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All Members of the Council

My Ref: LCS-DLDS-DS-C-022
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Contact Rosalyn Patterson
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Date: Wednesday, 25
January 2017

NOTICE OF COUNCIL MEETING

You are summoned to attend a meeting of Gateshead Metropolitan Borough Council to be held in the Council Chamber - Civic Centre, at **2.30 pm** on **Thursday, 2 February 2017** to transact the following business:-

- 1 To confirm the Minutes of the meeting held 15 December 2016** (Pages 5 - 10)
- 2 Official Announcements**
(announcements may be made by the Mayor, Leader of the Council or the Chief Executive)
- 3 Contract Director of National Citizen Service North East - Presentation**
- 4 Petitions**
(to receive petitions submitted under Council Procedure Rule 10)
- 5 Questions from Members of the Public**
(to consider any questions submitted under Council Procedure Rule 7)

RECOMMENDATIONS FROM CABINET

- 6 Housing Revenue Account and Housing Capital Programme** (Pages 11 - 28)
- 7 Council Housing Repairs Policy** (Pages 29 - 50)
- 8 Introduction of Fixed Penalty Notices for flytipping and review of current fixed penalty charges.** (Pages 51 - 58)
- 9 Gateshead Flood Risk Management Strategy** (Pages 59 - 70)
- 10 Corporate Commissioning and Procurement Strategy** (Pages 71 - 96)
- 11 Implementation of Procurement Protocols** (Pages 97 - 124)
- 12 Calendar of Meetings 2017/18** (Pages 125 - 146)
- 13 Capital Programme and Prudential Indicators 2016/17 - Third Quarter Review** (Pages 147 - 164)
- 14 Battery Storage for District Energy Scheme** (Pages 165 - 166)
- 15 Report from the Cabinet** (Pages 167 - 172)

MOTIONS AND QUESTIONS

- 16 Notice of Motion**
(to consider any notices of motion submitted in accordance with Council Procedure Rule 9.1)
- 16a Notice of Motion - Sustainability and Transformation Plans** (Pages 173 - 174)
- 16a(i) Amendment to Notice of Motion - Sustainability and Transformation Plans** (Pages 175 - 176)

16b Notice of Motion - Article 50 (Pages 177 - 178)

16c Notice of Motion - Donald Trump state visit (Pages 179 - 180)

17 Questions

(to deal with any questions submitted in accordance with Council Procedure Rule 8.1)

A handwritten signature in black ink, appearing to read 'Mike Barker', with a stylized, cursive script.

Mike Barker
Acting Chief Executive

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GATESHEAD METROPOLITAN BOROUGH COUNCIL

COUNCIL MEETING

Thursday, 15 December 2016

PRESENT: THE MAYOR COUNCILLOR A THOMPSON (CHAIR)

Councillors: P Dillon, J Adams, R Beadle, D Bradford, M Charlton, B Clelland, D Davidson, W Dick, S Dickie, K Dodds, C Donovan, A Douglas, D Duggan, John Eagle, M Gannon, A Geddes, B Goldsworthy, M Goldsworthy, J Graham, M Graham, T Graham, L Green, S Green, G Haley, M Hall, M Henry, M Hood, H Hughes, L Kirton, J Lee, K McCartney, J McClurey, C McHugh, E McMaster, M McNestry, P Mole, B Oliphant, C Ord, M Ord, I Patterson, S Ronchetti, C Simcox, J Turnbull, L Twist, J Wallace, N Weatherley, A Wheeler and K Wood

APOLOGIES: Councillors: C Bradley, M Brain, L Caffrey, P Craig, S Craig, M Foy, J Green, S Hawkins, J Kielty, P Maughan, J McElroy, C McHatton, P McNally, R Mullen and J Simpson

Reverend Meg Gilley, Bensham & Teams St Chad's Vicarage, gave the opening address.

CL67 MINUTES OF THE MEETINGS HELD ON 10 NOVEMBER AND 25 NOVEMBER 2016

COUNCIL RESOLVED - That the minutes of the meetings held 10 and 25 November 2016 be approved.

CL68 OFFICIAL ANNOUNCEMENTS

(A) Lawyers in Local Government (LLG) Awards 2016

The Mayor announced the success of Patrick Houghton, Commercial Solicitor, who won the Project Lawyer of the Year Award at the recent LLG Awards. The judges paid tribute to Patrick's work on Gateshead's District Energy Scheme and a range of other Gateshead schemes including its trading initiatives. The awards also recognised the Council's Commercial Legal Team who were runners up in the Legal Team of the Year award category.

The Mayor presented Patrick with his award in recognition of his achievement.

(B) North East Care Awards 2016

The Mayor informed Council of the annual North East Care Awards which recognise outstanding teams and individuals in the social care workforce.

The Council's Adult Social Care Provider had seven employees and two teams shortlisted in a wide range of categories and went on to have 3 winners at the awards night on 1 December:

- Sharon Foster who works within the long term domiciliary care team was successful in winning the Dignity in Care Award.
- Diane Ingham who works as a domestic and support worker within Shadon House Dementia Resource Centre in Birtley was successful in winning the Ancillary Worker award.
- The Guidepost Team which enable people with learning disabilities to be supported by staff and their peers, in being inclusive in their own communities and support their independence, were successful in winning the Putting People First Personalisation award.

The Mayor presented the awards in recognition these achievements

(C) Association for Public Service Excellence (APSE) Awards

Council were informed of the success in two award categories at the APSE Awards 2016.

The Council were successful in winning the Best Performing Cleaning Service and Best School Catering Service in the UK. The Mayor advised that the awards recognise high quality frontline services delivered to local communities by local authorities who have to be able to demonstrate that they are value for money whilst proving high levels of customer satisfaction.

The Mayor presented the awards to members of the Building Cleaning Team and School Catering Team.

(D) British Horse Society Awards 2016

The Mayor announced that the Council had received recognition at the British Horse Society Awards and had won the Lady Elizabeth Kirk Award for the best voluntary dedication of a bridleway, on its land at Buck's Hill Plantation at Whickham, known to many users as the former Footpath Whickham 79.

This voluntary upgrade to a bridleway has also added an equestrian and cycle link to the existing rights of way in Washingwell Woods, providing convenience and enjoyment of the rights of way network for all users.

The Mayor presented the award to Rob Hindhaugh, Public Rights of Way Officer; Jennifer Bradley, Highways Solicitor, and Councillor Keith Woods, Chair of the Rights of Way Committee.

CL69 DIRECTOR OF PUBLIC HEALTH ANNUAL REPORT - PRESENTATION

Alice Wiseman, Director of Public Health attended the meeting and presented her annual report, the focus of which is the ambition for a smoke-free Gateshead.

CL70 PETITIONS

Councillor Jack Graham submitted a petition in relation to the proposed closure of Greenside Doctors Surgery.

CL71 QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no questions submitted by members of the public

CL72 CENTRALLY EMPLOYED TEACHERS' PAY POLICY 2016

Consideration was given to a report seeking approval of a centrally employed teachers' pay policy 2016.

COUNCIL RESOLVED - That the draft policy at Appendix 2 be approved.

CL73 REVISION TO THE EARLY RETIREMENT/REDUNDANCY PAYMENTS FOR TEACHERS AND MEMBERS OF THE TEACHERS' PENSION SCHEME

Consideration was given to a report seeking approval of a revised early retirement / redundancy payment policy for employees who are members of the Teachers' Pension Scheme.

COUNCIL RESOLVED - That the draft policy be approved.

CL74 REVIEW OF TERMS AND CONDITIONS

Consideration was given to a report that informed of progress made to date in the current review of terms and conditions and to seek approval to implement proposals relating to car allowances and the normal working week.

COUNCIL RESOLVED - That the implementation of the proposals outlined in the report be approved.

CL75 CARE, WELLBEING AND LEARNING: SPECIAL EDUCATIONAL NEEDS AND DISABILITIES DOCUMENTS

Consideration was given to a report seeking approval of a suite of strategic documents for special educational needs and disabilities, accessibility and services for children and young people.

- COUNCIL RESOLVED -
- i) That the following documents be approved:
 - a) Accessibility Strategy
 - b) Inclusion Policy
 - c) PVI Survey
 - d) SEND Report Guidance to Schools
 - ii) That it be agreed to undertake wide consultation with all stakeholders on the SEND strategic aims and to receive a further report on the outcome of the consultations once available.
 - iii) That it be noted that the Joint Commissioning Strategy will be endorsed early in the Spring Term 2017 to align with the Council and CCG budget strategies.

CL76 GATESHEAD COUNCIL SPORTS STRATEGY DOCUMENTS

Consideration was given to a report seeking approval for the Council's Sports Strategy Documents, which comprise a Playing Pitch Strategy, an Indoor and Built Sports Facilities Strategy and the Gateshead Football Plan.

- COUNCIL RESOLVED -
- i) That the potential implications of the Gateshead Sports Strategy documents, including opportunities for new mechanisms for the provision and maintenance of sports facilities be noted.
 - ii) That the Gateshead Playing Pitch Strategy 2016 – 2019, the Gateshead Indoor and Built Sports Facilities Strategy 2016 – 2026, and the Gateshead Football Plan 2016 – 2019 be approved.

CL77 LOCAL COUNCIL TAX SUPPORT SCHEME FOR 2017/18

Consideration was given to a report recommending a Local Council Tax Support Scheme for the year 2017/18 following consultation.

- COUNCIL RESOLVED -
- i) That the proposed scheme as set out in paragraphs 8 and 9 of the report be approved.
 - ii) That delegated powers be granted to the Strategic Director, Corporate Resources, to provide regulations to give effect to the scheme.

CL78 REPORT FROM THE CABINET

The Leader of the Council reported on a number of key issues currently affecting the Council.

COUNCIL RESOLVED - That the information be noted.

CL79 NOTICE OF MOTION

The proposer and seconder of the motion concerning the Sustainability and Transformation Plan for Northumberland, Tyne and Wear and North Durham confirmed that they had now withdrawn the motion.

CL80 QUESTIONS

There were no questions submitted.

Mayor.....

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COUNCIL MEETING

2 February 2017

HOUSING REVENUE ACCOUNT AND HOUSING CAPITAL PROGRAMME

Mike Barker, Acting Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to seek approval of:
 - the Housing Revenue Account (HRA) budget for 2017/18, including proposed savings
 - the proposed rent changes from 1 April 2017, in line with Government's policy on rent setting
 - the detailed proposals for fees and charges
 - the proposed Housing Capital Programme for the next five years (2017/18 to 2021/22).
2. The Local Government and Housing Act 1989 (Part VI) states that the Council has a duty to prevent a debit balance on the Housing Revenue Account.
3. Historically the Council has followed Government formula and guidelines to set the rent level. This report recommends that the Council follows the revised Government Guidance by reducing rent by 1% for all housing tenancies.
4. A detailed review of fees and charges is carried out each year to ensure the HRA recovers the full costs associated with providing services to tenants. The Housing Capital Programme is a rolling programme and is funded from revenue raised from rents. Considering the HRA and the Housing Capital Programme together allows the Council to consider the choices necessary to maintain and enhance housing stock in the future.
5. The Government has announced its intention to introduce the sale of high value assets in relation to the Council's housing stock and charging market rent for households earning above £31,000 per year, although this will be a voluntary policy.
6. The proposed Housing Revenue Account for 2017/18 is set out in full detail in the attached report.
7. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

8. It is recommended that Council:

- (i) Approves the Housing Revenue Account as set out in Appendix 2, including The Gateshead Housing Company management fee, the repairs and management budget and savings as detailed in Appendix 3 of the attached report
- (ii) Approves the weekly rent reduction of 1% from 1 April 2017
- (iii) Approves the fees and charges schedule as detailed in Appendix 4 of the attached report
- (iv) Approves the Housing Capital Programme for the five years 2017/18 to 2021/22 as set out in Appendix 6 of the attached report.

TITLE OF REPORT: Housing Revenue Account and Housing Capital Programme

REPORT OF: Darren Collins, Strategic Director, Corporate Resources
Paul Dowling, Strategic Director, Communities and Environment

Purpose of the Report

1. Cabinet is asked to recommend that Council approve;
 - the Housing Revenue Account (HRA) budget for 2017/18, including proposed savings.
 - the proposed rent changes from 1 April 2017, in line with Government's policy on rent setting.
 - the detailed proposals for fees and charges.
 - the proposed Housing Capital Programme for the next five years (2017/18 to 2021/22).

Background

2. The Local Government and Housing Act 1989 (Part VI) states that the Council has a duty to prevent a debit balance on the Housing Revenue Account. Part of setting the HRA budget includes the consideration of possible rent increases or decreases as the Council is required to set rents at a level that sustains the HRA.
3. Historically the Council has followed Government formula and guidelines to set the rent level. The self-financing model assumed that if the Government formula was followed then the housing stock could be sufficiently maintained; the guidance has changed since self-financing was introduced which has impacted on the sustainability of the HRA. This report recommends that the council follows the revised Government Guidance by reducing rent by 1% for all housing tenancies.
4. In July 2015 the Government announced that rents in social housing would be reduced by 1% a year for 4 years of which 2017/18 is the second year. This resulted in a funding gap of £24m for the period 2016/17 to 2020/21. As a result of this work has continued throughout 2016/17 to identify further savings within the HRA, and The Gateshead Housing Company management fee.
5. A detailed review of fees and charges is carried out each year to ensure the HRA recovers the full costs associated with providing services to tenants.
6. The Housing Capital Programme is a rolling programme and is funded from revenue raised from rents. The detail of the proposed programme for the next five years (2017/18 to 2021/22) is included in this report. Considering the HRA and the

Housing Capital Programme together allows the Council to consider the choices necessary to maintain and enhance housing stock in the future.

7. Along with the changes to the rent setting guidelines, welfare reform continues to be one of the most significant risks to the HRA in terms of sustainability and work continues to mitigate the impact.
8. In 2015/16 the Government announced its intention to introduce the sale of high value assets in relation to the Councils' housing stock and charging market rent for households earning above £31,000 per year (pay to stay) to become mandatory. Subsequently DCLG has confirmed that the sale of higher value housing stock will not be introduced in 2017/18 and a statement was released in November that returned the pay to stay policy to voluntary. Progress on the sale of higher value housing stock initiative will continue to be monitored as its introduction remains a significant risk to the sustainability of the HRA. It should be noted that the Council are not intending to implement the pay to stay policy at this point in time but this will be reviewed on a regular basis.

Proposals

9. The proposed Housing Revenue Account for 2017/18 is set out in Appendix 2 which includes;
 - As prescribed by Government a decrease in the average weekly rent of 1% for all housing tenancies as at 8th July 2015, giving an average rent reduction of £0.82 from £79.83 to £79.01 per week (over 50 weeks).
 - Proposed savings totalling £2.26m in 2017/18 (Appendix 3)
 - A proposed Management Fee of £13.059m for The Gateshead Housing Company to carry out its functions on behalf of the Council, including savings of £1m.
 - A repairs and maintenance budget of £20.647m.
 - The following proposals for fees and charges (details set out in Appendix 4);
 - A decrease in energy charges for Warwick Court and East Street Flats as a result of the new District Energy Scheme and reduced furniture charges at Angel Court.
 - An increase to all charges of 1% (CPI as at September 2016), except for those detailed below.
 - An increase to full cost recovery in relation to the Regent Court fire safety system and the caretaking & cleaning service.
 - No increases are proposed in relation to the gardening scheme, dispersed homeless units, old furniture scheme, concessionary TV licences, garages, concierge & cleaning and kitchen appliances. This is as a result of either the prices being set nationally, an increase having a

detrimental increase on demand, there being a fixed charge applied or continuing full cost recovery where applicable.

- The care call fees and charges have been increased by inflation but it should be noted that the model for charging and the subsidy of the service is currently being reviewed as part of the Council's budget proposals for 2017/18. Any changes to the current charges will be brought to Cabinet at a later date.
- It should be noted that this is the second year of the stepped increases towards full cost recovery in relation to multi storey flats, sheltered scheme utility bills, communal areas cleaning and repairs and maintenance along with Sheltered Schemes Officers, Mobile Sheltered Schemes Officers and Angel Court salaried employees. As agreed by Cabinet in February 2016 these increases have been phased in over 5 years to mitigate the impact on tenants.

10. The proposed allocation of resources from the HRA to support a Capital Programme for the next five years (2017/18 to 2021/22) is set out at Appendix 5, these proposals include;

- A Housing Capital Programme totalling £104.8m over five years, which would require the use of £10.6m of HRA capital receipts and £4.9m of external funding. The Capital Programme will be kept under regular review by Cabinet to ensure that investment plans remain affordable.

Recommendations

11. Cabinet is asked to recommend to Council:

- (i) The Housing Revenue Account as set out in Appendix 2, including The Gateshead Housing Company management fee, the repairs and management budget and savings as detailed in Appendix 3.
- (ii) The weekly rent reduction of 1% from 1 April 2017.
- (iii) The fees and charges schedule as detailed in Appendix 4.
- (iv) The Housing Capital Programme for the five years 2017/18 to 2021/22 as set out in Appendix 5.

For the following reasons:

- (i) To set a Housing Revenue Account for 2017/18 that is not in debit as required under the Local Government and Housing Act 1989 (Part VI).
- (ii) To realise the Council's policies and objectives in relation to Housing Strategy in order to maintain and enhance Council Housing provision in Gateshead.

THE HOUSING REVENUE ACCOUNT (HRA) AND HOUSING CAPITAL PROGRAMME

Policy Context

1. The proposals are consistent with Vision 2030 and the Council Plan, and in particular support “Sustainable Gateshead”.

Review of HRA Budget

2. In order to facilitate decision making and strategically plan for Housing in the future the Council continually updates its 30 year HRA Business plan. This plan considers the long term future of the housing stock alongside the short term plans. The plan contains information on estimates regarding the level of capital investment (including estate regeneration and maintaining decency), the anticipated levels of voids and right to buy sales and also the assumed level of income from rents and service charges. It also includes a provision for the Gateshead Housing Company’s management fee and plans around borrowing and repaying debt in the future. The HRA has £84m worth of loans maturing in the next five years.
3. The main changes in the variances between the estimated and expected 2016/17 figures in the HRA (Appendix 2) relate to an identified capital underspend on a number of capital projects , alongside a reduced cost of borrowing due to loans being refinanced at lower interest rates than anticipated and increased income from service charges.
4. The main variances in relation to the 2016/17 and 2017/18 budgets (also Appendix 2) are a reduction to the management fee paid to TGHC and the supervision and management costs delivered by the Council, a decrease to the estimated cost of borrowing, and an increase in income from fees and charges. Capital expenditure funded from the HRA is lower than the previous year as per the 5 year capital programme agreed in 2016/17.
5. Although it is projected that the HRA reserve will stand at £24.085m as at the end of March 2018, the impact of welfare reform and other pressures arising from Government guidance, the Housing Capital Programme will deplete this reserve in coming years.
6. To protect the Council in a self-financing regime a minimum balance for the HRA of £3m was approved by Council in February 2012. It is proposed that this level remains in place, although it may be necessary to review this in coming years. The current assumptions and projections in the 30 year HRA business plan are that this minimum balance will be reached by 2022/23 and the HRA will no longer have reserves to the level held currently. This business plan and the assumptions contained within it will be kept under regular review.

Proposed Savings

7. As a result of the Government prescribed 1% rent reduction, the need to continue to invest in the capital programme and maintain the housing stock the decision was

made to apply a 15% savings target to all areas of the HRA budget. This identified savings of £3.09m in 2016/17, with £3.4m being projected to be achieved. Further savings of £2.19m have been proposed for 2017/18. This incorporates a £1m saving to the Gateshead Housing Company management fee and £1.19m across all areas of the HRA budget including a reduction in borrowing costs, the second year of removal of subsidy for sheltered schemes and increases to fees and charges. Details are provided in Appendix 3.

Proposed Rent Changes

8. Under the self-financing regime, the Government calculated the resources required to maintain our housing stock over 30 years. The rental income required was based upon a prescribed calculation (including convergence) which means that lower rent may jeopardise the Council's ability to maintain the current housing stock in Gateshead. The rent proposals for 2017/18 are as per government guidance and this will have a significant impact on the HRA in future years. As such, savings have been proposed to mitigate the reduced level of income to the HRA for the next 3 years.
9. On 8 July 2015 the Chancellor announced that rents in social housing would be reduced by 1% a year for 4 years resulting in a 12% reduction in average rents by 2020. It is assumed that the previous policy will be suspended for the relevant period and then reinstated. The policy applies to all tenancies in place prior to this date and any subsequent tenancies awarded.
10. Using the Government's guidance, the proposed average rent decrease for 2017/18 is 1% (£0.82 per week to £79.01 per week over 50 weeks).
11. The option is still available to set rent on relet properties at target social rent. The financial impact on tenants will be assessed during 2017/18. It is proposed that rents on relet properties may be increased to target social rent and that the necessary amendments to the rent policy are delegated to the Strategic Director, Communities & Environment in consultation with the Leader and the Member for Housing.
12. At present Gateshead has two rent-free weeks at Christmas to help customers meet seasonal costs whilst avoiding falling into rent arrears. It is proposed that this arrangement continues in 2017/18 with the intention to consult on moving to 52 weeks to coincide with the roll out of Universal Credit for all new claimants in Gateshead in October 2017. If the average rent were to be paid over 52 weeks it would be £75.97 per week rather than £79.01. Any proposed changes would be brought to a future meeting of Cabinet for approval.
13. The proposed rent reductions and changes to fees and charges result in an overall reduction in costs to 18,369 tenants, or 94% of the total number of Council House tenants.

Fees and Charges

14. There are different types of fees and charges in the HRA some of which are mandatory; such as energy costs and services, sheltered scheme officers, caretaking, cleaning and concierge and some are discretionary (i.e. the tenant has a choice to take up the service; such as leased furniture packages, gardening and garages). Out

of the 19,493 live dwellings, approximately 7,300 tenants are liable for mandatory service charges and 2,000 tenants take up optional services.

15. Fees and Charges for Housing currently generate approximately £2.7m but this is after concessions of £1.3m that are given to tenants in relation to sheltered scheme officers and care call.
16. Savings made in relation to sheltered schemes during 2016/17 have reduced the cost of delivering the service by £0.095m, rather than this saving being used to reduce the HRA budget the saving has been passed directly to sheltered scheme tenants to minimise the impact of the removal of subsidy for this service.
17. A total of 60% of Council tenants receive Housing Benefit and a number of the Council charges for services are eligible for housing benefit; these are primarily services associated with buildings and cover charges such as cleaning, concierge, caretaking and Sheltered Scheme Wardens. The majority of the proposed increases are either eligible for Housing Benefit or are a discretionary charge.
18. Guidance from Central Government is that fees and charges should be recovered in full where applicable. This is to protect other tenants from essentially contributing to costs that they are not responsible for.
19. The proposed inflationary increases detailed in Appendix 4 of the report do not recover the full cost of certain charges. In February 2016 Cabinet agreed to implement stepped increases for a number of charges to allow full cost recovery to be achieved whilst minimising impact on tenants. Where applicable the second year of the stepped increases has been applied for 2017/18. There are a number of areas where these increases are lower than anticipated as a result of savings and if possible full cost recovery has been implemented. The appendix also analyses the proposed stepped charges for the next four years that will achieve full cost recovery by 1 April 2020.
20. The proposed fees and charges include the care call service for 2017/18. The Council's budget proposals for 2017/18 include an option to review the care call charging model and the level of subsidy for the service. This may cause the charges included in this report to change. Any proposals to change the charges to Council tenants will be brought to Cabinet at a later date.

Housing Capital Programme 2017/18 to 2021/22

21. As part of the self-financing process, it is important to balance the capital expenditure needs with the resources that are available within the HRA.
22. Council approved a five year Housing Capital Programme for the period 2016/17 to 2020/21 on 25 February 2016. This programme is subject to ongoing review to ensure that the planned investment remains a high priority and can be supported by the resources available within the HRA.
23. Capital investment within the HRA is funded from the Major Repairs Reserve through a combination of the depreciation charged each year to the HRA and using additional voluntary HRA revenue contributions where possible to maximise the level of planned investment in the stock. The depreciation charge is met from rental

income in the HRA, meaning that investment in the Housing Capital Programme is effectively funded via the rental income that is generated.

24. Based on the existing HRA Business Plan, it is estimated that £89m will be available from within the Major Repairs Reserve to support capital investment within the HRA over the next five years which will be supplemented using external funding and HRA capital receipts. The position regarding the HRA balance and generation of capital receipts will continue to be reviewed to determine whether any additional capital investment can be supported.
25. The following principles continue to be applied to assist in prioritising capital investment within the HRA:
 - Health and safety, safeguarding and statutory requirements;
 - Investing in identified decent homes improvements, including window replacement
 - Improving the sustainability and energy efficiency of the housing stock; and
 - Estate regeneration.
26. The planned investment in the Housing Capital Programme is flexible and is subject to ongoing review which is informed by the outputs from detailed stock condition surveys. At this stage it is envisaged that over the next five years the investment will include:
 - Over £62m of investment in undertaking estate based major works in accordance with the Decent Homes standard, including the replacement of kitchens, bathrooms and electrical improvements in addition to a £4.75m boiler replacement programme and £3m to continue the rolling window replacement programme;
 - Over £15m of investment in general stock improvements, including the renewal of lifts, communal electrics and investment in external insulation to improve thermal efficiency of existing dwellings as well as the continuing provision of major and minor adaptation works to dwellings;
 - Over £23m of investment in exceptional extensive works, including £11.1m, towards the proposed part ERDF funded HEIGHTS energy efficiency scheme at Harlow Green and Regent Court, with a further £4.4m of planned window replacements to be delivered alongside these works. In addition £4m is retained within the programme to replace the façade at Regent Court;
 - Over £3.5m of investment in Estate Regeneration including £0.75m to complete the decommissioning of former estates at Clasper Village, Bleach Green and Dunston along with £2.8m as part of the initial New Build investment programme.
27. Opportunities continue to be explored to utilise maintaining decency resources to attract external funding, such as ERDF or ECO funding, to undertake additional stock improvements and energy efficiency improvements. These works help to increase the sustainability of the Council's housing stock whilst ensuring the HRA is not required to meet the full cost of the scheme given the constraints on the resources within the HRA.
28. The proposed programme includes investment in innovative energy efficiency improvements to Harlow Green and Regent Court tower blocks as part of a

proposed £11m project to provide low carbon, low cost heating systems, known as HEIGHTS. The scheme is seeking to undertake fabric improvements and implement a Combined Heat and Power (CHP) heating network at Harlow Green and connect Regent Court to the Council's Town Centre Energy Network. An element of this scheme has been successfully awarded £4.3m of ERDF funding towards the construction costs and the pre-construction work is now in progress. Part of the scheme will also attract Renewable Heat Incentive, helping to provide additional income to the HRA. The Council is also exploring opportunities to undertake additional fabric improvements, particularly window replacement, at the same time as the HEIGHTS scheme to provide further benefits to the HRA and indicative allocations have been included within the programme for this work.

29. The Council has also been awarded £0.5m of HCA funding, as part of the Care and Support Specialised Housing Fund, towards a proposed Assisted Living scheme facilitating the development of an additional 15 units.
30. The Council is currently exploring a potential New Build investment programme to develop new build dwellings within the HRA.
31. The proposed Housing Capital Programme for the period from 2017/18 to 2021/22 is set out in Appendix 5. The future allocations will continue to be reviewed regularly to reflect the progress on committed projects and the availability of resources within the HRA to support capital investment.

Next Steps

32. In order to assess the full impact of housing reform the Council continues to develop the 30 year HRA business plan. The plan will take into account factors mentioned in this report such as income from rents, decisions regarding repayment of debt, the Housing Capital Programme provision, a minimum HRA reserve of £3m and the impact of welfare reform on rent collection.

Consultation

33. Consultation has taken place with the Leader and Deputy Leader and Cabinet Members for Housing and The Gateshead Housing Company.

Alternative Options

34. There are no alternative options proposed.

Implications of Recommended Option

35. Resources

- a) **Financial Implications** – The Strategic Director, Corporate Resources, confirms that the financial implications are reflected in Appendices 1, 2, 3, 4 and 5.
- b) **Human Resources Implications** – Nil.
- c) **Property Implications** – Capital investment in HRA assets helps to improve the overall sustainability of the HRA and supports the delivery of Council

Plan priority outcomes. The property implications of individual schemes will be considered and reported separately.

36. **Risk Management Implications** – The added risks arising from self-financing and welfare reform means that the Council must continue to manage and maintain its housing stock from the rents collected. The 30 year HRA business plan is being updated to enable this to be monitored and to ensure that decisions are made, where appropriate, to ensure the housing stock is maintained in the future.
37. **Equality and Diversity Implications** – Nil
38. **Crime and Disorder Implications** – Nil
39. **Health Implications** – Nil
40. **Sustainability Implications** – The report contains a number of measures, which will help deliver a more Sustainable Gateshead and ensure sustainable use of the Council's resources in delivering corporate priorities.
41. **Human Rights Implications** – Nil
42. **Area and Ward Implications** – All wards will be affected by the proposals in this report.

Background Information

Rent Standard Guidance April 2016

The Housing Revenue Account Self Financing Determinations February 2012.

