- Homelessness and Allocations Reviews to be aligned
- Social care focus on supporting the most vulnerable during the pandemic

Operational

- Review of accommodation of support for those who are homeless or at risk of homelessness (including direct access 24/7)
- Development of a Gateway to accommodation and support

AREAS OF EXCELLENCE

Strategic

- Implementation of Strategic review of homelessness
- Successful regional bid under Changing Futures Programme
- Newly Established Homelessness Forum for Gateshead
- Response to the Covid-19 pandemic remains strong
- First phase of Homelessness Review is complete with Strategy and Charter due to be considered by Cabinet.

Operational

- Implementation of homelessness prototype via the Changing Futures Programme
- Proactive approach to homelessness prevention beyond statutory requirement
- Excellent partnership working established linked to homeless pathway for offenders and ex-offenders
- Strong partnership arrangements with Oasis Community Housing in supporting those at risk of homelessness and rough sleeping with multiple or complex needs
- Additional funding secured through Rough Sleeping Initiative and Next Steps Accommodation programme providing additional units and support for those at risk of rough sleeping.
- Private rented sector funded project supporting ex-offenders with accommodation
- Winter Flu Vaccination Programme and successful approaches to deliver Covid-19 vaccines with our partners

ACTIONS

Strategic

- Implementation of actions outlined in new Strategy, which sets out our four key strategic aims to tackle homelessness
- Draft Homelessness Charter being developed for Cabinet consideration
- Launch of Homelessness Charter and Strategy with partner agencies
- Develop a joint Homelessness and Allocations Phase 2 Project Plan.
- Implementation of the Changing Futures Programme
- Respond to the Covid-19 pandemic and continue to identify short and long term impacts – DoPH Annual Report

Operational

- Complete the accommodation and support review
- Continue to embed and develop partnership working
- Further develop homeless prototype approach linked to implementation of Changing Futures programme
- New Mosaic Social Care System being developed for Adult Social Care and due to be live at the end of June 2022. This will help to streamline processes and payments improving the service to social care users and carers.

SUMMARY

What is this telling us about how we are performing across Gateshead?

The Covid-19 pandemic has had a significant impact on the ability to deliver services with some being disrupted, ceased or reduced in order to direct resources to dealing with the pandemic. There is significant demand on homelessness services; the development of a new strategy will support the service and partner agencies to respond to all the needs of those facing homelessness and rough sleeping in addressing the underlying causes of homelessness and provide appropriate accommodation and support. Ill health prevention by its nature considers the longer term impacts of health and tackling issues that can result in poorer outcomes over the course of a lifetime. This means it can take a while for changes at population level to be seen. The pandemic response has had to be prioritised with resources being diverted to support this.

What will we be doing in response?

Working in partnership to consider wider causes of homelessness and developing services that can meet these needs in a holistic way, addressing more than just the accommodation needs. Identify and consider the impact of Covid-19 over the longer term on ill health prevention as well as learn lessons from the pandemic. We are still responding meaning the full impact in the longer terms still needs to be determined. A key area will be focusing on the response and recovery from the pandemic, focusing on ill health prevention.

Future Direction of Travel and Expectations over the next six months

Phase 2 of the strategic review of homelessness and allocations and delivery of rough sleeper action plan Approval of Homelessness Strategy and Charter – December 2021
Responding to the pandemic will be a focus in the short term over the next 6 months along with understanding the longer term impacts.

RESOURCES

- These areas are seeing increases in demand for ill health prevention services; however the pandemic is having an impact on the availability of support. Public health resources are currently focused on prioritising the response to the pandemic.
- Earlier intervention can help to reduce health inequalities faced in later life and improve health and wellbeing outcomes, which can help to reduce demand for services.
- Two of the Priority Based Transformation Areas as part of the budget approach are Adults Social Care and Housing Improvement which will directly inform this priority objective.
- £8.1m Contain Outbreak Management Fund in 2021/22 to tackle COVID-19. No funding announced for 2022/23 to date.
- £1.2m PHWB savings 2021/22 of which £0.300m has been delivered after savings mitigation (£0.900m). Long term proposal is to transform Leisure & Library services to better meet local needs.
- Difficult challenges for Leisure services in year and 2022/23. Projected loss of Fees & Charges income is £4.2m due to impact of the pandemic.
- Locality Working to be piloted, short term will support early intervention with longer term goal of improving life chances and reducing dependence on council services.
- Homelessness funding subject to annual grant allocations makes long term investment decisions difficult £0.5m 2021/22 and confirmed as same for 2022/23. During the pandemic specific additional funding has been provided to ensure we can meet our obligations £0.080m 2020/21, 2021/22 £0.239m
- NSAP funding (now RSAP) secured £0.103m capital (2020/21) for preparation of 15 properties as move on accommodation and £0.221m revenue for 2020/21 to 2023/24 for support.
- Successful funding bid for accommodation for ex-offenders £66,707.
- Rough Sleeping Initiative Funding (RSI) £0.656m – joint service with Sunderland and South Tyneside.
- Changing Futures programme £5.089m regionally 2021/22 – 2023/24 – Gateshead lead LA with £1m for Gateshead homelessness project.

ENSURING THE ORGANISATION IS IN THE BEST POSITION TO DELIVER COUNCIL PRIORITIES - WHAT DO WE WANT TO ACHIEVE – OUR OUTCOMES

Employees

- Employee satisfaction – Gateshead Council a great place to work
- Diverse & inclusive workforce
- Maximising Employee Potential – opportunities to learn, develop and aid succession planning

Finance, Governance & Risk

- Revenue Budget, Capital Budget, HRA; Income received, Risk

Customer Experience

- Thrive – reduce the number of residents vulnerable or just coping
- Resident’s satisfaction with Gateshead and Gateshead Council
- Improved customer experience through better contact with the Council (right first time)

External Assessment

- External Audit; Regulators Assessment (Ofsted, CQC, Housing); Compliance; Partners

CHALLENGES / AREAS FOR IMPROVEMENT

Strategic

- Recruitment remains an issue in key areas of the Council along with morale, while Covid-10 continues to place pressures on service delivery and on employees
- The use of £20m reserves over the three-year budget approach carries a significant risk to the Council’s sustainability if savings are not identified and delivered.

Operational

- Employee characteristics shared shows a requirement to improve however, this is a longer-term goal instilling confidence for officers to respond.
- Number of complaints upheld at Stage 3 is up from 10-15%. Q1 & Q2 20 Chief Executive reviews were completed and 3 (15%) were upheld.
- Business rate collection - has been affected by Covid-19, temporary suspension in recovery action + the reduction in retail discount, which inflated this year's net collectable debit compared to last.
- In 2020/21 NHS funded more care packages so less people were charged for their care. For 2021/22 a change in charging policy has led to an increase of £400k in charges to be collected from service users. Recovery action was suspended during the pandemic and has re-started with a refined approach.

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AREAS OF EXCELLENCE

Strategic

- There has been positive movement of people from the vulnerable to coping of the Thrive assessment though more assessment is needed to understand movement across themes
- External assessment from OFSTED is consistently rated as Good providing reassurance to communities.
- Auditor – unqualified assessment for accounts
- Successful completion of Voluntary Undertaking with the Social Housing Regulator
- Budget savings are regularly monitored and 97.5% of savings are projected to be achieved in 2021/22.

Operational

- % of Council Tax collected has risen despite the impact of the pandemic.
- Apprenticeships – work around the increase in the proportionate number of apprentices employed internally and the spend of the apprenticeship levy show an upward trajectory.
- The movement of the digitalization and shift into online usage continues to increase across services. The figures highlighted are based on 4 baseline data sets as and more data will be added in the future.
- An increase of £2.3m in online payments has been recorded

ACTIONS

Strategic

- Develop best approach to accounting for total local spend including appropriate benchmarking mechanisms to develop a baseline position from which to plan activity upon and support local community wealth building
- Develop new ways of working including implementation of the hybrid model
- Take forward further digital improvements to service delivery as part of the strategic approach to customer experience whilst ensuring to support people who are unable to access services digitally.
- Continue to monitor & respond to the impact of the pandemic
- Focus on development & provision of services for Gateshead schools

Operational

- Ensure digital all employees have access to mobile devices as appropriate to support more efficient ways of working
- Undertake resident’s survey and engage effectively with communities.
- Develop and implement an effective employee engagement framework in response to new ways of working and improve employee morale
- Administration of Covid support grant support

SUMMARY

What is this telling us about how we are performing across Gateshead?

Activities are in place to support the overarching outcomes through as some of these are fairly new they will take time to implement and achieve the desired outcomes. Recruitment is an issue that is impacting on a number of services across the Council, while staff absence is also an issue. The pandemic is continuing to put significant pressures on service delivery. The approach to customers and digital continues to develop with more services available online increasing access and timely responses, the next steps will be to ensure support is available for greater digital inclusion as well as ensuring access for those who are unable to use digital mechanisms. External assessments have been positive and demonstrate the effectiveness of the Council in key areas, as well as highlighting key areas for improvement.

What will we be doing in response?

We will be taking forward a new approach to the budget as agreed by Cabinet in December 2021 to ensure the Council is able to deliver its priorities and statutory duties in a sustainable way. Current service disruption due to Covid-19 is being managed through Business Impact Assessment and Business Continuity Planning reporting on a weekly basis to CMT Business Impact Assessment and continuity plans are being monitored to identify pressure points and capacity needs to ensure the Council is able to deliver its critical services

Future Direction of Travel and Expectations over the next six months

The next 6 months will likely see further disruption due to the current Covid-19 infection levels and the need to respond to demands / service pressures for resulting from the pandemic. This is likely to impact on performance in some areas and the impact will be reported at Year end. This includes collections rates and sickness levels. It is likely that the move to more digital ways of engaging and transacting with the Council will increase as more people seek to contact the Council online.

RESOURCES

- A new approach to the Budget was agreed by Cabinet in December 2021. This includes Priority Based Transformation Areas which are cross cutting and will address longer term challenges with a focus on delivering Council services differently and manage demand. All of these will inform the areas within the Balanced Scorecard, however the Asset Review will have particular relevance by focusing on the use of assets to deliver priorities and the rationalisation of buildings in line with post pandemic ways of working.
- Brought forward budget savings of £0.400m for 2020/21 and £8.117m for 2021/22. Currently projecting £8.317m of savings will be achieved, after mitigation of £2.718m.
- The current financial context is exceptional as the Council deals with the impacts of Brexit and the pandemic which requires continual monitoring, strong financial discipline and new and flexible approaches to financial planning and management.

GIVE EVERY CHILD THE BEST START TO LIFE WHAT DO WE WANT TO ACHIEVE?

Outcome	Intervention	On track	DoT	£	Strategic performance	Baseline	Latest	Target	DoT	Operational Performance	Baseline	Latest	Target	DoT		
<p>The circumstances which result in adverse childhood experiences are prevented</p> <p>Parents can access support proportionate to meet their needs, to be the best parents they can be</p> <p>All children start school ready to learn</p> <p>All permanent school exclusions are prevented</p> <p style="text-align: right;">20198</p>	Develop a framework to support Gateshead as a child friendly place				% of pupils eligible for free school meals	21.2% (Oct 2019)	26.44% (Oct 2021)	Tracking	↑	<p>% take up of free school meals in primary schools</p> <p>% of Gateshead schools graded good or outstanding in relevant categories</p> <p>% of Early Help cases closed with 'all needs met' as an outcome</p> <p>% of cases closed to early help which remain out of statutory services at 6 months and 12 months</p> <p>Increase in the number of families who are offered the opportunity to be part of a Family Group Conference</p> <p>Increase in the number of families to take up the offer to be part of a family group conference</p> <p>Increase in the number of families supported through the FDAC (Family Drug and Alcohol Courts)</p> <p>The percentage of children assessed by Children Social Care, where 3 or more ACE (Adverse Childhood Experience) factors were identified</p> <p>Reduction in the average time between a child entering care and being made subject of a Special Guardianship Order</p> <p>Reduction in the average time between a child entering care and placed for adoption</p> <p>Smoking at time of delivery</p> <p>6-8 week breastfeeding rate</p> <p>Pupils who have missed 10% or more of school sessions during an academic year</p>	75% (Sept 2021)	75%	Maintain then increase	↔		
	School meals service relaunch to raise awareness of school meals and encourage parents to apply for free school meals	Schools meal service relaunch	↑		Gap in Life expectancy at birth male/female Inequality in life expectancy at birth for Males / Females	9.3 (M) 7.3 (F) 2011-13	10.7 (M) 9.6 (F) 2017-19	Reduce	Annual							
	Implementation of Gateshead's Economic Strategy	Economic Strategy approved by Cabinet	↑		Children in relative low income families (under 16s)	24.9 (2019/20)	24.9 (2019/20)	Reduce	Annual							
	Support our schools to deliver an effective curriculum that addresses the skills required for later life and supports emotional well-being				% of all schools and academies in Gateshead graded good or outstanding in relevant categories	93% (Apr21)	93%	Tracking	Annual							
	C&F Early Help Strategy - providing support to families when a need is identified or as soon as a problem emerges, at any point in a child	Early Help Strategy in place	↑		Hospital admissions caused by unintentional and deliberate injuries in children (aged 0-14 years)	113.3 (2019/20)	86.7 (2020/21)	Reduce	↓							
	Focus our efforts on supporting confident, positive and resilient parenting, to those who most need our support				Reduction in the number of children who need to be taken in to care	184 / 46.7 per 10,000 (at 31/03/21 for previous 12 months)	183 / 46.4 per 10,000 (at 30/09/21 for previous 12 months)	Reduce	↓							
	Looked After Children Strategy Interventions - Where children need to be cared for by the Council, we will make the duration of care as short as possible. Support families in making the changes required to enable their children's safe return home.	Looked After Children Strategy in development	↑		Reduction in the number of children who need to become the subject of a Child Protection Plan	287 / 72.8 per 10,000 (at 31/03/21 for previous 12 months)	307 / 77.9 per 10,000 (at 31/09/21 for previous 12 months)	Reduce	↑							
	Increase the focus of existing expenditure on early years to reduce inequalities in early development				Reduction in the rate of children who need to be referred to Children Social Care services	1621 / 411.6 per 10,000 (at 31/03/21 for previous 12 months)	1953 / 495.8 per 10,000 (at 31/09/21 for previous 12 months)	Reduce	↑							
	Ensure maternity services, parenting programmes, childcare and early year's education are of high quality and meet needs of all groups				School readiness: percentage of children achieving a good level of development at the end of Reception	73.4% (2018/19)	No data available	Increase	Annual-							
	Build resilience and well-being of all children and young people				School readiness % of children with free school meals achieving a good standard of development at the end of reception	52.7% (2018-19)	No data available	Increase	Annual							
						No of permanent exclusions from Gateshead schools	38 (19/20)	42 (20/21)	Reduce		↑					

Investment Strategy & Resources

Revenue 21/22 (23% of total gross budget)		Capital
Gross £000	Net £000	£000
150,802	36,463	19,021

Commissioned Spend: tbc
Assets: Asset Strategy Review
Employees – 513.17 FTE
Figures based on 2021/22 budget setting

Risks to Achievement rated after mitigation

- Failure to safeguard vulnerable children & adults **Amber**
- Non-compliance with statutory requirements resulting in prosecution & subsequent penalties **Amber**
- The Council is hit by a Cyber-attack that compromises confidentiality, integrity & availability of information **Amber**
- Failure to address financial gap in the Council's budget & systems **Amber**
- Failure to address workforce planning & resource requirements impacting on service delivery **Green**

Performance to be cross referenced with "Behind the masks, Gateshead's Covid stories, Gateshead Director of Public Health Annual Report 2021/22"

Qualitative Impact

- Good Ofsted Inspection of children's social care
- Latest school meals customer survey (Sept 2021) shows a satisfaction star rating is 4.5 out of 5

Geographic Impact (Localities impact, LIoN data etc)

- LIoN data shows child poverty rates to be highest in the inner east and riverside wards particularly prevalent in Deckham, Chowdene, Felling, Bridges, Teams as well as Chopwell in the west and Lamesley in the south of the Borough.

