



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE AGENDA

Monday, 24 January 2022 at 10.00 am in the Council Chamber - Civic Centre

From the Chief Executive, Sheena Ramsey

Item	Business
1	Apologies
2	Minutes (Pages 3 - 8) The Committee is asked to approve as a correct record the minutes of the meeting held on 29 November 2021.
3	Performance and Improvement Six Month Report 2021/22 (Pages 9 - 24) Report of the Strategic Director, Resources and Digital
4	Corporate Commissioning and Procurement Strategy 2021/22 - 2026/27 (Pages 25 - 54) Report of the Strategic Director, Corporate Services and Governance
5	Covid 19 Pandemic - Key Updates (Verbal) Verbal Update from Alice Wiseman, Director of Public Health
6	Old Town Hall Update (Pages 55 - 60) Report of the Strategic Director, Economy Innovation and Growth
7	Annual Work Programme Update Report (Pages 61 - 64) Report of the Chief Executive and the Strategic Director Corporate Services and Governance

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GATESHEAD METROPOLITAN BOROUGH COUNCIL

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE MEETING

Monday, 29 November 2021

PRESENT: Councillor John Eagle (Chair)
Councillor(s): D Burnett, J Wallace, R Beadle, D Bradford, L Caffrey, B Clelland, P Foy, T Graham, M Hall, I Patterson, J Simpson and J Turner

APOLOGIES: Councillor(s): D Duggan, S Green, R Mullen, S Ronchetti and K Wood

CR54 MINUTES

RESOLVED - That the minutes of the meeting held on 11 October 2021 be agreed as a correct record.

CR55 CORPORATE COMMISSIONING AND PROCUREMENT STRATEGY 2021/22 - 2026/27

The Committee received a report seeking views on the draft Corporate Procurement Strategy and approval to consult on the strategy externally.

The current strategy was approved in February 2017 for a period of five years. It is the intention that the new strategy for the next 5 years will align to the Council's Thrive Agenda, the Health and Wellbeing Strategy, the Economic Strategy and the Climate Emergency Strategy. It will also align to Community Wealth Building Principles and look at maximising the Gateshead £.

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

Commissioning in Gateshead is 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.

The 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 Gateshead £, tackles inequality, helps to reduce our carbon footprint and support Gateshead people to thrive.

Our Values:

- Integrity – we will always work with integrity – demonstrating fairness and respect every day 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 – will be 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

The strategy will be divided into the following four areas with actions for each of the areas.

- 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.

It was noted that some of the strategy is quite aspirational and it was queried how all services would buy into this and how can this be used to influence the SEND agenda, for example parents of children with SEND who wish their children to stay in the Borough and are having to travel out of borough.

It was noted that commissioning is done on a regional basis for certain contracts agreed under the NEPO framework. It was noted that we are looking at that decision at the moment and whether it is working for us.

It was also noted that requests have been made to officers of other OSC's for information on issues for example if a parent has had a decision from a tribunal Councillors need to know what the position is, but the information was not forthcoming and items were being removed from the workplan. Councillors understand the need for confidentiality but the information could be presented in a way so as to inform councillors of decisions made but not details of the parent/child. It was noted that if councillors are not getting information requested they can take the issue to the Leader who would have a conversation with the Chief Executive.

It was queried whether the language used in relation to the Council being an enabler was the correct use of language, in particular when also saying the Council is reducing in size, it comes across as though we will be out-sourcing services which Councillors are aware did not go well for other local authorities and is not something which has ever been supported by the Council. It was considered that direct service delivery provides the greatest level of influence and in many cases better quality services, however it was also commented that due to funding reductions we cannot do everything we used to do.

It was noted that it is important that we establish a shared vision on Community WealthBuilding and this is something which we don't seem to have now, particularly around Social Care.

It was also queried about whether we know what the Gateshead £ is and have a clear shared definition.

It was noted that it was disappointing not to see the section on Integrated Health completed as there are massive amounts of money being handled in this area and we need to undertake more challenge of some of the professional who provide advice as sometimes the advice gets in the way of sensible decision making.

There was concern that there is too much silo thinking and not enough planned work eg for children with SEN where we could have more conversations with existing SEN schools in Gateshead to better manage demand.