Housing Revenue Account - Income and Expenditure Account

	Budget 2016/17 £'000	Projection 2016/17 £'000	Budget 2017/18 £'000
Income			
Dwelling rents (gross)	(75,932)	(75,973)	(74,729)
Non-dwelling rents (gross)	(1,357)	(1,399)	(1,341)
Charges for services and facilities	(3,146)	(3,491)	(3,541)
Leaseholders charges	(299)	(316)	(305)
Contribution towards expenditure	(932)	(960)	(855)
HRA investment income	(110)	(110)	(110)
Gain on Sales of Assets			
	(81,777)	(82,249)	(80,881)
Expenditure			
Supervision and Management	26,316	26,034	27,076
Repairs and Maintenance	18,641	18,647	18,647
Interest on borrowing	15,943	15,296	15,159
Capital Programme Funding	22,270	21,711	19,250
Increased provision for bad debt	550	550	600
Amortised premiums and discounts	13	13	13
Debt management expenses	345	345	70
Impairment of Fixed Assets			
	84,079	82,596	80,815
Net Operating Cost	2,302	347	(66)

HRA & TGHC Saving Proposals

Option Description	2016-17				2017/18		17/18 Budget Note	Total Savings Options 2016-18 £'000
	Budget Option 16/17 £'000	FTE's 16/17	Achieved 16/17 £'000	Diff to total target	Budget Option 17/18 £'000	FTE's 17/18		
Management fee saving	1,000	27.2			1,000	TBC		2,000
Reduction, cessation and redesign of services to deliver need, priority and compliance work only	150	5.0	150	0			£1.020m Yr2 saving in 2017/18 removed	150
Additional income generated in 2016/17 by moving towards full cost recovery	80		80	0	70		Possible 2017/18 shortfall due to some changes to non-dwelling income (garages & furniture no increase, slight fall in shop rent)	150
Remove transitional grant for sheltered support services	300		289	-11	100		2017/18 increase towards full cost recovery & potential increase from 47% HB eligibility still being investigated. Possible changes to service and reduction of sheltered schemes will impact.	400
Savings in borrowing costs	542		647	105	137		Possible further reduction of £137k in 17/18 based on current estimates	679
Reduction in R&M spend and contingencies	853		853	0	0		TGHC	853
15% reduction in HRA funded posts in Sheltered Schemes	33	1.5		-33	100	4.5	TGHC	133
15% reduction in HRA funded posts in Neighborhood Management (inc. Community Centres)	9	0.5	44	35	27	1	Further 2017/18 Community Centre saving of £34k from non-salary elements due to asset transfer of Springwell & Barley Mow CC's	36
15% reduction in HRA funded posts in Housing Management	4	0.0	269	181	13	0.5	17/18 budget movement transferring to HRA should be offset by reduction in TGHC Man Fee.	17
15% reduction in HRA funded posts in Housing Management	28	0.0			0	0		28
15% reduction in HRA funded posts in Supported Housing	56	1.8			169	5.25		225
15% reduction in HRA funded posts in Right to Buy/Housing Enablement	39	1.0	71	32	118	4	Overall Housing Enablement 2017/18 budget reduced by approx £200k as a result of TUPE (lower pension costs), VR's, revision of Occ Therapist recharges (now part of ASC) and lower non-salary costs	157
Reduction in central establishment & other associated costs					455			455
	3,094	37	2,403	309	2,189	15		5,283

Housing Revenue Account, Fees and Charges 2017/18 Proposals					
			1% CPI at Sept 2016		
Ref	SERVICES	VAT	CURRENT CHARGE 2016/17	PROPOSED CHARGE 2017/18	Movement
			£ per Week	£ per Week	£ per Week
	WARWICK COURT MULTI STOREY				
	<u>Gas Heating</u>				
1	Bed-sit	O/S	3.83	3.38	-0.45
2	One Bed Flat	O/S	5.65	5.00	-0.65
	<u>Repairs & Maintenance of Communal Areas</u>				
3&4	Bed-sit & One Bed Flat	O/S	3.63	3.80	0.17
	EAST ST FLATS				
	<u>Gas Heating & Hot Water</u>				
5	Bed-sit	O/S	6.60	4.55	-2.05
6	One Bed Flat	O/S	8.68	6.98	-1.70
7	Two Bed Flat	O/S	10.51	8.80	-1.71
8	Three Bed Flat	O/S	12.51	10.92	-1.59
	ANGEL COURT EXTRA CARE SCHEME				
9	Gas & Electric	O/S	9.00	10.94	1.94
	<u>Communal Facilities</u>				
10	Maintenance of Communal Areas - Flats	O/S	12.18	12.31	0.13
11	Maintenance of Communal Areas - Bungalows	O/S	1.92	1.94	0.02
12	Furnishings and laundry - Flats	O/S	9.43	7.54	-1.89
13	Furnishings and laundry - Bungalows	O/S	1.96	1.57	-0.39
14	Scheme manager	O/S	12.41	12.46	0.05
15	Cleaning of corridors and windows	O/S	6.12	6.61	0.49
16	Provision of domestic home support	O/S	8.71	8.71	0.00
	SHELTERED ACCOMMODATION				
	<u>Gas Heating</u>				
18	Flat	O/S	10.67	10.72	0.05
19	Sheltered Scheme Officer Properties	O/S	12.16	12.38	0.22
20	Communal Areas	O/S	1.47	1.56	0.09
	<u>Electricity</u>				
21	Flat	O/S	3.19	3.96	0.77
22	Sheltered Scheme Officer Properties	O/S	7.20	7.42	0.22
23	Communal Areas	O/S	2.30	3.00	0.70
	<u>Repairs & Maintenance of Communal Areas (contained units only)</u>				
24		O/S	2.07	2.28	0.21
	<u>Cleaning</u>				
25	Cleaning (communal areas for contained units only)	O/S	4.55	4.95	0.40
26	Cleaning (communal lounge for separate units only)	O/S	0.71	0.71	0.00
	<u>Sheltered Scheme Officers</u>				
27/28	Sheltered Scheme Officer	O/S	11.9	12.09	0.19
29	Mobile Sheltered Scheme Officer	O/S	1.16	1.33	0.17
30	Concessionary TV Licence (£7.50 p.a per room)	E	0.15	0.15	0.00

Housing Revenue Account, Fees and Charges 2017/18 Proposals

			1% CPI at Sept 2016		
Ref	SERVICES	VAT	CURRENT CHARGE 2016/17	PROPOSED CHARGE 2017/18	Movement
			£ per Week	£ per Week	£ per Week
31	LOW RISE BLOCKS Communal Areas - Cleaning	O/S	1.02	1.17	0.15
32	MID RISE BLOCKS Communal Areas - Cleaning	O/S	2.49	2.88	0.39
33	MULTI STOREY FLATS Concierge & cleaning	O/S	13.19	13.19	0.00
34	Caretaking & cleaning	O/S	7.21	7.44	0.23
35	REGENT COURT Maintenance of fire safety system	O/S	0.31	0.38	0.07
36	DISPERSED HOMELESS UNITS <u>Heat & light</u> Sharing Bed-sit (each)	O/S			
37	Two Bed Flat	O/S			
38	Three Bed Flat	O/S			
39	<u>Furnishings</u> Sharing Bed-sit (each)	O/S			
40	Two Bed Flat	O/S			
41	Three Bed Flat	O/S			
42	Warden	O/S			
43	Laundry	O/S			
44	Cleaning	O/S			
45	OUTSIDE USE OF COMMUNAL LOUNGES Up to 1 hour	E	7.07	7.14	0.07
46	Up to 2 hours	E	13.00	13.13	0.13
47	1 Session (2 - 4 hours)	E	20.03	20.23	0.20
48	2 Sessions	E	36.82	37.19	0.37
49	3 Sessions	E	51.05	51.56	0.51
50	USE OF GUEST ROOMS AT SHELTERED ACCOMMODATION <u>No en-suite amenities</u> Single (charge per night)	S	7.23	7.30	0.07
51	Couple (charge per night)	S	8.23	8.31	0.08
52	<u>Partial en-suite</u> Single (charge per night)	S	8.96	9.05	0.09
53	Couple (charge per night)	S	9.48	9.57	0.09
54	<u>Full en-suite</u> Single (charge per night)	S	10.21	10.31	0.10
55	Couple (charge per night)	S	11.25	11.36	0.11

Housing Revenue Account, Fees and Charges 2017/18 Proposals

Ref	SERVICES	VAT	1% CPI at Sept 2016		
			CURRENT CHARGE 2016/17	PROPOSED CHARGE 2017/18	Movement
			£ per Week	£ per Week	£ per Week
	KITCHEN APPLIANCES				
56	Portobello	S	0.41	0.41	0.00
57	Cranesville	S	2.71	2.71	0.00
58	Millbrook	S	1.70	1.70	0.00
59	Norfolk Place	S	2.71	2.71	0.00
60	Hallgarth	S	1.70	1.70	0.00
	FURNITURE CHARGES				
	a) Up to April 2010				
61	Bed Sit (package)	O/S	7.22	7.22	0.00
62	One Bed Flat (Package)	O/S	13.14	13.14	0.00
63	Two Bed Flat (Package)	O/S	19.57	19.57	0.00
64	Three Bed House (Package)	O/S	26.14	26.14	0.00
	b) New tenants from April 2010 onwards				
65	Mini Package	E	9.94	9.94	0.00
66	Package Option 1	E	18.24	18.24	0.00
67	Package Option 2	E	25.86	25.86	0.00
68	Package Option 3	E	33.47	33.47	0.00
69	Package Option 4	E	41.05	41.05	0.00
70	Admin Charge	E	2.64	2.64	0.00
	GARAGES				
71	Brick Garages (Council)	O/S	5.32	5.32	0.00
72	Brick Garages (Private)	S	8.97	8.97	0.00
73	Commercial Use	S	11.73	11.73	0.00
74	Commercial Storage	S	19.61	19.61	0.00
75	Parking Bays	S	20.95	20.95	0.00
76	DIGITAL AERIAL PROVISION	S	0.00	0.17	0.17
	CARE ALARMS, LIFELINES / DISPERSED ALARMS				
77	52 week charge	S*	4.35	4.39	0.04
77 a	50 week charge	S*	4.52	4.57	0.05
78	Mortgage questionnaire	S	78.15	78.93	0.78
79	Rent reference	S	39.10	39.49	0.39
80	GARDENING SCHEME	S	6.05	6.05	0.00
81	Communal TV Licence	S	0.00	0.07	0.07

Charges are 50 week charge unless otherwise stated

* Where installation of alarm is requested by tenant VAT is standard rated. If alarm is already built into property and part of rent or is part of care package VAT is outside the scope.

Tenants with disabilities VAT is zero-rated.

Capital Programme 2017/18 to 2021/22

Project	17/18 (£'000)	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)
Improvement Works					
Lift Replacement/Refurbishment	500	500	500	500	500
Replacement of Communal Electrics	250	250	250	250	250
External Wall Insulation to Non-Traditional Properties	210	0	400	0	0
T-Fall Insulation	150	120	0	0	0
Warden Call Renewal	250	250	250	250	250
Door Entry System Upgrades	250	250	250	250	250
Timber Replacements	100	100	100	100	100
Adaptations	1,500	1,500	1,500	1,500	1,500
Total Improvement Works	3,210	2,970	3,250	2,850	2,850
Exceptional Extensive Works					
Equality Act Works - Multi Storey Flats	250	250	250	250	250
Equality Act Works - Communal Lounges	50	50	50	50	50
Fire Safety Works - General	100	100	100	100	100
Tower Block Energy Efficiency Improvements - Fell, Lough & Beacon Courts	530	0	0	0	0
Tower Block Energy Efficiency Improvements - HEIGHTS - Harlow Green & Regent Court	7,000	4,140	0	0	0
Harlow Green Window Replacement	1,900	1,200	0	0	0
Regent Court Façade Replacement	1,500	2,000	0	0	0
Regent Court Window Replacement	500	800	0	0	0
Risers (Services)	0	400	400	400	400
Total Exceptional Extensive Works	11,830	9,440	800	800	800
Catch Up Works and Major Future Works					
Decent Homes - Investment Programme	6,500	6,750	7,000	7,500	8,000
Decent Homes – Backlog/Ad-hoc Works	300	300	350	350	400
Stock Condition Surveys and Scheme Design	400	400	400	400	400
Boiler Replacements	1,000	1,000	1,000	1,000	750
Programme Management	1,000	1,000	1,000	1,000	1,000
Strategic Maintenance	2,000	2,000	2,000	2,000	2,000
Estate Based Window Replacement	750	750	750	500	500
Total Catch Up Works and Major Future Works	11,950	12,200	12,500	12,750	13,050
Estate Works					
Estate Regeneration	750	0	0	0	0
New Build Investment	1,600	1,200	0	0	0
Total Estate Works	2,350	1,200	0	0	0
Total Planned HRA Investment	29,340	25,810	16,550	16,400	16,700
Major Repairs Reserve Contribution	(19,250)	(20,440)	(16,550)	(16,400)	(16,700)
External Grant Funding	(3,212)	(1,670)	0	0	0
Existing HRA Capital Receipts	(6,878)	(3,700)	0	0	0
Total Planned HRA Funding	(29,340)	(25,810)	(16,550)	(16,400)	(16,700)

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COUNCIL MEETING

2 February 2017

COUNCIL HOUSING REPAIRS POLICY

Mike Barker, Acting Chief Executive

EXECUTIVE SUMMARY

1. Cabinet at its meeting on 24 January 2017 considered a report on the changes to the repairs policy for council housing stock.
2. Current policy does not include service improvements and developments that have been implemented since the original policy was approved in 2004. Nor does the current policy framework include appointment timescales, which was introduced in the repairs contract following customer consultation.
3. Changes to the policy are proposed to include new ways of working and to reflect existing working arrangements and service standards. Once implemented the revised repairs policy will be evaluated to assess impact.
4. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

5. It is recommended that Council approve changes to the repairs policy and standards of service delivery as set out within the Cabinet report in Appendix 2.

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TITLE OF REPORT: Council Housing Repairs Policy

REPORT OF: Paul Dowling, Strategic Director, Communities and Environment

Purpose of the Report

1. To request Cabinet recommend the Council to approve changes to the repairs policy for council housing stock. The repairs policy is delivered by The Gateshead Housing Company on behalf of the Council.

Background

2. The existing repairs policy was approved by Cabinet and full Council in January 2004 and introduced revised repair categories and timescales, set out the list of repairs that are the responsibility of the tenant and included a make safe policy to cover out of hours work.
3. The policy was further updated at Cabinet 19 September 2006 which approved that a number of planned repairs were incorporated into improvement work programmes. The policy update in 2006 also implemented improvements to the communal repairs service, further revised the rechargeable repairs list and also amended the timescales for certain heating and hot water repairs.
4. The current policy does not include service developments and improvements that have been implemented through the contractual arrangements that have been in place since 2004. For example, whilst the existing policy does cover the different categories of repair work, it does not cover any appointment timescales. Appointment timescales have been introduced following customer consultation and are set out in the current repairs contract but do not form part of the current policy framework.
5. To support the delivery of a customer focused service TGHC have continually collected and updated customer profile information. This information is gathered to inform service delivery and assess customer vulnerability.
6. Through the use of customer profile information the service is able to understand individual customer household needs. When receiving repair requests the service is designed to accommodate the needs of tenants and leaseholders and deliver an efficient value for money service.

Proposals

7. A full description of the proposed changes to the repairs policy and standards of service delivery are contained in Appendix 2.
8. **Proposals to change the policy as follows:**
 - a. Winter working timescales
 - Currently 1 November to 30 April and proposed to be 1 November to 28 February
 - b. Upgrading of jobs
 - Current approach to upgrades - for people over the age of 70, and people who have a recognised disability with a proposed amendment to introduce upgrades for people who have dependent children under the age of 12 months
 - c. Introduce timescales for drainage, path and communal boiler repairs
 - Emergency same day, emergency, urgent, routine, planned
 - d. For divisional fencing between two Council homes we will only consider replacing/repairing fencing where it is needed to provide:
 - Protection for people entering a garden where the boundary fence line borders a busy thoroughfare or public space
 - Separation of a garden from hazards such as streams or severe changes in ground level at the edge of a property (in excess of 900mm)
 - Metal or wooden fencing will not be installed where walls are present
9. **Proposals to adopt new ways of working as follows:**
 - a. Rechargeable Repair payments in advance
 - b. A reviewed approach to managing no access
10. **Proposals to update the policy to reflect and clarify existing working arrangements and service standards in the following areas:**
 - Appointments timescales
 - Categories of work
 - Tenant responsibilities
 - No access protocol
 - Permission requests
 - Intermediate fencing
 - Scaffold protocol
 - Electric fire repairs
 - Pest control services

- Vehicle crossings
- Repairs during Right to Buy applications
- Make safe and Out of Hours protocol
- Condensation management and support
- Recharging for gas warrants
- Planned or batched Repairs

11. It is proposed that once implemented the revised repairs policy and recommendations will be evaluated to assess their impact.

Recommendation

12. Cabinet is asked to recommend the Council to approve changes to the repairs policy and standards of service delivery as set out in Appendix 2 and outlined above.

For the following reasons:

- (i) To ensure that the repairs policy is up to date and includes service developments that have been implemented through recent contractual arrangements.
- (ii) To ensure the service maintains customer focus and strives to achieve value for money.

1. Policy Context

The proposed changes to Council Housing Repairs Policy are consistent with the overall objectives for Gateshead as set out in Vision 2030 and the Council Plan.

Background

2. The existing repairs policy was approved by Cabinet 13 January 2004 and then full Council and introduced revised repair categories and timescales, set out the list of repairs that are the responsibility of the tenant and included a make safe policy to cover out of hours work.
3. The policy was further updated at Cabinet 19 September 2006 which approved that a number of planned repairs were incorporated into improvement work programmes. The policy update in 2006 also implemented improvements to the communal repairs service, further revised the rechargeable repairs list and also amended the timescales for certain heating and hot water repairs.
4. The current policy does not include service developments and improvements that have been implemented through the contractual arrangements that have been in place since 2004. For example, whilst the existing policy does cover the different categories of repair work, it does not cover any appointment timescales. Appointment timescales have been introduced following customer consultation and are set out in the current repairs contract but do not form part of the current policy framework.
5. To support the delivery of a customer focused service TGHC have continually collected and updated customer profile information. This information is gathered to inform service delivery and assess customer vulnerability.
6. Through the use of customer profile information the service is able to understand individual customer household needs. When receiving repair requests the service is designed to accommodate the needs of tenants and leaseholders and deliver an efficient value for money service.

7. Consultation

The Cabinet Members for Housing and Economy were consulted in preparing this report and their comments have been taken into account.

The Leader and Deputy Leader have also been consulted on the report.

8. Alternative Options

The option of not updating the repairs policy would exacerbate the issue of the policy being removed from custom and practice and lead to uncertainty in approach and performance requirements both for the tenants and TGHC.

The option of reviewing the policy at a later date would mean that the updated policy would not coincide with the new delivery model for housing repairs and maintenance.

9. Implications of Recommended Option

Resources:

- (a) **Financial Implications** – The Strategic Director, Corporate Resources, confirms that while elements of the repair policy proposals such as changes to intermediate fencing may be associated with an increase in costs, other areas are subject to potentially significant savings.

It is expected that the proposed changes to winter working has the potential to reduce costs by an estimated £18,000 by the end of year one

- (b) **Human Resources Implications** – There are no direct Human Resource Implications as a result of the Housing Repairs Policy being updated.

- (c) **Property Implications** – Whilst the repair and maintenance of council housing stock is fundamental to the protection of the asset and the wellbeing of the council tenants there are no changes to the property implications as a result of the Housing Repairs Policy being updated.

5. Risk Management Implications - The report links to the strategic risks around:

- a. Delivering effective asset management
- b. Delivering on new projects
- c. Maintaining a positive reputation
- d. Managing finances and delivering value for money
- e. Effectively managing business continuity

6. Equality and Diversity Implications – There are no equality and diversity implications arising directly from this report

7. Crime and Disorder Implications – There are no crime and disorder implications arising directly from this report.

8. Health Implications – Appropriate delivery of the repair policy and associated services to customer will bring positive health implications to our customers. Ensuring day to day repairs, cyclical and investment works are well managed will maintain essential services and mitigate against health risks.

9. Sustainability Implications – There are no direct sustainability implications arising directly from this report.

10. Human Rights Implications – there are no human rights implications arising directly from this report.

11. Area and Ward Implications – All wards.

Background Information

Report to Cabinet 13 January 2004

Responsive Repairs Service – Review of repair categories and the establishment of a revised list of repairs that are tenant responsibility.

Report to Cabinet 19 September 2006

Review of Repair Categories

Update to Repair Policy and Procedures

This report recommends updates to the repairs policy and procedures to provide clarification in areas of service delivery as follows:

Yellow Highlighted comments = current delivery arrangements where clarity is provided for customers and employees

Green Highlighted comments = proposed new ways of working

Blue highlighted comments = proposed new policy areas

The main proposals are as follows:

Proposal 1

Given that appointment slots have not previously been covered in the repair policy, it is proposed that a formalised approach to appointments be in place from April 2017

Appointments

While we will aim to provide our customers with an appointment, not all repairs will be appointed at the first point of contact or completed at our first visit to your home. This will happen for example when (1) we will make your home safe and then return to complete the repair (2) we will need to inspect and plan the works or (3) where works will be batched for completion.

Appointment times offered:

- 2 hour appointment (8.00-10.00, 10.00-12.00, 12.30-14.30, 14.30-16.30)
- School Run (10.00 – 14.00)
- All-day appointment (8.00 – 16.30)

All external and communal repairs where there are no access concerns will result in an all-day timeslot.

Upon making an appointment with us you will be sent a confirmation text message. We will aim to contact you the evening before your appointment to check you are still available and send a text when we are on our way to your home. If at any stage you realise you are not going to be available for your appointment please contact us so we can re-arrange our visit.

For repairs where access was not required we will send you a text to confirm that the works are complete.

Proposal 2

It is proposed to amend the repair categories and timescales to reflect our current working arrangements.

We will aim to complete all repairs in line with the category timescales listed below.

Emergency Same Day Repair

Attend and make safe within 6 hours, if possible complete the repair. Any further works will be raised as a new job and placed within its appropriate repair category.

Emergency Repair - Timescale 24 working hours

Attend and make safe within 24 working hours, if possible complete the repair. Any further works will be raised as a new job and placed within its appropriate repair category.

Urgent Repair - Timescale 3 working days

Attend and if possible complete the repair within 3 working days. Any further works will be raised as a new job and placed within its appropriate repair category.

Routine Repair - Timescale 20 working days

Attend and complete the repair within 20 working days.

Planned Repair - Timescale 40 working days

Attend to plan the works and complete within 40 working days. Repairs within this category may be batched to achieve value for money. In this instance we will communicate a new timescale to you.

Major Repair - Timescale 40 days

Attend to plan the works and complete within 40 working days. Repairs within this category may be batched to achieve value for money. In this instance we will communicate a new timescale to you.

A level of additional priority may be offered to our more vulnerable customers including those who are over the age of 70, have a recognised disability or who have dependent children under the age of 12 months.

Customer requests for appointments beyond these category timescales will be accommodated with the exception of emergency repairs.

We may in the future consider other category and appointment systems and move to the most efficient best practice model.

Planned or batched Repairs

For value for money purposes certain repairs may be batched to achieve economies of scale in delivery. In these instances repairs such as rebuilding of brick walls, fence and boundary maintenance and non-essential roof repairs may be completed outside of the planned 40 working day timescales. We will advise when your repair falls into this category and update you when the work will be undertaken

Investment Works

Where replacement items are required that include major works to your home such as kitchens, bathrooms or roof replacements we may complete minor repairs only. The replacement will then be arranged via our investment team and completed as a one off or in a programme of works to your estate. A full replacement will only be completed by the repair service if TGHC deem there to be a significant health and safety risk and the element is beyond repair.

This will include partial replacement of elements although we will seek to match where coloured suites exist.

Proposal 3

To propose updates to list of tenant responsibilities and provide clarification in areas rechargeable repairs including a proposal to seek payment for all rechargeable work in advance. It is recognised that for certain items where for example health and safety is an issue then full payment may follow the work.

Tenants responsibilities – what we expect from you

- You must take proper care of your home and report any faults or damage immediately.
- If arrangements have been made to visit your home to carry out a repair or service you must keep the appointment
- You must not obstruct or deny works to your home or any communal areas
- You must ensure a responsible person(s) is present for any appointment at your home
- You must ensure that pets are removed from the area requiring repair in advance of our arrival
- Clear repair work area of personal items or valuables prior to any scheduled appointments

We ask that you ensure that a responsible person(s) is present at the time of any inspection, repair or service completed in your home. Please note that if a responsible person(s) is not present throughout our visit then the repair to your home may be rearranged or cancelled.

TGHC has a zero tolerance approach to abuse towards any staff or contractor by customers or any visitors to their homes. Customers should refrain from any behaviour that could be seen as aggressive, threatening, abusive or insulting. We will take reasonable measures to protect our staff from such behaviours as and when appropriate.

Some repairs are the responsibility of the tenant. Such repairs should be carried or arranged by yourself, using competent and qualified trades persons where applicable. A full list of these repairs will be found on our website.

Examples of such repairs include:

- Sinks, wash hand basin and baths unblocked
- Renew plug/chain to sink, wash hand basin and bath
- Replacement, repairs and adjustments to toilet seats (unless provided as part of an adaptation)
- Shower curtains (unless provided as part of an adaptation)
- Divisional fencing between two council homes
- Minor gate repairs including latches, locks and bolts
- Regrout wall tiles
- Minor cracks in wall plaster
- Repair doorbell/ door knockers/ letter boxes (excluding communal door access systems)

- Minor repairs to kitchen cupboards and drawers
- Connection and disconnection of gas cookers
- Repairs to internal door handles
- Replacement keys and lock changes
- TV Aerials (unless communal)
- Internal decoration, including areas of full plaster skim where tenant choice
- Battery operated smoke alarms
- Repair/replace fuses
- Fire surrounds and any repairs that arise from their fitting
- Washing poles
- Rotary driers (excluding in communal areas)

Gas cookers must be fitted and installed by a Gas Safe registered engineer. If during a service or repair we identify any defects with your gas cooker we may isolate your cooker for safety reasons. It will be your responsibility to arrange the repair or replacement of your gas cooker.

It is the tenants responsibility to pay for works undertaken by TGHC that are deemed as rechargeable repairs due to neglect, carelessness or deliberate action by you or any visitors to your home. Refer to our Recharge Policy for further details.

Examples of rechargeable repairs include:

- Any item damaged or broken beyond normal wear and tear
- Reglazing
- Gain entry after keys lost
- Lock changes at your request
- Any examples where you have undertaken DIY work to your home including:
- Internal and external doors
- Electrical fittings
- Kitchen/bathroom fittings and units
- Fire surrounds and any repairs that arise from their fitting

Where damage is caused to your home but a crime has been committed and you are able to provide us with an official crime reference number then the cost of the rechargeable repair may be waived. If it is deemed that the damage is in relation to you or your tenancy then the cost will still be applied. In the instance of Police gaining entry to your home for investigation you will still be liable for any associated costs.

Where tenants request TGHC to replace items that are deemed rechargeable payment will be sought in advance of the work being undertaken. Where replacement of the rechargeable item is required urgently or the customer is vulnerable then a deposit may be sought and a payment plan arranged that will enable the repair to be carried out.

TGHC retains the right to recover costs for any damaged elements and or clearance costs from customers on the departure from their tenancy (see rechargeable repair policy).

Proposal 4

To recognise the costs associated with no access we reserve the right to charge tenants for call out costs where no access is a continuous issue.

Where requested, customers must allow access for pre-arranged appointments.

Should the customer fail to allow access then the repair will be cancelled.

Where the repair is of an emergency or health and safety matter we will continue to attempt to make contact and gain access to complete the repair and or make safe. If not completing repair or make safe poses a safety risk to other customer or the property then we will take appropriate steps to gain access.

Proposal 5

To ratify in policy the current procedure for recharging the costs of warrants where no access for gas servicing is an issue.

The safety of our customers is paramount to us and for this reason access to complete a gas service is essential.

Should customers fail to allow access we will charge them for any warrant costs incurred to obtain access in order to undertake a gas service or solid fuel appliance service. You will be notified well in advance of the need for your annual gas service to be undertaken and the costs to be charged if access to your home can not be gained.

Proposal 6

To confirm that permission for tenants to complete an alteration or improvement to your home must be sought with written approval granted from TGHC prior to any works being completed.

Proposal 7

To provide guidance to customers on our approach to fencing and to ratify that any decision to repair or replace divisional fencing outside of the guidance below will be discretionary and subject to budgetary control and individual case management.

Dividing fencing is the responsibility of the customer. We do not carry out repairs to dividing fences to the front or rear of the property. However, if a dividing fence is shared with an owner occupier, repairs may be completed if there is clear evidence that the fencing is our responsibility. If the fence is deemed as the responsibility of the owner occupier then they must complete all necessary repairs, including making safe.

TGHC will remove your intermediate fence on your behalf if required, but will not replace it.

Where there is a Health and Safety concern, TGHC will remove, the fence with the owner's consent. If the owner occupier refuses to give consent then the existing fence has to remain in situ. In these cases legal advice may be sought.