**ENABLE ALL YOUNG PEOPLE AND ADULTS TO MAXIMISE THEIR CAPABILITIES AND HAVE CONTROL OVER THEIR LIVES
WHAT DO WE WANT TO ACHIEVE? – OUR OUTCOMES AND PERFORMANCE**

Outcome	Intervention	On track	DoT	£	Strategic performance				Operational Performance					
					Baseline	Latest	Target	DoT	Baseline	Latest	Target	DoT		
<p>All young people are resilient, with good physical and mental health and wellbeing</p> <p>All young people are ready and appropriately skilled for the workplace</p> <p>Gateshead is a positive place in which everyone's mental health and wellbeing can flourish</p> <p>Everyone is able to be an active part of their community and feel connected to communities and networks</p> <p>All domestic abuse is prevented</p>	<ul style="list-style-type: none"> Prioritise creating the conditions for people to enjoy positive emotional health & well-being. Support our schools to deliver an effective curriculum that addresses skills required for later life and supports emotional well-being Implement Economic Strategy Research commissioned into wellbeing of children and young people Health and wellbeing intervention Delivery of Health & Wellbeing review Support people through locality case working, even not eligible for statutory services but who require support Ensure views & opinions of local people are represented in all aspects of our work Prioritise preventing & reducing scale & impact of violence & domestic abuse 	<p>Gateshead Schools are being supported and the Services for Schools offer is being adapted to meet the needs of schools as appropriate.</p> <p>Economic Strategy Agreed</p> <p>Children and Young people Survey commissioned by public health with consultation continuing from Dec 2021</p> <p>Health and Wellbeing review being progressed</p> <p>Locality working approach in development stage</p>	<p>↔</p> <p>↑</p> <p>↑</p> <p>↔</p> <p>↑</p>		Year 6: Prevalence of obesity (including severe obesity) Child and Maternal Health	24.9 (2019/20)	24.9 (2019/20)	Reduce	Annual	Households with dependent children owed a duty under the Homelessness Reduction Act Child and Maternal Health	23.0 (2019/20)	26.3 (19/20)	Reduce	↑
					Gap in life expectancy at birth male/female Inequality in life expectancy at birth Males / Females	9.3 (M) 7.3 (F) 2011-13	10.7 (M) 9.6 (F) 2017-19	Tracking	↑	Hospital admissions caused by unintentional & deliberate injuries in young people (aged 15-24)	167.5 (2019/20)	155.8 (2020/21)	Reduce	↓
					People reporting low life satisfaction %	4.7%	5.7%	Reduce	↑	Children 5-17 years attending holiday activities	To be set in Year 1	754	To be set	Annual
					16-18 Year olds not in education, employment or training (NEET)	5.2% (Dec – Feb 19/20)	5.8% (Dec – Feb 20/21)	Reduce	↑	Inequality in attainment between children looked after by the local authority & those not KS4 Attainment 8 Score	CLA 21.8 NCLA 47.2 (2018/19)	No data	Reduce	Annual
					19-24 Year olds not in education, employment or training (NEET)				Annual	No of people supported by a caseworker who report improvement in their satisfaction with life	Locality teams, being developed during 2021/22			Annual
					GCSE achieved 5 9-5 including English & Maths (%) / with free school meals (%)	To be determined	No data published	Increase	Annual	Successful completions from substance misuse treatment		No data		Annual
					Inequality in attainment between children eligible/ not eligible for FSM KS1 Expected Level	2018/2019 - FSM 46% NFSM 70%	No data published	Reduce	Annual	Smoking attributable hospital admissions		No data		Annual
					Inequality in attainment between children eligible for and not eligible for free schools KS2 (RWM Expected Standard)	2018/2019 - FSM 52% NFSM 73%	No data published	Reduce	Annual	Smokers that have successfully quit at 4 weeks	2,116 (2018/19)	2,546 (2018/19)	Increase	↑
					% of physically active adults Musculoskeletal Conditions	-	No Data	Reduce	Annual	% of eligible adults with a learning disability having a GP health check	66.2 (2018/19)	66.2 (2018/19)	tbc	Baseline is latest
					Admission episodes for alcohol-specific conditions - Under 18s per 100,000 Child and Maternal Health -	50.5 per 100,000 (2017/18 - 2019/20)	50.5 per 100,000 (2017/18 - 2019/20)	Reduce	Baseline is latest	Adult Social Care Self-reported user experience: ASCOF 3A Overall Satisfaction of people who use services with their care and support ASCOF 3B overall satisfaction of Carers with social services	3A 64.2% 2019/20		Increase	Annual
					Substance misuse prevalence & unmet need Gateshead compared to (England figure)	Baseline: Alcohol: 79.6% (80.4%) Opiates: 37.6% (46.9%) Crack 68.2% (57.7%) Opiates &/or crack 43.2% (53.6%)		Reduce	Annual	Volunteering levels / Supporting and working with the VCS measures	2116 (2018/19)	Annual	Increase	Annual
					Smoking Prevalence in adults	17.1	17.1	Reduce	Baseline is latest	Social isolation % of adult social care users who have as much social contact as they would like	52.3%	Annual	Increase	Annual
					Those with learning disabilities in suitable accommodation & supported into paid employment	8.88% (2020/21 provisional pending national publication)	8.1%	Increase	↓	No of permanent adaptations carried out (to enable people to stay in their home)	600	1,372	600	↑
					Proportion of adults with a learning disability who live in their own home or with their family cumulative indicator - 6 month figure is not comparable to year end	82.94% (2020/21 provisional pending national publication)	33.4% (Cumulative indicator)	Increase	↑	% of social care users aged 18+ with personal budgets / direct payments: ASCOF 1C part 1a (adults receiving self-directed support)	98.29% 20/21	98%	Increase	↔
					Total no. of accessible and adaptable homes built from 1st April 2021 baseline	Baseline to be set when 2021 data published	Annual	To be set once baseline established	Annual	ASCOF 1C part 1b (carers receiving self-directed support)	98.61% 20/21	100%	Increase	↑
Rate of domestic violence reports / convictions/ repeat victims of domestic violence and/or children affected by domestic abuse	TBC	TBC			ASCOF 1C part 2a (adults receiving direct payments)	20.5% 20/21	19.3%	Increase	↓					
					ASCOF 1C part 2b (carers receiving direct payments for support direct to carer)	63.89%	68%	Increase	↑					

Investment Strategy & Resources

Revenue 21/22 (25% of Council budget)		5 Yr Capital
Gross £000	Net £000	£000
168,063	80,001	26,686

Commissioned spend: tbc Assets: Asset Strategy Review Employees 1041 16FTE tbc Fins based on 2021/22 budget

- Risks to Achievement rated after mitigation**
- Failure to safeguard vulnerable children & adults **Amber**
 - Non-compliance with statutory requirements resulting in prosecution & subsequent penalties **Amber**
 - The Council is hit by a Cyber-attack that compromises confidentiality, integrity & availability of information **Amber**
 - Failure to manage demand and expectations could result in the Council not achieving its Thrive agenda **Amber**
 - Failure to address financial gap in the Council's budget & systems **Amber**
 - Failure to address workforce planning & resourcing requirements impacting on service delivery **Green**

Performance to be cross referenced with "Behind the masks, Gateshead's Covid stories, Gateshead Director of Public Health Annual Report 2021/22"

Qualitative Impact

Young people's survey commissioned by Public Health to understand Covid issues & impact from. Further consultation from Dec 2021 Case studies being identified

Geographic Impact

Further information will come from the approach to locality working through analysis of Lion data and locality working

**CREATE THE CONDITIONS FOR FAIR EMPLOYMENT AND GOOD WORK FOR ALL
WHAT DO WE WANT TO ACHIEVE? – OUR OUTCOMES AND OUR PERFORMANCE**

Outcome	Intervention	On track	DoT	£	Strategic Performance	Baseline	Latest	Target	DoT	Operational Performance	Baseline	Latest	Target	DoT
<p>All working age residents have access to good quality, sustainable work with decent pay and conditions</p> <p>All people in low paid, low skilled jobs have opportunities to improve their skills base so they can more easily achieve personal progression and attain an improved standard of living</p>	<p>Implementation of Gateshead's Economic Strategy</p> <ul style="list-style-type: none"> •Visitor Economy •Green Economy •Digital Economy •Local Economy (Community Wealth Building) <p>e.g. Delivery of Gateshead Quays development including Conference and Exhibition Centre Gateshead Town Centre Regeneration Masterplan</p> <p>Helping people into work from direct 1:1 support in their own localities.</p>	Strategy agreed	↑		Unemployment rate %	5.5% (Apr 19 - Mar 20)	7% (Jul 2020 - June 2021)	Tracking	↑	Individuals helped into work	To be set at end of year 1	132	To be set at end of year 1	Annual
		Apprenticeships starts				1,760 (2018/19)	1,240	Increase	↓					
		Apprenticeships completion				940 (2018/19)	680	Increase	↓					
		Business births in Gateshead				800 (2019)	730 (2020)	Increase	↓					
		Total no of enterprises in Gateshead				5270 (2019)	5500 (2021)	Increase	↑					
		Jobs density in Gateshead				0.81 (2019)	Annual	Increase	Annual					
		Sustain Gateshead's working age population at a minimum of 2018 baseline of 128,300				127300 (2019)	127100 (2020)	Tracking	↔					
		Employment Rate				73.3% (2019/20)	72% (Jul 20 – Jun 21)	Increase	↓					
		Economic Inactivity Rate				22.8% (2019/20)	21.4% (Jul 20 – Jun 21)	Reduce	↓					
		Staying visitors to Gateshead				665,080 (2019)	207100 (2020)	Increase	↓					
Gap in life expectancy at birth male/female: Slope index of inequality				9.3 (M) 7.3 (F) 2011-13	10.7 (M) 9.6 (F) 2017-19	Reduce	↑							
		Gateshead Quays progressing	↑							Jobs created	To be set at end of year 1	641	To be set at end of year 1	Annual
		Locality approach being developed	↑							jobs safeguarded	To be set at end of year 1	373	To be set at end of year 1	Annual
										Start-ups commenced trading	To be set at end of year 1	38	To be set at end of year 1	Annual
										Business improvement and expansion projects completed	To be set at end of year	11	To be set at end of year 1	Annual
										Inward investment success	14 (12 months) (2019/20)	4 (6 months)	To be set at end of year 1	Annual

Performance to be cross referenced with "Behind the masks, Gateshead's Covid stories, Gateshead Director of Public Health Annual Report 2021/22"

Investment Strategy & Resources

21/22 Revenue (1% of Council gross budget)		5 Year Capital
Gross £000	Net £000	£000
3,860	1,338	189,662

Commissioned Spend: tbc
Assets: Asset Strategy Review
Employees 137.38 FTE
Figures based on 2021/22 budget setting

Risks to Achievement rated after mitigation

- Failure to attract inward investment and deliver sustainable economic growth **Amber**
- The Council is hit by a Cyber-attack that compromises confidentiality, integrity & availability of information **Amber**
- Failure to address financial gap in the Council's budget & systems **Amber**
- Failure to address workforce planning and resourcing requirements impacting on service delivery **Green**

Qualitative Impact

- Adverse impact on the economy following the Covid-19 pandemic with certain sectors including retail and hospitality impacted
- Business surveys undertaken showing pressures as a result of Covid and Brexit
- Major events held in Gateshead attracting thousands and held in Covid-19 safe way e.g. Great North Run; Try on the Tyne; Tour of Britain and two Diamond leagues, increasing Gateshead's profile with local, national and international television coverage

Geographic Impact (Localities impact, LIoN data etc)

Further information will come from the approach to locality working through analysis of Lion data and locality working as well as through the Economic Strategy delivery planning

ENSURE A HEALTHY STANDARD OF LIVING FOR ALL, IN ACCORDANCE WITH INTERNATIONAL LAW ON ECONOMIC AND SOCIAL RIGHTS
WHAT DO WE WANT TO ACHIEVE? – OUR OUTCOMES AND OUT PERFORMANCE–

Outcome	Intervention	On track	DoT	£	Strategic Performance	Baseline	Latest	Target	DoT	Operational Performance	Baseline	Latest	Target	DoT	
All working age residents receive a wage that considers the true cost of healthy living Individuals and families are supported to have the best possible financial well-being to access debt and social welfare advice to maximise household income and improve financial management skills Affordable childcare is accessible to those who need it	Intervention from Economic Strategy •Visitor Economy •Green Economy •Digital Economy •Local Economy (Community Wealth Building) e.g. Delivery of Gateshead Quays development including Conference and Exhibition Centre Gateshead Town Centre Regeneration Masterplan Locality working development	Economic Strategy agreed and Quays progressing Locality working approach developing building on hub work with pilot planned	 		All residents have the opportunity to thrive: % residents who are vulnerable	39.5%	31.9%	Tracking		Number of people/families helped through locality partnership support to maximise household income Rent collected from tenants as a percentage of rent due in the financial year Households in Council Tax arrears Overall average SAP rating of homes in Gateshead No of domestic properties supplied by District Energy Scheme Average number of days taken to process Housing Benefits claims and changes Average days taken to process Council Tax support claims and changes	To be set at end of Year 1 98.78% 2020/21 Baseline 71.39 800 8.91 Sep 20 13.98 Sep 20	Annual Annual TBC 800 9.33 Sep 21	To be set at end of Year 1 98% +/- 2% To be set after Year 1 69 (+/- 3%) 10,000 (cumulative target) Reduce Reduce	Annual Annual Annual Annual Annual	   
					% residents who are just coping	29.5%	41.7%	Tracking							
					% residents who are managing	13.3%	16.7%	Tracking							
					% residents who are thriving	17.7%	9.6%	Tracking							
					% of population living in income inequality	9.6%			Annual						
					Gap in annual household income between highest and lowest (Definition to be set)	-	-	-	Annual						
					Households in Fuel Poverty (%)	15.1% (2019)	Annual	Reduce	Annual						
					Gap in life expectancy at birth male/female Inequality in life expectancy at birth for Males / Females	9.3 (M) 7.3 (F) 2011-13	10.7 (M) 9.6 (F) 2017-19	Tracking	 Annual						

Performance to be cross referenced with "Behind the masks, Gateshead's Covid stories, Gateshead Director of Public Health"

Investment Strategy & Resources

21/22 Revenue 8% of Council Budget		5-Year Capital
Gross £000	Net £000	£000
52,674	728	

Commissioned spend: tbc
Assets: Asset Strategy Review
Employees: FTE (tbc)

Figures based on 2021/22 budget setting

Risks to Achievement rated after mitigation

- Failure to attract inward investment and deliver sustainable economic growth **Amber**
- The Council is hit by a Cyber-attack that compromises confidentiality, integrity & availability of information **Amber**
- Failure to address financial gap in the Council's budget & systems **Amber**
- Failure to address workforce planning and resourcing requirements impacting on service delivery **Green**

Qualitative Impact
Evidence of impact (customers, customer profile, residents, employees, others)
Assessments, reviews, project findings, progress checks

- Role of hubs and support provided to local families during Covid-19 pandemic – signposting to financial and other support)
- Poverty Truth Commission – testimonies and case studies from local people, working with policy and decision makers to improve the systems, approaches and processes to support people out of poverty
- Case studies being identified that demonstrate impact or where improvement is required

Geographic Impact
(Localities impact, LIoN data etc)

To note areas moving down 2 categories in Thrive are in Birtley, Chopwell & Rowlands Gill and Chowdene wards. Further information will come from the approach to locality working through analysis of Lion data and locality working

- Gateshead in most recent ONS data is ranked **47th most deprived authority** nationally with an average deprivation score of **0.167**.
- Population of **200,214** of which **16,063** is rural.
- Deprivation gap is 41%** - The deprivation gap for each LA is calculated by subtracting the lowest 'Income Score (rate)' from the highest 'Income Score (rate)' within that local authority.
- Annual pay - Gross (£) - For all employee jobs 2021:
 - United Kingdom was £31,447.
 - North East was £26,500
 - Gateshead was £26,265