We have good examples e.g. Kells Lane Park where the equipment was replaced by a supplier that was not necessarily the cheapest, but provided an excellent service and additional Social Value in the way that he dealt with the community.

It was suggested that we explore alternative ways of expressing the £ and consider a different exchange system. We could look to have schemes such as the Community Farm at Gibside and more co-operative type schemes where the benefits would include local people having access to produce they had grown themselves and sharing with others. This would also reduce the carbon footprint given there would be no need to import as much food and we could look at the land that the council currently owns.

- RESOLVED -
- (i) That the comments of the Corporate Resources Overview and Scrutiny Committee be incorporated into the draft strategy
 - (ii) That wider consultation takes place on the draft strategy
 - (iii) That the Strategy be brought back to the Overview and Scrutiny Committee prior to Cabinet for approval.

CR56 A NEW APPROACH TO SOCIAL VALUE

The Committee were presented with a report and presentation to update them and provide an opportunity for the new approach to Social Value that is being developed.

The Public Services (Social Value) Act 2012 requires all Contracting Authorities to

consider social value criteria for inclusion in their commission and procurement activities and specifically in respect of contracts above the Public Contracts Regulations threshold. Contracting Authorities should consider not only how to improve the economic, social and environmental well-being of the area served by them but also how to secure that improvement and measure it during the life of their contracts.

The Procurement Team along with other North East Local Authorities and NEPO have been focusing on the further development of Social Value criteria that can be measured. Working alongside a social enterprise, the Social Value Portal, a national toolkit has been developed to translate social value measures into a monetary value, and therefore enable comparisons to be made across a range of social value criteria. This toolkit has been extensively adopted in various ways by authorities across the Country.

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 maintenance of local metrics.

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 toolkit, streamlined and prioritised them against the themes in the draft Corporate Commissioning and Procurement Strategy 2021/22 – 2026/27 which should also represent Council priorities to create the Gateshead Social Value toolkit.

In Gateshead every contract will have a default 20% weighting for Social Value that is then divided into 4 themed areas of the draft Corporate Commissioning and Procurement Strategy Other Local Authorities allocated 10% we are looking to allocate 20% weighting.

It was noted that there is an awful lot of priorities to be considered as a default position. It was queried whether there would be a standard list each contract would include, however it was considered that there should be flexibility to bespoke the measures to the contract matter. It was also noted that some measures would not be used as there may be terms and conditions within the contract that mandate specific measures.

It was noted that the Corporate Social Responsibility Policy, would have to be reviewed in light of the Social Value toolkit.

It was noted that one of the things we don't do well enough is that when things go wrong ask for a proper review of lessons learned when we have made mistakes we should build that into the process.

It was queried whether we are going to support Gateshead based organisations to do this. It was noted that we have to be careful to comply with procurement law and not give advantage to any suppliers, however, one of the things we do have is

market engagement sessions and often the majority of suppliers who attend are local. We also work with our Economic Development Team who do lots of work with Gateshead based organisations to upskill them and ensure that they are able to compete for work. We have held several workshops over the years to engage markets, however we now try and target the sessions towards any contracts that might be due for renewal.

- RESOLVED -
- (i) That the comments of the Corporate Resources Overview and Scrutiny Committee be noted
 - (ii) That all procurements exceeding £100k should incorporate the Gateshead Social Value Toolkit with a default weighting of 20% unless otherwise approved by the Service Director, Corporate Commissioning and Procurement
 - (iii) That a wider consultation on the approach be undertaken

CR57 ANNUAL WORK PROGRAMME

The Committee requested that the Corporate Procurement Strategy amendments be brought back to the January meeting. They also requests a Members Seminar be organised to consider the zero-based budget approach. There was also a request for a workshop with CLES for Councillors to better understand the Community Wealth Building work.

- RESOLVED -
- (i) That the provisional work programme be noted but with the following amendments:
 - the Covid Update in January to be merged with the one in April
 - the amended Corporate Commissioning and Procurement Strategy be added onto the January meeting.
 - The new approach to budget setting be scrutinised in March/April
 - (ii) That the Committee noted that future reports on the work programme would be brought to the Committee

Chair.....

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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

SUMMARY

This report provides the Committee with the Council's new Performance Management and Improvement Framework, reporting performance on the delivery of Council priorities for the 6 month period April to October 2021.