We have no statutory responsibility to provide rear fencing. We will only consider replacing/repairing fencing where it is needed to provide:

- Protection for people entering a garden where the boundary fence line borders a busy thoroughfare or public space
- Separation of a garden from hazards such as streams or severe changes in ground level at the edge of a property (in excess of 900mm)

- Metal or wooden fencing will not be installed where walls are present

Areas that are currently open plan i.e. where there are no obvious individual garden areas, or where fencing has never been in place will not be fenced.

For properties where hedges provide the defensible space the hedging is the responsibility of the tenant or owner to maintain and keep in order. TGHC will not remove established hedging to replace this with metal or wooden fencing.

Where a decision is made to repair or replace fencing, the style of fencing offered will be based on value for money which may not be like for like .

Where a customer is identified as being vulnerable, the request for fencing will be assessed in line with their specific needs in order to maintain health and safety.

If we replace front fencing as part of a programme or provide fencing for health and safety reasons then we will repair this fencing subject to budgetary control and individual case management.

Any decision to repair or replace divisional fencing is at the discretion of TGHC and subject to budgetary control and individual case management.

Proposal 8

Recommends a change to the heating and hot water repairs (Winter working policy) from the current approach of upgraded timescales over a 6 month period from 1 November to 30 April.

It is proposed that for tenants with no heating and or hot water we will attend within the urgent category timescale of 3 working days. However, during the winter period (proposed as 1 November to 28 February) we will attend within the emergency category timescale of 24 working hours.

In periods of severe inclement weather, outside of the new proposed dates specified above, TGHC may revert to the winter working policy timescales.

Proposal 9

Provides clarification of working procedures for roofing and scaffolding.

You will be asked when raising a repair if you have any visible signs of water ingress. Roof repairs with no visible signs of water ingress may not require immediate attention. In these instances we may decide inspect the required works.

Should scaffold be required to safely complete a repair then we will communicate timescales with you for the erection and removals of the scaffold. We aim to erect scaffold a maximum of 2 weeks prior to the works starting and remove it within 2 weeks of completion. There may be instances where TGHC are required to inspect the property before or after the works. In these instances scaffold may remain at your property for longer than the timescales stated above.

Upon notification of scaffold it is your responsibility to ensure access and to clear the area of your personal belongings accordingly to an estimated 1.5 meters from your external wall.

While scaffold is in place at your property, satellite television signals may be affected. Please note that TGHC will not be held responsible for this and will not relocate satellite dishes or aerials during this period. Should the position of the satellite dishes or aerials impact on the erection of scaffold to allow a safe working area then TGHC will arrange relocation at no cost to you.

Proposal 10

Provides updated clarification of working procedures regarding job upgrading.

A level of additional priority may be offered to our more vulnerable customers including those who are over the age of 70, have a recognised disability or who have dependent children under the age of 12 months.

Upgrades will be granted where the impact of not completing the repair sooner would have an adverse effect on the person(s). Such upgrades will only be granted in instances of total loss of power, total loss of heating and hot water, to ensure the property is wind/water tight and secure.

Upgrades will not be granted where the repair is in a communal area and there is no significant health and safety risk to a person or the building.

Proposal 11

Ratifies the approach to repairs to electric fires.

The lighting element may fail on an electric fire, this is a common repair fault but does not mean the fire is not functioning correctly. We will aim to repair the lighting element but should this not be possible and the heating element remains in working order then we will not renew the fire. If we are unable to repair the heating element then the fire may be removed and not replaced.

Proposal 12

Seeks to ratify in policy the current responsibilities for pest control charges implemented in June 2016.

TGHC will only be responsible for pest control issues in the following circumstances:

- Communal areas
- Fumigation required in order to undertake works to a property
- Issues with woodworm (or similar wood boring, destructive insects) within a tenants property or communal areas
- Cockroaches and rats inside a property
- Wasps nests blocking vents within the property or overall access to the property

All other pest control issues are the responsibility of the tenant.

Proposal 13

Confirms the approach to Vehicle Crossings (also known as dropped kerbs).

Gateshead Council wishes to encourage residents, wherever possible, to garage or park their vehicles off the road through the provision of vehicle crossings (also known as Dropped Kerbs) to achieve the following benefits:

- Improved road safety
- Reduced damage to paving and therefore improved safety for pedestrians
- Less damage to grass verges on housing estates
- Improved security of vehicles

In order to ensure that vehicle crossings are properly constructed, all domestic vehicle crossings will be built by Construction Services and the service will include the provision of estimates and taking payments.

If you decide to go ahead with the work by Construction Services then written permission must be sought from TGHC to remove the fence, wall or hedge of the property at the place where the crossing will be located before construction can take place. Hardstanding's for a vehicle must not be constructed until permission has been granted and the vehicle crossing installed. We may instruct that you do not park vehicles on the hardstanding until the vehicle crossing work has been fully completed.

In the event that you remove any boundary fencing or walls without permission you will be recharged by TGHC for any work undertaken to replace this and any associated work.

In the event that you damage the public footpath Construction Services will reinstate the footpath or provide a properly constructed crossing. You will be charged for this work.

The construction of a vehicle crossing does not give the occupier of the premises any particular rights, except to drive across the footway to gain access to his/her property with a private or light goods motor car, the crossing itself remains part of the public highway.

Proposal 14

Clarifies the repairs policy for tenants applying to buy their home

If you apply to buy your home, we still have a duty (as your landlord) to carry out maintenance repairs to your home. We will only carry out repairs necessary to keep your home in a 'weatherproof and safe' condition but will not carry out any improvements. Requests for external work will only be undertaken where TGHC evidence that the property is not 'wind and water tight' and a repair is needed

The following repairs may be completed during your Right to Buy application period:

- Total or partial loss of electric power (where within TGHC remit)
- Total or partial loss of gas supply (where within TGHC remit)
- Total or partial loss of water supply (where within TGHC remit)
- Roof leaks/missing tiles or slates showing visible signs of water ingress
- Chimney stack/pots deemed as dangerous after inspection by TGHC
- Unsafe electrical fittings, power or lighting sockets

- No heating and or hot water
- Blocked flue to open fire or boiler
- Blocked or leaking foul drains, soil stacks or toilet pans
- Leaks or flooding from water or heating pipes, tanks or cistern
- Toilet not flushing
- Damaged glazing in line with TGHC recharge policy
- Insecure window, door or locks
- Loose or detached banister or stair treads in line with TGHC Recharge Policy
- Dangerous floorboards or stair treads in line with TGHC Recharge Policy. All reported repairs will be subject to our recharge policy.

TGHC has an obligation to carry out gas servicing on an annual basis until the date that the house is confirmed as sold. Access must be granted until completion of the sale. Failure to grant access could result in delays or withdrawal of the right to buy application.

Where alterations have been completed you must be able to provide evidence of written approvals and certification. Should sufficient evidence not be available then you will be responsible for the costs of any inspections, certification or corrective works.

From the date of purchase when you have bought your home you will be responsible for costs of all repairs and maintenance, regardless of the condition of the property when you bought.

Should you require any further guidance on repair responsibilities during your right to buy application or have a complaint in relation to required works please speak directly with the Councils Right to Buy Officer.

Proposal 15

Updates the make safe policy and the approach to out of hours repairs

The make safe policy relates to all emergency repairs which if not dealt with quickly, could cause injury to the occupants, general public or further damage to the home.

Tenants should contact Home Repairs on telephone: 0800 408 6008 to be given advice on what action to take to make the property safe. Where this advice cannot be actioned by the tenant, neighbour, family or friend an operative will call that day. The operative will make the property safe.

Where the operative makes safe, a return visit will be required to finish the repair. This return visit will be arranged according to the urgency of the repair in line with our timescales. We will aim to complete the repairs and the earliest opportunity. In some cases parts or materials may be required which may delay the repair. In these circumstances the tenant will be advised of progress until the repair is complete.

For tenants that are vulnerable or have specific needs appropriate measures will be taken in addition to the make safe policy. For example temporary heating may be provided in certain circumstances.

If tenants request an out of hours work service that is greater than is considered reasonable, then they will be advised that if the service could have been dealt with

reasonably within normal working hours then they may be required to pay for the service provided.

Details of holiday periods over Christmas and New Year and repair reporting arrangements are published on the TGHC website.

If the reported repairs are not deemed as an emergency then the customer may be asked to call back during normal working hours.

Emergency repairs include:

- Board Up Door Or Window
- Dangerous electrics
- Gas Heating Out Of Order
- Electric Heating Out Of Order
- Pipe Has Burst Inside Property
- Change Lock To Door
- Alarm Sounding Continuously
- Main Drain Blocked
- Loss of power
- Toilet Blocked "Unusable and no alternative"
- Internal Soil Pipe Leaking
- Fumes From Gas Appliance
- Make Safe Wall
- Make Safe Door
- Emergency Lighting Out Of Order
- Refuse Chute Blocked
- Supply Temporary Heating (customer responsible for cost of running)
- Passenger Lift Malfunction (where only one lift exists)

It is your responsibility to pay any associated repair charges for works undertaken by TGHC that are deemed as rechargeable repairs due to neglect, carelessness or deliberate action by you or any visitors to your home (see rechargeable repairs policy).

Proposal 16

Introduces timescales for drainage repairs/access path repairs and communal boilers

Timescales for the above work will be completed in line with the categories proposed in Proposal 2.

Proposal 17

Proposes supplementary wording and guidance on warranties, fixed wall and floor coverings, permissions, condensation, plastering, aids and adaptations, demolition of structures and leaseholders.

a. Warranty Repairs

There are times when items in your home in need of repair are covered by a warranty. Timescales to attend on a warranty repair may sit outside of the category timescales identified in this repair policy. In this instance we will communicate a new timescale to you.

For newly constructed homes the repairs will be completed by the original contractor for a designated period of time. You should continue to report your repairs to TGHC, at which point we will arrange for the required works direct with the contractor. In this instance we will communicate a new timescale to you.

b. Fixed Wall and Floor Coverings

We advise our customers not to install fixed wall or floor coverings (tile, hardwood or laminate) in their homes. This is due to the difficulty in removing them to complete repair works such as under floor pipework repairs.

Where tenants have installed fixed wall or floor coverings they are responsible for ensuring they have been installed correctly with a sufficient sound barrier and for removing them to allow repairs deemed as essential by TGHC.

Should you decide to end your tenancy with us then it will be your responsibility to remove such wall or floor coverings. You will be charged if you do not complete the required works to an acceptable standard.

c. Permission Requests

All alterations to fixtures, fittings and appliances to your home are subject to permission being pre-agreed in writing by TGHC. Customers must seek permission in all instances prior to any work being completed.

Where written permission has been granted then after 12 months of approved installation and subject to the work being completed to an acceptable standard then TGHC may accept responsibility for the installation and carry out all repairs in line with this policy. Please note TGHC will not be held responsible for all repairs after permissions (reference Proposal 6). Repairs and or replacements will be completed to standard specifications and not like for like.

Whenever you carry out work you must make sure that it is carried out to a good standard. You are required to contact your Housing Office upon completion of the approved works. In some instances an inspection of the works may be completed by a TGHC representative. If it is not completed to an acceptable standard then you will be liable to pay the cost of any subsequent work.

d. Condensation

This is caused by moisture from inside the home coming into contact with a colder surface and turning to water droplets. These can then soak into décor and attract mould.

Condensation is more commonly found on external or internal walls, ceilings and windows. Black spot mould growth can often be the most obvious indication of condensation.

If you have mould caused by condensation you should:

- Remove as much mould as you can with a damp cloth and throw away after use - do not brush mould as this releases spores into the air
- Wipe down affected areas using a fungicidal wash (available from DIY stores)
- After treatment redecorate using a fungicidal paint or wallpaper paste – do not use ordinary paint
- Dry clean mildewed clothes and shampoo carpets

You should help prevent condensation by:

- Leave any fixed vents clear and open to allow constant ventilation
- Additional ventilation may be needed at different times of day, eg when cooking or bathing. Open windows for a short time to allow moisture to escape
- If you have extractor fans make sure you use them and they work correctly
- Keep your kitchen and bathroom doors closed during and just after cooking or bathing. This will reduce moisture spreading to other parts of the property
- Use pan lids when cooking to reduce the amount of moisture released into the air
- Avoid drying clothes on radiators as this greatly increases the amount of moisture in your home
- If you have to dry clothes indoors, hang your washing on an airer and open the windows so moisture can escape
- Allow air to circulate around your rooms by not putting furniture tight against the wall
- Do not overfill cupboards and make sure air can circulate in them
- Try to maintain a steady temperature of about 15°C throughout the day to avoid cold spots around the property
- Don't block your radiators or heaters with furniture when they are turned on as this reduces how well the central heating operates.

Dampness can be a combination of condensation, a leak or water ingress. TGHC are responsible for the repair of water leaks.

Please visit our website for further information on the management of condensation or to report condensation in your home.

e. Plastering Repairs

All repairs to plasterwork in your home will be patch repairs only. Any repairs required over 2m² will be pre-inspected prior to any works being carried out.

f. Aids and Adaptations

Minor repairs to aids and adaptations previously installed by Gateshead Council will be completed by TGHC. If we are unable to complete a value for money repair and an adaptation is still seen as required then a renewal will be considered in line with Gateshead Council's Adaptations Policy.

g. Demolition of structures

While we will aim to complete repairs to structures such as outhouses and some walls, there may be times where we deem them as uneconomical to repair. In these instances we may decide to safely demolish the structure (base of structure may remain if safe).

Please note that in these instances we will not be held responsible for any provision of a replacement.

h. Water Main Repairs or Renewals

Where a repair or replacement is required to your water main the responsibility for repair may fall with either TGHC or Northumbrian Water. We will liaise with yourself and Northumbrian Water to ensure the repair is completed by the correct person(s).

i. Leaseholders

We are responsible for keeping the structure of the building and any communal areas of your block in good repair.

Under Section 20 of the Landlord and Tenant Act 1985 TGHC must consult with leaseholders about work when the potential contribution from an individual leaseholder is going to be more than £250 per repair.

In line with the terms and conditions of your lease you have to pay a share of the cost to complete these repairs.

Should you require more information on types of repairs and who is responsible, please reference the Leaseholders handbook or contact our Leasehold team.

Proposal 18

We will complete ongoing reviews of policies and procedures to ensure that best value and practice is delivered with focus on delivering high performance and customer satisfaction while reducing both demand on the service and the number of visits needed to undertake work.

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COUNCIL MEETING

2 February 2017

INTRODUCTION OF FIXED PENALTY NOTICES FOR FLYTIPPING AND REVIEW OF CURRENT ENVIRONMENTAL FIXED PENALTY CHARGES

Mike Barker, Acting Chief Executive

EXECUTIVE SUMMARY

1. Cabinet at its meeting on 24 January 2017 considered a report on the introduction of Fixed Penalty Notices for flytipping and review of current environmental fixed penalty charges.
2. Implementation of the Unauthorised Deposit of Waste (Fixed Penalty Notice) Regulations 2016 gives the Council power to deal with flytipping by Fixed Penalty Notice (FPN). Cabinet has recommended that Council approve the introduction of this power in Gateshead to efficiently deal with flytipping incidents.
3. There has been no increase in tariffs attached to existing FPNs, therefore the amount of the penalties is now relatively low and reduces the effectiveness of the threat of being caught. In addition, the recently introduced Public Space Protection Orders (PSPOs) carry a higher penalty than many of the existing FPNs. Consequently it is timely for the level of fines to be reviewed to ensure it reflects the cost of dealing with such issues and to bring current FPNs in line with the new PSPO FPNs. Recent consultation has confirmed that environmental issues remain one of the biggest concerns for Gateshead residents and businesses.
4. It is proposed that a new flytipping FPN be introduced and that current FPN tariffs are amended in order to support the protection of the environment in Gateshead through effective enforcement, with penalties that reflect the seriousness with which residents view the issues and reflects the true cost to the Council.
5. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

5. It is recommended that Council:
 - (i) Introduce a new Fixed Penalty Notice in respect of flytipping in line with Table 1 in the attached report.
 - (ii) Amend the Fixed Penalty Notice tariffs in line with Table 2 in the attached report.

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TITLE OF REPORT: Introduction of Fixed Penalty Notices for flytipping and review of current environmental fixed penalty charges

REPORT OF: Paul Dowling, Strategic Director, Communities and Environment

Purpose of the Report

1. The report asks Cabinet to consider the introduction of Fixed Penalty Notices for flytipping and review of current environmental fixed penalty charges.

Background

2. In March 2016 in response to widespread requests from Local Authorities the Government enacted the Unauthorised Deposit of Waste (Fixed Penalty Notice) Regulations 2016. These Regulations give the Council a new power to deal with the offence of flytipping by Fixed Penalty Notice ('FPN'). Previously, all flytipping matters had to be dealt with by lengthy and expensive prosecutions. The new legislation came into force in May 2016. Therefore, authority is now being sought to introduce this power, in Gateshead, which will be an invaluable tool in quickly and efficiently dealing with fly-tipping incidents which because of a range of factors it would have been disproportionate to prosecute.
3. The new flytipping FPN will be another addition to the suite of notices that the Council already has available. Those existing FPNs have been introduced over a period of time. In that time there have been no increases in the tariffs attached to those notices. This has resulted in the amount of the penalties now being relatively low, for what the public perceive to be major issues in Gateshead. Having a low penalty amount reduces the effectiveness of the threat of being caught and given FPN as a deterrent against carrying out those acts in the first place. Against a background of increasing budget cuts it makes sense for the Council to get its fines at a level that reflect the cost of dealing with such issues.
4. In terms of the timing of the review there are two influencing factors, firstly the Council is introducing a range of Public Space Protection Orders (PSPOs) which carry a higher penalty than many of the existing FPNs. It is therefore considered appropriate to bring the current FPNs in line with the new PSPO FPNs. Secondly, survey and consultation work undertaken recently has once again confirmed that environmental issues such as littering, flytipping and dog fouling remain one, if not the biggest concern to Gateshead residents and businesses. Therefore, it is considered appropriate to increase the penalties, to enable the Council to deal robustly with perpetrators that contribute to this area of significant concern to residents and who degrade the environment in which people must live and work on the basis that the 'polluter pays' ie those causing a poor environment for Gateshead's residents and visitors should be fined a suitable amount which covers the Council's costs in taking action.

5. With the use of FPNs there are a range of implications and considerations, as when FPNs were first introduced these issues have been revisited and there are three main areas to report. Firstly whether FPNs are issued to those people under 18. The current situation is that those under 18 are sent a warning letter which also goes to their parents, it is considered this position should be maintained and subject to a review in the future in light of further data analysis. Secondly the Council previously set a relatively low Fixed Penalty charge, therefore, there was no opportunity to introduce a discount for prompt payment. With the increase in the charges a prompt payment discount in respect of some notices, of 25%, is proposed. Finally, the Council has introduced PSPOs as mentioned above, this is a new development and includes some areas which link closely to the existing FPNs. For example the PSPO includes the provision that dog walkers should have the means to clear up after their dog, and actually using it to clear up after your dog, is covered by an existing FPN. In order that the integrity of the Council's Enforcement Regime be maintained it is considered essential that these penalties align. This alignment has been achieved through the review of the existing FPNs.

Proposal

6. It is proposed that the Council introduce the new 'flytipping' fixed penalty notice in line with the Table 1 below. It is also proposed that the current fixed penalty notice tariffs are amended in line with Table 2 below.

Table 1: New Flytipping Fixed Penalty Notice

Description of Offence	Current Fixed Penalty	Proposed Fixed Penalty	Discounted Amount for Early Payment to be paid	Maximum Penalty on conviction
Flytipping	None	£400	£300	Unlimited fine

Table 2: Review of Current Fixed Penalty Tariffs

Description of Offence	Current Fixed Penalty	Proposed Fixed Penalty	Discounted Amount for Early Payment to be paid	Maximum Penalty on conviction
Littering	£50	£100	£75	£2500
Failure to comply with a Public Space Protection Order	£100	£100	£75	£1000
Failure to comply with a Community Protection Notice	£100	£100	N/A	£2500 (individual) £20,000 (company)
Failure to produce waste transfer documents	£300	£300	N/A	Unlimited fine
Failure to produce waste carrier documents	£300	£300	N/A	Unlimited fine
Failure to clear up after your dog	£50	£100	£75	£1000
Graffiti / Flyposting	£50	£100	£75	£2500

Abandoning a vehicle	£200	£200	N/A	£2500
Failure to comply with a waste receptacle warning Notice	£50	£100	£75	£100

Recommendations

7. It is recommended that Cabinet recommend to full Council that:

- i) The Council introduce a new Fixed Penalty Notice in respect of Flytipping in line with Table 1 above.
- ii) The Council amend their Fixed Penalty Notice tariffs in line with Table 2 above

For the following reason:

In order to support the protection of the environment in Gateshead through the use of an effective enforcement toolkit whose penalties reflects the seriousness with which residents view the issues and more closely reflects the true costs to the Council of enforcement work.

CONTACT: John Bradley 3905

Policy Context

1. Of particular relevance are two of the big ideas in Vision 2030 Sustainable Gateshead and Active and Healthy Gateshead. These big ideas are about making Gateshead more sustainable and making Gateshead one of the healthiest communities in the country. This means looking at how we use and protect our public spaces to encourage people to use them to take up opportunities to improve their health and lifestyle.
2. Within the Council Plan the two themes of Live Love Gateshead and Live Well Gateshead are relevant. Under the heading of Live Love Gateshead the Council's ambition is to encourage people to look after their own area in order to support them in doing this the Council needs to have the powers available to take robust action against those who pollute and degrade the environment. Under the heading of Live Well Gateshead the Council is encouraging people to lead healthier lives this requires use of the public realm for a variety of purposes including utilising more health modes of transport and exercising. In order to ensure the public realm is safe, attractive and ready for use the deterrent of formal enforcement action needs to be present to dissuade people from doing the wrong thing and in doing so making areas less attractive and therefore less likely to be used.

Background

3. Fixed penalty notices are a means of dealing with an offence without undertaking a full prosecution. The Council is permitted to utilise FPNs to dispose with a whole range of matters, including, littering, dog fouling and other waste related offences.
4. The Council has introduced FPNs to deal with many of these issues over time but the tariffs associated with each Notice have never been reviewed
5. A number of recent changes, including the introduction of PSPOs and new legislation has resulted in a need to review those FPNs relating to environmental issues and also to adopt the new 'Flytipping' FPN.

Alternative Options

6. There are three alternative options. The first is not to introduce the Flytipping FPN. This will mean that officers will have to pursue expensive and time consuming prosecutions in all flytipping cases or take no action if a prosecution would be disproportionate. The second is to leave the current FPN tariffs as they are which would not relate well to the new PSPO FPNs and would not attach a penalty commensurate to the strength of public feeling on such matters. The final option is that the FPN tariffs could be changed to some other sums, however the sums suggested, together with early payment discount in some instances is considered to be suitably robust whilst still being fair and proportionate.

Implications of Recommended Option

7. Resources

- a. **Financial Implications** – The Strategic Director, Corporate Resources, confirms that there are no additional financial implications arising from this report although it is noted that any income from the new flytipping FPNs will be retained by the Council.
 - b. **Human Resources Implications** - There are no human resource implications arising directly from this report.
 - c. **Property Implications** - There are no property implications arising directly from this report
8. **Risk Management Implications** – Failure to deliver statutory responsibilities may result in government intervention.
 9. **Equality and Diversity Implications** – An Equality Impact and Needs Assessment of these plans has indicated a neutral impact.
 10. **Crime and Disorder Implications** – There are no crime and disorder implications arising directly from this report.
 11. **Health Implications** – It is hoped that by improving the quality and attractiveness of the public realm people will be encouraged to use it for bona fide purposes which include walking, cycling and exercising.
 12. **Sustainability Implications** – There are no sustainability implications arising directly from this report.
 13. **Human Rights Implications** – There are no human resource implications arising directly from this report.
 14. **Area and Ward Implications** - This report affects all wards equally

Background material

- PSPO consultation response summary
- Residents survey 2016 results

EXECUTIVE SUMMARY

A report asking Cabinet to consider the introduction of a new Fixed Penalty Notice ('FPN') for the offence of fly-tipping which will have a tariff of £400 (reduced to £300 if paid within ten days). Consideration is also sought to amend the tariffs associated with the Council's current FPNs so far as they relate to environmental matters for a number of reasons, not least, the levels of concern residents and businesses of Gateshead about these issues.



COUNCIL MEETING

2 February 2017

GATESHEAD FLOOD RISK MANAGEMENT STRATEGY

Mike Barker, Acting Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to seek approval of the Gateshead Flood Risk Management Strategy.
2. The Council is required, under the Flood and Water Management Act 2010, to have a strategy for local flood risk management. A public consultation process has been completed on the draft strategy.
3. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

4. It is recommended that Council approves the Gateshead Flood Risk Management Strategy, at Appendix 2 of the attached report.

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TITLE OF REPORT: Gateshead Flood Risk Management Strategy**REPORT OF:** Paul Dowling, Strategic Director, Communities & Environment

Purpose of the Report

1. Cabinet approved the draft Gateshead Flood Risk Management Strategy for consultation on 12th July 2016. This report outlines the consultation process and recommends the strategy is now referred to full Council for final approval.

Background

2. The Flood & Water Management Act 2010 (FWMA) requires the Council, in its role as Lead Local Flood Authority (LLFA) to “develop, maintain, apply and monitor a strategy for local flood risk management in its area”. The draft strategy for Gateshead was approved for consultation in July 2016.
3. The draft strategy was placed on the Council website for comment over the period 28th October to 12th December 2016. There has been minimal public response to this and it is now proposed to refer the strategy to full Council for formal approval.

Proposal

4. A summary of the draft strategy is attached as Appendix 2.
5. Following completion of the public consultation process, and the very limited response to this, it is now proposed to refer the strategy to full Council for formal approval.

Recommendations

6. It is recommended that Cabinet refers the Gateshead Flood Risk Management Strategy to full Council for formal approval.
7. For the following reasons:
 - (i) to ensure the Council is compliant with its duties as the LLFA as outlined in the FWMA; and
 - (ii) to ensure the Council takes a proactive and sustainable approach to managing flood risk.

CONTACT: Carl Hodgson extension 3069

Policy Context

1. The proposals are in line with Vision 2030, and in particular support the creation of sustainable and thriving communities, and prosperous communities with a focus on the environment.
2. The proposals also support Planning for the Future (Core Strategy and Urban Core Plan), and the aims and objectives of the strategic flood risk assessment and surface water management plan.
3. The proposals are in line with the Council Plan 2015-2020 and support the delivery of all policy objectives within the plan.
4. Preparation of the strategy is a duty under the Flood & Water Management Act 2010 (FWMA). It is also required to secure future funding from the Department for Environment, Food and Rural Affairs (DEFRA) for flood risk reduction schemes through the Flood Defence Grant in Aid (FDGiA) and Local Levy funds.

Background

5. The Flood & Water Management Act 2010 (FWMA) requires the Council, in its role as Lead Local Flood Authority (LLFA) to “develop, maintain, apply and monitor a strategy for local flood risk management in its area”. The draft strategy for Gateshead was approved for consultation in July 2016.

Consultation

6. The draft strategy was placed on the Council website for comment over the period 28th October to 12th December 2016. A more extensive public consultation exercise was not considered appropriate because:
 - there had been extensive consultation internally and with key interests such as the Environment Agency and Northumbrian Water as part of the drafting process. This included a Policy Advisory Group in March 2016; and
 - the document is strategic in nature, its purpose mainly being in establishing an appropriate approach towards the overall management and co-ordination of flood risk activity. It has only limited spatial information and is likely to be of limited interest to the general public.
7. There has been minimal public response to the consultation, with only one comment received. This was a detailed matter rather than relating to the strategy itself, and is being dealt with through the appropriate channels. Accordingly no changes to the draft are proposed.

Implications of Strategy

8. Resources

- a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that there is no direct financial implication from the report but the strategy is a requirement in securing capital funding to support FDGiA flood risk reduction schemes.
- b) **Human Resources Implications** – Nil.
- c) **Property Implications** – The strategy encourages the implementation of flood mitigation schemes and there is a likelihood that such schemes delivered either by the LLFA or other risk management authorities may install measures on Council property or infrastructure.

9. Risk Management Implications

The strategy outlines a number of responsibilities and permissive powers as the LLFA in addition to interventions to be carried out by other risk management authorities. The actions are needs based and there may be some flood risk related interventions (schemes or small works) that cannot be justified or supported.

The strategy outlines flood risk related responsibilities that are not directly delivered by the Council within its role as the LLFA, this includes:

- as a category 1 responder (resilience)
- as the highway authority
- as the local planning authority
- as a land owner.

The successful delivery of the strategy is dependent on partnership working with other risk management authorities and residents / landowners and a partnership approach will be undertaken where appropriate.

10. Equality and Diversity Implications – None.

11. Crime and Disorder Implications – The strategy will assist in improving safety and security of the public during a major flooding incident and aims to reduce the scale and impact of flooding events.

12. Health Implications – Effective management of flood risk is important in protecting people from the adverse health impacts of flooding, including immediate threats to health and safety.

13. Sustainability Implications – The strategy has a significant role to play with regard to sustainability as it outlines the Council's approach to sustainable drainage systems on new developments. Such systems enable development to reduce flood risk in areas with known flood risk and provide environmental and social benefits in the development and adjacent areas.

14. **Human Rights Implications** – There are no implications. Consultation on specific proposals will be held with residents, ward members and relevant stakeholders.
15. **Area & Ward Implications** – All wards will be affected.
16. **Background Information** – None.