CREATE AND DEVELOP HEALTHY AND SUSTAINABLE COMMUNITIES AND PLACES

WHAT DO WE WANT TO ACHIEVE? – OUR OUTCOMES AND OUR PERFORMANCE

Outcome	Intervention	On track	DoT	£	Strategic Performance	Baseline	Latest	Target	DoT	Operational Performance	Baseline	Latest	Target	DoT
Local communities and social networks are strong All residents have access to a high quality, affordable, warm and energy efficient home All communities have access to good quality natural environment Gateshead has clean air with low levels of pollution Gateshead has low levels of crime and anti-social behaviour Gateshead is carbon neutral by 2030	<ul style="list-style-type: none"> Support development of community activities - remove barriers to community participation & support people to be involved locally and develop Community Wealth Building. Completion of workstream on locality working. Ensure provision of homes to meet current and future needs Promote low carbon housing development and improve insulation to Council owned properties and install low carbon heat and energy where feasible Improve and invest in the local environment and increase woodland coverage by 250ha by 2050 Make Gateshead accessible to all, achieving a shift to sustainable forms of travel and increase Council use of low carbon vehicles Support agile working by expanding use of digital technology, minimise paper and reduce the need for staff to travel Promote community cohesion and prevention of crime and anti-social behaviour. Implementation of Policy on Climate Change Emergency Electrify the Council's fleet where practicable by 2030. Continue to deliver low carbon heat and power via district heating networks Identifying funding to assist with recycling and waste minimisation projects and implement behavioural change initiatives Ensure goods and services procured by the Council are compatible with our Climate Emergency commitments 				% satisfaction with neighbourhood as a place to live	64%	No survey this year	Increase	Annual	% of Council housing stock empty	N/A	3.37%	Reduce	Annual
					% of homes built against annual housing requirement	63% (2020)	Annual	Increase	Annual -	Activity to support community capacity building	To be set at year end	Annual	-	Annual
					% of new homes built that are affordable	13.8% (2020/21)	15.8%	Increase	↑	No. of private dwellings identified as having a Category 1 hazard and the No. that had this hazard removed	To be set at year end	Annual	-	Annual
					% of long-term vacant dwellings as proportion of total housing stock	2.3% (2019)	Annual	Reduce	Annual	% of Council commercial fleet operating on electricity	2%	2%	-	Annual
					% of homes with SAP score above 65	64 (2020/21)	64 (2020/21)	65 (+/- 3%)	↔	Progress towards Gateshead being carbon neutral by 2030 (% achieved as per annual audit external assessment)	70%	75%	100% Cumulative	↑
					Number of homes with zero carbon heat source	To be set	Data not available	-	Annual	No of trees planted on Council land per annum towards target	0	250	Increase	Annual
					% of Council homes that meet the Decent Homes Standard	94.46 (Based on 2020/21 result)	Annual	Increase	Annual	% Highways / streetlights repairs completed within timescales: highways (10 days) % streetlights completed within (5 days)	To be set at year end	88%	95%	↓
					% of functional green space amenable to healthy lifestyles in the 25% most deprived wards Local measure work in progress, based on Marmot	TBC	Annual	Increase	Annual		88% 19/20	87%		↑
					Number of public transport passenger journeys in Tyne and Wear	152m pa 32.3% 20/21	Annual	-	Annual	Council emissions reduction from 2008 baseline	0%	55%	100%	↑
					Gateshead areas compliance with Local Air Quality Management Framework	Compliant	Annual	Compliant	↔					
					% of household waste sent for reuse, recycling and composting	32.3% 30 June 21	35% Apr-Sept 21/22	Towards 50%	↑	% of the overall tonnage in recycled waste collected that is contaminated with non-recyclable materials	15.8% 20/21	21% April-Sept 21/22	13% improvement over three years	↑
					Total recorded crime in Gateshead	9,294 2020/21	9,164 2021/22	Reduce	↓					
					Level of violent crime against the person	3,368 2020/21	3,508 2021/22	Reduce	↑					
Drug related crime	210 2020/21	196 2021/22	Reduce	↓										
Gap in life expectancy at birth male/female: Slope index of inequality	9.3 (M) 7.3 (F) 2011-13	10.7 (M) 9.6 (F) 2017-19	Reduce	↓										

Performance to be cross referenced with "Behind the masks, Gateshead's Covid stories, Gateshead Director of Public Health Annual Report 2021/22"

Investment Strategy & Resources (24% of Council gross budget)

21/22 Revenue		5 Yr Capital
Gross £000	Net £000	£000
160,327	23,717	228,733

Commissioned Spend: tbc
 Assets: Asset Strategy Review
 Employees 1206.46 FTE
 Figures based on 2021/22 budget setting

Risks to Achievement rated after mitigation

- Failure to address financial gap in the Council's budget & systems **Amber**
- Failure to address workforce planning and resourcing requirements impacting on service delivery **Green**
- Failure to provide a response during major incident impact on ability to deliver critical services or impact on a community. **Green**
- The implications of EU Exit potentially affecting availability of Council resources to deliver services which may impact on communities **Amber**
- Failure to manage demand and expectations could result in the Council not achieving its Thrive agenda **Amber**
- Failure to comply with the housing regulatory standards applicable to local authorities. **Red**

Qualitative Impact Evidence of impact

- Local hubs development work supporting communities – evidence of impact being developed
- Achieved Silver in Annual Investors of the Environment Audit and our score increased from 70% in 2020 and 75% in 2021. The report also indicates a 19% reduction in carbon emissions from 2020 to 2021

Geographic Impact (Localities impact, LIoN data etc)

- Further information will come from the approach to locality working through analysis of Lion data and locality working
- Increased complaints of ASB within those neighbourhoods that are deemed 'Thriving' and 'Managing' areas under Thrive agenda (with many complaints relating to potential tolerance issues e.g. noise, young people gathering in street/parks and lower-level ASB).

STRENGTHEN THE ROLE AND IMPACT OF ILL HEALTH PREVENTION

WHAT DO WE WANT TO ACHIEVE? – OUR OUTCOMES AND OUR PERFORMANCE

Outcome	Intervention	On track	DoT	£	Strategic Performance	Baseline	Latest	Target	DoT	Operational Performance	Baseline	Latest	Target	DoT	
All preventable ill health is reduced, to end the gap in inequalities within the borough No-one will be homeless or living in accommodation that does not provide a safe and healthy environment All residents will be able to access flexible health and care support, when and where they need it	Develop and implement Health and Wellbeing Review	Health and Wellbeing review underway	↑		Gap in life expectancy at birth male/female: Slope index of inequality	9.3 (M) 7.3 (F) 2011-13	10.7 (M) 9.6 (F) 2017-19	Tracking	↑	Population vaccination coverage - Flu (aged 65+) Compared to England rate as baseline	80.9 (England 2019/20)	83.5 (2020/21)	Increase	↑	
	Accelerate preventative programmes;	Locality working approach developing building on hubs	↑		Estimated smoking prevalence Cardiovascular Disease Compared to England rate as baseline	16.5% (England 2019/20)	17.5% (2019/20)	Reduce	↑	Age standardised mortality rate for deaths related to drug misuse - persons by local authority	28 (2019)	30 (2020)	Reduce	↑	
	Deliver Community Based approaches as a core principle;				Suicide rate Public Health Profiles Compared to England rate as baseline	10.4 (England 2018-20)	9.0 (2018-20)	Reduce	↓	Chlamydia detection rate / 100,000 aged 15 to 24 Compared to England rate as baseline	1,408 (England 2020)	1,497 (2020)	Reduce	↑	
	Learn lessons from the pandemic;	Lessons being learned but still responding			Admission episodes for alcohol-specific conditions - Under 18s Compared to England rate as baseline	30.7 per 100,000 (England 2017/18 - 2019/20)	50.5 per 100,000 (2017/18 - 2019/20)		↑	The proportion of older people (aged 65 and over) who were still at home 91 days after discharge from hospital into reablement/ rehabilitation services	77.97% 2020/21 (provisional)	78.8%	Increase	↑	
	Embed health inequalities within, wider public services & recovery plans				Under 75 mortality rate - Cancer considered preventable Compared to England rate as baseline	51.5 (England 2020)	76.7 (2020)	Reduce	↑	% of clients using technology assisted care	Reporting to be developed during 2021/22				
	Locality working caseworking support	Approach being developed	↑		Total households assessed who are owed a duty, who were sleeping rough at the time of application	2020/21 baseline to be used	21	2020/21 data to be used to formulate	Annual	Total households initially assessed as owed a homeless duty	2020/21 baseline to be used	824 households assessed of which 816 were assessed as owed a homeless duty.	2020/21 data to be used to formulate	Annual	↑
					% of households where homeless prevention duty ended that maintained / secured accommodation for 6+mths. And % of these identified maintained / secured accommodation that remained in existing accommodation	2020/21 baseline to be used	(3A) 54% of households where prevention duty ended that maintained or secured accommodation for 6+months. (3b) of the 54% of cases who secured accommodation for 6m+ 15% remained in existing accommodation.	2020/21 data to be used to formulate	Annual	% of council dwellings with a valid gas safety certificate	99.80%	99.92%	100%		
					Person shaped measures used in locality working	Baseline to be set at end of Year 1	TBC	2021/22 data to be used to formulate	Annual						

Performance to be cross referenced with "Behind the masks, Gateshead's Covid stories, Gateshead Director of Public Health"

Investment Strategy & Resources

21/22 Revenue (4% of the Council's gross budget)		5 Year Capital
Gross £000	Net £000	£000
28,740	19,744	1,126

Commissioned Spend: tbc
Assets: Asset Strategy Review
Employees: 263.23 FTE (tbc)
 Figures based on 2021/22 budget setting

Risks to Achievement rated after mitigation

- Failure to safeguard vulnerable children & adults **Amber**
- Non-compliance with statutory requirements resulting in prosecution & penalties **Amber**
- Council suffers Cyber-attack that compromises confidentiality, integrity & availability of information **Amber**
- Failure to manage demand & expectations could result in the Council not achieving Thrive agenda **Amber**
- Failure to address financial gap in the Council's budget & systems **Amber**
- Failure to address workforce planning & resourcing requirements impacting on service delivery **Green**
- Failure to provide a response during a major incident impacting on ability to deliver critical services or an impact on a community. **Green**
- Failure to comply with the housing regulatory standards applicable to local authorities. **Red**

Qualitative Impact

- Locality based working will provide qualitative impact after year 1.
- Homelessness prototype now being implemented via the Changing Futures Programme due to impact of prototype
- Impact of Covid-19 pandemic (DoPH Report) impact on performance through disruption, capacity re-prioritise to responding

Geographic Impact (Localities impact, LIoN data etc)

Further information will come from the approach to locality working through analysis of Lion data and locality working

ORGANISATIONAL HEALTHCHECK – BALANCED SCORECARD – SUMMARY OF PERFORMANCE

EMPLOYEES

- Employee satisfaction – Gateshead Council a great place to work
- Diverse & inclusive workforce
- Maximising Employee Potential – opportunities to learn, develop and aid succession planning

	Baseline	Latest	Target	DoT
Employee survey – The Council is a good place to work (new measure in future on employee morale and Covid-19 impact)	64% 2016	73% 2018		
No. of apprentices as a % of total employee headcount (as at 31 March)	2.38%	3.29% Mar 21	6.5%	
% of Apprenticeship levy spent (incl transfers) – towards March 2023	50%	56% Mar 21	70% by 2023	
No. of Employee resignations	N/A	3.04% Jul 21	2.50%	-
Average Sickness Absence days per FTE	10.58	11.3 days (Sept 2021)	9 days	
Agency worker costs	£1.412m	£1.146 (2021)	None set	
% employees with access to a device that can be used to facilitate agile working	N/A	TBC	TBC	-
% of employees with a corporate IT network user account	N/A	TBC	TBC	-
% employees completed GDPR training	N/A	N/A	95% 23/24	-
% employees reporting their protected characteristics	N/A	35% (Mar 2021)	70% by 2023	-

CUSTOMER EXPERIENCE

- Thrive – reduce the number of residents vulnerable or just coping
- Resident’s satisfaction with Gateshead and Gateshead Council
- Improved customer experience through better contact with the Council (right first time)

	Baseline	Latest	Target	DoT
% residents satisfied with Gateshead as a place to live	64% (2016)	64% (2018)	None set	
% satisfied with the Council	52% (2016)	42% (2018)	None set	-
Commission Happiness Survey	N/A	N/A	TBC	-
% residents who are vulnerable	39.5%	31.9%(2021)	None set	
% residents who are just coping	29.5%	41.7%(2021)	None set	-
% residents who are managing	13.3%	16.7%(2021)	None set	-
% residents who are thriving	17.7%	9.6%(2021)	None set	
No of stage 3 corporate complaints upheld	10% (2020)	15% (2021)	10%	
No of complaints upheld by the LG Ombudsman	12% (2021)	0% (2021)	10%	
No of complaints upheld by the ICO	1 (2020)	0 (2021)	1	
No of compliments received about Council services	54 (2020)	78 (2021)	None set	
Digital Customer Experience % of transactions completed online for G'den Waste; Birth/Deaths; Flytipping	76%	80% (2021)	Increase	
Number / £ of online payments	98,961/ £12.5m	123,214 / £14.8m (2021)	Increase	
Telephony contact response answer rate (Average of Customer Contact Unit; Revs & Bens; Housing; Adult Social Care Direct)	To be set	86% (2021)	Increase	-

Ensuring the organisation is in the best position to deliver Council Priorities

FINANCE, GOVERNANCE & RISK

- Revenue Budget, Capital Budget; HRA; Income received, Risk

	Baseline	Latest	Target	DoT
Revenue Budget position % over/ under	0.27% under (Q2)	0.11% over (Q3)	TBC	
In-Year 2021/22 budget savings £8.1m delivered	£8.1m Feb 21	97.5%		
Capital Programme Position £ over/under	£137.737	£125.1m		
% Council spend organisations Gateshead based	To be set	Year end	-	-
% Invoices paid within 30 days	87.32%	84.85%		
% of Council Tax collected	77.9% / Dec 20	78.1% / Dec 21		
% Business Rates collected	72.4% / Dec 20	72.3% / Dec 21		
Rent collected from current tenants as a % of rent owned (excluding arrears b/f)	98.78% / Sept 20	99.23% / Sept 21		
Financial Assessments and social care finance - % of debt in year collected	99.74% / Sept 20	93.9% / Sept 21		
Value of Services provided by the Council to schools	£12.6m	£12.2m		
No of serious data breaches reported to ICO	0	0		
Health and Safety near miss / hazard reports	116 / 45% of near misses	38 / 38% of near misses		
Audit High Priority Recommendations made	To be set	Year end		-

EXTERNAL ASSESSMENT

- External Audit; Regulators Assessment (Ofsted, CQC, Housing); Compliance; Partners

	Baseline	Latest	Target	DoT
CQC Council Registered Schemes (11 total)	Good	Good (2021)		
Ofsted Learning Skills	Good	Good		
Ofsted Children’s Social Care Services	Good	Good		
Ofsted SEND (Narrative assessment)	Significant strengths, No areas for priority action	Strong & effective support provided		
External Audit (Mazars)	Unqualified	Unqualified (2021)		
Regulator of Social Housing Consumer Standards	-	Compliant – 5 Progressing – 3 Noncompliant – 1 (2021)		
HSE Enforcement Actions	0	0 (2021)		
Council working in partnership (Survey VCS; Private and Public sector partners)	Baseline to be set	TBC	-	-

Performance to be cross referenced with “Behind the masks, Gateshead’s Covid stories, Gateshead Director of Public Health Annual Report 2021/22”

- Achieving or exceeding target
- Underachieving within tolerance% if set
- Underachieving over tolerance

Key Tolerance Key



GATESHEAD METROPOLITAN BOROUGH COUNCIL
CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE MEETING

Monday, 24 January 2022

PRESENT: Councillor John Eagle (Chair)

Councillor(s): D Burnett, J Wallace, R Beadle, D Bradford,
B Clelland, D Duggan, T Graham, S Green, M Hall,
R Mullen, I Patterson, S Ronchetti, J Simpson and J Turner

APOLOGIES: Councillor(s): L Caffrey, P Foy and K Wood

CR58 MINUTES

RESOLVED - That the minutes of the meeting held on 29 November 2021 be agreed as a correct record.

CR59 PERFORMANCE AND IMPROVEMENT SIX MONTH REPORT 2021/22

The Committee received a report and presentation to update on the performance on the delivery of Council priorities for the 6 months period April to October 2021.

The development of the new approach to performance management began in autumn 2020. Stages included engagement with councillors through Advisory Groups and Overview and Scrutiny Committees. Engagement with employees has taken place on a regular basis through employee workshops and Management Team discussions. Engagement with partners has taken place at the Health and Wellbeing Board with the Voluntary and Community Sector (Connected Voice).

The Performance Management and Improvement Framework is approved by Cabinet and Council. All of the Overview and Scrutiny Committees of the Council will consider performance assessments appropriate to the role and remit of each Committee on a six monthly basis.