Purpose of the Performance Management and Improvement Framework (PMIF)

1. The Performance Management and Improvement Framework (PMIF) aims to enable the Council to know how it is delivering on its Thrive policy. It identifies Council priorities to support effective resource allocation. It has a clear focus on priorities, delivery, measurement and analysis of impact. It is based on Thrive and the Health and Wellbeing Strategy.

How we got here – Engagement

2. The development of a 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 also taken place at the Health and Wellbeing Board and with the Voluntary and Community sector (Connected Voice).
3. 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.

What is the PMIF?

4. The new PMIF is based on the six policy objectives of the Health and Wellbeing Strategy and a Balanced Scorecard that demonstrates performance against 'organisational health'. It is informed by qualitative and quantitative assessment to inform policy and resource decisions.
5. 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 1. 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.

Governance and Leadership

6. The PMIF is approved by Cabinet and Council. All 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. The six month and year end performance reports will be reported to Cabinet, including the recommendations of Overview and Scrutiny Committees.

Risk and limitations

7. 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 as well as upon the ability of all services to collect and assess 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 they can still be delivered. The impact of the pandemic itself may influence and inform future priorities of the Council which would then inform the performance content of the framework.
8. It should also be noted that a number of the measures are available on an annual basis which will enable a greater depth of assessment for the full year. The development of the PMIF is iterative, which has become increasingly important given the current challenges to ensure it remains a relevant tool for the Council to understand how well it is delivering against its agreed priorities.

Next steps

9. The next steps are to:
 - Align the PMIF to the new budget approach agreed by Cabinet in December 2021. This will use the PMIF to help inform the priority reviews and zero based budgeting approach.
 - There is a need to further develop the priorities and actions within the framework as the Council responds to changing circumstances and as delivery plans are developed for specific strategies e.g. the new Economic Strategy
 - The six month performance reports will be considered by Cabinet in March 2022.

Recommendations

10. Corporate Resources Overview and Scrutiny Committee is recommended to:
 - Comment on the six month performance report at Appendix 1 and identify any areas for further scrutiny
 - Recommend the performance report to Cabinet for consideration in March 2022.

Contact: Lindsay Murray

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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

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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

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.

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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** Health impacted by 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
- 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

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?

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.

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.

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 while Covid-10 continues to place pressures on service delivery
- 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 and 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
- 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 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>	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	↑	% take up of free school meals in primary schools	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	% of Gateshead schools graded good or outstanding in relevant categories	Reporting to be developed during 2021/22	Reporting to be developed during 2021/22	Increase	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)	52.7% (2018/19)	113.3 (2019/20)	Reduce	↑	% of Early Help cases closed with 'all needs met' as an outcome	55.36%	57.28%	Maintain or increase	↑
	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	↓	% of cases closed to early help which remain out of statutory services at 6 months and 12 months	88.83% / 81.59%	89.84% / 86.42%	Increase	↑
	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 in the number of families who are offered the opportunity to be part of a Family Group Conference	163 referrals submitted for FGC	237 referrals submitted for FGC	Increase	↑
	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	↑	Increase in the number of families to take up the offer to be part of a family group conference	79 closures with outcome 'FGC Successful'	84 closures with outcome 'FGC Successful'	Increase	↑
	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-	Increase in the number of families supported through the FDAC (Family Drug and Alcohol Courts)	New service, not in existence 2020 so no baseline.	5 families being supported (3 to come on board) End Sept 21	Increase	↑
	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	The percentage of children assessed by Children Social Care, where 3 or more ACE (Adverse Childhood Experience) factors were identified	Reporting to be developed during 2021/22	Reporting to be developed during 2021/22	-	Annual
					No of permanent exclusions from Gateshead schools	38 (19/20)	42 (20/21)	Reduce	↑	Reduction in the average time between a child entering care and being made subject of a Special Guardianship Order	Reporting to be developed during 2021/22	Reporting to be developed during 2021/22	Reduce	Annual
										Reduction in the average time between a child entering care and placed for adoption	416 days (at 31/03/21, previous 12 months)	264 days (at 30/09/21, previous 12 months)	Reduce	↓
										Smoking at time of delivery	12.58 (2018/19)	11.6 (2020/21)	Reduce	↓
									6-8 week breastfeeding rate	38.7 (2019/20)	41.8 (2020/21)	Increase	↑	
									Pupils who have missed 10% or more of school sessions during an academic year	Not available (DfE have not published attendance data since covid)		Reduce	Annual	