Gateshead Flood Risk Management Strategy Summary

Introduction

Since the introduction of the Flood & Water Management Act 2010 (FWMA) Gateshead Council as the lead local flood authority (LLFA) has a responsibility for managing flood risk within the borough.

The flood risk management strategy (FRMS) outlines the Council's responsibilities as the LLFA and how these are to be delivered through a number of policies. The document also outlines the responsibilities of other risk management parties including Northumbrian Water, the Environment Agency, the highway authority and land owners.

Policies and Legislation

The FRMS takes into consideration national legislation such as the FWMA and the Land Drainage Act 1990 in addition to regional and local policies including the Council's Vision 2030 and Core Strategy documents.

While national framework outlines legal responsibilities and duties of LLFAs and others, local policies must also be considered to ensure flood risk does not have a detrimental effect on the borough.

Responsibilities of the LLFA

As the LLFA there are six main duties the Council must perform. These are to give a strategic overview of flood risk management and ensure any incidents, or works to reduce the risk of flooding are planned and coordinated between responsible parties:

- a duty to produce a flood risk management strategy;
- a duty to cooperate with other risk management authorities (RMAs);
- a duty to maintain a register of flood risk assets;
- a duty to promote sustainable drainage;
- a duty to investigate flooding incidents;
- a power to consent works in ordinary watercourses.

In addition to these duties the LLFA is also a statutory consultee of the Local Planning Authority.

Other Council Responsibilities

In addition to the responsibilities the Council has as the LLFA, there are a number of other responsibilities related to flood risk as the highway authority, planning authority and also responsibilities related to emergency planning. These are outlined in the

full document and have been taken into consideration when developing the policies within the document.

Other Responsible Parties

In addition to the Council there are others bodies with responsibilities related to flood risk management. Other risk management authorities such as the Environment Agency and Northumbrian Water have similar responsibilities as the LLFA, while individual land owners also have rights and responsibilities.

Northumbrian Water

Northumbrian Water is the regional water company responsible for the supply of water and management of the public sewer network within the region and has a responsibility to manage flood risk relating to these.

Highway Authority

The highway authority has the responsibility to drain surface water from the adopted highway. While the majority of adopted highway is the responsibility of Gateshead Council, trunk roads such as the A1 and A194(m) are the responsibility of Highways England.

Environment Agency

The Environment Agency is the main body for improving and protecting the environment nationally, including the management of flood risk and the strategic overview of all forms of flooding. They are responsible for the management of flood risk from main rivers and some coastal flooding.

Land Owners

Land owners are responsible for managing watercourses, surface water and groundwater on their land. They have a duty to accept natural flows and must not deliberately discharge water through channeling or hard standing areas.

Objectives of the Strategy

To meet the responsibilities of the LLFA and Council policies, eight main objectives have been identified giving clear direction for the delivery of the strategy and what is required from the Council.

- Work with local communities, stakeholders and developers to deliver sustainable, good value solutions through a variety of funding sources to reduce the risk of flooding;
- Take a proactive approach to investigating flooding incidents, raise awareness of the risks and responsibilities associated with flooding;

- Develop and maintain a knowledge base on flood risk and sustainable drainage to provide a point of expert advice for local residents, businesses, stakeholders and developers;
- Obtain and share information on existing drainage and flood risk assets by developing and maintaining a register of such, ensuring existing infrastructure is correctly maintained and functional;
- Work with key partners involved in flood risk in the borough and neighbouring authorities to develop sustainable and practical medium term plans;
- Ensure flood risk poses minimal impact to critical infrastructure or potential economic growth opportunities;
- Ensure flood risk poses minimal negative impact on the local and natural environment, encouraging enhancement wherever possible;
- Ensure new developments do not have a detrimental effect on the drainage network, encourage sustainable drainage systems and further mitigation measures where required.

Priority Actions

To deliver these objectives there are a total of twenty four priority actions within the strategy: these fall into four main sub categories and summarised below.

Informing and Investigating

These actions outline how the Council will raise awareness of flood risk and investigate reported flooding incidents. They have strong involvement with the local community and set a standard for the investigation process.

- Develop Council website and explore the use of social media to give good management information, advice and support;
- Develop a flooding investigation protocol with a clear and defined reporting system;
- Undertake work with local communities to raise awareness of flood risk and mitigation methods;
- Promote proactive flood mitigation approaches and offer informal advice through local media, events and Council buildings;
- Work with partners to ensure infrastructure and properties are protected against flooding;
- Raise awareness of flood warning systems, met office warning systems and other toolkits available to those potentially at risk from flooding;
- Ensure Council officers, members and other Council services are aware of the responsibilities of the LLFA and processes;
- Develop internal knowledge on flood risk management, mitigation methods and other relevant training to deliver a high level of service.

Managing Risk, Infrastructure and Assets

The following actions develop a proactive approach to infrastructure related to flooding and critical risk areas. They involve working with other risk management authorities and help to identify areas most at risk from flooding.

- Identify funding opportunities for householders and businesses to prepare their properties against the risk of flooding ;
- Share information with other RMAs on flooding incidents to develop and maintain a flood incident register;
- Develop a medium term plan for surface water management and flood mitigation schemes where there is a flooding history;
- Work with other RMA's to identify potential joint working opportunities to reduce flood risk;
- Ensure external funding opportunities are known and applied for where possible;
- Work with neighbouring local authorities to take a regional and consistent approach to flood risk.

Planning and Environmental Opportunities

These actions support the LLFA's role in the planning process and outline how a proactive approach to reducing flood risk and improving the natural environment will be taken for all sizes of development.

- Integrate sustainable drainage into the new development process to a level which exceeds current standards.
- Work with developers and the Council's planning service to ensure that drainage and flood risk are considered throughout the development process.
- Develop a process to manage and reduce private hard standing areas having a negative impact on drainage systems.
- Investigate opportunities to open culverts and restore natural banks when changing watercourses, providing flood defenses or as part of new development.

Joint Working and Medium Term Mitigation

The following actions look at future opportunities for areas with a flooding history or known flood risk, working with others can give opportunities to fund major flood risk schemes and other initiatives.

- Identify funding opportunities for householders and businesses to prepare their properties against the risk of flooding .
- Share information with other RMAs on flooding incidents to develop and maintain a flood incident register.
- Develop a medium term plan for surface water management and flood mitigation schemes where there is a flooding history.
- Work with other RMAs to identify potential joint working opportunities to reduce flood risk.

- Ensure external funding opportunities are known and applied for where possible.
- Work with neighboring local authorities to take a regional and consistent approach to flood risk.

Delivering the Strategy

Following the implementation of the strategy annual overviews will be published on the Council website. These will provide information on flooding incidents in the borough, completed or proposed mitigation works and how the Council is delivering the duties as the LLFA. The annual review will be reported to the Council's Communities & Place Overview & Scrutiny Committee.

In addition to this a number of documents will also be produced to support the strategy, these at present include:

- sustainable drainage supplementary planning document;
- flooding investigation protocol;
- flood asset protocol;
- customer information on flood risk management.

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COUNCIL MEETING

2 February 2017

CORPORATE COMMISSIONING AND PROCUREMENT STRATEGY

Mike Barker, Acting Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to seek approval for the implementation of the attached Corporate Commissioning and Procurement Strategy.
2. Commissioning has a key role to play in the transformation necessary to determine what services are provided in the future, how they will be delivered and by whom.
3. The Corporate Commissioning and Procurement Strategy sets out how the Council will work with partners, allocate resources and deliver the best outcomes whilst making the “Gateshead Pound” go further.
4. The Corporate Commissioning and Procurement Strategy is set out in three categories; Strategic Commissioning, Commissioning Services and Commissioning for individuals. A training programme will be rolled out to ensure officers have the necessary skills and knowledge to undertake their role effectively.
5. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

6. It is recommended that Council:
 - (i) Approves the Corporate Commissioning and Procurement Strategy attached at Appendix 2 and its implementation across the Council;
 - (ii) Approves the development and roll out of a comprehensive training programme go all officers engaged in commissioning and procurement activity.

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TITLE OF REPORT: Corporate Commissioning and Procurement Strategy

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

Purpose of the Report

1. To seek approval to implement the attached Corporate Commissioning and Procurement Strategy.

Background

2. The landscape within which the Council is operating is changing as Gateshead is facing significant financial and demand pressures arising from reductions in public spending along with increasing expectations, an ageing population and inequalities across the borough. Commissioning has a key role to play in the transformation necessary to determine what services are provided in the future, how they will be delivered, and by whom.
3. The Corporate Commissioning and Procurement Strategy sets out how the Council will work with partners, allocate resources and deliver the best outcomes for people whilst at the same time making the "Gateshead Pound" go further. It supports Vision 2030 and it will help to implement the Council Plan.
4. The Corporate Commissioning and Procurement Strategy is set out in three distinct categories, (Strategic Commissioning, Commissioning Services and Commissioning for individuals), to enable the Council to consider commissioning activity at different levels and to maintain a coherent approach.
5. A comprehensive training programme will be developed and rolled out to ensure that officers engaged in commissioning and procurement activity have the necessary skills and knowledge to undertake their role effectively.

Proposal

6. Cabinet it asked to note and agree the recommendations below:

Recommendations

7. It is recommended that:
 - (i) The Council be recommended to approve the Corporate Commissioning and Procurement Strategy attached at appendix 2 and its implementation across the Council;
 - (ii) A comprehensive training programme be developed and rolled out to all officers engaged in commissioning and procurement activity.

For the following reasons:

- (i) To ensure a corporate and consistent approach to commissioning and procurement activity; and
- (ii) To ensure that officers are provided with the skills and knowledge they require to undertake commissioning and procurement activities in accordance with the Strategy.

CONTACT: Andrea Tickner

extension: 5995

Policy Context

1. The Corporate Commissioning and Procurement Strategy supports the overall vision for Gateshead as set out in Vision 2030. It also sets out how the Council Plan can be translated into commissioning outcomes, and how the Council's values and behaviours should be reflected within the Council's supply chain.
2. The Corporate Commissioning and Procurement Strategy will replace the existing Corporate Procurement Strategy and Commissioning Framework.

Background

3. It is important that the Council has a clear framework within which to undertake its commissioning activity to ensure consistency of approach across the Council and to be able to articulate its approach to all stakeholders.
4. The Corporate Commissioning and Procurement Strategy is set out in three distinct categories, (Strategic Commissioning, Commissioning Services and Commissioning for individuals), to enable the Council to consider commissioning activity at the different levels whilst implementing a coherent approach.
5. Strategic Commissioning describes 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 available resources. As part of our Strategic Commissioning approach we must then consider what role the Council and others will play in the delivery of outcomes.
6. Commissioning Services incorporates an inclusive approach to the design, prioritisation, management, delivery and monitoring of services and is an ongoing, cycle which should focus on outcomes. It is not to be confused with outsourcing, however if service provision is potentially to be satisfied via a source external to the Council, it is usually procured.
7. Commissioning for Individuals (sometimes known as "micro commissioning") describes how we will ensure that appropriate services are put in place to meet the needs of specific individuals. We will adopt the 9 standards set out in the "Commissioning for Better Outcomes" publication developed by Local Government Association (LGA), Association of the Directors of Adult Social Services (ADASS), Department of Health, University of Birmingham.
8. Good Commissioning and Procurement is not new to the Council and the Strategy includes a number of case studies that highlight best practice in the way that Commissioning and Procurement activity has previously been undertaken, however the Council would benefit from having a greater level of consistency across all of its activities.

Consultation

9. Desktop research has been undertaken to ensure that the strategy is comprehensive. Discussions have taken place with the Trade Union Representatives and they have not raised any fundamental issues with the Strategy, however further discussions are planned to clarify areas of concerns and they are interested in how it will be implemented in terms of alternative business models.
10. The Strategy was also considered by the Corporate Resources Advisory Group on 8 December 2016 and the views of the Group are attached at appendix 3.

Alternative Options

10. The only alternative option is not to have a Corporate Commissioning and Procurement Strategy; however the existing procurement strategy would need to be updated.

Implications of Recommended Option

11. **Resources:**
 - a) **Financial Implications** – The Strategic Director, Corporate Resources confirms the implementation of recommendations would help to maximise value for money for all external spend.
 - b) **Human Resources Implications** – There are no direct Human Resource Implications resulting from the recommendations.
 - c) **Property Implications** - There are no direct Property Implications resulting from the recommendations.
12. **Risk Management Implication** - Implementing the recommendations would help to minimise the risk of failing to use resources in the most appropriate way to deliver the best outcomes.
13. **Equality and Diversity Implications** - Implementing the recommendations would ensure that equality and diversity issues were appropriately considered when undertaking Commissioning and Procurement activity.
14. **Crime and Disorder Implications** – There are no crime and disorder implications resulting from the recommendations.
15. **Health Implications** - Implementing the recommendations would ensure that health implications were appropriately considered when undertaking Commissioning and Procurement activity.
16. **Sustainability Implications** - Implementing the recommendations would help the Council to maintain a greater level of sustainability and ensure that sustainability issues were appropriately considered when undertaking Commissioning and Procurement activity.

17. **Human Rights Implications** - There are no Human Rights implications resulting from the recommendations.
18. **Area and Ward Implications** - There are no area and ward implications from the recommendations.

Background Information

19. The Corporate Commissioning and Procurement Strategy (attached as appendix 2)

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Corporate Commissioning and Procurement Strategy

2016/17 - 2020/21

IN UNITY, PROGRESS



Contents

	Page
Foreword	3
Introduction	4
Strategic commissioning	7
Commissioning services	11
Commissioning for individuals	17
Structuring our commissioning activity	21
Anticipated outcomes	22
Reviewing and continuous learning	24
Appendices	
Appendix 1: Social value in commissioning	25
Appendix 2: Timeline and action plan	27

Further information

This strategy was produced by Gateshead Council. If you want any more information or have any questions about the strategy please contact:

Andrea Tickner
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Foreword

This new Corporate Commissioning and Procurement Strategy sets out Gateshead’s approach to using our resources within the borough in the most effective way to deliver the best outcomes to the people of Gateshead in order to achieve our strategic ambition as set out in Vision 2030 and the Council Plan.



Our approach to strategic commissioning helps us to understand what needs to be done to improve the life of the communities that we serve and plan how our resources can be used to maximum effect. We recognise the need to be inclusive, and work more closely with all of our partners to achieve maximum value for money and make the “Gateshead Pound” go further. We will encourage our partners to play a bigger role in the delivery of improved outcomes and explore innovative ways of supporting them to do so.

When commissioning for service delivery we consider a range of issues which are underpinned by the drive to create a better quality of life for all. Our Strategy ensures that we take into account some key principles; to strengthen our local economy, reduce our environmental impact and tackle inequality and disadvantage. Our focus will be on buying locally when we can, and encouraging others to support Gateshead's economy in order to build wealth in our communities which will help to reduce demand of some of our services.

We have a good track record in effective commissioning as evidenced by the development of our Housing Regeneration Partnership, South Tyne and Wear Waste Management Partnership and the development of our District Energy Scheme.

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.

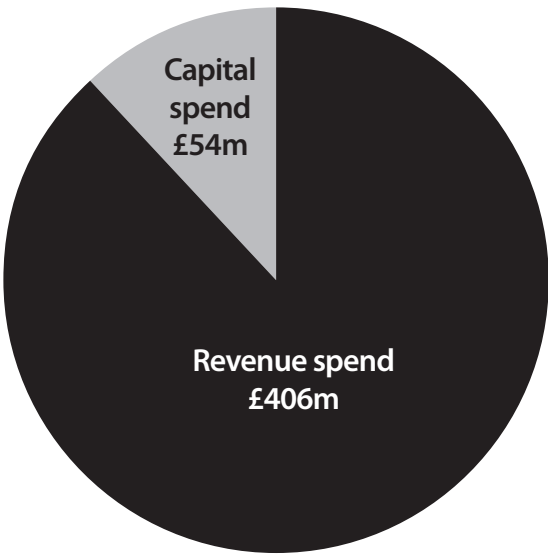
Councillor M Gannon
Leader of the Council

Introduction

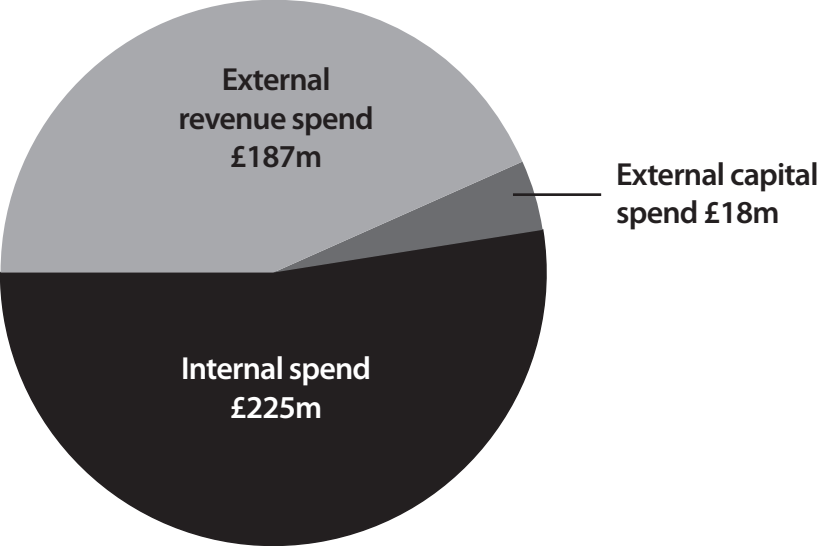
Gateshead is facing significant financial and demand pressures arising from reductions in public spending along with increasing expectations, an ageing population and inequalities across the borough. Commissioning has a key role to play in the transformation necessary to determine what services are provided in the future, how they will be delivered, and by whom.

Gateshead had a gross expenditure budget of £460m in 2015/16. In the region of £205m per annum was spent on external provision of works, goods and services as illustrated in the diagram below. It is our responsibility to use this money in a way that achieves the best possible outcomes for local people and generates maximum value for the “Gateshead Pound”. We will consider how to maximise the money spent in Gateshead and retained through our supply chain.

Total Gross Expenditure 2015/16

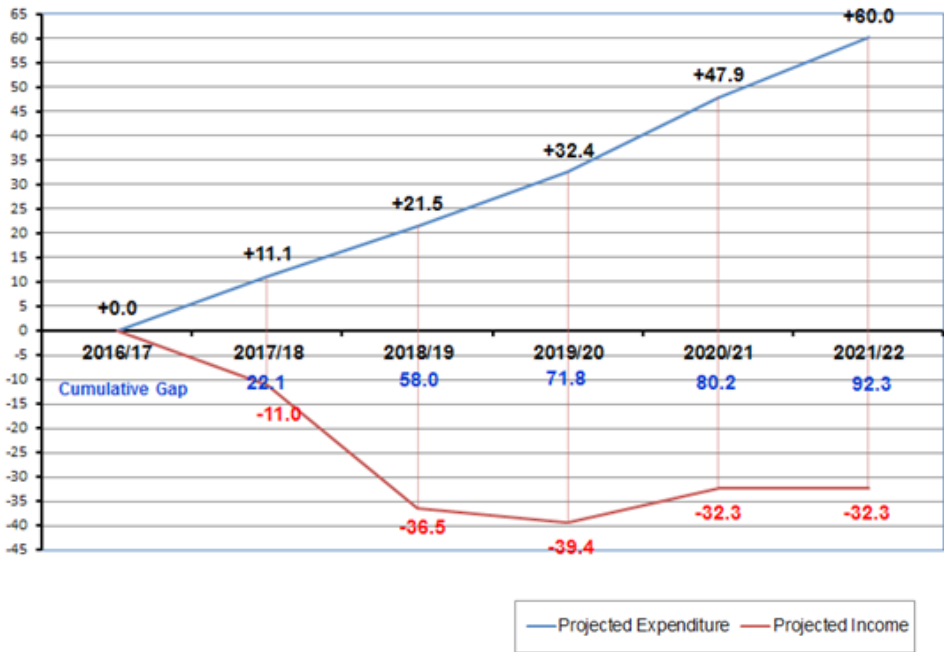


Gateshead Spend on internal/external goods works and services 2015/16

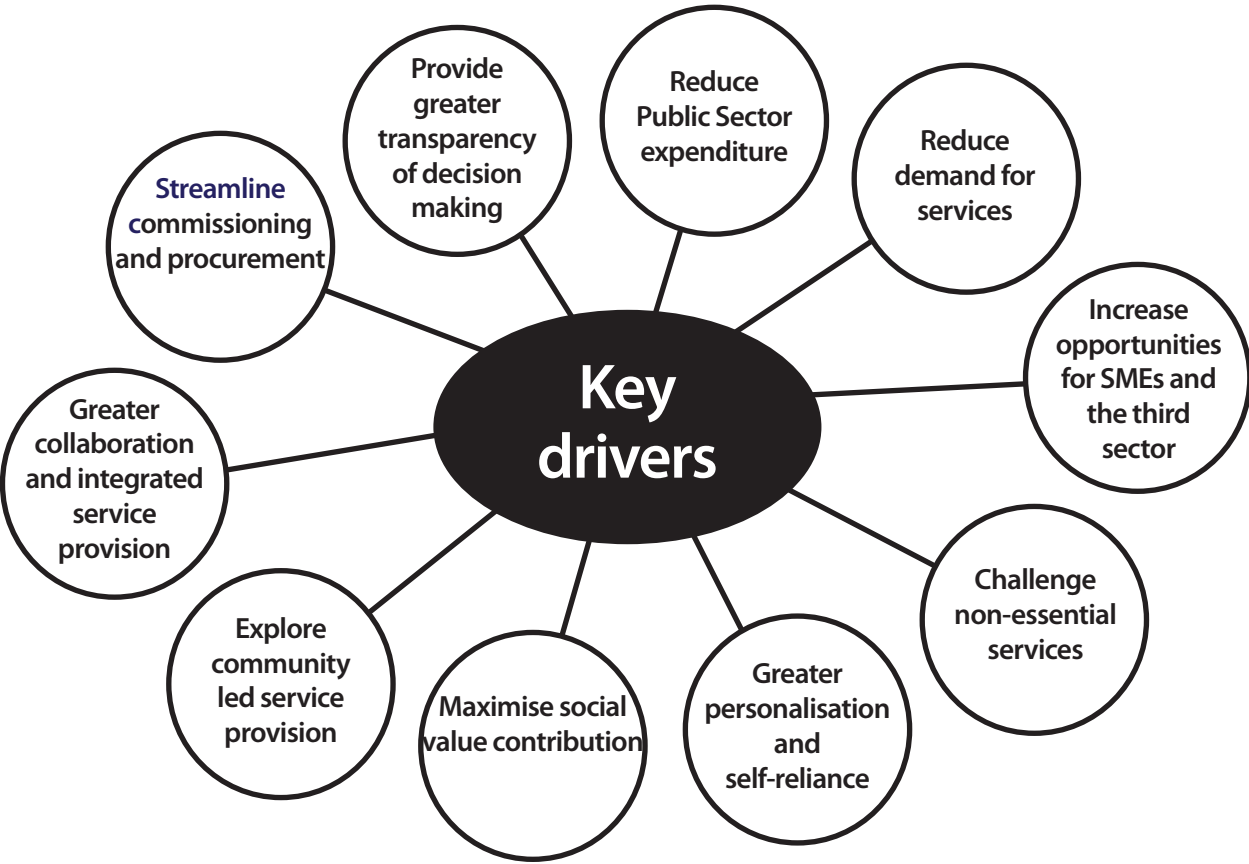


The council has reduced its overall budget by £130m since 2010 and there are anticipated further reductions of around £92m to be achieved by 2022 as illustrated in the table below. This will drive us to reduce costs through better management of demand and increases in efficiency; focussing on maximising growth through creating more and better paid jobs; increasing income generation; and increasing collective responsibility by encouraging everyone to play a more active role.

Cumulative Funding Gap 2017/18 –2021/22



There are a range of key drivers, some from Central Government that are influencing our transformation as set out below:



We have traditionally delivered many council services through in-house service teams and it is anticipated that a more mixed economy will develop in the future with volunteers, the community, external providers, and other partners playing a bigger role in delivering outcomes. As part of our Transformation Programme, a lot of work has been done to develop a commissioning approach across all activities of the Council in order to prioritise budget allocation.

The purpose of this strategy is to set out how we undertake commissioning and procurement activity, with an outcomes focused approach, increasingly managing our resources in conjunction with partners. This will enable us to deliver the sustained transformation necessary to achieve faster, fitter, more flexible arrangements that are designed around local communities and to move from alignment to integrated work with our partners, thus enhancing our place shaping role.

We have set out our strategy in three categories:

Strategic Commissioning
(e.g. more people living at home)

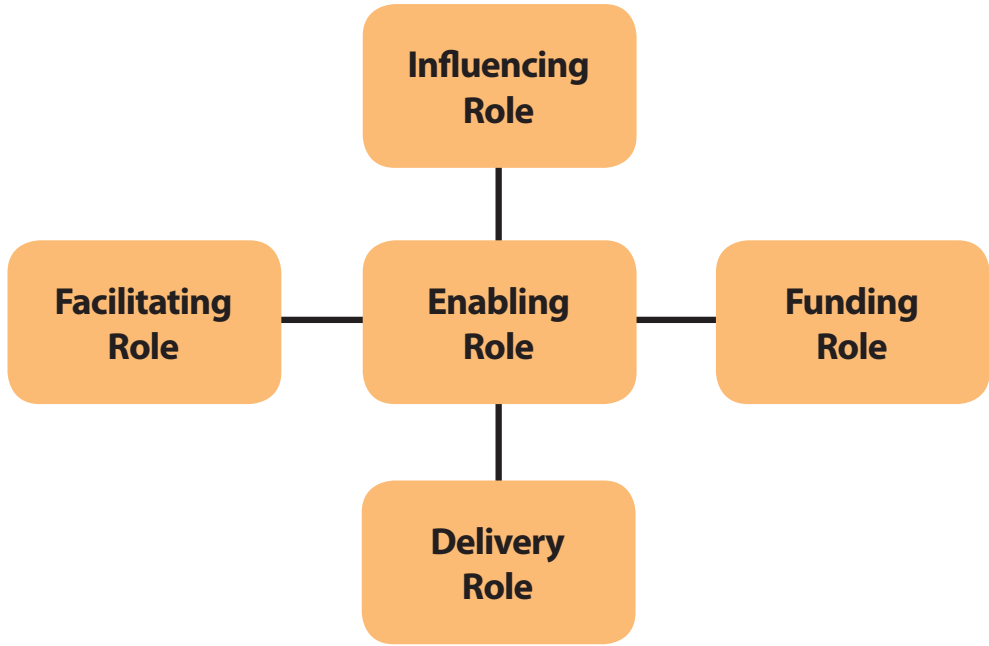
Commissioning Services
(e.g. commissioning domiciliary care services)

Commissioning For individuals
(e.g. organising care worker to visit customer)

Strategic Commissioning

Strategic Commissioning describes 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.

This may not immediately lead to determining service delivery as we must first consider the Council’s statutory obligations and then what role the Council will play in terms of delivering those outcomes.



This is a fundamental change in our planning processes; however our strong and effective leadership will enable us to fully exploit new and emerging commissioning techniques and to challenge existing arrangements against best practice by perhaps doing better things differently.

Our stakeholders and partners will play 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 meet future outcomes. We will keep focussed on the residents of Gateshead with our partners to implement joint planning cycles and effective joint strategic commissioning arrangements.

Our Ambition

Our ambition is to make Gateshead the best place to live, work and visit. Vision 2030 is the Gateshead Strategic Partnership’s ambitious Sustainable Community Strategy which brings together all of our public, private, voluntary and community sector partners to achieve a step change improvement in the borough. Our approach to commissioning and place shaping will help us to achieve our long term vision.

Our Council Plan

The Council Plan outlines our goals for the next 5 years in delivering against the priorities set out in Vision 2030. It includes a focus on developing a shared responsibility to meeting the needs of the people of Gateshead and a focus on maximising community assets. Case Study 1 explains how we have used our commissioning approach to deliver a number of priorities set out in Vision 2030 and the Council Plan.

Working in Collaboration

We recognise that working with others can more successfully help us to achieve our aims and we seek to jointly commission or procure through a variety of arrangements. Working with other organisations can deliver best value in terms of:

- Working on shared priorities to achieve maximum benefit for residents and local business
- Accessing resource that otherwise would not be available to us
- Streamlining processes and sharing capacity
- Aggregation of spend to maximise economies of scale
- Sharing and effectively using data across a wider range of organisations
- Use of wider experience and greater expertise
- Developing and influencing providers and supply markets
- Fewer approaches to the market
- Attracting external investment/Case Study 7 describes a co-commissioning approach to delivering supported housing
- We will also collaborate with Trade Union Representatives to develop a Trade Union Agreement for Commissioning and Procurement

Locality/Place Based Commissioning

Locality or place based commissioning describes commissioning at a regional or sub-regional level affecting broader issues of economic regeneration and broader strategic planning. This may involve partnership working at the North East Combined Authority (NECA) Level or working within specific wards within the Borough. Case Study 2 provides good evidence of working in collaboration and locality/people based commissioning.

People Based Commissioning

People based commissioning addresses broader social issues or complex interlocking problems requiring engagement with partners and the public. Key partnerships include our Health and Wellbeing Boards and Community Safety Partnership.