There are some risks and limitations to highlight in relation to the six month reports. It is clear that the Council is still responding to the Covid-19 pandemic and that service disruptions have impacted on performance at the six month stage. The Council's Business Impact Assessment and Business Continuity Plan framework has enabled the Council to prioritise critical services to ensure that they can still be delivered.

The development of the Performance Management and Information Framework is ensure it remains a relevant tool for the Council to understand how well it is delivering against it agreed priorities.

The aims of the Performance Management and Information Framework are to

deliver Thrive, give clarity on Priorities, inform how resources are allocated and budget determination and measuring the impact to inform policy and resource decisions.

The framework is based on the 6 policy objectives of the HWB Strategy and an organisational health check.

The analysis has highlighted some area where improvements have been made as follows:

- More people are moving from Vulnerable to Coping according to LIoN data, although more assessment is needed to understand movement across the themes.
- External assessment from OFSTED rated as Good providing reassurance
- The Voluntary Undertaking with the Social Housing regulator has been successfully completed
- Budget savings are regularly monitored and 97.5% of savings are projected to be achieved in 2021/22

Some actions which have been identified as part of the response to improve performance:

- A new budget approach has been agreed in the context of the MTF5
- Business Impact Assessments and Business Continuity Planning is continuing to address service pressures and service disruption.
- Work is ongoing to develop and implement an effective employee engagement framework in response to new ways of working and improve employee morale.
- Work will continue to take forward the customer experience and digital improvements to service delivery whilst ensuring there is support for people who are unable to access services digitally.
- Development of Community Wealth Building

The next steps in the process are as follows;

- Align the Performance Management and Information Framework to the new budget approach agreed by Cabinet in December 2021 to inform cross council reviews and zero based budgeting.
- Further develop the priorities and actions as part of the iterative approach
- Take the six month performance reports to Cabinet for consideration in March
- Bring a year end report to Overview and Scrutiny Committees.

It was queried whether the locality based working is doing what it says is being done in this report as it doesn't seem to be and will officers in the field continue as they are currently. It was noted that locality working is identified as an action which needs to be developed. The action will be to work with councillors to develop.

It was suggested that commissioning a happiness survey should be something which should be done with caution as the responses can very much depend on how

someone is feeling on that particular day. It was noted that we have baseline information from residents surveys undertaken in 2016 and 2018 and that will be incorporate with some questions around satisfaction with Gateshead as a place to live.

It was noted that if our overwhelming policy is for everyone to Thrive the figures seem to show that we are a long way from thriving. It was noted that this is to be the policy direction going forward the stories from residents are that things are getting worse the inequality gap is worse and resources are limited. It was noted that this is why the categories have been identified as to where we prioritise resource.

It was noted that the point of the budget deliberations is where we put resources into those areas and target the areas where we have the biggest impact.

It was requested that with regards to locality working effort is made to include ward councillors, it is not a one size fits all and it feels like a top down process with very little input from local councillors. It was noted that there is a report but it is understood that it is about developing some principles and then lets talk to councillors about how its developed. It will be complex as it will be different for each locality.

It was queried whether businesses were being paid within the timescales and whether there was something which could be done to improve where they are not. It was noted that a new system has been put in place which will make sure businesses are paid more promptly, often the delays are due to an order number not being on the invoices.

It was queried whether when designing measures the no of bin collections missed was something which would be counted. There are the areas which residents base their replies on when completing the survey. It was noted that with regards to environmental type performance the framework wouldn't be everything there are still performance management measures in place.

RESOLVED - (i) That the comments of the Committee be noted.
(ii) That the Performance Management and Information report be presented to Cabinet for consideration in March 2022.

CR60 CORPORATE COMMISSIONING AND PROCUREMENT STRATEGY 2021/22 - 2026/27

The Committee received a report to provide an update on the Corporate Commissioning and Procurement Strategy. The draft version had previously been brought to Committee and the comments have been incorporated. The revised strategy has been circulated for consultation to partners and stakeholders and their views have been considered as part of the revised version.

One of the comments was about the development of an action plan and this has been developed separately and will be available to view.

RESOLVED - (i) that any final comments be incorporated into the Revised Strategy
(ii) that the Strategy proceed to Cabinet for consideration.

CR61 COVID 19 PANDEMIC - KEY UPDATES (VERBAL)

The Committee received a verbal update on the current position with regards to Covid-19 in Gateshead.

It was noted that we came out of the New Year with a significant spike in cases. More recently there has been a rapid reduction in cases. Primary and Secondary care are still under pressure and whilst we are seeing 12% unoccupied beds it doesn't mean that they are available to use.

In regards to vaccinations 85% have received their first dose, boosters are at 60% across Gateshead of eligible adults.

There are 5 active vaccination sites across Gateshead. There is a recognition of emerging inequality across some ethnic minority groups. We are working closely with colleagues across the wider health system to address this.

We have taken vaccination hubs into the communities with a degree of success and will continue with this. National communications will change slightly and our communications will follow the same message.

Isolation measures will be reviewed and there may come a point when these are relaxed.

It was queried how many vaccinations had been delivered by the bus in Trinity Square. It was noted that prior to Christmas there was two sessions held in Trinity Square one was more successful than the other with 400 plus on one and only about 100 on the other day.

It was queried how we know we are comparing like for like with regards to testing now that we are not required to carry out a PCR. It was noted that there isn't a huge amount of change. The system is as robust as it can be at this point.

It was queried whether we have information on people who are refusing to have the vaccine who work for us in a capacity where we would be looking at terminating contract due to vaccine status and this would add pressure to the existing.

It was queried whether we have figures in specific areas and can identify whether there has been a low or high uptake. It was noted that Bridges ward as a whole has a low uptake.

RESOLVED - That the update presented in relation to Covid-19 be noted.

CR62 OLD TOWN HALL UPDATE

The Committee received a report to provide an update on the current position at the Old Town Hall Quarter. The Quarter comprises, Old Town Hall, Swinburne House, the Nelson Street Office Building, the former Police House, two surface car parks and vacant land.

In 2017 following a review of the property management and maintenance costs, the Council decided to dispose of the Old Town Hall and neighbouring buildings. The Council's objective was for the refurbishment of the historic buildings to ensure their long term sustainability whilst reducing the Council's property management costs, plus redevelopment of the vacant land/car parks to provide accommodation for town centre uses comprising retail, office, hotel, leisure (including cultural) and residential across the whole site. This was first outlined in Fit for a City (2008) and made explicit through the Urban Core Area Action Plan.

The Council appointed an external agent, Cushman & Wakefield (C&W) to market and assist with the disposal of the OTHQ. C&W prepared marketing particulars; contacted a long list of potential developers, investors, agents and end users; and conducted accompanied viewings. Adverts were also placed in the property press and a dedicated web page was prepared by the Council's Communications Team.

Marketing commenced on 27th March 2017 and closed on 26th June 2017 and was undertaken in accordance with the regulations contained in the Localism Act and Assets of Community Value.

Following receipt of bids, Officers worked with C&W to analyse the bids and draw up a recommendation for a preferred bidder. Consultation took place with Planning, Highways, Conservation, Urban Design, and Culture, as well as C&W leading on the financial deliverability of each bidder.

The conclusion of C&W and the project team was that the highest bidder, Tier One Capital / Dinosauria Ltd, should be invited to discuss terms of disposal because -

- Their bid would provide the highest financial receipt to the Council
- It posed the least risk to the Council in terms of the legal/development conditions requested by the bidder
- The mix of uses and particularly the Museum would best benefit the Town Centre in terms of regeneration, tourism and footfall
- They were confident in their ability to deliver on site and also within a shorter timescale than the other offers received, also benefitting the town centre.

Tier One Capital's Directors also had a track record of the refurbishment of similar buildings, for example:

- Town Hall Chambers, Wallsend (former North Tyneside Town Hall), Grade II Listed building converted into serviced office

- accommodation;
- Clervaux Exchange, Jarrow (former Jarrow Police Station) converted into serviced office accommodation; and
- Commerce House, Middlesbrough (former Teesside Chamber of Commerce) a Grade II Listed Building redesigned to provide serviced office and conference facilities.

The Tier One Capital / Dinosauria Ltd (“Dinosauria”) proposal was:

- operating the Old Town Hall and Old Police House as The Unnatural History Museum;
- Swinburne House to be refurbished for new business space;
- a new building located to the rear of the site for leisure/cultural uses was proposed to support the main uses on site;
- the car parking at the front of the Old Town Hall to be retained.
- The long term plan was to expand the Unnatural History Museum into Swinburne House. The project management team would relocate to Swinburne House during the refurbishment of both the Old Town Hall and Swinburne House.

In terms of job creation, Dinosauria envisaged that the Unnatural History Museum, with additional café/restaurant would create 86 permanent direct jobs (based on 7 days a week opening multiple shifts). Indirect jobs could total 143 overall, all of which were expected to be local labour. As the concept was further developed and attractions and supporting elements expanded, it was envisaged that the total jobs created could peak at 300.

Dinosauria estimated that the Unnatural History Museum would be ready to open within two years of the grant of the 250 year lease of the site, before moving on to refurbish Swinburne House as serviced office space. Investment phases were proposed as follows:

- Purchase of Old Town Hall Quarter for £650k
- Phase 1 – create Unnatural History Museum, investing approx. £7m - £12m
- Phase 2 – Remediation/supporting provision of serviced office space, investing approx. £1.5 - £2.0m
- Phase 3 – Development at rear of site/Nelson street, approx. £10 - £12.5m

Following portfolio briefings and a well-attended Members Seminar, in which Dinosauria’s directors presented their proposal and took questions, Cabinet approved in January 2018, the council granting Dinosauria a 250 year lease for the OTHQ.

Members made clear that this was to facilitate the protection and maintenance of the Old Town Hall building specifically, including public access, through redevelopment into the Unnatural History Museum.

In order to protect the Council’s aspirations for OTHQ, should the proposed timetable for redevelopment not be met, the lease provided the Council with a “buy-

back” provision should a series of milestones not be achieved. Additionally, to ensure the Council retained an element of control over the future use of OTHQ any change of use requires prior consent of the Council.

Following engagement with the investor market, Dinosauria subsequently approached the Council with a request to review the mechanism for determining the buy-back price. After an extensive officer review of Dinosauria’s business model, it was recommended that a variation to the existing lease be granted as it would provide Dinosauria with the necessary flexibility to attract further investment for the Unnatural History Museum and to facilitate the development of the OTHQ. The variation was approved by Cabinet at its meeting of 15th October 2019.

1. Unfortunately, the global pandemic struck shortly after the variation to the Lease was agreed, which – according to Dinosauria – put off potential investors in the Unnatural History Museum due to ongoing uncertainty and restrictions having a devastating impact on the leisure and retail sectors worldwide. Specifically:
 - uncertainty and unpredictability of visitor numbers / viability of leisure attractions.
 - the impact of multiple and ongoing lockdowns or new variants, any prospective government enforced limits to the numbers of people gathering in any one place at any one time (or indeed in any one building at any given time)
 - smaller scale investors being cautious across all sectors
 - the natural and inevitable cautiousness of the general public in having confidence to go back to normal life / activities.
2. As a consequence, Dinosauria told the Council that due to the lack of confidence in the sector, they would not be able to use their preferred mechanism to raise funds to take forward their unique concept of the Unnatural History Museum as the first phase of development.
3. During this difficult period, however, Dinosauria continued to invest in the assets to keep them safe and secure despite limited progress on the redevelopment plans, including:
 - A dedicated IT line has been installed at the OTHQ, which will provide the critical superfast internet / Wi-Fi suitable for both the commercial market and for the leisure and entertainment sector.
 - Electrical and heating system upgrades in Swinburne House
 - Repair to exterior of Swinburne House following anti-social behaviour and attempted break-ins – including bringing in Orbis to secure ground floor windows and entrances after a spate of break-ins in the autumn.
 - Continuous monitoring and repair of the roof and roof slates.

The leaseholder remains committed to redevelopment of the OTHQ and is keen to identify a new route forward based on what can be delivered with confidence (within the short and longer term) whilst still subject to the impact and level of ongoing uncertainty caused by coronavirus – and crucially, with the support of the Council.

The company directors have acknowledged the need for a new development and phasing plan. The principles of this new plan have been presented as –

- Need to take a step back to properly appraise and construct a new, deliverable strategy.
- Sensitive renovation of the Old Town Hall and Swinburne House is the top priority. To make these buildings a centre piece of regeneration in Gateshead / Tyneside.
- Appraising development on the plots around the Old Town Hall, with surpluses being recycled into renovation of the listed buildings.
- Aspire to deliver a top destination / attraction, exploring other linked tourist opportunities.
- Want to work collaboratively with the Council, and optimise impacts on the wider aspirations for the surrounding area.

A new development team has been appointed, and they are having conversations with institutional funders about investing in the wider site. The Strategic Director and Major Projects Team are being kept informed of progress.

If the Council, acting as Landlord, is minded to agree to any revised proposal, variations to the lease would need to be agreed by the two parties, and then approved by the Council, to include:

- Any changes to the Permitted Use, e.g. to include residential use.
- Updated milestones and trigger dates for the Council to be able control and monitor the scheme, to ensure it will move forward quickly, etc.
- clarity on how and when this new proposal will secure/save the Old Town Hall asset – i.e when will it be redeveloped?

It is also important to note the Council cannot unilaterally end the lease at this point, should it not agree to a new proposal. The next point that the lease can be terminated, and the buyback option triggered, is 28 June 2022.

The Council awaits a revised proposal for the redevelopment of OTHQ, including confirmation that funding is available and the scheme is viable. The proposal will be reported to Members for consideration and approval, as per usual consultation and decision making procedures.

After the lease was signed there was an issue and the Cabinet agreed a variation, not long after that Covid Hit and the developer raised concerns about not being able to get investors and the viability of visitor numbers. They have since confirmed following multiple meetings with officers they won't be able to take the original scheme forward.

The developer has continued to invest and look after electrical and heating upgrades as well as roof repairs, they do appear to be committed to the re-development. They retain the aspiration for a top tourist attraction and invest in the area.

It was noted that the next point in terms of ending the lease would be 28 June 2022, however we are currently waiting for a proposal from them on how they will take this forward and we will update members accordingly. If insufficient progress has been made with the development then the council will have to consider its options

including buying back , but at current market value.

It was queried as to what evidence we have that they have undertaken the maintenance they say they have and it was queried whether it would be possible to identify what costs they have laid out.

It was queried what the terms of the buy back option would be.

It was noted that the next provision in the lease for buy back is 28 June 2022 and that will be commenced if they haven't made any development on site. The rate of buy back would be at current market value.

Councillors expressed concern that it was stated that they would be ready to open within 2 years of the grant of lease and that the lease was signed in June 2018 with no evidence that anything had been done. It was acknowledged that they have not worked at the pace that we wanted them to.

It was suggested that we need to be talking to partners in Tyne and Wear Museums and in other Arts organisations for training such as Drama school. It was suggested that we put feelers out to look at National Bodies we might want to partner with.

It was suggested that we need to look at alternatives and think about moving back into the Town Hall and renting out this building.

It was noted that we are looking at options and are preparing an options appraisal.

It was queried what kind of cost would there be in buying back. It was noted that there would need to be a survey of the properties to consider the price, however, there is no planning application been submitted, which would have increased the value and there is no works been undertaken which would increase the value.

Concern was expressed about the current leaseholder and their ability to move the project forward and it was suggested that we should be playing hard ball.

RESOLVED - (i) that the update on the Old Town Hall Quarter be noted.
(ii) that the comments of the Committee with regards to the Old Town Hall Quarter be noted.

CR63 ANNUAL WORK PROGRAMME UPDATE REPORT

The Committee received the Annual Work Programme report and it was requested that as no business was scheduled for the 7 March meeting, that the meeting be postponed and the next meeting would take place on 4 April.

RESOLVED - (i) That the provisional work programme be noted.
(ii) That the Committee noted that future reports on the work programme would be brought to Committee.

Chair.....

GATESHEAD METROPOLITAN BOROUGH COUNCIL

**HOUSING, ENVIRONMENT AND HEALTHY COMMUNITIES OVERVIEW AND
SCRUTINY COMMITTEE MEETING**

Monday, 31 January 2022

PRESENT: Councillor B Clelland (Chair)

Councillor(s): T Graham, A Geddes, D Burnett,
H Weatherley, H Kelly, Reay, R Waugh and Anderson

APOLOGIES: Councillor(s): A Wheeler, F Geddes, J Green, J Turnbull,
K Dodds, S Dickie, S Hawkins and K McClurey

CPL15 MINUTES OF THE LAST MEETING

RESOLVED - That the minutes of the meeting held on 6 December be
agreed as a correct record.