Investment Strategy & Resources

Revenue 21/22 (23% of total gross budget)		Capital
Gross	Net	£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**

- ### 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	Baseline	Latest	Target	DoT	Operational Performance	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> <p>↑</p> <p>↑</p> <p>↑</p> <p>↑</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)	132.1 (2019/20)	167.5	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 any caseworker who report an 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 3B 43.6% (2018/19)	Annual	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	↑
ASCOF 1C part 2a (adults receiving direct payments)	20.5% 20/21	19.3%	Increase	↓										
Rate of domestic violence reports / convictions/ repeat victims of domestic violence and/or children affected by domestic abuse	TBC	TBC			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 Figures 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**

Qualitative Impact

- Young people's survey commissioned by Public Health to understand issues and impact from Covid -19. Further consultation taking place from December 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

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 DRAFT
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	Annual	To be set at end of Year 1	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			

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
<p>Local communities and social networks are strong</p> <p>All residents have access to a high quality, affordable, warm and energy efficient home</p> <p>All communities have access to good quality natural environment</p> <p>Gateshead has clean air with low levels of pollution</p> <p>Gateshead has low levels of crime and anti-social behaviour</p> <p>Gateshead is carbon neutral by 2030</p>	<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	↓										

Investment Strategy & Resources (24% of Council gross budget)

21/22 Revenue		5 Yr Capital
Gross	Net	
£000	£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 TBC	Baseline to be set at end of Year 1	TBC	2021/22 data to be used to formulate	Annual						

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

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	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 70% by 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	9 days	
Agency worker costs	£1.412m	£1.146	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%	70% by2023	-

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%	64%	None set	
% satisfied with the Council	52%	42%	None set	
Commission Happiness Survey	N/A	N/A	TBC	-
% residents who are vulnerable	39.5%	31.9%	None set	
% residents who are just coping	29.5%	41.7%	None set	-
% residents who are managing	13.3%	16.7%	None set	-
% residents who are thriving	17.7%	9.6%	None set	
No of stage 3 corporate complaints upheld	10%	15%	10%	
No of complaints upheld by the LG Ombudsman	12%	0%	10%	
No of complaints upheld by the ICO	1	0	1	
No of compliments received about Council services	54	78	None set	
Digital Customer Experience % of transactions completed online for G'den Waste; Birth/Deaths; Flytipping	76%	80%	Increase	
Number / £ of online payments	98,961/ £12.5m	123,214 / £14.8m	Increase	
Telephony contact response answer rate (Average of Customer Contact Unit; Revs & Bens; Housing; Adult Social Care Direct)	To be set	86%	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	93.9% / 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	Year end	Annual		

EXTERNAL ASSESSMENT

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

	Baseline	Latest	Target	DoT
CQC Council Registered Schemes (11 total)	Good	Good		
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		
Regulator of Social Housing Consumer Standards	-	Compliant – 5 Progressing – 3 Noncompliant - 1		
HSE Enforcement Actions	0	0		
Council working in partnership (Survey VCS; Private and Public sector partners)	Baseline to be set	TBC	-	-

Key Tolerance Key

- Achieving or exceeding target
- Underachieving within tolerance% if set
- Underachieving over tolerance



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

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

SUMMARY

This report provides Members with an opportunity to input into the draft Corporate Commissioning and Procurement Strategy 2021/22-2026/27

Background

- 1.0 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 other 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.
- 1.1 A draft version was considered by the Corporate Resources Overview and Scrutiny Committee at its meeting on 29th November 2021. A number of comments and proposals were made that have been incorporated into this final version, together with feedback from an external consultation process.

Proposal

- 2.0 The revised strategy (attached as Appendix 1) is built on 4 key themes which reflect Thrive, and also align with 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 themes 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**

- 2.1 A presentation outlining the key areas of the draft Strategy together with feedback from external consultation will be given to the Corporate Resources OSC at the meeting and is attached as appendix 2.