Achieving More Together

Our “Achieving More Together” approach that incorporates our “One Public Sector” ethos will drive further collaboration, integrated working and service delivery across the whole public sector; key examples of working in collaboration are listed below.

Gateshead Strategic Partnership

Brings together representatives from the public sector, business community, voluntary and community sectors, and government agencies to take a strategic overview and co-ordinate activities and improve outcomes for local people.

North East Combined Authority (NECA)

This is a forum for collectively driving change forward, commissioning and delivering efficiencies across the region.

Health and Social Care Commission

The North East Combined Authority (NECA) and the NHS have established a joint Commission for Health and Social Care Integration in the North East. The Commission has proposed a vision for transforming the health and wellbeing of North East residents which will also help to improve the economy.

Gateshead Joint Strategic Needs Assessment

The Gateshead Joint Strategic Needs Assessment sets out the needs of our communities and will be used to develop the outcomes that we want to achieve and plan effectively across a range of partners.

Clinical Governance Framework for Commissioned Public Health Services

The commissioning of public health arrangements will be carried out in accordance with the Clinical Governance Framework for Commissioned Public Health Service in Gateshead. This document describes the appropriate governance arrangements that must be in place in order to deliver effective public health services.

Case Study 1

Gateshead Regeneration Partnership

Gateshead benefited from being designated a Housing Market Renewal Pathfinder area in 2003. This initiative provided funding that enabled the Council to take a comprehensive approach to the regeneration of some of our long-established communities.

Following an appraisal of different options, a model where viable sites cross-subsidised unviable ones was considered to be the most deliverable. Taken as a whole, packaging up sites in this way, overcame the viability gap.

But to make the opportunity commercially attractive to the market, it was recognised that a long-term commitment would need to be made to a prospective partner, including a willingness to take a share of the risk and commit other sites to the venture.

In return the Council could have direct influence over the development programme – in terms of quality of design, phasing of sites and pace of development - and could take a share of profit, over and above the value of its land.

Critically, the Council could also ensure its wider regeneration ambitions – for example local jobs and training, supply-chain opportunities for local businesses – are secured.

The Council undertook a competitive tendering process to seek partners who shared the vision and ambition we had set out. The outcome was the creation of the Gateshead Regeneration Partnership, a joint venture established in 2012 between the Council, the developer Galliford Try and housing provider Home Group. The partnership is run through a Board structure where the Council and private partners each have a 50% stake in decision-making.

The Council is putting forward its own land assets for our partners to use to raise the finance to build the homes. This model will be used for delivery of 2,400 new family homes for sale and rent over a 15-year programme. The investment in the project could be up to £347 million, with the bonus of associated community facilities and economic benefits, made deliverable due to the strategic and long-term nature of the arrangement.

Case Study 2

South Tyne and Wear Waste Management Partnership

Gateshead Council is a Waste Disposal Authority and as such has the responsibility to facilitate the disposal of municipal waste. We must manage the waste collected and are responsible for developing and implementing plans to deal with municipal waste.

The EU Landfill Directive set targets for the reduction of biodegradable waste being sent to landfill:

- By 2010 reduce it to 75% of that produced in 1995
- By 2013 reduce it to 50% of that produced in 1995
- By 2020 reduce it to 35% of that produced in 1995

The landfill tax per tonne 'active waste' started 1 October 1996 at £7/tonne and has risen steadily expecting to exceed £80/tonne in 2016.

As our primary route for the disposal of municipal waste was landfill we had to look a new solution to meet the above targets.

So, with our partners we:

- investigated all treatment technologies available that would achieve and exceed the required legal obligations
- ensured that all compliant technologies were considered with equal challenge and non were preferred from the outset (cost not taken into consideration until all technologies deemed to meet requirements had been assessed. (Technology neutral project)
- identified and published an affordability envelope
- undertook a thorough and complex procurement process

The project was delivered in partnership with South Tyneside and Sunderland Councils as South Tyne and Wear Waste Management Partnership.

Private Finance Initiative assessed as best route to funding - £73.5m of PFI credits secured (£135.5m over life of project).

Throughout the project monitoring was undertaken to assess performance against requirements and outcomes, and this is continuing. Future efficiencies were identified and built into the arrangement and a 25yr Contract (End 2039) was entered into. It was also important to incorporate an appropriate exit strategy.

More information: Contact Tony Alder, Service Director, Commissioning & Business Support on 0191 433 3880 email anthonyalder@gateshead.gov.uk

Commissioning Services

We have a good track record in commissioning jointly with others as evidenced by the many lead roles we have undertaken, joint arrangements we have or participated in, as the three examples below evidence.

North East Procurement Organisation (NEPO)

The council continues to support and fully engage with the North East Procurement Organisation. As a member of the consortium we benefit from NEPO's capacity, co-ordination role, improved governance structure and new operational model designed to harness the expertise and experience of procurement officers from across the region and this is set out in a Regional Procurement Strategy.

Collaboration on services for children and adults

The council participates in a number of 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.

Integrated Commissioning with Health

Discussions are taking place with colleagues from the Health Sector to develop an integrated commissioning model for health and social care. The general principal has been agreed to explore this further and this work will impact on how we commission services for adults and children in the future.

Where our Strategic Commissioning approach has determined that services are required, we will ensure that they are delivered in the most efficient and effective way by selecting the most appropriate delivery model.

Commissioning services incorporates an inclusive approach to the design, prioritisation, management, delivery and monitoring of services and is an ongoing, cycle which should focus on outcomes. It is not to be confused with outsourcing, as we recognise the benefits of in-house delivery. However, if service provision is potentially to be satisfied via a source external to the Council, it is often procured.

The diagram below outlines the commissioning and procurement cycles and how they complement each other.



Procurement

Procurement is the process by which we acquire goods, works, services and assets from external providers, spanning the whole life cycle from the identification of need (usually via a commissioning process), to the end of the useful life of an asset or contract or of the need for an activity. Procurement activity is dependent on good commissioning activity in order to use resources in the best possible way to meet needs and deliver strategic outcomes.

Best Value

Delivering Best Value remains a legal duty of the Council and requires us to consider all service delivery options on their merit. This could include for example, joint working with other public sector partners, partnerships, collaboration, delivering with our own workforce, or outsourcing. Early engagement with all stakeholders including existing service providers, market engagement is essential, and we will continue to make decisions on the basis of a fair and robust assessment of which option is likely to deliver the best outcomes.

Value for money

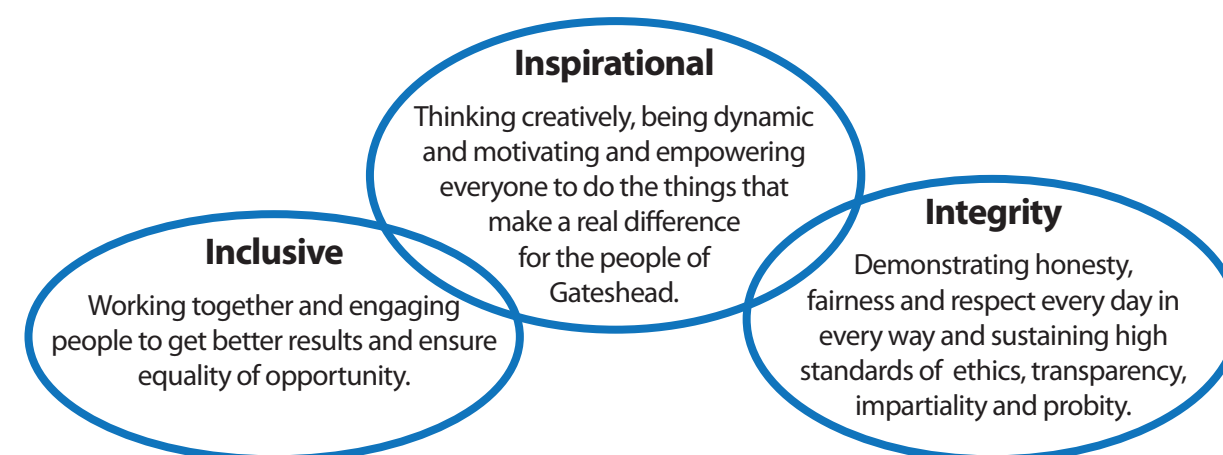
Value for money is defined as "the optimum combination of whole life costs and quality to meet the end user requirement and it is usually demonstrated in the form of outcomes". It does not mean adopting the lowest cost solution. Our commissioning and procurement approach will ensure that our activity delivers services of the right quality, aligned to the Council's ambitions whilst at the same time achieving value for money.

Assessing our options

When we are considering a range of delivery options, account may be taken of performance, best practice flexibility, impact on workforce, market assessment, potential to deliver within existing or lower levels of resource, risk, impact on legal duties and changing policy, perceived views of stakeholders, sustainability, future proofing cost of implementation and overall value for money.

Our values

The values that we expect our partners and supply chain to share with us and to demonstrate when carrying out work on our behalf include:



Our behaviours

Our behaviours will be evident in how we approach our work, how we treat others and how we expect to be treated. We expect our behaviours to be reflected in all of our relationships and demonstrated by our workforce and by others working with us, or on our behalf. Our behaviours include:

- Always be positive, helpful and supportive in our approach
- Be professional and lead by example
- Work as a team and take personal responsibility for our actions
- Learn from our mistakes and celebrate our successes
- Embrace and promote equality
- Be flexible and adaptable to change
- Working within the spirit of the Trade Union Agreement for Commissioning and Procurement that is currently being developed

Our principles

We will focus on commissioning:

✓ the right outcomes

✓ at the right quality

✓ at the right price

✓ through the right provider

✓ at the right time

✓ using the right evidence

To do this we will:

- Consider how to maximise benefits to the local community
- Base our resource allocation on those set out in The Council Plan, Vision 2030 and Joint Strategic Needs Assessment
- Place an emphasis on prevention and early intervention
- Consider the various dimensions of quality, and fully understand how they impact upon outcomes and value for money
- Increase self-service and make it easier for needs of customers to be satisfied
- Promote self-reliance, devolved services, and build stronger communities
- Increasingly become a smaller, strategic and modern organisation which is networked and agile, empowers employees and is focused on reducing costs and place shaping
- Use open, fair and transparent processes that build confidence and create a level playing field for all
- Base all of our commissioning decisions on evidence, best practice and consideration of the full range of delivery options including direct provision where appropriate
- Take a whole organisation, or whole public sector approach
- Apply appropriate challenge to all commissioning decisions
- Develop an integrated or collaborative approach to commissioning and develop pooled or aligned budgets where appropriate, in order to maximise the value of the “Gateshead Pound”
- Consider the role our assets can play in delivering outcomes
- Incorporate the principle of doing better things differently rather than just doing better things
- Decommission services which are inefficient, ineffective, inequitable or unsustainable
- Ensure the workforce is consulted and treated in a way consistent with our values

Engagement with internal providers and markets

Our commissioning activity will also ensure appropriate engagement with potential providers within, and external to, the Council in order to:

- Ensure that there is an understanding of what is required and what can actually be provided
- Ensure that they are able to influence and provide appropriate input, evidence, and challenge to our decision making processes.
- Stimulate markets where necessary
- Identify markets or sectors that may need further support or development
- Deliver through a mixed economy
- Ensure sufficient capacity and quality provision within specific markets or sectors
- Ensure that benefits to the local community are fully explored
- Consider the benefits of in-house delivery including direct management, flexibility, no procurement costs, critical mass and economics of scale

We will develop Market Position Statements for particular service areas where appropriate.

Our Commissioning Focus

We will focus on the following priority areas when undertaking our commissioning approach;

Inequality

The biggest challenge that Gateshead faces is that of inequality and it is a consistent theme which runs through many other challenges. We will target some elements of service provision to those most in need and we will encourage our supply chain to help us to readdress some of the inequality between different areas within our borough, or sectors of our population. We will also encourage our partners and supply chain to target recruitment and training initiatives to those who are disadvantaged in order to provide greater opportunity to parts of our communities to prosper.

Enabling

We will encourage our partnerships and supply chain to enable communities to take control where they want to, and are able to do more for themselves. We will focus more on enabling others to develop solutions, and to build on the creativity, skills, strengths and assets within our community. We will focus on our strengths – our communities, volunteers, our voluntary and community sector, business sector; and we will use our collective physical assets to unlock the potential of our communities.

Influencing

We will use data analysis techniques and evidence to better understand the role our communities can play in delivering outcomes. Our commissioning activity will help us to channel the resources of our communities to best effect in order to gain maximum benefit for all.

Sustainable economic growth

The development of Gateshead as a sustainable thriving borough lies at the heart of what we are trying to achieve. We will encourage a sustainable market place that supports our local economy to thrive, with local organisations that can deliver local services, innovate and provide prosperity to the people of Gateshead.

Buying locally

The more money that is spent locally, the greater the positive impact this will have on our local economy and therefore we will prioritise the use of local organisations for low value purchases. We will also provide support where possible to enable local organisations to compete.

Mechanisms will be further developed to enable comprehensive dialogue with key suppliers in the region This will enable their views to be heard and will lead to relationships being developed that are mutually productive, flexible, enable goals to be shared, reduce costs whilst at the same time achieving outcomes.

Digital

We, together with our partners and supply chain, will deploy the most appropriate technologies to streamline processes, increase accessibility through a variety of channels, deliver greater efficiency and reduce costs. We will implement a “digital by default” culture to drive transformation. Case Study 3 outlines a digital approach to managing our employees.

Social Value

We will use our place leadership and commissioning activity to stimulate private, public and social investment in Gateshead. We have developed a flexible approach to ensure that maximum social value considerations are built in to all of our commissioning and procurement activity in order to tackle a range of issues. Our approach to Social Value is set out in Appendix 1.

Case Study 3

HR and Payroll system

The core integrated Human Resources (HR) support and Payroll system for storing and processing data on employees was licensed until March 2015 (with an option to extend for 1 year). It also provided enhanced tools for employees and managers to access data through a number of electronic devices and the workflow capability enabled many processes and transactions to be fully automated.

A project was established to enable us to develop a replacement to the existing system in order to manage our workforce and ensure that current and future legislation is adhered to. One of the crucial aspects of the project was to deliver this all by March 2016.

We looked at various delivery models – we could:

- Renew the existing arrangements with the existing provider;
- Develop a shared service with another public body;
- Procure a service (outsourcing); or
- Procure the software and manage the operational aspects by either hosting the application internally, or procuring a hosted application.

We decided the best option was to procure the software and manage the operational aspects, and either host the application internally, or procuring a hosted application.

A procurement process followed that identified that value for money was best achieved by an external provider hosting the software. The Contract was awarded and the system was implemented within the required timeframe. The benefits of this approach included:

- reduction in hosting costs, licenses and maintenance of satellite systems
- potential to increase income through increased trading activities (which has been realised)
- potential to reduce staffing costs further
- self-service available for employees and managers via a range of digital channels
- improved potential for mobile working
- removal of duplication as data entered once and available for use many times
- improved reporting functionality that will lead to improvements in managing the workforce

More information: Contact John Jopling, Service Director, Customer and Financial Services on 0191 433 3530, email johnjopling@gateshead.gov.uk

Commissioning for individuals

When commissioning specific services for individuals or "micro commissioning", we will adopt the 9 standards set out in the "Commissioning for Better Outcomes" publication developed by Local Government Association (LGA), Association of the Directors of Adult Social Services (ADASS), Department of Health, University of Birmingham.

Whilst the original publication focuses on social care we will adapt the standards to apply to all commissioning activity across the Council where possible.

Standards of Commissioning	Good Commissioning:
Person-Centred and focused on outcomes	<ul style="list-style-type: none"> • Is person-centred • Focuses on outcomes that people say matter to them most • Empowers people to have choice and control in their lives, over their care and support, and in the services they receive
Co-produced with people, their carers, customers and the wider community	<ul style="list-style-type: none"> • Starts from an understanding that people using services (and their carers and communities) are experts in their own lives and therefore essential partners in the design and development of services • Creates meaningful opportunities for the leadership and engagement of people (including carers and the wider community) in decisions that impact on the use of resources, and the shape of local services
Well led	<ul style="list-style-type: none"> • Is well led within local authorities through the leadership, values and behaviour of elected members, senior leaders and commissioners of services • Is underpinned by the principles of co-production, personalisation, integration and the promotion of health and wellbeing
Demonstrates a whole system approach	<ul style="list-style-type: none"> • Convenes and leads a whole system approach to ensure the best use of all resources in a local area through joint approaches between the public, voluntary and private sectors
Evidence Based	<ul style="list-style-type: none"> • Uses evidence about what works • Uses a wide range of information to promote quality outcomes for people, their carers and communities • Supports innovation

Standards of Commissioning	Good Commissioning:
Ensures diversity, sustainability and quality of the market	<ul style="list-style-type: none">• Ensures a vibrant diverse and sustainable market to deliver positive outcomes for local people and communities• Is concerned with sustainability, including financial sustainability of providers/suppliers
Provides value for money including social value	<ul style="list-style-type: none">• Provides value for money by identifying solutions that ensure a good balance of quality and cost• Makes the best use of resources• Achieves positive outcomes for people and their communities
Develops the commissioning and provider workforce	<ul style="list-style-type: none">• Requires competent and effective commissioners• Facilitates the development of an effective, sufficient, trained and motivated social care workforce through the coordination of health and care workforce planning
Promotes positive engagement with providers/suppliers	<ul style="list-style-type: none">• Promotes positive engagement with all providers• Requires market shaping and commissioning to be shared endeavours• Has commissioners working alongside providers, people with needs, carers, family members and the public to find shared and agreed solutions

Case Study 4 and 5 evidence best practice in terms of commissioning for individuals.

Case Study 4

Children’s Regional Commissioning

NE6 - Children’s Residential Homes

Local Authorities are required to meet the “Sufficiency Duty” to secure, where is reasonably practicable, sufficient accommodation within our area to meet the needs of our looked after children. To fulfil our duty, at times we procure placements for looked after children with external residential providers (sometimes called ‘out of authority’ placements), and residential schools including High Care Needs placements. However it was recognised in 2010 that spot purchasing does not always ensure the best value for money on placements. In January 2011 a consortium of local authorities in the North East, called NE6, was established to better manage the residential placements process. The members of the NE6 Consortium currently are:

- Newcastle City Council
 - Northumberland County Council
 - Sunderland City Council
 - Gateshead Council
- South Tyneside Council
 - North Tyneside Council
 - Durham Council (joined the consortium in 2016)
 - Stockton Council (joined the consortium in 2016)

The NE6 approved list went live in February 2013, NE6 aims to increase the residential placements market in order to increase competition, to improve quality and choice, and control cost. The NE6 arrangements has modernised the way placements are procured making it a more open, transparent and robust process. The lists opens at a minimum of 6 month intervals to promote market development and at each opening there have been a number of settings applying to be part of the APL, to date there are 73 homes on the list.

NE12+ Placements for 0-25 years in Department of Education Schools and Colleges

The NE12+ Collaborative consists of the 12 North East local authorities and their Clinical Commissioning Groups (CCGs) through the North East Commissioning Service (NECS). The Framework Agreement commenced on 1 February 2016 with 13 Providers appointed to the solution representing 22 settings. From this date, Participating Organisations have been able to carry out further competitions beneath the Framework Agreement to purchase Pre and Post 16 educational packages through the NEPO portal.

The Framework Agreement was designed as a flexible model to enable Participating Organisations to procure bespoke placements to meet the assessed needs of individual Children and Young People as identified in their Education, Health and Care Plans (EHC).

The Framework Agreement was designed to enable Participating Organisations to meet their statutory obligations in relation to the Public Contract Regulations (2015), statutory education requirements for pre and post-16 learners and the SEND Code of Practice. The Framework Agreement is divided into 64 Lots and Bandings with 32 of these being for Young People aged 16 – 25 years. Gateshead Council and Durham County Council led on the sub group to develop the quality monitoring processes for the NE12+ framework.

NE12+ Phase Two is currently taking place, the scope is:

1. Placements in Department for Education registered non-maintained and independent special schools and colleges for Children and Young People 0 – 25 years; day placements weekly boarder placements, termly boarder placements and full residential placements,
2. Placements in Ofsted registered, Independent Children’s Residential Homes for Children and Young People 0 – 18 years (currently known as NE6), and
3. Residential short-break services

Case Study 5

Integrated Commissioning for Carers across Gateshead: Health & Social Care (Gateshead Council and Newcastle Gateshead CCG)

Carers Review

In response to the implementation of the Care Act 2014 partners within the Integrated Commissioning Business Group made a decision to come together in collaboration to review the provision of carers' services in Gateshead.

The review would encompass all age carers and would apply a whole system approach, creating the opportunity to work closely and develop relationships with colleagues across Public Health, Children's Services, Adult Social Care and Newcastle Gateshead Clinical Commissioning Group and set precedence for future collaborated work.

An initial desktop exercise provided an overview and improved understanding of the picture of carers services across Gateshead, highlighting an approximate spend of £1.8m on services which provide a direct support to carers.

The purpose of the review is to engage with all carers, providers and stakeholders to understand the needs of carers in Gateshead and determine the best model for delivering carers services in the future, to develop integrated commissioning intentions that determine how we will commission and monitor services, establish a streamlined pathway for carers accessing services and prevent duplication of funding and resources across health and social care.

The Council is fully committed to Commissioning for Better Outcomes and will measure its performance and improvement against the following standards:

- Achieve a person-centred and outcome focused result in all commissioning activities
- Will be well led across Early Life, Living Well and Aging Well, using a system wide approach
- Work in collaboration and coproduction with all key partners including health, the police, public health voluntary sector, service users, carers and communities
- Will provide a sustainable and diverse market
- Deliver high quality and low cost, value for money care and support
- The Council works with service users, various partners and the wider community to help shape the market and design services that meet a range of commissioning needs
- Develop the workforce and promotes positive engagement with providers

Next Steps

The strategic review of Carers services is an ongoing project and is expected to be finalised by April 2018.

Structuring our commissioning activity

Our Commissioning activity is currently organised in a variety of different ways. Responsibility for the co-ordination of our commissioning activity sits within our Corporate Services and Governance Group.

Within our Care, Wellbeing and Learning Group we have a centralised commissioning team who manage the commissioning of all age social care and health services. Within Communities & Environment the Commissioning and Business Support Service directs and supports the commissioning across the group with specific commissioning activity being undertaken within a number of services. There are other discrete areas across the Council who undertake commissioning activity on an *ad-hoc* basis.

We will review our structure to determine if we are resourcing it appropriately and if there are other ways of structuring our commissioning activity that would deliver greater benefits. This could include further consolidating our commissioning activity, virtual consolidation, or developing a hub of officers with experience and expertise. This work will influence the future structure of the Council.

We will also further develop the skills of our workforce in this area as set out in the Council's Workforce Plan.

Case Study 6

Insourcing of Housing Repairs and Maintenance

Providing high quality housing in the borough is a key aspiration set out in the Council Plan. It links to the theme of 'Live Well Gateshead' as well as supporting the goals of 'Prosperous Gateshead' as it directly feeds into the economic growth agenda.

But the need to 'work differently' to make sure we not only secure positive outcomes for residents but the best solution for the council financially, has led to a change in our approach when it comes to housing repairs and maintenance.

As a landlord we are required to have a repairs service which meets our legal responsibilities, keeps tenants safe, meets their expectations and fulfils its obligations under the Tenancy Agreement.

A contract had been let to Mears to deliver the Housing Repairs and maintenance contract for a three-year period from April 2012 to March 2015 which was extended until March 2017.

But we wanted to know what the outcome and implications would be if we brought this service in-house. So, we asked the Chartered Institute of Housing (CIH) to produce an independent analysis and recommendation of the potential for Construction Services to directly deliver the Housing Repairs and Maintenance service.

While the CIH considered both an external provider option and an in-house option, it was the latter that was agreed by Cabinet. This delivery model would be a strategic partnership using both Construction Services and a commercial organisation with the necessary expertise in repairs and maintenance in order for the Council:

- to meet its current challenges more flexibly and efficiently;
- to realise its value for money objectives; and
- to minimise risks identified by the CIH report.

More Information: Contact Peter Udall, Service Director, Council Housing, Design and Technical Services on 0191 433 2901, email peterudall@gateshead.gov.uk

Anticipated outcomes

Strategic Commissioning is about determining the outcomes to be met and then planning what the Council's role should be in achieving those outcomes. This may include determining what services are to be provided, how, and by whom. Our role is one of leadership in setting the commissioning strategies for the Council and its partners as appropriate, and managing the commissioning of services and priority outcomes including frontline services, internal services and externalised enabling services.

We are committed to further develop a mixed economy of service provision because we believe that the outcomes should be met by communities taking greater ownership of issues they face. Where services are to be provided they will be delivered by the organisation(s) in the public, private or voluntary sectors that are best able to meet the desired outcomes. Case Study 8 demonstrates an ability to work innovatively with a range of partners to deliver various council outcomes.

As an authority that is good at commissioning we will:

Develop a more resilient community

Have a greater understanding of available resources within the borough, and how best to deploy them to satisfy the overall needs and priorities of local people

Succeed in reducing overall expenditure whilst at the same time enabling an appropriate level of service delivery to be maintained

Focus on outcomes, delivering with less direct resource, whilst at the same time supporting economic regeneration

Better engage with all stakeholders including service users, communities partners, markets and our supply chain

Develop consistency in applying commissioning approaches across all budget areas

Retain and further develop officers with skills in commissioning, procurement and contract management

Optimise collaborative activities at various levels - regionally (across the North East), and/or sub-regionally (across Tyne and Wear), and/or the North East Combined Authority region; and/or locally (with partners based in Gateshead)

Consider and manage expectations of a range of providers including in-house services and external markets

Stimulate markets and help them to develop by engaging them early in the commissioning process

Continue to learn from others

Maximise the value achieved from the "Gateshead Pound"

Deliver better outcomes by developing our role as place shaper

Case Study 7

Coproduction approach to join up commissioning across housing linking People and Place

Supported Housing: a Co-Production Model for Commissioning

Co-production is: "A relationship where professionals and citizens share power to plan and deliver support together, recognising that both have vital contributions to make in order to improve quality of life for people and communities."

A new model for the provision of supported housing services in Gateshead has been under development during 2016 with a projected service start date of 30 October 2017.

The Council recognised at an early stage that the most sustainable, effective and cost efficient commissioning approach would be by adopting a co-production partnership with experts by experience in the sector. This co-production approach has also complemented and enhanced the ongoing consultation with existing service providers. The co-production approach has resulted in the following:

- A series of development meetings have taken place with experts by experience;
- The first meeting was held at the Civic Centre but have subsequently been held at various supported housing centres across Gateshead;
- Although there is a set agenda the discussions at the development meetings have been organic and experts by experience have offered ideas and critical appraisal in respect of the new models considered by the Commissioning Officer;
- The development of alternative models of service delivery based on lived experience;
- A provider and experts forum meeting has been arranged and all models for the development of a supported housing service will be tested;
- Meetings and service visits have been completed with all existing providers, including consultation with service users.
- A Community Interest Company has been developed by one of the experts by experience in partnership with others, to provide intensive floating support for vulnerable young people.

The procurement timeline has been shared with the experts and a core group will be involved in writing the specification and assisting with the tendering process, including submission evaluations.

Each of the development meetings have been evaluated using the 4 plus 1 technique and the following learning has been gleaned from the co-production approach:

- Inclusivity is the key to understanding the market;
- Many experts by experience have clear and articulate ideas about how their service, and other services, should function;
- The lived environment and geographical location are important factors in terms of support;
- Skilled and caring support staff can elevate support services and make a difference.

Comments made by the experts by experience involved in the co-production approach include:

- "I feel professionals talk down on people. I think it is good that you are willing to listen to what we have to say about our experiences and our ideas."
- "Really good. We learn as we go and have to change things along the way to fit the service user. Change the way of working and dealing with the client."

Reviewing and continuous learning

As part of our approach to commissioning we will implement appropriate management and monitoring arrangements to ensure that our outcomes are being achieved and we will take corrective action where necessary. Case Study 6 demonstrates that we continually review our services to ensure that our outcomes are being met in the most effective way.

We will also learn from other parts of the Council and other organisations within all sectors including our supply chain. This learning will feed into future conversations and, where appropriate, specifications and help us all to become smarter and more effective at delivering outcomes.

Case Study 8 District Energy Scheme

On a strategic level, the proposal to develop a Gateshead Town Centre District Energy Scheme was driven by many objectives within Vision 2030, strategic interventions within the Council Plan, the Council's Climate Change Strategy and other Council strategies and commitments, specifically:

- Supporting business development and regeneration in the Town Centre, Baltic Business Quarter and Gateshead Quays areas
- Reducing Council energy costs, and supporting income generation.
- Helping to alleviate fuel poverty for residents, by providing lower cost heat
- Reducing energy consumption and carbon emissions of homes and employers in the borough

Commissioning options were fully explored in terms of investment, delivery and operation.

Investment: Options considered ranged from wholly Council funded, through private partnership, to 100% privately financed. In order to retain strategic control and the higher finance costs associated with private investment, it was decided that we should invest in the scheme. To achieve this we set up the commercially regulated Gateshead Energy Company which is controlled 100% by the Council.

Delivery: Due to the specialist nature of designing and constructing an Energy Centre and heat/power network, and the lack of previous experience within the Council, it was decided to outsource this element fully.