CPL16 MATTERS ARISING

It was noted with regards to the Housing Improvement Plan some end to end
mapping work has been done a report will be brought back to the next Committee to
show some of the pilot schemes that have been undertaken.

With regards to issues with customers unable to access the phone lines. The issue
has been identified and ICT are working on a solution. Officers have also been
recruited into the team which should improve issues.

**CPL17 PERFORMANCE MANAGEMENT AND IMPROVEMENT FRAMEWORK - SIX
MONTH PERFORMANCE REPORT 2021/22**

The Committee received a report and presentation to update on the performance on
the delivery of Council priorities for the 6 months period April to October 2021.

The development of the new approach to performance management began in
autumn 2020. Stages included engagement with councillors through Advisory
Groups and Overview and Scrutiny Committees. Engagement with employees has
taken place on a regular basis through employee workshops and Management
Team discussions. Engagement with partners has taken place at the Health and
Wellbeing Board with the Voluntary and Community Sector (Connected Voice).

The Performance Management and Improvement Framework is approved by
Cabinet and Council. All of the Overview and Scrutiny Committees of the Council
will consider performance assessments appropriate to the role and remit of each
Committee on a six monthly basis.

There are some risks and limitations to highlight in relation to the six month reports. It is clear that the Council is still responding to the Covid-19 pandemic and that service disruptions have impacted on performance at the six month stage. The Council's Business Impact Assessment and Business Continuity Plan framework has enabled the Council to prioritise critical services to ensure that they can still be delivered.

The development of the Performance Management and Information Framework is ensure it remains a relevant tool for the Council to understand how well it is delivering against it agreed priorities.

The aims of the Performance Management and Information Framework are to deliver Thrive, give clarity on Priorities, inform how resources are allocated and budget determination and measuring the impact to inform policy and resource decisions.

The framework is based on the 6 policy objectives of the HWB Strategy and an organisational health check.

The analysis has highlighted some area where improvements have been made as follows:

- More people are moving from Vulnerable to Coping according to LIoN data, although more assessment is needed to understand movement across the themes.
- External assessment from OFSTED rated as Good providing reassurance
- The Voluntary Undertaking with the Social Housing regulator has been successfully completed
- Budget savings are regularly monitored and 97.5% of savings are projected to be achieved in 2021/22

Some actions which have been identified as part of the response to improve performance:

- A new budget approach has been agreed in the context of the MTFS
- Business Impact Assessments and Business Continuity Planning is continuing to address service pressures and service disruption.
- Work is ongoing to develop and implement an effective employee engagement framework in response to new ways of working and improve employee morale.
- Work will continue to take forward the customer experience and digital improvements to service delivery whilst ensuring there is support for people who are unable to access services digitally.
- Development of Community Wealth Building

The next steps in the process are as follows;

- Align the Performance Management and Information Framework to the new budget approach agreed by Cabinet in December 2021 to inform cross

- council reviews and zero based budgeting.
- Further develop the priorities and actions as part of the iterative approach
- Take the six month performance reports to Cabinet for consideration in March
- Bring a year end report to Overview and Scrutiny Committees.

The Committee were advised with regards to Housing there are two big areas which are causing concern. The first area is the Housing Delivery Target. We need to keep numbers up and delivery on new homes. The priorities for development are monitored by this Committee.

Tenant Satisfaction is a big issue, the Regulator will have more powers and will inspect on a cyclical basis every four years. They will be looking at our customer satisfaction to decide where/when the inspections will kick in.

The Housing Improvement Programme is the biggest area of dissatisfaction.

It is not all areas of concern there are some achievements. We have the new HRA Business Plan which we need to keep on top of, we are not allowed to have a negative balance. We have developed the Asset Management Strategy. The New Homelessness Strategy and Charter has been approved at Cabinet and the Review of Allocations and Lettings is underway. We are making sure we link up with other work across the Council, Mental Health Work and it plays into Thrive and the Council's ambitions for Thrive. We have a successful Community Renewal Fund bid and there is a project up and running on the impact housing can have in giving people confidence.

The Housing Improvement Change Programme with the work on repairs and maintenance some of which has been triggered by member feedback. The three key outcome messages are to: Support Thrive, Improve Customer Satisfaction and Efficiencies.

It was noted that customer contact is really important to get right communication, contact, quality and timeliness are all important and can currently be fragmented. We need to get better and look at areas where we can join up. The Action Plan for the Housing Compliance is in place out the Regulatory Intervention.

Further reports will be brought back to this Committee over the coming months.

The Committee heard about issues with regards to the Environment and the Economy. Significant areas of the economy have been impacted by Covid-19 in particular there are currently a lower number of active businesses this is thought to also be due to Brexit and impacts on the supply chain.

There has been a significant increase in costs within the construction industry, fuel poverty increasing is having a real impact on residents day to day lives and causing significant financial difficulties. In terms of areas of excellence there are four key areas of focus. Work has started on the Conference and Exhibition Centre we have hosted some major events in Gateshead, including two Diamond League events. The Council administered £18m of Grant Funding to business early in the

pandemic. This was successful given our early involvement of Audit in making sure we carried out the proper checks before businesses accessed the grant.

It was requested that information on Community Wealth Building be brought to a future Committee. It was also suggested that in areas where it was relevant a section on Community Wealth building be included in individual reports.

RESOLVED - (i) That the comments of the Committee be noted.
(ii) That the report be presented to Cabinet at its March meeting for consideration.

CPL18 HOUSING PERFORMANCE REPORT

The Committee received a report to update on Housing Performance Results at the end of Quarter 2. This meeting is too early to report Quarter 3 results.

It is important that the Council robustly monitors a wide range of performance measures to ensure that its key housing services and functions are effective and responsive to the needs of residents, are compliant with any regulatory requirements and offer good quality and value for money.

The new framework of Housing indicators can be broadly broken down into five objectives:

- Increase the supply of, and access to suitable affordable homes
- Ensure the effective management and maintenance of the Council's homes
- Reduce homelessness
- Housing Revenue Account 'health'
- Resident Satisfaction

The framework was presented to and approved by the HEHC OSC at its meeting on 30 September 2021. Some performance indicators are reported annually and therefore performance for 2021/22 will not be reported until year end.

Four of the performance indicators in the report relate to customer satisfaction measured by a survey of all tenants, this was carried out in October 2021.

A lot of the responses were sat in the middle of the scale so neither / or in terms of satisfaction with Gateshead Council. The Regulator for Social Housing has signalled a move to a more proactive regulation regime of social landlords including local authorities. This includes the introduction of a set of detailed customer satisfaction measures which will be mandatory for all social landlords to collect, publish and submit performance to the regulator. The proposed indications have been published for consultation and it is expected that they will be introduced during 2023/24.

The proposed satisfaction measures including:

- Keeping properties in Good repair
- Maintaining Building Safety

- Effective Handling of Complaints
- Respectful and Helpful Engagement
- Responsible Neighbourhood Management

It is expected that with the improvements being made to services there will be an overall impact on customer satisfaction, however, as we put the emphasis on service re-design it may be the offer isn't at a standard and this would lead to a satisfaction dip.

The Rent and Income Team will feature in the next report. An update on the new indicators and the implications for social landlords will be brought to a future meeting of this Committee.

It was queried what the level of sickness was like in repairs team. It was noted that currently out of 100 staff there are 20 vacancies, 20 on sick and 5 have just handed in their notice. It was noted that Newcastle are offering more money for electricians than we are paying our site managers.

It was suggested that if we do a survey and someone is having a bad day it might be that you'd get a negative response. It was noted that the survey is to give a degree of feedback and tracking to see if there has been a service failure.

RESOLVED - that the comments of the Overview and Scrutiny Committee be noted.

CPL19 BUILDING SAFETY COMPLIANCE

The Committee received an update on the current position with regards to building safety and compliance within the Council property portfolio.

Gateshead Council own and operate over 350 non-domestic buildings and 19100 domestic properties across the Borough. The Council has a duty to identify and manage hazards within its buildings and to ensure specific levels of health and safety are maintained usually met through risk assessment and planned maintenance programmes as well as reactive repairs and timely remedial actions.

With regards to Domestic Buildings the following key risks have been identified:

- Legionella Risk Assessments have not resumed
- There is a lack of internal resources to complete remedials from risk assessments and inspections
- Crowhall Towers safety programme has been impeded by asbestos
- Management of specialist contractors failing to meet programme dates
- Strain on budgets from statutory fire structural surveys and fire strategies
- Fire safety plan at Redheugh and Eslington Court not fully implemented
- Active 'headhunting' of staff.

Fire risk assessments are up to date but the December target for high rise block remedials was not met, 6 of 12 are now targeted to be completed in January and we

are waiting for an update on the remainder. The Fire Safety Act has changed existing legislation, a lot of which came from Grenfell. We have a qualified person in our team, however, there are only 3 in the Country and he is potentially being offered jobs all over the world. The impact of losing this member of staff will cost approximately £400,000 in contractor fees.

With regards to the overall domestic risk profile we are prioritising the highest risk. With regards to the Non domestic properties if you control the building you need to have a competent person to keep the building safe. It has not always been the case that there have been qualified/experienced staff to work in the buildings. Some buildings are not always listed on electronic systems. It is the intention to look at one building at a time we need to look at the leases and see whether we have retained the repairs and maintenance function. An action plan is in place to recover compliance and monitor and maintain compliance.

It was queried whether this was in relation to buildings transferred already or those in the process of being transferred. It was noted that this is for all buildings. These issues will result in a slowing down of the initial process of transfer.

A process has been agreed and an initial condition survey will be undertaken and cost options provided. We need to make sure the building is safe when they move in and they need to know what they have to do to make sure to keep the building safe.

It was queried that on domestic properties where we are aware of asbestos are we making residents aware. It was noted that where we have asbestos we are undertaking an ongoing risk assessment with regards to the butterfly roofs we have only just now identified them and we are part ceiling lofts off. It's there but as long as its not disturbed it will be fine. Once the ongoing programme is commenced information will be made more public.

RESOLVED - That the comments of the Committee be noted.

CPL20 ANNUAL WORK PROGRAMME

The Committee received the update report on the current position with regards to the Work Programme. The Committee were advised that the Results of the Covid-19 Survey has been dropped into the issues to slot in. It was also requested that Community Wealthbuilding be an issue which can be brought to the Committee to be considered.

RESOLVED - (i) that the provisional programme for the remainder of the 2021/22 municipal year be noted.
(ii) that the Committee will receive further reports to identify any additional policy issues which the Committee may be asked to consider.

GATESHEAD METROPOLITAN BOROUGH COUNCIL

CARE, HEALTH AND WELLBEING OVERVIEW AND SCRUTINY COMMITTEE MEETING

Tuesday, 1 February 2022

PRESENT: Councillor S Green (Chair)

Councillor(s): M Charlton, W Dick, B Goldsworthy,
M Goldsworthy, R Mullen, I Patterson, J Wallace,
A Wheeler, P McNally, M Hall, J Gibson, P Diston, H Haran,
K McClurey, J McCoid and D Robson

APOLOGIES: Councillor(s): K Ferdinand

CHW209 MINUTES OF LAST MEETING

The minutes of the last meeting held on 19 October 2021 were approved as a correct record.

CHW210 UPDATE ON DENTAL HEALTH SERVICES FOR ADULTS

The Committee received a presentation from Pauline Fletcher, Senior Primary Care Manager (Dental Commissioning Lead – North East and Cumbria) NHS England and NHS Improvement and Jennifer Owen (a practising Dentist), Chair of the South Tyneside and Gateshead Local Dental Committee.

The presentation provided an update to the Committee on NHS General Dental Services for Adults and looked at background/context, general dental access provision, NHS Dentistry pressures and challenges, national dental COVID constraints, safely restoring access to services and local measures/actions to date with access and next steps.

The presentation summarised the following key points to note:

- All NHS dental practices still operating at significant reduced capacity due to requirements to continue to adhere to national infection control guidance.
- It is therefore necessary for dental practices to triage patients who contact them to ensure that patients with the greatest clinical need, i.e. those requiring urgent dental care and vulnerable patients are prioritised, which likely means a delay for patients seeking non-clinically urgent and more routine dental care such as check-ups.
- Progression to resume the full range of routine dental care is being risk managed by individual practices in compliance with national guidance.
- This position is likely to continue until at least end of March 2022, when we are expecting further national guidance to be published.
- All opportunities are being explored to increase the clinical treatment capacity available.

- In the interim all patients are being asked for their understanding and co-operation during this unprecedented and difficult time for the NHS.

RESOLVED – That the information be noted.

CHW211 GATESHEAD SYSTEM COVID 19 UPDATE

The Committee received a presentation from Edward O'Malley (Public Health Team) and Steph Downey (Director of Adult Social Care) on the Gateshead System Covid-19 update.

The presentation provided the current epidemiology update, vaccination update, primary care update, secondary care update, mental health update, social care update - Commissioning and social care update -adult social care.

RESOLVED – That the information be noted.

CHW212 HEALTHWATCH GATESHEAD UPDATE

The Committee received a report from Siobhan O'Neil, Chief Executive, Healthwatch Gateshead which provided an update on the range of work being carried out by Healthwatch Gateshead.

The report covered the domains within Healthwatch England (HWE) Quality Framework. This tool has been developed to support local Healthwatch to take stock and make improvements and to help local councils in their commissioning and monitoring of Healthwatch. The domains are:

- Leadership and decision making
- People
- Sustainability and resilience
- Collaboration
- Engagement, Involvement and Reach
- Influence and impact

RESOLVED – That the information be noted.

CHW213 NEW PERFORMANCE FRAMEWORK - UPDATE

The Committee received a report and presentation from Lindsay Murray, Service Director, Trading and Communications, Corporate Resources on the new performance management and improvement framework.

The Committee were asked to submit ideas for scrutiny and recommended the performance report to Cabinet in March 2022.

RESOLVED i) That the information be noted

- ii) That one area for further scrutiny be suggested for consideration
- iii) That the performance report be recommended to Cabinet in March 2022 for consideration

CHW214 ADULT SOCIAL CARE UPDATE

Steph Downey, Service Director, Adult Social Care provided the Committee with a report and presentation on the Adult Social Care White Paper.

The Committee received details of the overview and main objectives, key themes and what this would mean for Gateshead as well as details of the finance headlines.

- RESOLVED -
- i) That the information be noted
 - ii) The Committee requested that local MP's lobby government to convey the message surrounding the pressures being faced in Adult Social Care in Gateshead and the financial implications for the authority.

CHW215 OSC WORK PROGRAMME

The Committee received a report which set out the provisional work programme for the Care, Health and Wellbeing OSC for the municipal year 2021/22.

The Committee's provisional work programme was endorsed at the meeting held on 22 June 2021 and Councillors have agreed that further reports will be brought to future meetings to highlight current issues/identify any changes/additions to this programme.

Appendix 1 (attached to the main report) sets out the work programme as it currently stands and highlights proposed changes to the programme in bold and italics for ease of identification.

- RESOLVED -
- i) That the information be noted
 - ii) The Committee noted that further reports on the work programme will be brought to the Committee to identify and additional policy issues, which the Committee may be asked to consider.

Chair.....

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GATESHEAD METROPOLITAN BOROUGH COUNCIL
FAMILIES OVERVIEW AND SCRUTINY COMMITTEE MEETING

Thursday, 3 February 2022

PRESENT: Councillor M Hall (Chair)
Councillor(s): H Kelly, D Bradford, C Buckley, D Burnett,
L Caffrey, B Clelland, P Craig, S Gallagher, K McCartney,
E McMaster, M Ord, R Oxberry and D Robson

CO-OPTED MEMBERS Ayodele Akin and Rachel Walton

IN ATTENDANCE: Councillor G Haley

F22 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Davison, Councillor S Craig, Councillor Mohammed and Councillor Reay.

F23 MINUTES OF LAST MEETING

The minutes of the meeting held on 2 December 2021 were approved as a correct record subject to the following inclusion;

F19 – Corporate Parenting Training

Paragraph 2 - The following wording to be included;

“Councillors who may wish to take this on should have their contact details provided to care leavers to provide a source of advice and support.”