External Consultation

- 3.0 The Strategy was issued to a range of organisations on 15th December with a response deadline of 12 January.
- 3.1 Feedback on the draft Strategy was received from 5 organisations including North East Procurement Organisation, North East Enterprise Agency Limited, PNE Group, Gateshead College and Construction Alliance North East.
- 3.2 The Strategy and its contents were largely welcome and supported by the consultees and a copy of the actual feedback is attached as appendix 3.
- 3.3 However, all consultees fed back that the strategy needs to highlight what will improve as a result of implementing the strategy and also that the strategy required an action plan to ensure it's implementation and to measure its impact.
- 3.4 In response to the consultation, additional information has been added to the Strategy at the bottom of each of the 4 themes outlining how we will measure success.
- 3.5 An implementation action plan is being developed and there is reference to how this can be accessed within the strategy.

Recommendations

- 4.1 It is recommended that the Corporate Resources Overview and Scrutiny Committee receive the presentation and:
 - 4.1.1 Provide any final comments on the updated Draft Strategy to the Service Director, Corporate Commissioning and Procurement.
 - 4.1.2 Agree that the Strategy should proceed to Cabinet for consideration.

Appendix 3 – Copy of consultation received

Hi Andrea

Thanks for sharing this. I've got a few questions:

- Are there any timelines for each of the deliverables in the strategy? I couldn't see any timelines for specific actions. It will help build momentum if there are some timescales.
- What will be different because of this strategy? For example, how many more businesses will be delivering contracts or how will climate emissions have been reduced?
- Do each of the strategies mentioned in this refer to the Procurement Strategy? For example, does the Economic Strategy mention the delivery that will be achieved?

Thanks

Simon (North East Procurement Organisation)

Hi Andrea

Thank you for sending this through and I hope that you are well.

My initial feedback is that, in terms of a five-year strategy, I think there are some really clear intentions in there and it is great to see a focus on supporting the thrive and community wealth building agendas. I appreciate that this is a high level document that is underpinned by a range of other strategies, but it would be useful from my perspective to understand more about the targets and actions as they feel quite broad at the moment. Is there (or will there be?) a set of measurable objectives or framework that will back up the strategy and enable you to measure your success i.e. high-level targets around spend, cost reduction, diversity of suppliers, % local £ etc. I know that there is a lot of work going on at the moment to understand the challenges and barriers, so it may be that the picture will become clearer over time and the targets developed from there, but I thought I should ask.

I also think that, in terms of the intended impact, the vision may be strengthened if it either changed tense (By 2026/27, we will be providing) or stated the impact first rather than starting with the aim to continue doing what you are already doing i.e. We will aim to maximise the value of the Gateshead £, tackle inequality, reduce our carbon footprint and support the people of Gateshead to thrive by continuing to provide first class..... Then this shows the difference that you will make by implementing the strategy.

Hope this is useful .. and makes sense Andrea, but happy to discuss in more detail if you feel it would be helpful.

I am not sure when you will be reading this, but if it is not too late then I hope that you have a happy and healthy Christmas and New Year break and I look forward to seeing you in 2022.

Best wishes

Tracey Moore (Executive Director PNE Organisation)

Thanks Andrea for sharing this.

It's great to see a vision and strategy which sees procurement and commissioning as a means of supporting community wealth building and the local economy.

There will no doubt be a document sitting within the implementation plan for the strategy which will set out in measurable and timebound terms what the strategy will achieve but I also understand (and indeed the document itself recognises this) that there is a need to "improve the quality of data used to support commissioning and procurement activity by developing more category and local market knowledge and expertise". If there is anything that NEEAL can do to support the acquisition of this data, then of course we are happy to help.

With kind regards

Sue

Sue Parkinson
Project Director
North East Enterprise Agency Ltd (NEEAL)

Hi Andrea

Happy New Year – hope you managed to get some downtime over Christmas.

Thank you for the opportunity to comment on the draft corporate commissioning and procurement strategy. I found the document a well written, clear and focussed piece of work that clearly describes the aims of the Council. Thought it struck a balance between the needs of the residents of Gateshead and driving best value, whilst maximising the Gateshead £ described in a clear manner. Stating clearly the actions we will take to deliver the strategy and how we will do this enables the reader to picture how the overall strategy will be delivered.