Operation: Again, reflecting on skills/experience in managing energy schemes, the Council has resources in some areas (energy scheme administration), but is lacking elsewhere (plant control system, specialist energy plant maintenance). This has led to a mixed economy, where the Council uses its own resources (Energy Service, Finance, Legal, and Procurement) to provide back office support to the Energy Company, in return from increase fee income – this has included funding new resource (BMS Engineer), where it was cost effective to consolidate other external support services into this new role. For specialist support (CHP maintenance, High Voltage Network Maintenance), costs, risks and specialisms of these items make outsourcing the most cost effective means of commissioning.

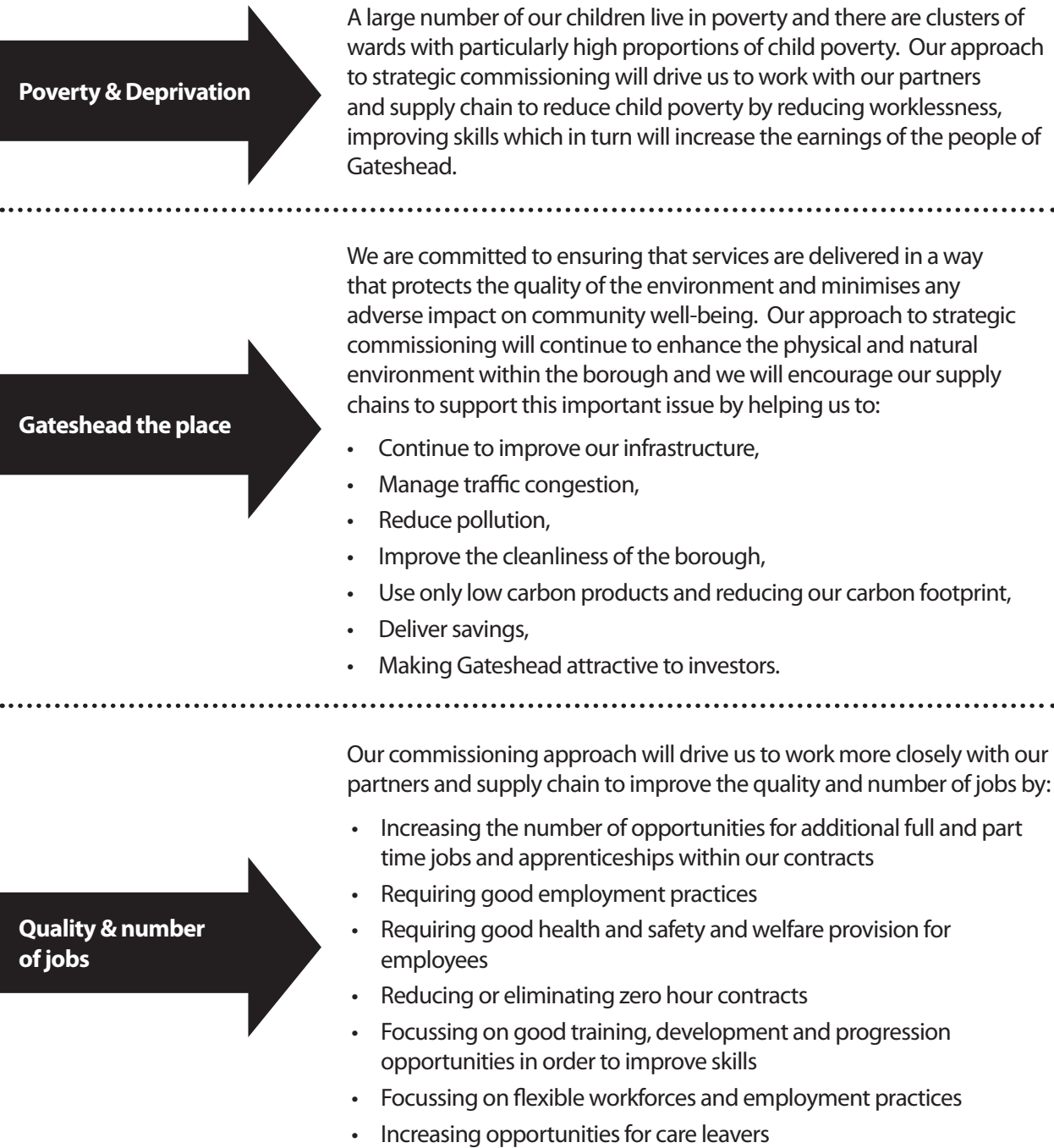
Work is ongoing to see whether or not the scheme can be replicated elsewhere in the borough.

More Information: Contact Peter Udall, Service Director, Council Housing, Design and Technical Services on 0191 433 2901, email peterudall@gateshead.gov.uk

Appendix 1 Social value in commissioning

Within Gateshead we will use our place leadership and commissioning activity to stimulate private, public and social investment in Gateshead.

We have developed an approach to ensure that maximum social value considerations are built in to all of our commissioning and procurement activity in order to tackle a number of issues as outlined below:



Health outcomes

More than a quarter of our population has a long-term ill health condition. Our approach to strategic commissioning will ensure our partners and supply chain help to improve the health outcomes of local people by:

- Encouraging all employees to live a healthy lifestyle
- Identifying ways in which we can reduce hospital admissions due to alcohol misuse, depression, obesity and lifestyle
- Ensuring appropriate working conditions and standards of health and safety.

**Levels of ambition/
aspiration**

During the course of our commissioning work we will encourage our partners and supply chain to provide a wide range of opportunities for people of all ages to raise their levels of ambition and aspiration including providing work experience, training, skill development, and more healthy and innovative activities.

This activity will focus on Gateshead but will also include raising opportunities for people in other countries by for example driving ethical trading by promoting the use of fair trade products or eliminating the use of child labour. We will fully implement the Gateshead Compact with the voluntary and community sector and ensure that all our procurement activity honours the commitments made within it and we will continue to engage a diverse range of providers from all sectors, to optimise our “mixed economy” model.

Skills development

Our approach to strategic commissioning will ensure that we focus on developing skills both within and outside our organisation. We will continue to develop the skills of our employees who are involved in commissioning and procurement activity.

We will also work with local suppliers to develop their skills in terms of competing for business. Some of this work will be carried out regionally by making best use of the NEPO Business Club.

Toolkits and guidance will be developed further and our website will become a repository of information and signpost to further guidance.

Appendix 2

Timeline and Action Plan

Action	By whom	When
Consult with Councillors on approach to Commissioning	A. Tickner	November 2016
Approval of Corporate Commissioning and Procurement Strategy	Cabinet	January 2017
Implement Corporate Commissioning and Procurement Strategy	Leadership Team	February 2017
Develop competencies for commissioners	A. Tickner	February 2017
Agree Draft Trade Union Agreement for Commissioning and Procurement		March 2017
Develop training for commissioners	A. Tickner	April 2017
Approval and Implementation of Trade Union Agreement for Commissioning and Procurement		May 2017
Organise roll out training for commissioners	A Tickner /Workforce Development Team	May 2017
Review and consider structure for commissioning activity in conjunction with implementation of Target Operating Model (TOM)	A. Tickner/ M. Cockram	TBC
Review and propose amendments to Corporate Commissioning and Procurement Strategy if required	A. Tickner	December 2018
Review and propose amendments to Corporate Commissioning and Procurement Strategy if required	A. Tickner	December 2020



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CORPORATE RESOURCES ADVISORY GROUP

Thursday, 8 December 2016

Report to Cabinet

Commissioning and Procurement Strategy

Purpose of Meeting

The Group was asked to consider and give its views on the draft Corporate Commissioning and Procurement Strategy 2016-2021.

Summary of Advice

The group:

- Welcomed the proposed approach to commissioning and procurement.
- Expressed an aspiration to maximise the impact of the Council's spending within Gateshead, primarily by sourcing goods and services locally. It was acknowledged that building conditions into longer-term contracts, such as a requirement to recruit apprentices could be explored further however requirements such as this may result in additional costs to the contract.
- Acknowledged that, in some circumstances, it will not be cost effective to deliver services directly and therefore the role of the Council will change.
- Stressed the importance of the ethical framework but acknowledged the potential risks of taking into account non-commercial matters when awarding contracts.
- Recognised that the Council has a duty to award contracts which are considered to be of best value but argued that the strategy should enable contracts to be awarded having regard to demonstrable wider positive impacts.
- Sought assurance that thorough assessments are undertaken as part of the Strategic Commissioning process, to identify and mitigate risks associated with different delivery models.
- Agreed that the sharing of overheads between partners could reduce costs for all concerned and that this should be explored further.
- Requested that the Council continues to participate in the sharing of knowledge and best practice with partners.
- Noted the suggestion by one Councillor that different trading models could be explored regionally, whereby services are exchanged for other goods or services.

PRESENT: Councillor M Gannon (Chair)

MEMBERS PRESENT: Councillors: B Clelland, K Dodds, B Goldsworthy, M Henry, M Hood, P Mole, J Simpson, J Wallace, N Weatherley and D Bradford

OFFICERS PRESENT: Neil Porteous Democratic Services
Andrea Tickner Corporate Procurement

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COUNCIL MEETING

2 February 2017

IMPLEMENTATION OF PROCUREMENT PROTOCOLS

Mike Barker, Acting Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to seek approval for the adoption of procurement protocols and an amendment to the Constitution to reflect the change.
2. An overarching protocol for the procurement of all services, has been developed, with specific protocols relating to procurement of; Works and Construction related activity, ICT and Forestry and Grounds.
3. Approval is also sought for the Service Director, Corporate Commissioning and Procurement to make minor amendments to the protocol to ensure they remain current.
4. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

5. It is recommended that Council:
 - (i) Approves the adoption and implementation of the Protocols across the Council, at Appendix 3 of the attached report; and
 - (ii) Approves an amendment to the Constitution to provide for the Protocols, at Appendix 2 of the attached report.

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TITLE OF REPORT: Implementation of Procurement Protocols

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

Purpose of the Report

1. To seek approval for the adoption of procurement protocols for all services, works and construction related activity undertaken by the Council, and request Cabinet to recommend that Council approve an amendment to the Constitution to reflect this change.

Background

2. The Council has a legal duty to satisfy itself that contractors and service providers engaged by it meet minimum standards in terms of capability, health and safety, financial standing, and technical ability and any risks are assessed prior to their engagement. This must happen in a consistent and objective way following corporate procedures.
3. In September 2013, Cabinet approved the implementation of a protocol for the engagement of Construction Contractors. This protocol highlighted the requirements of officers engaging Construction Contractors and was considered a necessary addition to the guidance provided about procurement processes.
4. Work has progressed and an overarching protocol for the procurement of all services has been developed with more specific protocols attached as Appendix 3:
 - Protocol for the Procurement of all Services – this is the default protocol that covers basic guidance for procuring any service that the Council may require.
 - Annex 1 – Protocol for the Procurement of Works and Construction related activity – this is an updated version of the protocol that was approved and implemented in 2013 and is intended to be read in conjunction with the Protocol for the Procurement of all Services.
 - Annex 2 – Protocol for the Procurement of ICT – this is a new protocol that is required to clarify the considerations and processes relating to the procurement of ICT hardware, software and services. It is also intended to be read in conjunction with the Protocol for the Procurement of all Services.
 - Annex 3 – Protocol for the Procurement of Forestry and Grounds Maintenance Works – this is a new protocol that is required to clarify the considerations and processes relating to the procurement of all forestry and grounds maintenance related activity. It is also intended to be read in conjunction with the Protocol for the Procurement of all Services.

Proposal

5. It is proposed that the Protocols are adopted for the procurement of all services, works and construction related activity undertaken by the Council.
6. The Contract Procedure Rules within the Constitution will require amendment to provide for the application of the Protocols to all services, works and construction related activity. The proposed amendment is detailed in Appendix 2.
7. Approval be given to the Service Director, Corporate Commissioning and Procurement to make minor amendments to the Protocols to ensure that they remain current and comply with best practice guidance that is still emerging from Central Government as a result of the Public Contract Regulations 2015.

Recommendations

8. It is recommended that the Council be recommended to:
 - (i) approve the adoption and implementation of the Protocols across the Council as set out in Appendix 3; and
 - (ii) approve an amendment to the Constitution to provide for the Protocols as set out in Appendix 2.

For the following reason:

To ensure that all contractors are fully assessed in a consistent way prior to their engagement.

APPENDIX 1

Policy Context

1. The Council has a legal duty to satisfy itself that contractors engaged meet minimum standards in terms of capability, financial standing, and technical ability and any risks are assessed prior to their engagement. This must happen in a consistent and objective way following corporate procedures.

Background

2. In September 2013, Cabinet approved the adoption and implementation of a Construction Procurement Protocol. Building on the success of the implementation of this protocol it is considered appropriate to extend this approach to the procurement of all services and construction related activity. It is recognised that some areas require specific protocols, therefore it is proposed to implement a Protocol for the Procurement of all Services, supplemented by specific protocols for Works and Construction related activity, ICT and Forestry and Grounds Maintenance.
 - Protocol for the Procurement of all Services – this is a new default protocol that covers basic guidance for procuring any service that the Council may require.
 - Annex 1 - Protocol for the Procurement of Works and Construction related activity – this is an updated version of the protocol that was approved and implemented in 2013 and is intended to be read in conjunction with the Protocol for the Procurement of all Services.
 - Annex 2 - Protocol for the Procurement of ICT – this is a new protocol that is required to clarify the considerations and processes relating to the procurement of ICT hardware, software and services. It is also intended to be read in conjunction with the Protocol for the Procurement of all Services.
 - Annex 3 – Protocol for the Procurement of Forestry and Grounds Maintenance Works – this is a new protocol that is required to clarify the considerations and processes relating to the procurement of all forestry and grounds maintenance related activity. It is also intended to be read in conjunction with the Protocol for the Procurement of all Services.
3. The Protocols have been developed using expertise and knowledge from a number of services and key officers from across the Council to ensure that they are robust and practical.
4. It is proposed that further protocols may be added where deemed necessary.
5. The implementation of the Protocols would tighten the procedures around the engagement of contractors and reduce the risk of health and safety incidents.

Consultation

6. There has been no external consultation.

Alternative Options

7. There are no alternative options.

Implications of Recommended Option

8. Resources:

- a) **Financial Implications** – The Strategic Director, Corporate Resources confirms there are no financial implications with the implementation of the protocols.
 - b) **Human Resources Implications** – Specific tasks or procedures will be required by services as a result of the protocols.
 - c) **Property Implications** - The implementation of the protocols will further ensure that all property owned by the Council will be maintained by organisations that have been thoroughly assess in a consistent way.
9. **Risk Management Implication** - This protocols minimises the risk of officers without appropriate competence engaging contractors, and the likelihood of unassessed construction work occurring. They further reduce the risk of potential procurement challenge, as a result of various processes or assessments carried out by groups and services.
 10. **Equality and Diversity Implications** - Nil.
 11. **Crime and Disorder Implications** – Nil.
 12. **Health Implications** - Using the protocols prior to engaging contractors will assist in ensuring appropriate Health and Safety assessments are undertaken.
 13. **Sustainability Implications** - Nil.
 14. **Human Rights Implications** - Nil.
 15. **Area and Ward Implications** - Nil.

Background Information

16. The document that have been relied on in preparation of the report include:

The Protocols are attached at Appendix 3.

PROPOSED ADDITION TO THE CONSTITUTION

Page	Previous Wording	New Wording	Reason
160	N/A	<p>Part 3 – Rules of Procedure</p> <p>Contract Procedure Rules</p> <p>3. Consolidated Procurement Principles</p> <p>Amend paragraph 3.2:</p> <p>3.2 All procurement for services, works and construction related activity are subject to the Council's Procurement Protocols.</p>	To make provision for the application of the Procurement Protocols.

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PROTOCOL FOR PROCUREMENT OF ALL SERVICES

Version 1

Definitions	
Officer(s)	means the Officer identified by the Council with the relevant competencies, experience and expertise to procure services on behalf of the Council.
Contractor(s)	means organisations, businesses, individuals, suppliers, providers, contractors and partners that provide services for the Council.
SSIP	means Safety Schemes in Procurement Forum (SSIP) which is the Health & Safety standard required for all Contractors that provide works or services for the Council that may have an effect on our employees, residents, clients and customers.

1. Background

- 1.1 The Council requires a consistent approach to procurement for all service contracts to ensure that all health & safety and legal requirements are considered and risks are identified and managed appropriately.
- 1.2 This protocol applies to Council employees who engage or work with Contractors or service providers whose work can adversely affect the health and wellbeing of people or the environment.

2. Scope

- 2.1 This protocol will apply to all service contracts including but not limited to services for construction, arboriculture, grounds maintenance, professional services, and ICT.
- 2.2 Specific considerations and processes applicable to Construction Works, ICT Procurements and Forestry and Grounds Maintenance Works are detailed in the Protocol for Procurement of All Works and Construction Related Activity, Protocol for ICT Procurement and Protocol for Forestry and Grounds Maintenance Works, attached as appendices.

3. In-house Provision

- 3.1 For works or services that can be delivered by in-house services (including but not limited to printing, catering, construction, design, communications, ICT) orders will be placed with the in-house provider. Should the in-house service not be able to produce the work/deliver the service or agreement cannot be reached about price or other terms, then the in-house team shall advise on technical specifications.
- 3.2 It is acknowledged, however, that competitive tenders will continue to be obtained where the contract is let under external funding regimes and a condition of the funding is that tenders are sought.

4. Health & Safety Standards

- 4.1 The Officer **MUST** undertake a risk assessment to identify the Health & Safety risks associated with the procurement of the contract.
- 4.2 The Officer must refer to the Health & Safety guidance available on the intranet to determine if the contract is deemed to be high risk and follow the relevant procedures: -
- LCS-HS-89 Assessment, Engagement and Management of Contractors
 - LCS-HS-98 Contractors Health & Safety Standards
 - LCS-HS-18 Construction (Design Management)
- 4.3 Where a contract is deemed to be high risk in terms of Health and Safety, the Officer **MUST** ensure that ALL organisations invited to tender / quote for the contract have a Safety Schemes in Procurement (SSIP) accreditation relevant to the contract they are being asked to deliver.
- 4.4 If the requirement is for a construction works contract the Contractor will also be required to be registered with Constructionline. Please refer to the Protocol for Construction Procurement (Issue 2) for further details.
- 4.5 The Council has provided for guidance a list of works and service contracts which are deemed to be high risk as regards Health & Safety as detailed within LCS-HS-89 Assessment, Engagement and Management of Contractors. The Officer is responsible for ensuring that the relevant Health & Safety standards are met.
- 4.6 This list is not exhaustive and the Officer **MUST** seek advice from the Council's Health & Safety Manager if the relevant works or service is not listed.
- 4.7 It is accepted that not all Contractors working on behalf of the Council will have an SSIP assessment from the outset, and Officers should discuss with a Health and Safety Officer what reasonable, auditable,

steps are required to establish the health and safety credentials of Contractors who carry out work on behalf of Gateshead Council or any of its partners using LCS-HS-89 Assessment, Engagement and Management of Contractors until such time that they become SSIP registered.

- 4.8 Further information regarding SSIP, how companies can apply for an assessment and the list of SSIP Forum member organisations, can be found on the SSIP website: www.ssi.org.uk
- 4.9 Further advice on risk assessments or other health and safety matters for all contracts can be obtained from the Occupational Health and Safety Team by email to:-
[CS HR Health & Safety](#)

5. Process for Selection of organisations to be Invited to Tender / Quote

- 5.1 Where contracts have already been put in place, Officers are required to utilise the existing arrangements as directed by the Service Director, Corporate Commissioning & Procurement, or the organisation that let the original contract. Please refer to the table below for further details on the quotation and tendering thresholds and procedures.

Value	Who	Procedure	Approval Required
Below £5,000	Officers within Services	Be able to demonstrate value for money	No
Between £5,000 and £25,000	Officers within Services	Obtain at least 4 quotations (2 local) via the NEPO Portal	No
Between £25,000 and £50,000	Officers within Services/Corporate Commissioning and Procurement	Obtain at least 4 quotations (2 local) via the NEPO Portal	Process and documentation must be approved by Service Director, Corporate Commissioning and Procurement
Between £50,000 and EU threshold	Corporate Commissioning and Procurement	Tender process required	Process and documentation must be undertaken by Service Director, Corporate Commissioning and Procurement
Over EU threshold	Corporate Commissioning and Procurement	EU compliant tender process required	Process and documentation must be undertaken by Service Director, Corporate Commissioning and Procurement

- 5.2 The Officer **MUST** undertake a risk assessment to identify any other risks associated with the procurement.
- 5.3 Regardless of value the Officer **MUST** ensure that all other relevant corporate requirements for the delivery of the contract are met i.e.:-
- Compliance with the specification/service brief
 - Disclosure and Barring Service (where appropriate)
 - Economic, environmental and social considerations to comply with the Social Value Act 2012
 - Equality and diversity
 - Financial
 - Health impact assessment
 - Industry accreditations
 - Method statements detailing the procedures to be followed
 - Risk assessments specifically relating to the service being delivered
 - Safeguarding for adults and/or children (where appropriate)
 - All other criteria relevant to the service to be provided

Please note the above list is not exhaustive.

- 5.4 Further guidance on contract considerations can be obtained from the Corporate Commissioning & Procurement Team by email to:-
[CS Corporate Procurement New Requests](#)
- 5.5 The Officer **MUST** ensure that the procurement process is carried out in accordance with the Council's Contract Procedure Rules in a fair, consistent and transparent manner.
- 5.6 All tender / quotation activity must be facilitated via the NEPO Portal in accordance with the Constitution. If you require training on the NEPO Portal please email: -
[CS Corporate Procurement New Requests](#)
- 5.7 All Contractors to be invited to quote/tender must be registered on the NEPO Portal at www.nepoportal.org
- 5.8 Where the Council has a single requirement, the value of spend for similar works or services must be aggregated. The Officer must not deliberately split contracts to avoid application of the Contract Procedure Rules.

6. Removal/Suspension of Contractors from all Council systems

- 6.1 Following concerns over working practices, quality of work or other major issues over the performance of a Contractor, the Officer should raise their concerns in writing with the Service Director, Corporate Commissioning and Procurement who will organise for the allegations to be investigated. Upon conclusion of the investigation, and following

consultation with the Strategic Director, Corporate Services and Governance, and/or Strategic Director, Corporate Resources, the Service Director Corporate Commissioning and Procurement may organise for the Contractor to be temporarily suspended from all of the Council's systems, or organise other appropriate actions.

- 6.2 It is the responsibility of the Service Director, Corporate Commissioning and Procurement to inform in writing, other appropriate Officers within the Council of any such action and provide guidance as to what other steps might be necessary, depending upon the specific circumstances.

7.0 Ordering Process

- 7.1 In accordance with the Council's Financial Regulations official orders must be placed for all works or services to be supplied to the Council except for utility services or any other exceptions approved by the Strategic Director, Corporate Resources.
- 7.2 The NEPO Portal reference number for the quote/tender must be entered in the product description on all orders as the first ten characters. This must be followed by a description of the works or services being provided.
- 7.3 Any other relevant documentation should be attached to the order for audit purposes.

8. Data Collection

- 8.1 Details of quotation/tender/order processes undertaken, by whom and for what, together with details of the winning bidder must be kept for the relevant amount of time (i.e. 6 years for signed under hand and 12 years for signed under seal or as set out in any grant funding requirements).
- 8.2 This information will be used for audit purposes.
- 8.3 If you have any questions regarding this procurement protocol please contact Corporate Commissioning & Procurement by email to:-
[CS Corporate Procurement New Requests](#)

ANNEX 1 - PROTOCOL FOR PROCUREMENT OF ALL WORKS AND CONSTRUCTION RELATED ACTIVITY

Version 3

Definitions	
Construction Works	Means carrying out any building, civil engineering or engineering construction work or services as set out in the Construction (Design and Management) Regulations 2015 and detailed in the scope below
Contractor(s)	Means organisations, businesses, individuals, suppliers, contractors, providers and partners that provide works and services for Gateshead Council or its partners
SSIP	Means Safety Schemes in Procurement Forum (SSIP) which is the Health and Safety standard required for all Contractors that provide works or services for Gateshead Council or its partners that may have an effect on employees, residents, clients and customers
Standing List	Means the Council's list of Contractors and sub-contractors who are registered with Constructionline and are a member of a SSIP registered organisation

1. Background

- 1.1 The Council requires a consistent approach to the procurement of all works and construction related activity to ensure that appropriate assessments of all organisations carrying out work on our behalf.

2. Scope

- 2.1 This protocol covers all construction works and the carrying out of any building, civil engineering or engineering construction work or activity

set out in the Construction (Design and Management) Regulations 2015, and includes:

- (a) *the construction, alteration, conversion, fitting out, commissioning, renovation, repair, upkeep, redecoration or other maintenance (including cleaning which involves the use of water or an abrasive at high pressure, or the use of corrosive or toxic substances), de-commissioning, demolition or dismantling of a structure;*
- (b) *the preparation for an intended structure, including site clearance, exploration, investigation (but not site survey) and excavation (but not pre-construction archaeological investigations), and the clearance or preparation of the site or structure for use or occupation at its conclusion;*
- (c) *the assembly on site of prefabricated elements to form a structure or the disassembly on site of the prefabricated elements which, immediately before such disassembly, formed a structure;*
- (d) *the removal of a structure, or of any product or waste resulting from demolition or dismantling of a structure, or from disassembly of prefabricated elements which immediately before such disassembly formed such a structure;*
- (e) *the installation, commissioning, maintenance, repair or removal of mechanical, electrical, gas, compressed air, hydraulic, telecommunications, computer or similar services which are normally fixed within or to a structure.*

3. In-house Service Provision

- 3.1 For works or services that can be delivered by in-house services (including but not limited to, construction and design) orders will be placed with the in-house provider. Should the in-house service not be able to produce the work/deliver the service or agreement cannot be reached about price or other terms, then they shall advise on technical specifications.
- 3.2 In accordance with previously agreed thresholds, all construction works valued below £3M will be offered to Construction Services for negotiation.
- 3.3 If Construction Services decline the offer to negotiate, or do not offer value for money, and the construction work is valued at less than the EU threshold, this protocol will be applied. For all construction work subcontracted by Construction Services or any other service that is valued at less than the EU threshold, this protocol will be applied.

- 3.4 It is acknowledged that competitive tenders will continue to be obtained where the construction work is let under external funding regimes and a condition of the funding is that tenders are sought.

4. Access to Construction Provision

4.1 Only Officers who have the relevant competency and expertise in relation to construction can procure construction works on behalf of the Council.

4.2 In order to access construction provision the following process applies:

- For general construction activities (including repairs and maintenance), please contact Michael Crinnion (Commercial Manager) at Construction Services, michaelcrinnion@gateshead.gov.uk
- For procurement of demolitions, please contact John Mathie (Design Manager) at Council Housing, Design and Technical Services, johnmathie@gateshead.gov.uk
- For the preparation of architectural and building services designs, please contact John Mathie (Design Manager) at Council Housing, Design and Technical Services, johnmathie@gateshead.gov.uk
- For the preparation of highways and engineering designs, please contact Trevor Waggett (Engineering Manager) at Development, Transport and Public Protection, trevorwaggett@gateshead.gov.uk
- For all other queries, or to access to external providers please contact Sue Longstaff at Corporate Commissioning and Procurement, suelongstaff@gateshead.gov.uk

5. 'Standing List'

5.1 With effect from 1st April 2014 the Council adopted a Standing List of Construction Contractors and Sub-contractors which MUST be used for all construction related activity as follows:

- 5.1.1 The 'Standing List' is to be used for **all** under EU threshold construction procurements unless the construction work is carried out internally.
- 5.1.2 The Council and TGHC reserve the right not to use the 'Standing List' if an alternative framework arrangement exists and is more appropriate and relevant.
- 5.1.3 The 'Standing List' covers a number of construction work categories as detailed on Constructionline to ensure that the

Contractors who are being invited to tender / quote are able to undertake the work required.

- 5.1.4 Contractors must be registered on the NEPO Portal to apply for inclusion on the 'Standing List'.
- 5.1.5 To be considered for inclusion on the 'Standing List' Contractors **must** be registered on Constructionline.
- 5.1.6 To be considered for inclusion on the 'Standing List' Contractors **must** be a member of anSSIP registered body. Any exception to this must be approved by the Council's Health and Safety Manager.
- 5.1.7 Engagement of Specialist Contractors may occur outside of this protocol, and may be exempt from points 5.1.5 and 5.1.6 above but they may be subject to specific industry accreditations and also must be approved by the Council's Health and Safety Manager. Specialist Contractors that are exempt from points 5.1.5 and 5.1.6 may be given an appropriate period of time to obtain third party assessment to comply with points 5.1.5 and/or 5.1.6 above as appropriate and if they fail to do so they will be removed from the Standing List.
- 5.1.8 The 'Standing List' is centrally managed by Corporate Procurement in line with the consolidated procurement principles.
- 5.1.9 The 'Standing List' is hosted as a bespoke list on an appropriate system (currently Constructionline) as approved by the Service Director of Corporate Commissioning and Procurement.
- 5.1.10 Financial notation values are set for Contractors for each works category in which they are registered on Constructionline. This value will be used to determine whether the Contractor has the relevant 'contract value' threshold to be selected to be included in the invitation to tender / quote for a specific project/scheme.
 - i. The 'Standing List' will allow the addition of new Contractors who meet the criteria throughout its lifetime. This process will be managed by Corporate Commissioning and Procurement.