It was noted that now the Young Ambassadors are in post this will provide a key link to Councillors within the Civic Centre and provides an opportunity for interaction. It was confirmed that conversations will be held with the Young Ambassadors and Chris Hulme as to how this can practically be taken forward. A report will be brought back to Committee on this.

F24 CHILDREN AND YOUNG PEOPLE'S ACCESS TO DENTAL HEALTH SERVICES IN GATESHEAD - UPDATE

The Committee received a presentation on NHS dental services for children and young people in Gateshead.

It was reported that all practices operate in a highly regulated environment, however these regulations do not allow for patient registration. This means that any resident can access dental care from any NHS dentist. NHS dentistry contracts are demand led and contracts are measured in units of dental activity (UDAs). Each practice is

therefore contracted for a certain level of access across the year.

It was noted that there are 24 NHS dental practices across Gateshead, contracted to provide general dental service, commissioned for 364,347 UDAs. Pre-Covid approximately 98.3% of the commissioned capacity in Gateshead was utilised. Covid has had an impact on access to dental care and work is ongoing to increase access for patients locally.

Challenges in the dental service is also around recruitment and retention of dentists and dental nurses, although the position in Gateshead is better than in other parts of the region. The service was put under pressure with the emergence of Covid-19, because this was an airborne virus it was important to keep staff safe. A small number of urgent care centres were set up, however there were issues in terms of accessing PPE for staff and further training, which meant that these did not open until June 2020. Due to the majority of dentist accommodation being previously residential, this led to an impact on the number of patients these practices could safely see. In view of the reduced capacity dentists were required to prioritise patients based on clinical need, children were within these priority groups.

There remains a large backlog and dental practices are still being advised to keep priority groups and increase gradually. National guidance has been set to increase capacity to 85% from January to December 2022.

In order to improve access incentives for all NHS dental practices are in place to prioritise those patients who have not been seen within 12 months for children, and 24 months for adults. There has been further investment into clinical triage through the 111 service to ensure those with the greatest need are being prioritised.

It was reported that expressions of interest are being sought from practices who have capacity to deliver additional in-hours access until the end of March 2022, with a focus on the priority groups. All practices have also been requested to maintain short notice cancellation lists in order to reduce clinical downtime as missed appointments remain an issue as it was pre-Covid.

It was questioned whether there are any records kept of those children not accessing any dental care. It was acknowledged that because there is no registration requirements it is difficult to know, however there is data to show who has accessed. It was noted that smaller geographies could be analysed to identify where there is a low uptake of children accessing appointments. It was also noted that there is links with the authority around looked after children and ensuring they are accessing dental appointments. It was confirmed that once a child becomes looked after, Children's Services ensure the child or young person has regular routine dental checks, however this was a challenge throughout the pandemic.

It was questioned whether there is any help for those young people who are getting to the threshold of having to pay for treatment. It was confirmed that there is no flexibility around payment as this is set by NHS England, however there is constant dialogue between practitioners and NHS England around the cost of care being an inhibiting factor.

It was questioned what has happened to dental practices as a result of them not achieving UDAs during Covid. It was confirmed that practices had to meet minimum expectations and these expectations on patient numbers were lowered during Covid to a level that was safe. The practices remained open the same hours and although usual UDAs were not met they were still fulfilling NHS expectations.

The point was made that more needs to be done to look at children and young people accessing dental provision as there are a lot of adults who do not use dental services and therefore their children do not access it either. It was noted that the full extent of the problem is not known and therefore it was suggested that further work should be taken up with Public Health around this and how we work together to ensure people are using the services. It was proposed that this be included in the work programme for next year.

It was also suggested that there remains gaps to be filled to provide a more joined up system between GPs and Dentists, for example to encourage pregnant women to access check ups and therefore stop potential future problems for them and their children.

The point was made that dental appointments are unaffordable for a lot of families at the moment and that this will have a long-term effect on dental health as choices are prioritised elsewhere. It was noted that this is a topic for lobbying for a different system because this does not work for a proportion of the population.

It was questioned what service is in place for specialist dental care. It was confirmed that this service is not monitored on UDAs as they have longer appointments and are referred through GPs, dentists as well as self-referrals. There is a limited criteria around who can access this service as it works with specific groups, will visit Special Schools and has strong links with the rest of the care system.

RESOLVED - That the information be noted.

F25 CORPORATE PARENTING UPDATE

Committee received a report on the Corporate Parenting Board. Two meetings have been held so far, chaired by the Portfolio Lead. It was noted that attendance has been strong at these meetings, although the Police were not represented at the last meeting. There has been challenges around recruiting a voluntary sector representative and work is ongoing to fill the vacancy. It was noted that the Young Ambassadors are now in post so they will be identified to be part of the Board going forward.

Partners are also involved in the partnership group which is a sub-group of the Board.

In terms of the Young Ambassadors it was noted that these are young people who have been in the authority's care and have moved to support accommodation or independent living. The recruitment process for these posts was rigorous and it is hoped this will help forge links between services and offer opportunities to shape

policies, help with recruitment of other posts and participation in hearing the voice of the child.

The point was made that there will be certain areas that require more help. It was confirmed that details can be provided of where the highest number of looked after children are. It was noted that a Social Worker post was developed in Beacon Lough because this was a particular area in need of Child Protection Services. Committee requested a further report on this be brought back.

RESOLVED - That the Committee noted the contents of the report.

F26 COVID-19 UPDATE

Committee received a report giving an update on the Covid response and in particular the impact of Omicron over the festive period. As a result of Omicron there were staffing pressures due to staff isolating, however the service continued to see a high level of commitment of staff who, if well enough, continued to work remotely.

Risk assessments were produced for all Children's Homes and short break care provision remained open for respite care.

Fostering Panels are now being held face to face in order to be regulatory compliant. RAG rated performance data trackers have been re-established to ensure those children at highest risk are being seen and supported. Recruitment and progression trackers ensure that staff absences are being covered. In addition, senior officer rotas are in place to ensure management presence in the Civic Centre at all times.

There have been additional service pressures due to the implementation of a new IT system, Mosaic. The system went live on 24 January 2022 and this has been labour intense for practitioners. There has also been the highest number of children in care, 463, during the Christmas period, this therefore impacted on placement sufficiency and was a real challenge for the service.

It was questioned whether there has been young people not returning to school after Covid, as has been seen nationally. It was confirmed that attendance is not where it was pre-Covid but this relates to a small number of pupils who have been identified and the service is currently working with. In terms of the largest secondary school in Gateshead, they have confirmed that attendance is just about back to normal. Committee was reassured that schools and practitioners continue to monitor the most vulnerable children.

It was questioned as to the workload for Social Workers. It was confirmed that the service is continuing to adhere to its caseload policy and this is monitored on a weekly basis through meetings with practice leads. It was noted that this was highlighted during the focused visit as something the service works hard on. Additional Social Worker posts have been advertised due to the increased demand, also development of the Social Worker Academy has allowed investment into newly qualified Social Workers.

Budget pressures in relation to placements was raised as an area of concern. It was

noted that all children's Homes are looked at to ensure all beds are utilised and that there is no bed locking in any of the homes. Investment through capital funding has been agreed for an additional two Children's Homes, however there has been issues in terms of finding the appropriate properties to meet the criteria.

It was confirmed that the main factors for children coming into care during Covid was; neglect, domestic violence and mental health.

RESOLVED - That the Committee noted the contents of the report.

F27 PERFORMANCE MANAGEMENT AND IMPROVEMENT FRAMEWORK - SIX MONTH PERFORMANCE REPORT 2021/22

Committee received the six month Performance Management and Improvement Framework (PMIF). The Committee was reminded of the background and development of the PMIF.

It was noted that the PMIF links performance to the budget approach, resource allocation is now included to link performance to priorities. It was clarified that the document is live and tries to identify areas of challenge and analysis rather than looking at specific data.

Areas of continuing challenge were identified as; increasing numbers of families requiring support, increased numbers of pupils eligible for free school meals and pressure in terms of recruitment and retention as the lifespan of a Social Worker is only 8 years. There is also pressure in the medium term financial strategy, the increase in demand mean higher costs for external placement as providers are driving the market, this presents a real challenge when trying to make savings.

Areas of excellence were highlighted as the recent successful Focused Visit which highlighted the commitment of the staff within Children's Services. There has also been a reduction in the time of children being in care as well as an increase in the number of early help cases being closed as more families are being offered and accepting family group conferencing.

Actions going forward were identified as; a focus on early intervention, development of an additional two residential homes for children with autism and learning disabilities and a therapeutic home, there is also a focus on developing strategies and the implementation of the AYSE Academy for progression opportunities.

It was acknowledged that there are concerns around employee morale with Occupational Health under increased pressure, work is therefore underway to develop a framework to support employees morale and wellbeing. It was noted that there are recruitment and retention risks across the Council and therefore succession planning is being looked at.

The next steps are to align the PMIF to the new budget approach, further develop the priorities and actions and report the six month performance to Cabinet.

It was questioned what the Youth Justice Divert from Charge referral process is. It

was explained that this is a national programme for those young people on the fringes of offending, they are supported to move away from crime before they have criminal charges. This does not apply to all young people, there is certain criteria and access onto the programme must be agreed by the Police and the Youth Justice Services, this tends to relate to low level behaviour.

The point was made that employees are crucial in delivering services and therefore low staff morale is an inherent weakness. It was questioned whether there is or if there should be a strategy to increase wages at a time when people are struggling and the Council is not paying them enough. It was acknowledged that the recruitment and retention challenges for Social Workers is not to do with pay as Gateshead is very competitive and benchmarks salaries against neighbouring local authorities. It was noted that good Ofsted's are what attracts Social Workers to an organisation opposed to salaries. The point was made that it would be counter productive for one local authority to pay more than other authorities and instead need to act regionally to uplift salaries together. It was also suggested that aside from wages, the support in place for employees needs to be considered.

The point was made that the document is difficult to read electronically and as it was quite dense was not very user friendly. It was noted that this is being looked at for the year end report.

Further information on the PAUSE Programme was requested. It was explained the programme is commissioned for women who have had at least two children removed from their care. Practitioners work with them to break the cycle, through for example employment, learning skills, budgeting and improving their mental health and wellbeing. 27 women have engaged since the start of the programme and there are currently 18 women on the programme. It was reported that none of the women who have completed the programme have gone on to have any further children removed from their care. It was acknowledged that this is a significant cost saving for every child the service does not remove. It was confirmed that only two women dropped out of the programme so far.

The point was made that there is nothing to show the gaps in SEND / EHCPs performance data. It was agreed that this could be looked at further for next time.

- RESOLVED -
- (i) That the comments of the Committee be noted for areas of further scrutiny.
 - (ii) That the performance be reported to Cabinet for consideration in March 2022.

F28 WORK PROGRAMME

Committee received a report on the work programme for the remainder of the 2021/22 municipal year.

- RESOLVED -
- (i) That the Committee noted the provisional programme.
 - (ii) That the Committee noted that further reports on the

work programme will be brought to the Committee to identify any additional policy issues, which the Committee may be asked to consider.

Chair.....

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TITLE OF REPORT: Rent Arrears for Former Tenants and Sundry Account Debts – Transfer of Uncollectable Amounts

**REPORT OF: Darren Collins, Strategic Director, Resources and Digital
Colin Huntington, Strategic Director, Housing, Environment and Healthy Communities**

Purpose of the Report

1. To seek approval for a recommendation to transfer out of the Council's accounts individual debts in excess of £500 relating to former tenant rent arrears and sundry account debts orders where all possible recovery action has been taken and the balances are now considered uncollectable.

Background

2. A strict recovery procedure is followed for all debts, however, it is necessary to annually transfer former tenant arrears together with sundry debtor accounts, considered irrecoverable, into a debtors account. This entails setting off an amount against the bad debts provision held in the Housing Revenue Account.
3. There are currently 122 former tenants accounts with arrears amounting to £212,677 where all possible recovery action has been taken and the amounts remain unpaid and debt transfer is now proposed.
4. In addition, there are 421 former tenant accounts with arrears balances of up to £500, totalling £53,998 that have been transferred under delegated powers in accordance with Schedule 5 PART 1 (3.5) of the Council's Constitution.
5. There are 273 accounts with credit balances amounting to £6,469 where traces on tenants have been unsuccessful or the balance is uneconomical to refund. The credits will in part offset the proposed transfers.
6. Although these accounts have been identified for transfer, if circumstances change and further information to aid recovery is obtained, those accounts will be reinstated and recovery action recommenced.
7. There are currently 66 cases where tenants have been declared bankrupt or have applied for debt relief orders and debts on their rent accounts have been transferred to separate bankruptcy accounts. The total outstanding on these accounts is £104,954, of which 31 cases totalling £70,292 have now been discharged and will be transferred out of the Council's Accounts. This includes those individual debts both over and under £500 as they are subject to a legal order and therefore included for information only.

8. There are currently 2,208 cases where sundry debts such as Housing Benefit Overpayments, Court Costs and Rechargeable Repairs are irrecoverable or the outstanding amounts are uneconomical to pursue, and where relevant former tenant debts have been proposed for transfer or have been previously transferred to a debtors account. The total outstanding on these accounts is £433,862 of which 166 debts exceed £500 amounting to £230,432 the remaining 2,042 debts amounting to £203,430 have been transferred under delegated powers in accordance with Schedule 5 PART 1 (3.5) of the Council's Constitution.

Proposal

9. It is proposed to transfer out of the Council's accounts £212,677 of former tenant rent arrears. A record of the debt will be maintained, which will be checked against new applications for housing made to the Council.
10. It is proposed to transfer £230,432 of sundry account debts.

Recommendations

11. It is recommended that Cabinet:
- (i) Agrees to the transfer of balances on 122 former tenant accounts, amounting to £212,677 and 166 sundry account debts totalling £230,432.
 - (ii) Notes the action taken under delegated powers to transfer out of Council's accounts the amounts deemed uncollectable.

For the following reason:

To ensure effective management of the Council's resources as any further pursuit of these arrears is unlikely to result in significant sums being recovered and would be more effectively used to recover new debt.

Policy Context

1. The proposals support the overall vision for Gateshead as set out in Making Gateshead a Place Where Everyone Thrives. The Council recognises there are huge financial pressures on not just council resources, but those of partners, local businesses and residents.

Background

2. There are currently 122 accounts with outstanding balances amounting to £212,677 where recovery action has been exhausted. The following table details the number of cases, reasons and amounts to be transferred.

Criteria	No of cases	Value £
Debts created before 1 January 2016 (over 6 years old and therefore statute barred)	3	2,415
Debts created after 1 January 2016 but No forwarding address known or Not at forwarding address	41	85,644
Debts created after 1 January 2016 but former tenant deceased	54	82,248
Debts created after 1 January 2016 but case of a sensitive nature	2	3,899
Debts created after 1 January 2016 but unable to collect after all methods have been exhausted	22	38,471
TOTAL	122	212,677

3. A procedure has been followed for recovery of all debts, which includes letters and visits to former tenants, and the use of tracing agencies where the tenants forwarding address is unknown.
4. During this financial year to date (2021/22), the recovery work has resulted in £217,710 of former tenant debt being recovered, including £16,468 from previously transferred accounts which have been reinstated for recovery purposes.
5. Former Tenant arrears cannot be legally pursued after 6 years, i.e. they are statute barred. However, former tenants with statute barred debt will sometimes decide to reapply for housing and agree to repay debt. Gateshead Council's lettings policy has trigger levels for tenancy related debt which can demote or exclude an applicant. The statement of flexibility that accompanies the policy states that tenancy related debts that are no longer legally enforceable are still taken into consideration when assessing a housing application. however, checks are made for any outstanding debts and where possible, agreements are made with former tenants to repay the debts. Of the £43,123 reinstated to date this financial year, £40,233 relates to arrears greater than 6 years old.
6. Since April 2008, former tenant rent arrears cases considered uncollectable through the internal recovery team have been passed to Rossendales Collect Ltd and Network Credit Services for those companies to pursue the debts. 3,423 cases (totalling £4,801,338) have been transferred, with £389,682 being collected. Two agencies are used in order to maximise the potential of gaining new contact information for former tenants. Cases regarded uncollectable or uneconomical to

pursue are passed internally as a last resort prior to requesting a transfer to the debtors account. The ongoing use of external agencies may be reviewed as part of the further re-integration of housing services into the Council and the development of joint approaches to arrears recovery.

Consultation

7. Consultation has taken place with the Cabinet Members for Housing.

Alternative Options

8. The Council could continue to actively pursue the debts, however, this option is not considered viable in economic terms and is unlikely to result in significant sums being recovered.