Picked up a typo on page 5 – payments to individuals – next to the pie diagram. You've probably picked it up by now but thought I'd mention.

Kind Regards

Ivan Jepson (Director of Business Development, Gateshead College)

**Gateshead Council: Corporate Commissioning & Procurement Strategy 2021/22 - 2026/27
Comments January 2022 from Construction Alliance North East**

1. We thank Gateshead Council (GC) for the opportunity to comment on the Strategy and for engaging with CAN and therefore local contractors in the construction sector. We have tried to keep these observations as high-level comments and we appreciate the strategy covers all procurement and not just construction. We however advise our comments are construction biased.

2. We fully appreciate the funding challenges faced by local government and understand the need to therefore achieve best value for the available funds. We are however encouraged to see social impact and wellbeing high on the agenda, and we are also pleased to note that a strategic and people focussed approach is being taken. CAN represents local companies and these issues are important to us.

3. We note the strategy is designed to facilitate the use of local companies, making better use of the Gateshead Pound £ and we suggest that the implementation plan has a clear simple pathway to enable local companies to work with the council by making procurement more accessible to local SME's. We suggest the Strategy includes a plan for developing a communication strategy to benefit local companies.

4. We ask for CAN's Intelligent Procurement Policy to be considered.

5. We feel the Strategy should encourage direct employment by suppliers and contractors as opposed to mass subcontracting which is prevalent in certain sectors of our industry. Direct employment of skilled people facilitates long term sustainable local employment and facilitates more and better training and jobs, which ultimately helps tackle inequality and poverty. Linked to this we would be pleased to see more on skills and training for local people and for helping address the current skills shortage which is currently on the brink of crisis point in our industry. Direct employment is an important issue for CAN.

6. SCAPE – we note this is mentioned in the Strategy and we would seek to better understand how this aligns with the rest of the strategy. It would appear that the use of the SCAPE Framework for all construction projects over a certain value is perhaps at odds with much of the strategy including The Community Wealth Building Programme, use of local companies, long term sustainable local employment, addressing the Climate Emergency and wealth extraction.

7. We are pleased to see that Fair Payment up and down the entire supply chain is mentioned. We feel this should be strengthened and we encourage the alignment of payment terms so that they are fair and equitable for everyone, and that a plan for a simple mechanism for policing this is set out in the Strategy.

8. We encourage the use of simpler systems and process and suggest that an overhaul of the construction process and system is considered (see separate recommendations). We look forward to understanding how the new NEPO "OPEN" project will operate.

9. We feel that there should be recognition of how global issues affects the supply chain and the resultant challenges relating to cost and time faced by local companies which are out of their control. As evidenced by the current materials shortage.

10. We are pleased to see whole life cost being considered.

11. Contract and supplier management – we are pleased that a consistent approach is to be adopted and that a better understanding of supplier's risks is to be considered

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.



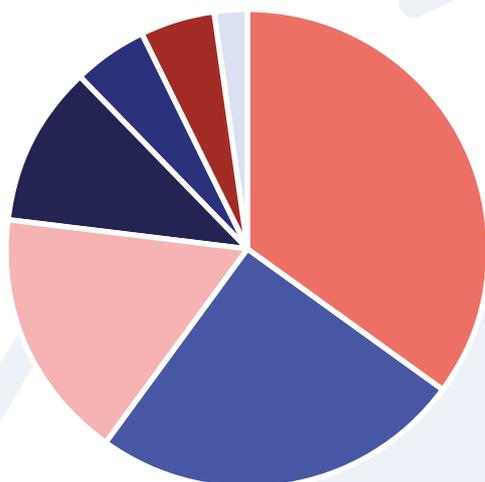
Councillor M Gannon
Leader of the Council



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 develop 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, and 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.

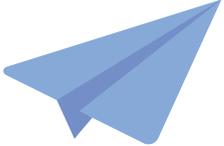
Learning and adaptation

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 their 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 which 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 the 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.



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?