6. Removal/Suspension of Contractors from the Standing List

- 6.1 In the event that a Contractor is no longer registered on Constructionline, they will be suspended from the Standing List and should not be included in any invitation to tender / quote until such time as they become re-registered on Constructionline and subsequently re-instated on the Standing List.

- 6.2 In the event that a Contractor is no longer a member of aSSIP registered body, they will be suspended from the Standing List and should not be included in any invitation to tender / quote until such time as they renew their membership with aSSIP registered body and are subsequently re-instated on the Standing List. Any exception to this must be approved by the Council's Health and Safety Manager.
- 6.3 Following concerns over working practices or quality of work identified by Health and Safety, Construction Services, Council Housing or Design and Technical Services, the Service Director Corporate Commissioning and Procurement must be informed and the Contractors may be suspended from the Standing List and should not be included in any invitation to tender / quote until such time as corrective measures are put in place and they are subsequently re-instated on the Standing List.
- 7. Process for Selection of Companies to be Invited to Tender / Quote**
- 7.1 A minimum of 4 companies from the 'Standing List' who are registered in the work category relevant to the project / scheme should be invited to tender /quote in accordance with the Council's Contract Procedure Rules. This must include a minimum of 2 local companies if there are at least 2 local companies included in the relevant work category.
- 7.2 Contractors to be invited to tender / quote MUST be selected on a random selection basis using the bespoke list hosted on Constructionline.
- 7.3 Construction Services will also be invited to tender / quote, unless this is not appropriate.
- 7.4 The Contractor who was the winning bidder from the previous tender / quotation process in that work category may also be invited to tender / quote in addition to those who have been randomly selected.
- 7.5 Additional Contractors from the 'Standing List' who are registered in the relevant work category can be manually selected and also invited to tender / quote in addition to those stated in points 7.1 – 7.4 above at the discretion of the Service Director requiring the construction works to be carried out.
- 7.6 PLEASE NOTE: If any specific selection criteria in addition to the relevant work category is set for the random selection of the companies to be invited to tender / quote i.e. contract value (notation value), relevant industrial accreditations etc, any Contractor who is manually selected to be invited to tender / quote as detailed in points 7.4 and 7.5 above MUST be able to meet the same criteria. If not, they cannot be added to the invitation to tender / quote.

8. Tender / Quotation Process

- 8.1 All tender / quotation activity over £5,000 **must** be facilitated via the NEPO Portal.
- 8.2 The NEPO Regional Framework for Construction Works should be used for tender activity over the EU threshold unless the Service Director, Corporate Commissioning and Procurement is satisfied that another procurement route is more appropriate.

9. Data Collection

- 9.1 Details of what has been tendered, by whom and for what, together with details of the winning bidder must be kept for the relevant amount of time (i.e. 6 years for signed under hand and 12 years for signed under seal or as set out in any grant funding requirements)
- 9.2 The information held on the hosting system will be used to inform the next tender/ quotation process.
- 9.3 This information will be used for audit purposes.

10. Additional Information

- 10.1 It should be noted that prior to **any** construction work taking place on any Council owned or leased in property, Landlords Consent must firstly be obtained.

For further information on Landlords Consent for all properties (excluding schools) please contact lesleypringle@gateshead.gov.uk

For further information on Landlords Consent for schools please contact sandrawatson@gateshead.gov.uk

- 10.2 It should be noted that when engaging any external Contractor, Officers **MUST** comply with the information contained within the 'Assessment, Engagement and Management of Contractors' document which is available on the intranet (document ref LCS-HS-89)
<http://council/humanresources/healthandsafety/handbook.htm>

ANNEX 2 - Protocol for Procurement of ICT Products and Services

Version 2

Definitions	
Officer(s)	means the Officer identified by the Council with the relevant competencies, experience and expertise to procure services on behalf of the Council.
Contractor(s)	means organisations, businesses, individuals, suppliers, providers, resellers, contractors and partners that provide works and services for Gateshead Council.
ICT Procurement	means all ICT contracts.
Web and Digital	means the Web Team located within Policy, Transformation and Communications. Further guidance on web and digital considerations can be obtained from the Web Team by email to: Webteam@gateshead.gov.uk
Web and Digital Activity	means all public and internal web interfaces regardless of whether they are hosted in-house or by a third party.
Change Advisory Board (CAB)	means the Board that reviews all new work requests or changes for ICT Services

1. Background

- 1.1 The Council requires a consistent approach to procurement for all ICT contracts to ensure that all corporate and legal requirements are considered and risks are identified and managed appropriately and ICT procurements are compliant with Council and government requirements.
- 1.1 This protocol must be read in conjunction with the Council's Protocol for the Procurement of all Services.

2. Scope

- 2.1 This protocol will cover the procurement of all ICT contracts, including, but not restricted to:
 - Business Applications (including externally hosted systems)
 - Hardware (including externally hosted systems, Cloud)
 - Network connectivity services (including telephone landlines, mobile contracts and data circuits etc.)

- Software (including freeware, shareware, Open Source)
- Services that support the core infrastructure, including desktop devices, laptops, printers and other peripheral devices that are connected to the Council's network)
- Networking equipment and cables
- Web & Digital - all public and internal interfaces regardless of whether they are hosted in-house or by a third party.

3. In-house service provision

- 3.1 For works or services that can be delivered by in-house services (including but not limited to printing, design, web and digital team, or ICT) orders will be placed with the in-house provider. Should the in-house service not be able to produce the work/deliver the service or agreement cannot be reached about price or other terms, then they shall advise on technical specifications.
- 3.2 It is acknowledged, however that competitive tenders will continue to be obtained where the work is let under external funding regimes and a condition of the funding is that tenders are sought.

4. Corporate ICT Requirements

- 4.1 Irrespective of value, all ICT equipment, hardware, software and services that support the core infrastructure (including desktop devices, laptops, mobile devices, printers and other peripheral devices that are connected to the Council's network) and are used for Council business purposes must be authorised by ICT services. This will ensure that they meet the Council's standards, comply with licensing legislation, are security asset tagged and entered into the Council's ICT Asset Register.
- 4.2 The procurement of the above will take place either via ICT Services or Corporate Commissioning and Procurement. ICT Services may utilise existing ICT Framework arrangements, providing these frameworks offer value for money and have been let in such a way that allow the Council to utilise them. If there is no appropriate framework arrangement in place the request will be forwarded to Corporate Commissioning and Procurement to undertake an external procurement.

5. Groups and Services Requirements

- 5.1 Irrespective of value, all new ICT business applications or software to be used for council business purposes, and upgrades or additional modules to existing applications, must be requested and approved by ICT Services. The requirements will be assessed by the ICT Change Advisory Board (CAB) as part of the formal change management programme.

- 5.2 If the requirements and associated services can be fulfilled either by ICT Services, the Web and Digital Team or an existing solution, within the timescales required, the change request will be accepted and the work prioritised and scheduled into the ICT Work Programme.

6. External Procurements

- 6.1 If ICT Services or the Web and Digital Team cannot fulfil requirements, and there is no other existing solution, the service will be referred to Corporate Commissioning and Procurement. If an external procurement is required the process set out in the Protocol for Procurement of all Services and Council's Contract Procedure Rules MUST be followed.
- 6.1 Where an existing solution is already in place ICT Services will request Corporate Commissioning and Procurement to review the legal agreement to ensure any required updates/upgrades/extensions to the solution are permitted within the current agreement, Where the agreement is not sufficient to update/upgrade/extend the solution a procurement process may be required.

7 Development of Specification of Requirements

- 7.1 A specification template together with guidance notes is available to assist with the development of the specification by the service.
- 7.2 ICT Services and Web and Digital will provide technical advice and guidance in relation to the specification of requirements and the procurement process to ensure the security and technical implications are fully assessed once the initial draft specification has been developed by the service. All recommendations made by ICT Services and the Web and Digital Team should be addressed prior to publication of the tender documentation. Technical advice may be provided by a 3rd party should ICT Services and / or Web and Digital think this will provide the best outcome for the Council. Corporate Commissioning and Procurement will provide assistance in capturing the information on specification template if required by the Service

8 Security and Technical Documentation

- 8.1 ICT Services and the Web and Digital Team are responsible for the design and control of the security and technical documentation (in the form of questionnaires) sent to contractors to complete as part of their response. They will undertake the review of the completed questionnaires when returned.
- 8.2 ICT Services and the Web and Digital Team will provide guidance to the Procurement Officer about what should be included for each procurement to ensure inclusion of appropriate technical / security requirements.

9 Information Governance

- 9.1 Services must produce an initial classification of the data that will be held on the system and this will be used in the procurement to determine whether the systems are appropriately secured, data protection requirements are being met, business continuity arrangements are adequate and data ownership at the end of the contract is clarified. The completed data classification must be based on the classifications included in the ICT Security Policy and within the guidance notes.

10. Implementation

- 10.1 When the procurement is completed, a request must be raised by the Service with ICT Services and/or Web & Digital Team to assist with the implementation of the chosen solution.

11. ICT Change Advisory Board and Change Management Process

- 11.1 All ICT new work requests and requests for change should be submitted to the ICT Change Advisory Board (CAB) using the Work Request Form available via AssystNet: [AssystNET Work/Change Request](#)
- 11.2 If the work request/request for change is approved, the project will be allocated to appropriate teams in ICT Services and Web & Digital.
- 11.3 Further information is available from Julie Gallagher, ICT Manager.

12. Web and Digital

- 12.1 Includes all public and internal web interfaces regardless of whether they are hosted in-house or by a third party.
- 12.2 The Web and Digital Team must provide advice throughout the procurement process by helping to scope requirements, providing minimum standards that will feed into the technical specification and participating in any tender evaluation.
- 12.3 Wherever possible existing systems should be deployed to deliver the required solution.
- 12.4 The Web Team are located within Policy, Transformation and Communications. Further guidance on web and digital considerations can be obtained from the Web Team by email to: WebTeam@Gateshead.Gov.UK

ANNEX 3 - PROTOCOL FOR FORESTRY AND GROUNDS MAINTENANCE WORKS

Version 1

Definitions	
Forestry and Grounds Maintenance Works	<p>Means:-</p> <ul style="list-style-type: none"> • Rural Path Construction and Maintenance • Rural Fencing – including timber and wire fencing • Tree Work – including felling, thinning and planting • Agricultural Work - including grass cutting, strimming, baling and seeding, schools grounds maintenance • General Conservation Work - including boardwalks, digging ponds & ditches, construction of steps etc. • Ecological Consultant Work - including wildlife surveys • Sport Pitch Marking
Contractor(s)	Means organisations, businesses, individuals, suppliers, contractors, providers and partners that provide works and services for Gateshead Council or its partners
SSIP	Means Safety Schemes in Procurement Forum (SSIP) which is the Health and Safety standard required for all Contractors that provide works or services for Gateshead Council or its partners that may have an effect on employees, residents, clients and customers
Standing List	Means the Council's list of Contractors and sub-contractors who are a member of a SSIP registered organisation.

1. Background

- 1.1 The Council requires a consistent approach to the procurement of all forestry and grounds maintenance related activity to ensure that appropriate assessments have been undertaken for all organisations carrying out these works/services on our behalf.

2. Scope

- 2.1 This protocol covers the following categories of work:-

- Rural Path Construction and Maintenance
- Rural Fencing – including timber and wire fencing
- Tree Work – including felling, thinning and planting
- Agricultural Work - including grass cutting, strimming, baling and seeding, schools grounds maintenance
- General Conservation Work - including boardwalks, digging ponds & ditches, construction of steps etc.
- Ecological Consultant Work - including wildlife surveys
- Sport Pitch Marking

3. In-house Service Provision

- 3.1 For works or services that can be delivered by in-house services (including but not limited to, grounds maintenance, construction, design,) orders will be placed with the in-house provider. Should the in-house service not be able to produce the work/deliver the service, or agreement cannot be reached about price or other terms, then they shall advise on technical specifications.
- 3.4 For all forestry and grounds maintenance work/services that are valued at less than the EU threshold, this protocol will be applied.
- 3.5 It is acknowledged that competitive tenders will continue to be obtained where the forestry and grounds maintenance work/service is let under external funding regimes and a condition of the funding is that tenders are sought.

4. Access to Forestry and Grounds Maintenance Provision

- 4.1 **Only Officers who have the relevant competency and expertise in relation to forestry and grounds maintenance can procure these works/services on behalf of the Council.**

- 4.2 In order to access forestry and grounds maintenance provision the following process applies:
- For all arboriculture works (i.e., tree felling) please contact arburrequests@gateshead.gov.uk or wasteservicesandgroundsmaintenance@gateshead.gov.uk
 - For all queries relating to Health and Safety please contact CShealthandsafety@gateshead.gov.uk
 - For all other queries, or to access external providers please contact Shaun Naylor at Corporate Commissioning and Procurement, shaunnaylor@gateshead.gov.uk

5. 'Standing List'

- 5.1 With effect from 1st April 2016 the Council adopted a Standing List for Forestry and Grounds Maintenance works/services which **MUST** be used for all related activity as follows:
- 5.1.1 The 'Standing List' covers the categories of works/services detailed above to ensure that the Contractors who are being invited to tender / quote are able to undertake the work required:
- 5.1.2 Contractors must be registered on the NEPO Portal to apply for inclusion on the 'Standing List'.
- 5.1.3 To be considered for inclusion on the 'Standing List' Contractors **must** be a member of a SSIP registered body. Any exception to this must be approved by the Council's Health and Safety Manager.
- 5.1.4 Engagement of Specialist Contractors may occur outside this protocol, and may be exempt from point 5.1.3 above but they may be subject to specific industry accreditations and also must be approved by the Council's Health and Safety Manager. Specialist Contractors that are exempt from point 5.1.3 may be given an appropriate period of time to obtain third party assessment to comply with point 5.1.3 above as appropriate and if they fail to do so they will be removed from the Standing List.
- 5.1.5 The 'Standing List' is centrally managed by Corporate Commissioning and Procurement in line with the consolidated procurement principles.
- 5.1.6 The 'Standing List' will allow the addition of new Contractors who meet the criteria throughout its lifetime. This process will be managed by Corporate Commissioning and Procurement.

6. Removal/Suspension of Contractors from the Standing List

- 6.2 In the event that a Contractor is no longer a member of a SSIP registered body, they will be suspended from the Standing List and should not be included in any invitation to tender / quote until such time as they renew their membership with a SSIP registered body and are subsequently re-instated on the Standing List. Any exception to this must be approved by the Council's Health and Safety Manager.
- 6.3 Following concerns over working practices or quality of work identified by Health and Safety or Waste Services and Grounds Maintenance, the Service Director Corporate Commissioning and Procurement must be informed and the Contractors may be suspended from the Standing List and should not be included in any invitation to tender / quote until such time as corrective measures are put in place and they are subsequently re-instated on the Standing List.

7. Process for Selection of Companies

- 7.1 All Contractors who are registered on the 'Standing List' in the work category relevant to the project / scheme should be invited to tender / quote.

8. Tender / Quotation Process

- 8.1 All tender / quotation activity over £5,000 **must** be facilitated via the NEPO Portal.

9. Data Collection

- 9.1 Details of what has been tendered, by whom and for what, together with details of the winning bidder must be kept for the relevant amount of time (i.e. 6 years for signed under hand and 12 years for signed under seal or as set out in any grant funding requirements)
- 9.2 The information held on the hosting system will be used to inform the next tender/ quotation process.
- 9.3 This information will be used for audit purposes.

10. Additional Information

- 10.1 It should be noted that prior to any forestry and grounds maintenance works/services taking place on any Council owned or leased in property, Landlords Consent may be required and further guidance should be sought.

For further information on Landlords Consent for all properties (excluding schools) please contact lesleypringle@gateshead.gov.uk

For further information on Landlords Consent for schools please contact sandrawatson@gateshead.gov.uk

- 10.2 It should be noted that when engaging any external Contractor, Officers **MUST** comply with the information contained within the 'Assessment, Engagement and Management of Contractors' document which is available on the intranet (document ref LCS-HS-89)
<http://council/humanresources/healthandsafety/handbook.htm>



COUNCIL MEETING

2 February 2017

CALENDAR OF MEETINGS 2017/18

Mike Barker, Acting Chief Executive

EXECUTIVE SUMMARY

1. The purposed of this report is to seek approval of the proposed calendar of meetings for 2017/18.
2. Every year a calendar of meetings is drawn up for the Council's main decision making bodies and overview and scrutiny committees for the following municipal year.
3. The Councillor Support and Development Group on 9 September 2015 considered the issue of later start times for meetings and it was felt that there should be at least one evening meeting per year, starting at 5.30pm for all of the Council's committees and OSCs. The draft calendar, attached at Appendix 2, has been prepared on this basis.
4. In addition, Planning and Development Committee will continue to have some 6.00pm starts, the Rights of Way Committee will meet at 4.30pm and 5.30pm and the Councillor Support and Development Group will meet at 2.00pm and 5.30pm. Seminars and meeting of the Corporate Resources Advisory Group will be held at a range of times during the day.
5. As previously agreed by Council in 2009, the principle of not holding meetings in school holidays will continue, with the exception of Planning and Development, Regulatory, Audit and Standards and Accounts Committees.
6. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

7. It is recommended that Council:
 - (i) approves the calendar of meetings 2017/18;
 - (ii) agrees that, as far as possible, meetings should not be held during school holidays; and
 - (iii) authorises the Strategic Director, Corporate Services and Governance, following consultation with the Leader of the Council, to make any necessary amendments to the calendar of meetings.

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TITLE OF REPORT: **Calendar of Meetings 2017/18**

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

Purpose of the Report

1. This report sets out the proposed calendar of meetings for 2017/18.

Background

2. Every year a calendar of meetings is drawn up for the Council's main decision making bodies and overview and scrutiny committees for the following municipal year. The calendar of meetings assists in the effective planning of the consideration of Council business and with the preparation of the Cabinet's schedule of decisions.
3. The Councillor Support and Development Group on 9 September 2015 considered the issue of later start times for meetings. The Group felt there should be a guiding principle that all of the Council's committees and OSCs should have at least one evening meeting per year starting at 5.30pm and those meetings should have a suggested maximum duration of no more than two hours.
4. A draft calendar of meetings has been prepared for 2017/18 and this is attached at Appendix 2. It has been prepared on a similar basis as last year.
5. Planning and Development Committee will continue to have some 6.00pm starts, the Rights of Way Committee will meet at 4.30pm and 5.30pm and the Councillor Support and Development Group will meet at 2.00pm and 5.30pm.
6. Seminars and meetings of the Corporate Resources Advisory Group will be held at either 2.00pm or 5.30pm.
7. If Chairs wish to change the date of the meetings starting at the later time to another date then this will be accommodated where possible.
8. As previously agreed by the Council in 2009, the principle of not holding meetings in school holidays will continue, with the exception of Planning and Development, Regulatory, Audit and Standards and Accounts Committees.

Proposal

9. It is proposed that the Cabinet agree the calendar of meetings 2017/18 (attached at appendix 2) and that it be forwarded to Council for approval.

Recommendations

10. The Cabinet is requested to recommend Council to:

- (i) approve the calendar of meetings 2017/18;
- (ii) agree that, as far as possible, meetings should not be held during school holidays; and
- (iii) authorise the Strategic Director, Corporate Services and Governance, following consultation with the Leader of the Council, to make any necessary amendments to the calendar of meetings.

For the following reason:

To assist in the preparation of the Cabinet's schedule of decisions and to allow councillors and officers to plan commitments in their diaries.

CONTACT: Mike Aynsley extension 2128

Policy Context

1. Preparing a calendar of meetings for the municipal year enables effective planning of Council business and preparation of the Cabinet's schedule of decisions. The Council's Charter for Local Decision Making and Voting also aims to ensure that decision making is open and democratic and that residents are aware of meetings and decisions taking place.

Background

2. The calendar of meetings has been prepared on the following basis:
 - As far as possible, meetings will not be held during school holidays.
 - Ten Council meetings, including the annual meeting and special meeting to consider the budget.
 - Meetings of the Cabinet to take place once a month with breaks during school holiday periods. Additional meetings of the Cabinet to be arranged, if required.
 - Meetings of the Planning and Development Committee to be held every three weeks.
 - Meetings of the Regulatory Committee to be held on a monthly basis.
 - Two meetings of the Licensing Committee per annum (sub-committee meetings will be arranged on an ad hoc basis).
 - Three meetings of the Rights of Way Committee per annum.
 - Seven meetings of the Audit and Standards Committee per year.
 - One meeting of the Accounts Committee per year.
 - Overview and Scrutiny Committees to be held every six weeks. Meetings of the Corporate Parenting and Community Safety Overview and Scrutiny Sub-Committees to be held quarterly.
 - Two meetings of the Personnel Appeals Committee per month, as far as practicable.
 - Health and Wellbeing Board to be held every six weeks.
3. The Councillor Support and Development Group on 9 September 2015 considered the issue of later start times for meetings. The Group felt there should be a guiding principle that all of the Council's committees and OSCs should have at least one evening meeting per year starting at 5.30pm and those meetings should have a suggested maximum duration of no more than two hours.

4. The calendar of meetings for 2017/18 has been prepared on a similar basis as last year.
5. Planning and Development Committee will continue to have some 6.00pm starts, the Rights of Way Committee will meet at 4.30pm and 5.30pm and the Councillor Support and Development Group at 2.00pm and 5.30pm.
6. Seminars and meetings of the Corporate Resources Advisory Group will be held at either 2.00pm or 5.30pm.
7. If Chairs wish to change the date of the meetings starting at the later time to another date then this will be accommodated where possible.
8. The Council has previously agreed that meetings should not be held in school holidays, as far as possible. There are exceptions to this principle, such as Planning and Development, Regulatory, Audit and Standards and Accounts Committees. It is proposed that this principle should continue to be adopted, except for urgent meetings. The Corporate Parenting OSC will hold two meetings after school hours at 4.30pm to allow children the opportunity to attend its meetings.
9. To avoid meetings being arranged at short notice and to give councillors as much notice as possible, a programme of meetings for the Corporate Resources Advisory Group has been incorporated into the calendar for 2017/18.
10. The calendar of meetings approved last year included a Council meeting on 18 May 2017. As there is a meeting of the Council on 27 April 2017 it is proposed that the May meeting be rescheduled for 8 June 2017 to maintain its six weeks frequency. This proposed change has been reflected in the calendar of meetings for 2016/17.
11. It is proposed that the Strategic Director, Corporate Services and Governance should be authorised, following consultation with the Leader of the Council, to make any necessary amendments to the calendar of meetings.

Consultation

12. The Leader of the Council has been consulted on the calendar of meetings.

Alternative Options

13. No other options have been considered.

Implications of Recommended Option

14. Resources

- a) **Financial Implications** - The Strategic Director, Corporate Resources confirms that there are no financial implications arising from this report.
- b) **Human Resources Implications** – There are no human resources implications arising from this report.
- c) **Property Implications** – There are no property implications arising from this report.

15. **Risk Management Implication** - There are no risk management implications arising from the recommended option.

16. Equality and Diversity Implications - There are no equality and diversity implications arising from the recommended option.

17. Crime and Disorder Implications - There are no crime and disorder implications arising from the recommended option.

18. Health Implications – There are no health implications arising from the recommended option.

19. Sustainability Implications - There are no sustainability implications arising from the recommended option.

20. Human Rights Implications - There are no human rights implications arising from the recommended option.

21. Area and Ward Implications - There are no area and ward implications arising from the recommended option.

22. Background Information - The calendar of meetings approved for the current municipal year.

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APPENDIX 2

Calendar of Meetings 2017/18

MAY 2017

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON	1	BANK HOLIDAY		8			15			22			29	BANK HOLIDAY	
TUE	2	REGULATORY COMMITTEE	1.30	9			16			23	CABINET	10.00	30		
WED	3	ANNUAL LABOUR GROUP ANNUAL LIB DEM GROUP	6.00 6.00	10	PLANNING AND DEVELOPMENT COMMITTEE	10.00	17			24	SEMINAR	2.00	31	PLANNING AND DEVELOPMENT COMMITTEE LIB DEM GROUP	10.00 6.00
THU	4	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT	10.00	11			18			25	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT	10.00			
FRI	5		10.00	12	ANNUAL COUNCIL	2.30	19			26					

JUNE 2017

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON				5	LABOUR GROUP LIB DEM GROUP	6.00 6.00	12	COUNCILLOR SUPPORT AND DEVELOPMENT GROUP	2.00	19	AUDIT AND STANDARDS COMMITTEE COMMUNITIES AND PLACE OSC	10.00 1.30	26	CORPORATE RESOURCES OSC	10.00
TUE				6	REGULATORY COMMITTEE	1.30	13			20	CABINET CARE, HEALTH AND WELLBEING OSC	10.00 1.30	27	COMMUNITY SAFETY OSC	1.30
WED				7	CORPORATE RESOURCES ADVISORY GROUP	5.30	14	SEMINAR	5.30	21	SEMINAR PLANNING AND DEVELOPMENT COMMITTEE	2.00 6.00	28		
THU	1			8	COUNCIL	2.30	15	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT FAMILIES OSC	10.00 1.30	22	CORPORATE RESOURCES ADVISORY GROUP	2.00	29		
FRI	2			9	HEALTH AND WELLBEING BOARD	10.00	16	PERSONNEL APPEALS COMMITTEE	10.00	23	PERSONNEL APPEALS COMMITTEE	10.00	30		

JULY 2017

	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON	3			10	CORPORATE PARENTING OSC	1.30	17	RIGHTS OF WAY LABOUR GROUP LIB DEM GROUP	4.30 6.00 6.00	24	AUDIT AND STANDARDS COMMITTEE	10.00	31		
TUE	4	REGULATORY COMMITTEE	5.30	11			18	CABINET	10.00	25					
WED	5	CORPORATE RESOURCES ADVISORY GROUP	5.30	12	PLANNING AND DEVELOPMENT COMMITTEE SEMINAR LIB DEM GROUP	10.00 2.00 6.00	19	SEMINAR	5.30	26					
THU	6	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT	10.00	13	CORPORATE RESOURCES ADVISORY GROUP	2.00	20	COUNCIL	2.30	27	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT	10.00			
FRI	7	PERSONNEL APPEALS COMMITTEE	10.00	14	PERSONNEL APPEALS COMMITTEE	10.00	21	HEALTH AND WELLBEING BOARD	10.00	28	ACCOUNTS COMMITTEE	10.00			

AUGUST 2017

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON				7			14			21			28	BANK HOLIDAY	
TUE	1			8	REGULATORY COMMITTEE	1.30	15			22			29		
WED	2	PLANNING AND DEVELOPMENT COMMITTEE	10.00	9			16			23	PLANNING AND DEVELOPMENT COMMITTEE	10.00	30		
THU	3			10			17	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT	10.00	24			31		
FRI	4			11			18			25					

SEPTEMBER 2017

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON				4	CORPORATE RESOURCES OSC	10.00	11	COMMUNITIES AND PLACE OSC COUNCILLOR SUPPORT AND DEVELOPMENT GROUP	1.30 5.30	18	LABOUR GROUP LIB DEM GROUP	6.00 6.00	25		
TUE				5	REGULATORY COMMITTEE	1.30	12	CABINET CARE, HEALTH AND WELLBEING OSC	10.00 5.30	19			26		
WED				6	PERSONNEL APPEALS COMMITTEE SEMINAR	10.00 2.00	13	PLANNING AND DEVELOPMENT COMMITTEE CORPORATE RESOURCES ADVISORY GROUP LIB DEM GROUP	10.00 2.00 6.00	20	SEMINAR	2.00	27		
THU				7	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT FAMILIES OSC	10.00 1.30	14	CORPORATE RESOURCES ADVISORY GROUP	2.00	21	COUNCIL	2.30	28	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT	10.00
FRI	1			8	HEALTH AND WELLBEING BOARD	10.00	15	LICENSING COMMITTEE	10.00	22	PERSONNEL APPEALS COMMITTEE	10.00	29		

OCTOBER 2017

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON	2	AUDIT AND STANDARDS COMMITTEE	5.30	9	CORPORATE PARENTING OSC	4.30	16	CORPORATE RESOURCES OSC	10.00	23			30	COMMUNITIES AND PLACE OSC	1.30
TUE	3			10	CABINET REGULATORY COMMITTEE	10.00 1.30	17	COMMUNITY SAFETY OSC	5.30	24			31	CARE, HEALTH AND WELLBEING OSC	1.30
WED	4	SEMINAR PLANNING AND DEVELOPMENT COMMITTEE	2.00 6.00	11	CORPORATE RESOURCES ADVISORY GROUP	5.30	18	SEMINAR	5.30	25	PLANNING AND DEVELOPMENT COMMITTEE	10.00			
THU	5	CORPORATE RESOURCES ADVISORY GROUP	2.00	12			19	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT FAMILIES OSC	10.00 1.30	26					
FRI	6	PERSONNEL APPEALS COMMITTEE	10.00	13	PERSONNEL APPEALS COMMITTEE	10.00	20	HEALTH AND WELLBEING BOARD	10.00	27					