Implications of Recommended Option

9. Resources

a. Financial Implications – The Strategic Director, Resources and Digital confirms that the existing provision held for bad debts of £4.8m is sufficient to meet the transfer of £212,677 former tenant rent arrears and £230,432 sundry debtor debts. The total value of transfers contained in this report including the amounts above, those transferred under delegation, bankruptcy orders and credits is £764,360.

b. Human Resources Implications – Nil.

c. Property Implications – Nil

10. **Risk Management Implications** – It is likely that continued pursuance of these debts will be more costly than the amount of debt that will be recovered.

11. **Equality and Diversity Implications** – There are no immediate equality and diversity implications arising from the recommendation as the arrears recovery procedure ensures all tenants are treated equally.

12. **Crime and Disorder Implications** – Nil

13. **Health Implications** – Nil

14. **Sustainability Implications** – Services such as the Debt Advice Team can assist tenants and former tenants to address their arrears. This prevents homelessness, improves access to housing solutions and can assist those who may have otherwise fallen into greater poverty, to thrive in their home. Where it is no longer possible, or in the Councils interest to address former tenant arrears, enabling the write off of former tenant arrears, as a last resort, will also assist with the same social outcomes. At this stage and in the applicable circumstances, it is also unlikely that the Council would see any further financial return from pursuing these.

15. **Human Rights Implications** – Nil

16. **Ward Implications** – All wards will be affected by the proposals in this report.

TITLE OF REPORT: Miscellaneous Income – Transfer of Uncollectable Amounts**REPORT OF: Darren Collins, Strategic Director, Resources and Digital**

Purpose of the Report

1. To seek approval to transfer out of the Council's Accounts outstanding balances in excess of £500 from miscellaneous income accounts and Housing Benefits overpayments where all possible recovery action has been taken and the balances are now considered to be uncollectable.

Background

2. Sundry debts for miscellaneous income are raised and appropriate recovery action is taken on those debts that remain unpaid within the specified time.
3. There are currently 167 miscellaneous and income accounts, amounting to a net sum of £317,239.77 where all possible recovery action has been taken and the amounts remain unpaid. These debts are now deemed uncollectable.
4. In addition, 1,070 accounts with balances of up to £500, totalling £115,262.60 have been transferred under delegated powers, in accordance with Schedule 5 Part 1 (3.5) of the Council's Constitution.
5. Housing Benefit overpayments arise where the council has paid housing benefit over and above the amount to which a claimant was entitled. This can occur where:
 - the claimant has failed to tell the Council about a change
 - there has been an error by the Department of Works and Pensions
 - there has been a delay in dealing with a change
 - the Council has made an error in calculating the amount of benefit payable
 - the claimant has moved onto Universal Credit and has been overpaid (the law does not allow the Council to recover this debt, but the council receives subsidy on the amount).
6. Invoices for overpayments which are recoverable from the claimant or landlord, and which remain unpaid, are subject to appropriate recovery action. Despite this action there remain some debts which are judged to be uncollectable.
7. There are currently 44 Housing Benefit overpayment invoices amounting to a sum of £104,158.11 where all possible recovery action has been taken and amounts remain unpaid.
8. In addition, 216 Housing Benefit overpayment accounts with balances of £500 or less totalling £26,945.40 have been transferred in accordance with Schedule 5 Part 1 (3.5) of the Council's Constitution.

9. Council Tax and Business Rates court costs are added to an account when the Council is granted a Liability Order following non-payment. There were 2,083 Council Tax accounts with court costs balances of up to £500, totalling £228,290.98 and 14 Business Rates accounts with court costs balances up to £500 totalling £1,700.00. All possible recovery action has been taken and these amounts of court costs remain unpaid and are now deemed uncollectable and have been transferred under delegated powers, in accordance with Financial Regulation 8.10.

Proposal

10. It is proposed to transfer out of the Council's Accounts the balances on 167 individual sundry debtor accounts, to the value of £317,239.77. The amount of the proposed transfer represents approximately 0.36% of the value of accounts raised so far during 2021/22 of some £89 million.
11. It is proposed to transfer the balances on 44 Housing Benefit overpayment invoices to the value of £104,158.11. The amount of the proposed transfer represents 0.18% of total Housing Benefit expenditure of £55 million during 2021/22.

Recommendations

12. It is recommended that Cabinet:
- (i) Agrees to the transfer of balances on 167 sundry debtor accounts, amounting to £317,239.77 and 44 Housing Benefits overpayment invoices totalling £104,158.11.
 - (ii) Notes the action taken under delegated powers to transfer out of the Council's accounts the identified amounts that are deemed uncollectable.

For the following reasons:

- (i) To ensure the effective management of the Council's resources.
- (ii) To ensure that the Council Accounts accurately reflect the correct financial position.

CONTACT: John Shiel

extension: 3530

Policy Context

1. The proposals in this report are consistent with the Council's priorities and in particular the priority of ensuring a sustainable Gateshead through the best use of its resources. The proposals are consistent with the framework for achieving the Council's strategic approach "Making Gateshead a Place Where Everyone Thrives". The Council recognises there are huge financial pressures on not just Council resources but those of partners, local businesses and residents.

Background**Sundry Debts**

2. Of the total transfer value of £317,239.77:
 - £79,951.54 relates to 67 invoices for care charges. In all cases either the debtor is deceased, and no funds are available from the estate or the debts are uneconomical to pursue.
 - £30,126.90 relates to 22 invoices for occupation of council units/offices. In all cases the debt is too old to pursue or is considered not cost effective to pursue further.
 - One invoice for £107,408.89 relates to 87 debts raised in ABACUS for client charges for care services. In all cases either the debtor is deceased, and no funds are available from the estate or the debts are uneconomical to pursue.

The action of transferring balances out of the accounts would not prevent future recovery action being taken should this be appropriate due to circumstances changing or further information becoming available.

Housing Benefits

3. The transfer reflects Housing Benefit overpayment accounts where all means of recovery available have been exhausted and it is no longer cost effective to pursue the debts further.
4. Of the total transfer value of £104,158.11 the invoice balance exceeds £5,000 in 3 cases as detailed below:
 - 2 cases where the debtor is deceased and there were no funds in the estate (totalling £33,859.44).
 - 1 case where the debtor has been declared bankrupt and the debt is covered by the Bankruptcy order (£11,308.07).

Alternative Options

5. No alternative options are proposed. A regular review of the debt owed to the Council is an essential part of best practice recovery and accounting procedures.

Implications of Recommended Option

6. Resources:

a) Financial Implications – The Strategic Director, Resources and Digital confirms that the cost of the transfer of £317,239.77 for sundry debtors and £104,158.11 for Housing Benefit overpayment can be met from the appropriate bad debt provision

b) Human Resources Implications – Nil

c) Property Implications – Nil

7. Risk Management Implication – Nil

8. Equality and Diversity Implications – Nil

9. Crime and Disorder Implications – Nil

10. Health Implications – Nil

11. Climate Emergency and Sustainability Implications – Nil

12. Human Rights Implications – Nil

13. Ward Implications – All wards

Background Information

14. Nil

TITLE OF REPORT: **Rough Sleeping Initiative (RSI) Funding 2022-2025**

REPORT OF: **Colin Huntington, Strategic Director, Housing,
Environment and Healthy Communities**

Purpose of the Report

1. To note a decision taken under delegated powers, to submit the Rough Sleeping Initiative (RSI) funding bid, for period 2022-2025, on the grounds of urgency, due to bid submission timescales.

Background

2. The Department for Levelling Up, Housing and Communities (DLUHC) announced a 3-year spending initiative (2022-2025) to end rough sleeping and asked local authorities to consider how the funding could be used to support their plans.
3. Gateshead are currently part of a partnership led by Sunderland City Council, which also includes South Tyneside Council and Oasis Community Housing as the delivery partner in Gateshead. This funding has enabled the delivery of essential services to support rough sleepers and those at risk of rough sleeping through the provision of a direct access assessment centre, resettlement and outreach support, including 7 'housing first' units.
4. Sunderland City Council confirmed they would be submitting a bid as a single authority for this round of RSI funding. Given the link between the services with South Tyneside Council, a joint bid with Gateshead Council acting as the lead authority was developed.
5. The bid submission process involved the completion of a self-assessment, project plan and bid application. Co-production meetings were also held with DLUHC to develop the plans. The submission deadline was 25 February 2022.

Proposal

6. The bid proposes to maintain (and in some cases increase) provision of the interventions for rough sleepers and those at risk of rough sleeping, including addressing current gaps in female rough sleeping provision.
7. The table below provides a breakdown of the RSI 2022-2025 funding applied for:

	Total
2022/23	£559,241.98
2023/24	£716,721.64
2024/25	£627,675.78
Total	£1,903,639.40

8. As part of the bid process, we were asked to identify what funding is required each year with an expectation that this will be tapered and how this will be phased over the three-year period. As outlined in the Homelessness and Rough Sleeping Strategy approved by Cabinet in January 2022, the bid submission takes account of the remodelling and recommissioning of homelessness accommodation and support services, due to commence in Autumn 2022.
9. DLUHC have provided an assurance to assist with service planning and minimise any gaps in service provision that they will confirm a minimum of 75% of our current RSI funding costs for the first three months of RSI 2022-25. This will be paid pro-rated between 1 April and 30 June 2022 and is calculated based on the 9-month RSI for 2021/22.
10. The bid has been submitted and DLUHC have confirmed that announcements regarding funding are likely to be made in April/May 2022.

Recommendations

11. It is recommended that Cabinet notes that a bid has been submitted as described in the report and agreed by the Strategic Director, Resources and Digital and Strategic Director, Housing, Environment and Healthy Communities under an urgent delegated decision in accordance with Schedule 5, Part 2 General Delegations to Managers, Paragraph (4)(e) of the Council's Constitution.

For the following reason:

To maximise the funding opportunities to support the delivery of the Homelessness and Rough Sleeping Strategy.

CONTACT: Amy Davies

email: amydavies@gateshead.gov.uk

Policy Context

1. The proposals support the overall vision for Gateshead as set out in Making Gateshead a Place Where Everyone Thrives and directly relate to the following pledges:
 - Put people and families at the heart of everything we do
 - Tackle inequality so people have a fair chance
 - Support our communities to help themselves and each other
 - Work together and fight for a better future for Gateshead
2. The Housing Strategy 2019-2030 identifies a vision for housing in Gateshead, centred on three strategic themes - supply, standards, and support. The Rough Sleeping Initiative directly links to the support theme and its main objectives to tackle homelessness and its root causes and promote tenancy sustainment and wellbeing.
3. The Homelessness and Rough Sleeping strategy sets out a clear vision to prevent and end homelessness in all forms in Gateshead over the next five years. The interventions which will be supported by the Rough Sleeping bid are key to the strategic aims set out in the strategy, in particular the aim for no-one to be sleeping rough or in unsuitable accommodation.
4. Further, improving access to accommodation and support for Rough Sleepers underpins many of the aims set out in the Health and Wellbeing Strategy, most notably:
 - Enable all children, young people, and adults to maximise their capabilities and have control over their lives
 - Ensure a healthy standard of living for all, in accordance with international law on economic and social rights
 - Create and develop sustainable communities
 - Strengthen the role and impact of ill health prevention.

Background

5. As part of the spending review the Department for Levelling Up, Housing and Communities (DLUHC) announced multi-year funding (2022-2025) of £2 Billion to end rough sleeping and asked local authorities to consider how the funding could be used to support their plans. Previous rounds of RSI funding have been for 12-month periods only.
6. The funding is designed to support local authorities to build on the successes already established through RSI, continuing the work to reduce the number of people sleeping rough and enhance services for them and those at risk of sleeping rough. A key aim of RSI 2022-2025 is to give local authorities the funding certainty to think longer-term about responses to rough sleeping and interventions needed to end it.

7. DLUHC are looking for local authorities to consider their responses across four objectives: Prevention, Intervention, Recovery and Systems Support.
8. The bid submission process involved the completion of a self-assessment, project plan and bid application. Co-production meetings were also held with DLUHC to develop the plans.
9. The bid proposes to maintain (and in some cases increase) provision of the following interventions for rough sleepers and those at risk of rough sleeping, including addressing current gaps in female rough sleeping provision:
 - **Assessment Centre and Resettlement service** – 4 direct access 24/7 bedspaces (male only), outreach service to engage with clients on the street and offer a personalised holistic approach in relation to both accommodation and support.
 - **Supported Accommodation - Housing first principles** – Council owned accommodation leased to a provider to manage and support very complex high-risk individuals with a history of rough sleeping. Provision increased from 7 properties in 2021-2022 to 10 in 2022-2023 to address gap identified for more direct access accommodation for females. Provision will be tapered to 8 properties in 2024-2025 following the remodelling and recommissioning of supported accommodation due to commence Autumn 2022.
 - **Personalisation funding pot** - Flexible fund to support clients based on their individual needs rather than a prescribed outcome defined by the service. Additional funding requested to support those with no recourse to public funds.

As the assessment centre is a shared resource between Gateshead and South Tyneside, if the bid is successful a partnership agreement will be established with South Tyneside Council to ensure appropriate governance is in place.

10. The following table provides a breakdown of the RSI 2022-2025 funding applied for:

	Total
2022/23	£559,241.98
2023/24	£716,721.64
2024/25	£627,675.78
Total	£1,903,639.40

11. Whilst there are some parts of the bid specific to Gateshead or South Tyneside the shared nature of the Assessment Centre, Resettlement Service and Supported Accommodation mean that to split the bid values between Gateshead and South Tyneside would be arbitrary.

Consultation

12. The Cabinet Member for Housing has been consulted in the submission of the bid. Key stakeholders and delivery partners were consulted in the development of the self-assessment.

Alternative Options

13. An alternative option would have been to not submit a bid or submit a single entity bid but this would not maximise the funding opportunities to the Council or be the preferred model.

Implications of Recommended Option

14. Resources:

a) **Financial Implications** – The Strategic Director, Resources and Digital confirms that the financial implications are as detailed in the report.

b) **Human Resources Implications** – None

c) **Property Implications** - None

15. Risk Management Implication

Risk to service delivery if bid unsuccessful/partially funded.

16. Equality and Diversity Implications

Extension of service provision to female rough sleepers as outlined in the bid ensures equality of access to accommodation and support for all.

17. Crime and Disorder Implications – None

18. Health Implications

Supporting this client group will have a positive impact on health and wellbeing by enabling access to suitable accommodation and support services including health-based services.

19. Climate Emergency and Sustainability Implications - None

20. Human Rights Implications - None

21. Ward Implications - None

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TITLE OF REPORT: Covid-19 Additional Relief Fund (CARF)

REPORT OF: Peter Udall, Strategic Director Economy, Innovation and Growth
Darren Collins, Strategic Director, Resources and Digital,

Purpose of the Report

1. To agree the scope of support to be provided through the Council's COVID-19 Additional Relief Fund (CARF) scheme to help businesses that have been adversely impacted by Covid-19.

Background

2. To date the Council has paid out over £76.6m to around 5,000 businesses and awarded over £77m in Retail Discount rate relief to more than 1,200 businesses as part of the Government's financial support measures for businesses impacted by the Covid-19 pandemic. This support has provided a vital lifeline to many small businesses protecting livelihoods and jobs.
3. The Council is also currently in the process of making further business grant payments to businesses in Gateshead as part of the Government's response to the Omicron variant.
4. Throughout the Pandemic many businesses have been required to pay full business rates. In December 2021 the Government announced there would be a new COVID-19 Additional Relief Fund (CARF) in order to support those businesses affected by the pandemic but that are ineligible for existing support linked to business rates including the Extended Retail Discount (covering Retail, Hospitality and Leisure) or the Nursery Discount scheme.
5. Gateshead has been allocated £4,068,697 in funding and is required to design its own local discretionary relief scheme to grant this relief to reduce the 2021-22 rate charges for qualifying businesses.
6. The Government is not changing the legislation relating to business rates and the scheme is to be introduced using discretionary relief powers under section 47 of the Local Government Finance Act 1988 and it will be for the Council to adopt its own local scheme.

Proposal

7. Businesses in Gateshead continue to face unprecedented challenges as a result of measures imposed in response to the Coronavirus pandemic and a loss of income. The fund will provide a vital support toward the overheads of many of the borough's

businesses ensuring they are able to continue trading and keep local people in employment.