- Streamlined procurement processes
- Improved the quality of supplier, market and spend data
- Improved contract management and risk management
- 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
- By implementing the new "OPEN" digital procurement system, the council has



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

Title: Old Town Hall Quarter	Ref:
Date: 24th January 2022	Strategic Director: Peter Udall

Introduction

1. The Old Town Hall Quarter (OTHQ) comprises Gateshead Old Town Hall, Swinburne House, the Nelson Street office building, the former Police House, two surface car parks and vacant land, shown edged red on the attached plan.
2. 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 (policy GC2).

Marketing and Disposal

3. 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.
4. 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.
5. A total of five bids were received by the closing date together with a further bid received after closing. These are listed below –

Bidder	Offer	Conditions	Use
Tier One Capital / Dinosauria Ltd	£650,000	Contract Only	Leisure (museum) / serviced business offices
Bidder 2	£475,000	Contract Only	Serviced business offices
Bidder 3	£100,000	Unknown	Dance School
Bidder 4	Nil Premium	Planning, licensing and funding	Mixed use comprising retail, hotel, office bar/restaurant
Bidder 5	Nil Premium	Unknown	Charity/Office

Bidder 6 (late)	£500,000	Unknown	Restaurant/Bar and residential.
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6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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

Disposal and Terms

12. 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.
13. 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.
14. 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.
15. 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.

Progress

16. 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.
17. 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.
18. 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.

Update

19. 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.
20. 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.
21. 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.

Legal Implications

22. 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?
23. 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.

Next Steps

24. 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.