8. The Government guidance gives the Council discretion over the grant scheme. It is proposed that to be eligible for relief the business must be a ratepayer liable and occupying a property for business rates in Gateshead during the financial year 2021/22. Relief will not be granted to a ratepayer who no longer has a rate liability at the date that the scheme opens for applications.
9. It is difficult to estimate demand and the volume of applications that will be made. While many businesses have been adversely impacted during the pandemic some businesses have not been. It is therefore proposed that the Council will operate an application window and once closed, will determine the amount to be awarded in each case based on the number of successful applications received.
10. A maximum relief award cap may be required in order to ensure that as many businesses as possible are supported by the scheme and that funds are maximised.
11. Applications will be made by an online form and businesses will need to complete a declaration to confirm that they have been adversely impacted and also provide a supporting statement to explain in more detail the adverse impact on their business.
12. Supporting financial information may be requested if there is a doubt as to whether a business has been adversely impacted or not.
13. A fund will be set aside to target support to businesses which the Council determines may require a greater level of assistance once initial awards have been finalised. The fund will be administered under the delegated authority of the Strategic Director, Economy, Innovation & growth in consultation with the Strategic Director, Resources and Digital and the Cabinet Member for Economy.
14. The amount of relief awarded will not be recalculated following a retrospective increase in rateable value or where the rate charge for 2021-22 has been increased for another reason.
15. Any relief must be made by 30th September 2022 in order to comply with business rates regulations.
16. Exclusions to awards for relief are contained in Appendix 1, paragraph 15.

Recommendation

17. It is recommended that Cabinet approves the proposed Covid-19 Additional Rate Relief (CARF) scheme as detailed in this report and delegation of authority to the Strategic Director, Economy, Innovation & growth, following consultation with the Strategic Director, Resources and Digital and the Cabinet Member for Economy, to administer the fund in line with government guidance including agreeing the level of relief to be awarded.

For the following reasons:

- (i) To ensure allocated funds are maximised for the benefit of the Gateshead economy.
- (ii) Local business impacted by the Coronavirus pandemic receive support to continue to trade and survive.
- (iii) To protect jobs and keep residents in work.
- (iv) To ensure essential local services continue to be available to residents of Gateshead.
- (v) To administer the funds in compliance with government guidance.

Policy Context

1. The COVID-19 Additional Relief Fund will enhance the Council's response to supporting small and micro businesses struggling to survive due to the impact of Covid-19 but that are unable to access other forms of grant assistance.
2. The fund will support the Thrive Pledge to invest in our economy to provide opportunities for employment, innovation and growth and the recently approved Economic Development Strategy which aims to create a fairer, greener and more resilient economy that enables everyone to thrive by helping small business in Gateshead continue to trade and survive the Coronavirus pandemic, protecting jobs and keeping residents in work.

Background

3. To date the Council has paid out over £76.6m to around 5,000 businesses and awarded over £77m in Retail Discount rate relief to more than 1,200 businesses as part of the Government's financial support measures for businesses impacted by the Covid-19 pandemic. This support has provided a vital lifeline to many small businesses protecting livelihoods and jobs.
4. In December 2021 Government announced the COVID-19 Additional Relief Fund (CARF) to support those businesses affected by the pandemic but that are ineligible for existing support linked to business rates.
5. The Government is not changing the legislation relating to business rates and the scheme is to be introduced using discretionary relief powers under section 47 of the Local Government Finance Act 1988 and it will be for the Council to adopt its own local scheme.
6. Gateshead has been allocated £4,068,697 in funding for this purpose.

Government Guidance and Eligibility

7. As a billing authority, the Council may not grant relief to itself or to another precepting authority.
8. Relief can only be awarded to businesses who occupy and are registered for business rates at properties that appear in the rating list.
9. While the Council has the discretion to develop its own scheme, Government guidance advises that it must meet the following criteria:
 - (i) Not to award relief to ratepayers who either received or were eligible to receive the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount
 - (ii) Not to award relief for unoccupied periods except where a business has closed temporarily due to the Government's advice on COVID-19

(iii) To direct support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact

10. Businesses will also need to be within Government Subsidy limits and declare that they will not exceed the support they are entitled to receive by accepting the relief. The Government guidance gives the Council discretion over the grant scheme. It is proposed that to be eligible for relief the business must be a ratepayer liable and occupying a property for business rates in Gateshead during the financial year 2021/22. Relief will not be granted to a ratepayer who no longer has a rate liability at the date that the scheme opens for applications.
11. It is difficult to estimate demand and the volume of applications that will be made. While many businesses have been adversely impacted during the pandemic some businesses have not been. It is therefore proposed that the Council will operate an application window and once closed, will determine the amount to be awarded based on the number of successful applications received.
12. It is proposed the fund will be administered under the delegated authority of the Strategic Director Economy, Innovation & growth in consultation with the Strategic Director, Resources and Digital and the Cabinet Member for Economy.
13. The amount of relief awarded will not be recalculated following a retrospective increase in rateable value or where the rate charge for 2021-22 has been increased for another reason.
14. Any relief must be made by 30th September 2022 in order to comply with business rates regulations.

Exclusions

15. It is proposed that relief should not be awarded in the following circumstances:
 - I. To a business that has not been adversely impacted by the Covid-19 pandemic.
 - II. For unoccupied periods with the exception of where a business was closed on a temporary basis due to Government advice on Covid-19.
 - III. For temporary periods of occupation by storage or where occupation has been taken for the avoidance of business rates.
 - IV. To a business that is in administration, insolvent or where a striking-off notice has been made or to a business that entered into a CVA or IVA during the 2020-21 or 2021-22 financial years.
 - V. To a business that has already received financial support equal to the maximum amount permitted under Subsidy allowances.
 - VI. To businesses that are liable for the rate charge for rating assessments which do not directly employ anyone such as advertising rights, communication masts, communication stations, ATMs, car parks,

independent distribution network operators, utilities, networks, power, sponsored roundabouts, and similar rating assessments.

- VII. To public bodies such as Government departments, legislative bodies, the armed forces, Local Authority occupied assessments and owned companies, Parish Councils, NHS and Foundation Trusts, Fire, Police, Maintained Schools, Academy Schools and Further / Higher Education institutions.
- VIII. Businesses that do not have any rates to pay for 2021-22 as they already receive another relief or discount.

Consultation

- 16. The Leader and Deputy Leader and Cabinet member for Economy have been consulted and support the proposal.
- 17. Local Authorities in the North East Local Enterprise Partnership area have been informally consulted to ensure regional consistency where possible whilst still ensuring local economy priorities are supported.

Alternative Options

- 18. To not agree criteria and scope for the COVID-19 Addition Relief Fund will prevent the Council from administering the fund and delay the award of much needed support to businesses impacted by the COVID pandemic.
- 19. An alternative approach would be to award a fixed level of relief to qualifying applicants. If the Council adopted this approach demand from business may exceed the funding available and exhaust the resources available before all impacted business can be supported. Conversely if demand is limited then the funding may not be maximised for the benefit of Gateshead businesses and the local economy.

Implications of Recommended Option

20. Resources:

a) Financial Implications – Strategic Director, Resources & Digital confirms that the cost of relief awarded through the COVID Additional Relief fund will be met from funds allocated to the Council for this purpose. The Council has been allocated £4,068,697. Government has committed to supporting the delivery costs to local authorities for this scheme and will meet associated New Burdens costs.

b) Human Resources Implications – None

c) Property Implications - None

- 21. **Risk Management Implication** - The Council will be required to report on its progress in developing and delivering the COVID-19 Additional Relief Fund to Government alongside the existing reporting on the Extended Retail Discount and business grants including Additional Restrictions grant and Omicron Hospitality and Leisure Grant.

Robust application and assessment procedures and financial management systems will be put in place to mitigate against the risk of payment to applicants not satisfying the eligibility criteria and guard against deliberate manipulation and fraud reducing exposure to clawback.

22. **Equality and Diversity Implications** - There are no implications arising from this report.

23. **Crime and Disorder Implications** – There are no implications arising from this report.

24. **Health Implications** – There are no implications arising from this report.

25. **Climate Emergency and Sustainability Implications** - There are no implications arising from this report.

26. **Human Rights Implications** - There are no implications arising from this report.

27. **Ward Implications** - There are no implications arising from this report.

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TITLE OF REPORT: Active Travel Programme

REPORT OF: Peter Udall, Strategic Director, Economy, Innovation and Growth

Purpose of the Report

1. This report updates Cabinet on the funding received by the Council through the Government's Capability Fund and seeks approval to utilise some of that funding to establish a scheme to provide small grants to businesses to encourage active travel.

Background

2. The Government launched the Local Authority Capability Fund in 2021, replacing the Access Fund which had previously only been offered to a subset of authorities. The Capability Fund supports the commitment made in 'Gear Change', the Government's Cycling and Walking Plan in July 2020, to increase the capabilities of local authorities to plan good active travel infrastructure, including building more expertise and undertaking more evidence-based planning.
3. It was intended that the grant would enable local transport authorities to promote cycling and walking in their areas by:
 - the development of infrastructure plans, including drawing up bids for capital funding that are compliant with recently updated guidance on the design of cycle infrastructure (known as LTN 1/20)
 - carrying out behaviour change activities, such as training and promotion
4. The Department for Transport notified all Combined and Local transport authorities of their indicative revenue funding allocations for 2021/22 in March 2021, however the actual confirmation of that award was delayed until November 2021. The award, totalling £283,400, was reported to Cabinet as part of the 'Local Transport Plan: Capital Programme Mid-Year Update' on 14th December, however, the funding not being received (via Transport North East on behalf of the North East Joint Transport Committee) until earlier this year.
5. Government deadlines for the funding are that it must be committed by the end of March 2022 and spent by the end of September 2022.

Programme

6. Capability guidance constrains the scope of activities which may be delivered with the funding. A programme has been developed in consultation with the Cabinet Member for Environment and Transport, which delivers enhanced provision of active travel to schools; opportunities for workplaces to improve levels of active travel; and enables the development of plans for more and better infrastructure for cycling and walking. The proposed programmed is summarised as follows:

Project	Activity to include
School travel planning	Led cycle rides, additional cycle training, school travel challenge Travel planning database School sustainable travel mapping software Resources to support school sustainable travel toolkit <i>Be Cool, Park away from school</i>
Workplace travel planning	Love to ride Travel planning database Park that Bike and business grants
Council travel plan	Travel plan measures to encourage staff to travel sustainably
Active travel marketing and comms	Resources and engagement promoting sustainable transport and behaviour change
Local Cycling & Walking Infrastructure Plan (LCWIP)	Updating current draft LCWIP in line with LTN1/20 Expansion of the current draft LCWIP to wider Gateshead area Staff training
Monitoring and Evaluation	Walking and cycling journey purpose and origin/destination data collection and analysis
School Streets	Feasibility studies and engagement on how to develop in Gateshead

7. Given the tight rules and short timescales for this spend it is proposed that the Strategic Director, Economy, Innovation and Growth finalises the programme following consultation with the Cabinet Member for Environment and Transport.
8. As noted above, part of the funding is intended to be used to provide small grants (up to £500 each up to a total of £6,500) to businesses to help them promote and encourage active travel – e.g. to provide cycle parking, staff lockers etc. This report seeks Cabinet approval for the Strategic Director, Economy, Innovation and Growth to establish such a scheme.

Recommendations

9. It is recommended that Cabinet:
- (i) approves the proposed programme from the Capability Fund as outlined in paragraph 6 above and authorises the Strategic Director, Economy, Innovation and Growth to finalise programme spend following consultation with the Cabinet Member for Environment and Transport,

- (ii) authorises the Strategic Director, Economy, Innovation and Growth to establish the grant scheme outlined in paragraph 8 above.

For the following reason:

To enable the available funding to be put to best use in supporting active travel and climate change objectives in Gateshead.

CONTACT: Anneliese Hutchinson ext 3881

Policy Context

1. Active travel measures, to be delivered through this programme, play a key role in supporting achievement of the Gateshead Council's climate change strategy and support the Council's health and wellbeing strategy. The proposed initiatives support our strategic approach; making Gateshead a place where everyone thrives. They also support the Core Strategy and Urban Core Plan. The indicative programme utilises funding available to the Council through specific government grants and is aligned with the objectives of the North East Transport Plan.

Consultation

2. The Leader, Deputy Leader and Cabinet Member for Environment and Transport have been consulted on the proposals and are supportive of them. Given the limited timeframe for the spend no public consultation has taken place.

Alternative Options

3. Given the tight timescale for spend the scope to develop alternative options is limited. The programme has been developed with the aim of delivering action that is effective and compliant with the funding scope in the time available.

Implications of Recommended Option

4. Resources:

- a) **Financial Implications** – The Strategic Director, Resources & Digital confirms that the programme is fully grant funded and has no financial implications for the Council.
- b) **Human Resources Implications** – There are no human resources implications.
- c) **Property Implications** - No property implications have been identified.

5. **Risk Management Implication** - The main risk with the spending is that failure to meet the prescribed timescales could lead to grant having to be re-paid. This risk will be minimised by recommendation (ii) of this report.
6. **Equality and Diversity Implications** - Implementation of the proposed initiatives will assist in reducing social exclusion by improving accessibility across Gateshead.
7. **Crime and Disorder Implications** – Proposals within the programme will assist in improving safety and security for the travelling public.

8. **Health Implications** – Improving opportunities for active travel through improves individual health and also benefits the wider population by improving air quality.
9. **Climate Emergency and Sustainability Implications** – Active travel will be an important element in providing a sustainable transport system capable of supporting Gateshead’s environmental, social and economic objectives. It seeks to reduce car dependence thereby contributing to the reduction of carbon emissions.
10. **Human Rights Implications** - None.
11. **Ward Implications** - All wards will be affected.

Background Information

12. Further background information is contained in:

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TITLE OF REPORT: Nomination of Local Authority School Governors

REPORT OF: Caroline O'Neill, Strategic Director, Children, Adults and Families

Purpose of the Report

1. Cabinet is asked to nominate Local Authority Governors to schools seeking to retain their Local Authority governor in accordance with The School Governance (Constitution) (England) Regulations.

Background

2. Schools - The School Governance (Constitution) (England) Regulations require all governing bodies to adopt a model for their size and membership. The regulations prescribe which categories of governor must be represented and what the level of representation is for each. The Local Authority's nomination is subject to the approval of the governing body. If approved, the nominee is appointed by the governing body.

Proposal

3. It is proposed that Cabinet approves the nominations to schools as shown in appendix 1.

Recommendations

4. It is recommended that Cabinet:
 - (i) approves the nominations for appointments of Local Authority Governors as set out in appendix 1.
 - (ii) Notes the term of office as determined by the schools' Instrument of Government.

For the following reason:

To ensure the School Governing Bodies have full membership.

CONTACT: John Finch

extension: 8626 (Johnfinch@gateshead.gov.uk)

Policy Context

1. In accordance with The School Governance (Constitution) (England) Regulations, local authorities can nominate any eligible person as a Local Authority governor. Statutory guidance encourages local authorities to appoint high calibre governors with skills appropriate to the school's governance needs, who will uphold the school's ethos, and to nominate candidates irrespective of political affiliation or preferences. A person is disqualified as a Local Authority governor if they are eligible to be a Staff governor at the same school.

Consultation

2. The Cabinet Member for Children and Young People has been consulted.

Alternative Options

3. The alternative option would be to make no nomination/appointment to the vacancies, leaving governing bodies under strength and less likely to demonstrate the correct configuration.

Implications of Recommended Option

4. Resources:

a) **Financial Implications** – The Strategic Director, Resources and Digital confirms there are no financial implications arising from this report.

b) **Human Resources Implications** – None

c) **Property Implications** - None

5. **Risk Management Implication** - None

6. **Equality and Diversity Implications** - None

7. **Crime and Disorder Implications** – None

8. **Health Implications** - None

9. **Climate Emergency and Sustainability Implications** - None

10. **Human Rights Implications** - None

11. **Ward Implications** - None

Background Information

12. The School Governance (Constitution) (England) Regulations.

In accordance with the School Governance (Constitution) (England) Regulations 2012, the following Local Authority governors are nominated for a period of four years (as stipulated in the individual Instruments of Government) with effect from the dates stated below:

School	Nomination	Date from
Lingey House Primary School	Ms Sharron Potts	7 th July 2022
Washingwell Primary School	Mr Andrew Moir	June 2022

Notes

- Both nominations are new applicants.

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