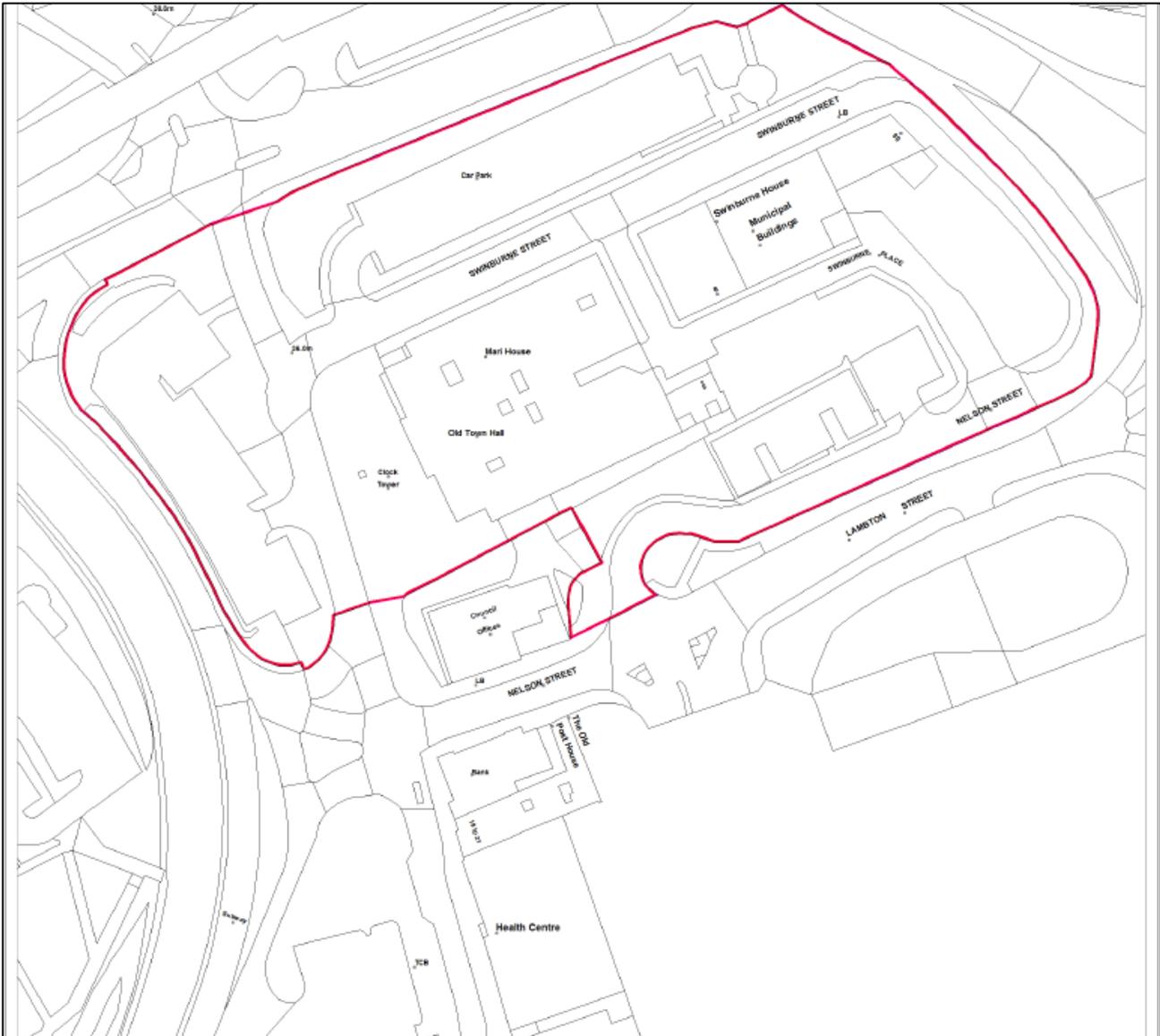
Contact

Andrew Sloan

Consultees

Peter Udall, Andrea Tickner, Steve Hayles, Lynn Willis

Appendix 1 – Old Town Hall Quarter



Title Town Hall Quarter Gateshead		<small>© Crown Copyright and database rights 2016. Ordnance Survey license number 100019322.</small>		 Gateshead Council
Scale 1:1250		Drawing Number Asset ID 004845		
Date Created 27th January 2017	Drawn By Gillian Hall	Date Printed 24th February 2017	O/S NUMBER NZ2563SE	
<small>Legal, Democratic and Property Services Corporate Services and Governance Gateshead Council</small>				

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TITLE OF REPORT: Annual Work Programme

REPORT OF: Sheena Ramsey, Chief Executive
Mike Barker, Strategic Director, Corporate Services and
Governance

Summary

The report sets out the provisional work programme for the Corporate Resources Overview and Scrutiny Committee for the municipal year 2021/22.

1. The Committee's provisional work programme was endorsed at the meeting held on 14 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.
2. Appendix 1 sets out the work programme as it currently stands and highlights proposed changes to the programme in bold and italics for ease of identification.

Recommendations

3. The Committee is asked to
 - a) Note the provisional programme;
 - b) Note 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.

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Draft Corporate Resources OSC Work Programme 2021-22	
14 June 2021 10.00am	<ul style="list-style-type: none"> • Covid 19 Update – to include the impact not just on the Council but also on how the impact on businesses, both large and small, impacts on the Council eg shortages of supply, price increases etc. /lessons learned/contributions and collaborative work with our community partners • District Heating Scheme – Update (to cover current position in relation to investment and returns and future business plans and strategy) • New Performance Framework – Update
6 September 2021 10am	
11 October 2021 10am	<ul style="list-style-type: none"> • Covid 19 Update – to include the impact not just on the Council but also on how the impact on businesses, both large and small, impacts on the Council eg shortages of supply, price increases etc./lessons learned/contributions and collaborative work with our community partners • The impact of Brexit – to include the impact not just on the Council but also on how the impact on businesses, both large and small, impacts on the Council eg shortages of supply, price increases etc.
29 November 2021 10am	<ul style="list-style-type: none"> • <i>Corporate Procurement Strategy</i> • <i>A new Approach to Social Value</i>
24 January 2022 10am	<ul style="list-style-type: none"> • Covid 19 Update – to include the impact not just on the Council but also on how the impact on businesses, both large and small, impacts on the Council eg shortages of supply, price increases etc./ lessons learned/contributions and collaborative work with our community partners • New Performance Framework – 6 Monthly performance report • Corporate Procurement Strategy • The old town hall redevelopment – review decisions made to date.
7 March 2022 <u>5.30pm</u>	
4 April 2022 10am	<ul style="list-style-type: none"> • Covid 19 Update – to include the impact not just on the Council but also on how the impact on businesses, both large and small, impacts on the Council eg shortages of supply, price increases etc./ lessons learned/contributions and collaborative work

	<p>with our community partners</p> <ul style="list-style-type: none">• New Performance Framework – Update• <i>New Approach to Budget Setting</i>• Age profile of Council employees by Group and Department – Update Report
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Issues to Slot In – Results of Covid 19 Survey