NOVEMBER 2017

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON				6	RIGHTS OF WAY COMMITTEE LABOUR GROUP LIB DEM GROUP	4.30 6.00 6.00	13			20	COUNCILLOR SUPPORT AND DEVELOPMENT GROUP	2.00	27	CORPORATE RESOURCES OSC	10.00
TUE				7	CABINET	10.00	14	REGULATORY COMMITTEE	1.30	21			28	CABINET	10.00
WED	1	SEMINAR LIB DEM GROUP	2.00 6.00	8	CORPORATE RESOURCES ADVISORY GROUP	2.00	15	SEMINAR PLANNING AND DEVELOPMENT COMMITTEE	2.00 6.00	22	CORPORATE RESOURCES ADVISORY GROUP	5.30	29		
THU	2			9	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT COUNCIL	10.00 2.30	16	CORPORATE RESOURCES ADVISORY GROUP	2.00	23			30	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT FAMILIES OSC	10.00 1.30
FRI	3			10	PERSONNEL APPEALS COMMITTEE	10.00	17			24	PERSONNEL APPEALS COMMITTEE	10.00			

DECEMBER 2017

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON				4	COMMUNITIES AND PLACE OSC	1.30	11			18	LABOUR GROUP LIB DEM GROUP	6.00 6.00	25	BANK HOLIDAY	
TUE				5	CARE, HEALTH AND WELLBEING OSC	1.30	12	REGULATORY COMMITTEE	1.30	19	CABINET	10.00	26	BANK HOLIDAY	
WED				6	PLANNING AND DEVELOPMENT COMMITTEE SEMINAR	10.00 2.00	13	CORPORATE RESOURCES ADVISORY GROUP LIB DEM GROUP	2.00 6.00	20	SEMINAR	2.00	27		
THU				7	CORPORATE RESOURCES ADVISORY GROUP	5.30	14	CORPORATE RESOURCES ADVISORY GROUP	2.00	21	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT COUNCIL	10.00 2.30	28		
FRI	1	HEALTH AND WELLBEING BOARD	10.00	8	PERSONNEL APPEALS COMMITTEE	10.00	15			22	PERSONNEL APPEALS COMMITTEE	10.00	29		

JANUARY 2018

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON	1	BANK HOLIDAY		8			15	CORPORATE PARENTING OSC	1.30	22	CORPORATE RESOURCES OSC	10.00	29	AUDIT AND STANDARDS COMMITTEE COMMUNITIES AND PLACE OSC LABOUR GROUP LIB DEM GROUP	10.00 1.30 6.00 6.00
TUE	2			9			16	REGULATORY COMMITTEE	1.30	23	CABINET CARE, HEALTH AND WELLBEING OSC	10.00 1.30	30	COMMUNITY SAFETY OSC	1.30
WED	3	PLANNING AND DEVELOPMENT COMMITTEE	10.00	10	SEMINAR	5.30	17	CORPORATE RESOURCES ADVISORY GROUP	2.00	24	PLANNING AND DEVELOPMENT COMMITTEE SEMINAR LIB DEM GROUP	10.00 2.00 6.00	31	CORPORATE RESOURCES ADVISORY GROUP	5.30
THU	4			11	CORPORATE RESOURCES ADVISORY GROUP	2.00	18	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT	10.00	25	FAMILIES OSC	1.30			
FRI	5			12	PERSONNEL APPEALS COMMITTEE	10.00	19	HEALTH AND WELLBEING BOARD	10.00	26	PERSONNEL APPEALS COMMITTEE	10.00			

FEBRUARY 2018

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON				5	COUNCILLOR SUPPORT AND DEVELOPMENT GROUP	5.30	12			19	LABOUR GROUP LIB DEM GROUP	6.00 6.00	26	CORPORATE RESOURCES OSC	5.30
TUE				6			13			20	CABINET REGULATORY COMMITTEE	10.00 1.30	27		
WED				7	CORPORATE RESOURCES ADVISORY GROUP	2.00	14	PLANNING AND DEVELOPMENT COMMITTEE LIB DEM GROUP	10.00 6.00	21	SEMINAR	2.00	28	SEMINAR	5.30
THU	1	COUNCIL	2.30	8	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT LICENSING COMMITTEE	10.00 5.30	15			22	COUNCIL (BUDGET)	2.30			
FRI	2			9	PERSONNEL APPEALS COMMITTEE	10.00	16			23	PERSONNEL APPEALS COMMITTEE	10.00			

MARCH 2018

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON				5	AUDIT AND STANDARDS COMMITTEE COMMUNITIES AND PLACE OSC	10.00 5.30	12			19	RIGHTS OF WAY COMMITTEE LABOUR GROUP LIB DEM GROUP	4.30 6.00 6.00	26	CORPORATE PARENTING OSC	4.30
TUE				6	CARE, HEALTH AND WELLBEING OSC	1.30	13			20	CABINET REGULATORY COMMITTEE	10.00 1.30	27	COMMUNITY SAFETY OSC	1.30
WED				7	PLANNING AND DEVELOPMENT COMMITTEE SEMINAR	10.00 2.00	14	CORPORATE RESOURCES ADVISORY GROUP LIB DEM GROUP	2.00 6.00	21			28	SEMINAR PLANNING AND DEVELOPMENT COMMITTEE	2.00 6.00
THU	1	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT FAMILIES OSC	10.00 1.30	8	CORPORATE RESOURCES ADVISORY GROUP	5.30	15			22	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT COUNCIL	10.00 2.30	29		
FRI	2	HEALTH AND WELLBEING BOARD	10.00	9	PERSONNEL APPEALS COMMITTEE	10.00	16			23	PERSONNEL APPEALS COMMITTEE	10.00	30	BANK HOLIDAY	

APRIL 2018

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON	2	BANK HOLIDAY		9			16	CORPORATE RESOURCES OSC COUNCILLOR SUPPORT AND DEVELOPMENT GROUP	10.00 2.00	23	COMMUNITIES AND PLACE OSC LABOUR GROUP LIB DEM GROUP	1.30 6.00 6.00	30	AUDIT AND STANDARDS COMMITTEE	10.00
TUE	3			10			17	CABINET CARE, HEALTH AND WELLBEING OSC	10.00 1.30	24	REGULATORY COMMITTEE	1.30			
WED	4			11			18	PLANNING AND DEVELOPMENT COMMITTEE SEMINAR LIB DEM GROUP	10.00 2.00 6.00	25	CORPORATE RESOURCES ADVISORY GROUP	2.00			
THU	5			12	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT	10.00	19	FAMILIES OSC	5.30	26	COUNCIL	2.30			
FRI	6			13			20	HEALTH AND WELLBEING BOARD	10.00	27	PERSONNEL APPEALS COMMITTEE	10.00			

MAY 2018

DAY	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME	DATE		TIME
MON				7	BANK HOLIDAY		14			21			28	BANK HOLIDAY	
TUE	1			8	PLANNING AND DEVELOPMENT COMMITTEE SITE VISIT	10.00	15			22			29		
WED	2			9	PLANNING AND DEVELOPMENT COMMITTEE ANNUAL LABOUR GROUP ANNUAL LIB DEM GROUP	10.00 6.00 6.00	16			23			30		
THU	3	LOCAL ELECTIONS		10			17			24			31		
FRI	4			11			18	ANNUAL COUNCIL	2.30	25					

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COUNCIL MEETING

2 February 2017

CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS 2016/17 – THIRD QUARTER REVIEW

Mike Barker, Acting Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to inform of the latest position on the 2016/17 capital programme and Prudential Indicators at the end of the third quarter to 31 December 2016. The report also informs of reasons for the variances from the approved programme and details of the proposed financing of the capital programme. The report also considers the impact of CIPFA's Prudential Code on the capital programme and the monitoring of performance against the statutory Prudential Indicators.
2. The original budget for the capital programme for 2016/17, as agreed by Council on 23 February 2016, totalled £71.069m, this was then revised to £73.346m as part of the second quarter review. The third quarter review now projects the year-end expenditure to be £69.614m.
3. CIPFA's Prudential Code advises the regular monitoring of performance against the prudential indicators which regulate borrowing and investment. Targets and limits for the prudential indicators for 2016/17 were agreed by Council in 23 February 2016. Borrowing and investment levels have remained within the limits set by Council.
4. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

5. It is recommended that Council:
 - (i) Agrees that all variations to the 2016/17 Capital Programme, as detailed in Appendix 2 of the attached report, as the revised programme.
 - (ii) Approves the financing of the revised programme.
 - (iii) Confirmed that the capital expenditure and capital financing requirement indicators have been revised in line with the revised budget and that none of the approved Prudential Indicators set for 2016/17 have been breached.

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TITLE OF REPORT: Capital Programme and Prudential Indicators 2016/17
 – Third Quarter Review

REPORT OF: Darren Collins, Strategic Director, Corporate Resources

Purpose of the Report

1. This report sets out the latest position on the 2016/17 capital programme and Prudential Indicators at the end of the third quarter to 31 December 2016. The report assesses reasons for the variances from the approved programme and details the proposed financing of the capital programme. In addition the report considers the impact of CIPFA's Prudential Code on the capital programme and the monitoring of performance against the statutory Prudential Indicators.

Background

2. The original budget for the capital programme for 2016/17, as agreed by Council on 23 February 2016, totalled £71.069m, which was then revised to £73.346m as part of the second quarter review. The third quarter review now projects the year-end expenditure to be £69.614m.
3. The proposed reduction to the capital programme at the third quarter comprises of the following movements:

	£m
Increased borrowing/external funding/contributions	0.891
Re-profiling of capital expenditure to future years	(4.242)
Re-profiling of planned HRA Investment	0.864
Other reductions	(1.245)
Total Variance	(3.732)

4. The proposed slippage in the capital programme is resourced by external funding and prudential borrowing, and the Council continues to manage the available resources in a flexible manner to ensure that the use of external resources is maximised where possible.
5. A total of £4.242m of slippage has been identified on a number of key schemes throughout the capital programme where expenditure has been re-profiled into 2017/18 and will be considered as part of setting the future capital programme.
6. The proposed slippage to future years includes:
 - Slippage of £1.785m to future years reflecting changes to the construction programme for the Ravensworth Terrace Primary School scheme following delays with the erection of steelwork and in making the building weathertight. The contractor is providing additional resources to ensure that the building becomes operational in accordance with the original programme but this has meant that some planned expenditure will not take place until the next financial year;

- £0.350m relating to the proposed acquisition of land at Brandling which is linked to the proposed development as part of the Housing Joint Venture. An additional land owner has been identified and is currently considering their position which has resulted in delays;
 - £0.338m following the re-profiling of investment as part of the Council's Technology Plan;
 - £0.300m following the deferral of planned Flood Alleviation works pending the results of additional feasibility work with the Environment Agency and Northumbrian Water;
 - £0.235m relating to the ongoing replacement of concrete street lighting columns, reflecting delivery programmes for the remainder of the financial year;
 - £0.217m relating to the delivery of the restoration works at Chase Park as part of the Heritage Lottery Funded scheme, with works now expected to commence in January;
 - £0.200m associated with the planned investment to progress the development of the Area Action Plan for MetroGreen. Further work is being undertaken to finalise the scope of the required studies and procure suitable specialists.
7. Additions to the programme identified during the third quarter review amount to £0.891m. This includes an additional £0.415m relating to the Town Centre District Energy Scheme, along with £0.124m relating to the pre-construction costs associated with the part-ERDF funded extension of the network which uses plastic pipe technology. The Council has also included an additional scheme, amounting to £0.120m, to introduce an additional filtration system in the Council's swimming pools. The projected outturn does not currently include potential additional investment of £0.660m relating to expanding the Battery Storage scheme, but this can be added to the programme during the final quarter subject to consideration and approval of the separate report elsewhere on this agenda.
8. The review has highlighted a number of schemes where the level of planned investment has reduced, reflecting changes to the scope of projects such as Development Site Preparation works (£0.150m) or revised estimates of demand such as the Disabled Facilities Grant scheme (£0.270m).
9. During the third quarter there have also been a number of changes to re-profile planned investment to future years within the HRA amounting to £0.864m including:
- £0.707m of additional investment in Decent Homes works, following the introduction of additional reserve schemes including significant investment at Portmeads;
 - £0.263m of additional investment in the replacement of communal electrics following the acceleration of a scheme at Ripley Court.

Proposal

10. The report identifies planned capital expenditure of £69.614m for the 2016/17 financial year. The expected resources required to fund the 2016/17 capital programme are as follows:

	£m
Prudential Borrowing	33.269
Capital Grants and Contributions	10.695
Major Repairs Reserve (HRA)	21.680
Capital Receipts	3.970
Total Capital Programme	69.614

11. CIPFA's Prudential Code advises the regular monitoring of performance against the prudential indicators which regulate borrowing and investment. Targets and limits for the prudential indicators for 2016/17 were agreed at Council on 23 February 2016 and borrowing and investment levels have remained within these limits.

Recommendations

12. Cabinet is asked to:
- (i) Recommend to Council that all variations to the 2016/17 Capital Programme as detailed in Appendix 2 are agreed as the revised programme.
 - (ii) Recommend to Council the financing of the revised programme.
 - (iii) Confirm to Council that the capital expenditure and capital financing requirement indicators have been revised in line with the revised budget and that none of the approved Prudential Indicators set for 2016/17 have been breached.

For the following reasons:

- (i) To ensure the optimum use of the Council's capital resources in 2016/17.
- (ii) To accommodate changes to the Council's in-year capital expenditure plans.
- (iii) To monitor performance within the approved Prudential Limits.

CONTACT: David Mason extension 3686

PLAN REF: 281

Policy Context

1. The proposals within this report are consistent with the objectives contained within the Council's corporate Capital Strategy and will contribute to achieving the objectives and priority outcomes set out in Vision 2030 and the Council Plan.

Background

2. The original budget for the capital programme for 2016/17, as agreed by Council on 23 February 2016, totalled £71.069m. This was revised to £73.346m at the second quarter review.
3. The projected year-end expenditure is £69.614m at the end of the third quarter.
4. The £3.732m variance is due to a combination of the review of existing schemes and re-profiling of resources to future years, the receipt of additional resources and other variances. All variations in the programme during the third quarter are detailed in Appendix 2.
5. Appendix 3 summarises the original budget and actual year end payments by Corporate Priority. The budget, projected year end payments and comments on the progress of each scheme are detailed in Appendix 4.
6. The Prudential Code sets out a range of Prudential Indicators that were agreed by the Council on 23 February 2016. Performance against the indicators for 2016/17 is set out in Appendix 5.

Consultation

7. The Leader of the Council has been consulted on this report.

Alternative Options

8. The proposed financing arrangements are the best available in order to ensure the optimum use of the Council's capital resources in 2016/17.

Implications of Recommended Option

9. Resources:

- a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that the financial implications are as set out in the report.
- b) **Human Resources Implications** – There are no human resources implications arising from this report.
- c) **Property Implications** - There are no direct property implications arising from this report. Capital investment optimises the use of property assets to support the delivery of corporate priorities. The property implications of individual schemes will be considered and reported separately.

10. **Risk Management Implication** - Risks are assessed as part of the process of monitoring the programme and in respect of treasury management. The Cabinet will continue to receive quarterly reports for recommendation of any issues to Council, together with any necessary action to ensure expenditure is managed within available resources.
11. **Equality and Diversity Implications** - There are no equality and diversity implications arising from this report.
12. **Crime and Disorder Implications** - There are no direct crime and disorder implications arising from this report.
13. **Health Implications** - There are no health implications arising from this report.
14. **Sustainability Implications** - The works will help to make the environment more attractive and reduce health and safety hazards.
15. **Human Rights Implications** - There are no direct human rights implications arising from this report.
16. **Area and Ward Implications** - Capital schemes will provide improvements in wards across the borough.
17. **Background Information**
 - i. Report for Cabinet, 23 February 2016 (Council 25 February 2016) - Capital Programme 2016/17 to 2020/21.
 - ii. Report for Cabinet, 12 July 2016 - Capital Programme and Prudential Indicators 2016/17 – First Quarter Review.
 - iii. Report for Cabinet, 8 November 2016 - Capital Programme and Prudential Indicators 2016/17 – Second Quarter Review.

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Reason for Movement	Vision 2030	Group	Project Title	Variance (£'000)
Increases				
Other Increases	Active & Healthy Gateshead	CAE	Secondary Disinfection Systems in Leisure Pools	120
		CSG	Northside Birtley	3
	City of Gateshead	CAE	Coatsworth Road Regeneration - THI	12
	Sustainable Gateshead	CAE	Energy Network Extension - Gateshead Leisure Centre	124
			Gateshead Town Centre District Energy Network	415
			s106 Highways Works Boroughwide	55
		CRS	Agresso Development	130
			Technology Plan: Transformation Through Technology	32
		HRA	Boiler Replacement Investment (Including Back Boiler Renewal)	305
			Decent Homes - Investment Programme	707
			Estate Regeneration	11
			Gateshead HEIGHTS (Part ERDF Funded)	105
			Boiler Plant Renewal	65
			Lift Replacement / Refurbishment	12
			New Build	100
			Replacement of Communal Electrics	263
			T-fall Insulation	16
Total Increases				2,475

Reason for Movement	Vision 2030	Group	Project Title	Variance (£'000)
Other Reductions	Active & Healthy Gateshead	CAE	Equality Act 2010 (former DDA)	-50
		CWL	Disabled Facilities Grants (DFGs)	-270
	City of Gateshead	CAE	Development Site Preparation Works	-150
			Housing JV - Bensham & Saltwell	-50
	Creative Gateshead	CAE	GRP Public Art	-29
	Sustainable Gateshead	CAE	Bus Based Major Transport Scheme	-150
			Health and Safety	-50
			Strategic Maintenance	-200
		CWL	School Capital Improvements	-271
		HRA	Decent Homes – Backlog/Ad-hoc Works	-65
			Door Entry System Upgrades	-137
			External Wall Insulation Works to Non-Traditional Properties	-183
			Window Replacement	-175
Slippage to 2017/18	Active & Healthy Gateshead	CAE	Chase Park Restoration	-217
	City of Gateshead	CAE	ADZ Investment – BBQ	-49
			Housing JV - Brandling	-350
			Urban Core - Creative Quarter	-40
			Urban Core - Retail Quarter	-90
	Gateshead Goes Global	CWL	Additional Childcare Provision	-66
			Ravensworth Terrace Primary School	-1,785
	Sustainable Gateshead	CAE	Birtley Cemetery Extension	-140
			Crawcrook Quarry Restoration	-100
			Flood Alleviation Investment	-300
			Gateshead Millennium Bridge Strategic Maintenance	-13
			Great North Cycleway	-54
			Metrogreen	-200
			Replacement of Fleet and Horticultural Equipment	-190
			Street Lighting Column Replacement	-235
		CRS	Digital Gateshead	-100
			Technology Plan: Infrastructure	-338
		HRA	Tower Block Energy Efficiency Improvements	-160
Total Reductions				-6,207
Grand Total				-3,732

Vision 2030	Revised Forecast Q2 30/09/2016	Revised Forecast Q3 31/12/2016	Variation as at 31/12/2016	Actual Spend as at 31/12/2016
	£000	£000	£000	£000
Active & Healthy Gateshead	4,777	4,363	-414	2,748
City of Gateshead	7,738	7,021	-717	3,042
Creative Gateshead	139	110	-29	55
Gateshead Goes Global	5,125	3,274	-1,851	2,059
Sustainable Gateshead	55,567	54,846	-721	24,955
TOTAL	73,346	69,614	-3,732	32,859

Vision 2030	Group	Project Title	Approved Budget Q2 (£'000)	Revised Budget Q3 (£'000)	Comments
Active & Healthy Gateshead	CAE	Chase Park Restoration	572	355	Slippage to 2017/18 (HLF funded)
		Equality Act 2010 (former DDA)	200	150	Other Reductions (Borrowing)
		Falls Prevention	100	100	
		Fixed Play S106	70	70	
		Secondary Disinfection Systems in all five Leisure Pools	0	120	Other Increases (Borrowing)
	CSG	Northside Birtley	1,730	1,733	Other Increases (Borrowing)
	CWL	Changing Lives	280	280	
		Disabled Facilities Grants (DFGs)	1,750	1,480	Other Reductions (Borrowing)
		Telecare Equipment	75	75	
	Total Active & Healthy Gateshead		4,777	4,363	
City of Gateshead	CAE	ADZ Investment – BBQ	3,088	3,039	Slippage to 2017/18 (Borrowing)
		ADZ Investment - Gateshead Quays	150	150	
		City Boulevard	130	130	
		Coatsworth Road Regeneration - THI	203	215	Other Increases (Borrowing / HLF funded)
		Development Site Preparation Works	520	370	Other Reductions (Borrowing)
		Empty Property Programme 2015/18	106	106	
		Housing JV - Bensham & Saltwell	300	250	Other Reductions (Borrowing)
		Housing JV - Brandling	350	0	Slippage to 2017/18 (Borrowing)
		Keelman Homes - Affordable Housing Development	500	500	
		Urban Core - Creative Quarter	50	10	Slippage to 2017/18 (Borrowing)
		Urban Core - Exemplar Neighbourhood	21	21	
		Urban Core - Retail Quarter	90	0	Slippage to 2017/18 (Borrowing)
	CSG	Non Operational Portfolio - Strategic Investment Plan	2,230	2,230	
	Total City of Gateshead		7,738	7,021	
Creative Gateshead	CAE	GRP Public Art	54	25	Slippage to 2017/18 (Developer Contributions)
	CRS	Broadband Delivery UK	85	85	
	Total Creative Gateshead		139	110	
Gateshead Goes Global	CAE	Ravensworth Terrace Primary School	4,845	3,060	Slippage to 2017/18 (Borrowing)
	CWL	Additional Childcare Provision	280	214	Slippage to 2017/18 (DSG funded)
	Total Gateshead Goes Global		5,125	3,274	

Vision 2030	Group	Project Title	Approved Budget Q2 (£'000)	Revised Budget Q3 (£'000)	Comments
Sustainable Gateshead	CAE	All Round Camera System for Collection Vehicles	88	88	
		Battery Storage	340	340	
		Birtley Cemetery Extension	140	0	Slippage to 2017/18 (Borrowing)
		Bus Based Major Transport Scheme	175	25	Other Reductions (Borrowing)
		CIL System	30	30	
		Civic Centre Workspace Strategy	400	400	
		Crawcrook Quarry Restoration	100	0	Slippage to 2017/18 (Borrowing)
		Energy Network Extension - Gateshead Leisure Centre	0	124	Other Increases (Borrowing / ERDF funded)
		Flood Alleviation Investment	752	452	Slippage to 2017/18 (EA funded)
		Gateshead Millennium Bridge Strategic Maintenance	66	53	Slippage to 2017/18 (Borrowing)
		Gateshead Town Centre District Energy Network	10,385	10,800	Other Increases (Borrowing)
		Great North Cycleway	881	827	Slippage to 2017/18 (Cycle City Ambition Fund)
		Health & Safety	550	500	Other Reductions (Borrowing)
		Highways Strategic Maintenance	750	750	
		Infant Free School Meals Funding	40	40	
		Land of Oak and Iron	184	184	
		Leisure Centres ICT Infrastructure	60	60	
		Local Transport Plan	4,825	4,825	
		Metrogreen	200	0	Slippage to 2017/18 (Borrowing)
		Public Realm Improvement	113	113	
		Quay Wall	90	90	
		Replacement of Fleet and Horticultural Equipment	2,600	2,410	Slippage to 2017/18 (Borrowing)
		s106 Highways Works Boroughwide	18	73	Other Increases (Developer Contributions)
		Salix Energy Efficiency Works	210	210	
		Strategic Maintenance	3,250	3,050	Other Reductions (Borrowing)
		Street Lighting Column Replacement	2,135	1,900	Slippage to 2017/18 (Borrowing)
		Street Lighting LED Replacement - Phase 4	10	10	
		Street Lighting Phase 3 LED Lanterns	250	250	
		Team Valley Flood Alleviation	11	11	
		Waste Infrastructure Grant	125	125	

Vision 2030	Group	Project Title	Approved Budget Q2 (£'000)	Revised Budget Q3 (£'000)	Comments
Sustainable Gateshead	CRS	Agresso Development	100	230	Other Increases (Borrowing)
		Digital Gateshead	400	300	Slippage to 2017/18 (Borrowing)
		Technology Plan: Infrastructure	2,875	2,537	Slippage to 2017/18 (Borrowing)
		Technology Plan: Transformation Through Technology	1,042	1,074	Other Increases (Borrowing)
	CWL	ASC System	75	75	
		School Capital Improvements	2,371	2,100	Slippage to 2017/18 (EFA funded)
		Schools Devolved Formula Funding	400	400	
	HRA	Aids and Adaptations	1,500	1,500	
		Boiler Replacement Investment (Including Back Boiler Renewal)	1,355	1,660	Other Increases (Major Repairs Reserve)
		Decent Homes – Backlog/Ad-hoc Works	300	235	Other Reductions (Major Repairs Reserve)
		Decent Homes - Investment Programme	7,003	7,710	Other Increases (Major Repairs Reserve)
		Door Entry System Upgrades	297	160	Other Reductions (Major Repairs Reserve)
		Equality Act Works	296	296	
		Estates Regeneration	1,389	1,400	Other Increases (Major Repairs Reserve)
		External Wall Insulation Works to Non-Traditional Properties	1,173	990	Other Reductions (Major Repairs Reserve)
		Fire Safety Works - General	100	100	
		Heights	380	485	Other Increases (Major Repairs Reserve)
		Improvement Works - Boiler Plant Renewal	235	300	Other Increases (Major Repairs Reserve)
		Lift Replacement / Refurbishment	523	535	Other Increases (Major Repairs Reserve)
		New Build	300	400	Other Increases (Major Repairs Reserve)
		Programme Management	1,000	1,000	
		Regent Court Improvement Works	150	150	
		Replacement of Communal Electrics	232	495	Other Increases (Major Repairs Reserve)
		Risers (Services)	34	34	
		T-fall Insulation	154	170	Other Increases (Major Repairs Reserve)
		Timber Replacements	105	105	
		Tower Block Energy Efficiency Improvements	2,000	1,840	Slippage to 2017/18 (Major Repairs Reserve)
		Warden Call	250	250	
		Window Replacement	750	575	Other Reductions (Major Repairs Reserve)
		Total Sustainable Gateshead			55,567
Grand Total			73,346	69,614	

PRUDENTIAL INDICATORS 2016/17

The 2016/17 Prudential Indicators were agreed by Council on 23 February 2016 (column 1). This is now compared with the 2016/17 actual position as at the end of the second quarter, 31st December 2016 (column 2).

Certain Treasury Management indicators must be monitored throughout the year on a regular basis in order to avoid breaching agreed limits. The capital expenditure and capital financing requirement indicators have been revised in line with the revised budget and none of the other approved Prudential Indicators set for 2016/17 have been breached.

<i>Capital Expenditure</i>		
	2016/17 £000 Reported Indicator	2016/17 £000 Projection for the Year at Q3
Non-HRA	48,799	47,224
HRA	22,270	22,390
Total	71,069	69,614
To reflect the reported capital monitoring agreed by Council during the year		

<i>Ratio of Financing Costs to Net Revenue Stream</i>		
	2016/17 Reported Indicator	2016/17 Projection for the Year at Q3
Non-HRA	13.77%	N/A
HRA	46.36%	N/A

<i>Capital Financing Requirement</i>		
	2016/17 £000 Reported Indicator	2016/17 £000 Projection for the Year at Q3
Non-HRA	286,297	308,262
HRA	345,505	345,505

Authorised Limit for External Debt	
	2016/17 £000 Reported Indicator
Borrowing	750,000
Other Long Term Liabilities	0
Total	750,000
Maximum YTD £617.319m	

Operational Boundary for External Debt	
	2016/17 £000 Reported Indicator
Borrowing	725,000
Other Long Term Liabilities	0
Total	725,000
Maximum YTD £617.319m.	

The Council's actual external debt at 31st December 2016 was £593.721 million. It should be noted that actual external debt is not directly comparable to the Authorised Limit and Operational Boundary, since the actual external debt reflects the position at one point in time.

Estimated Incremental Impact on Council Tax and Housing Rents

This indicator is set at the time the Council's budget is set. Therefore, there is no requirement for this Indicator to be monitored on a quarterly or annual basis.

Adherence to CIPFA code on Treasury Management

The Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.

UPPER LIMIT ON FIXED AND VARIABLE INTEREST RATES EXPOSURES		
Range	2016/17 £000 Reported Indicator	2016/17 £000 YTD Position
Fixed Rate	624,164 357,170	Act 512,154 max 512,154 min 468,307
Variable	152,227 (30,000)	Act 25,500 max 41,000 min 18,000
All within agreed limits. (Max and Min YTD.)		

Upper / Lower Limits for Maturity Structure of Fixed Rate Borrowing				
	2016/17 £000 Reported Indicator		2016/17 £000 Actual Position	
	Upper Limit	Lower Limit	Actual Percentage	Maximum YTD
Under 12 months	20%	0%	4.88%	6.18%
12 months to 24 months	20%	0%	6.03%	10.50%
24 months to 5 years	50%	0%	20.19%	20.19%
5 years to 10 years	50%	0%	7.17%	8.06%
10 years to 20 years	50%	0%	13.43%	15.39%
20 years to 30 years	50%	0%	0.00%	0.00%
30 years to 40 years	50%	0%	11.60%	11.60%
40 years to 50 years	60%	0%	27.95%	27.95%
50 years and above	30%	0%	2.02%	6.40%
All within agreed limits.				

On 8 March 2007, Council agreed to the placing of investments for periods of longer than 364 days in order to maximise investment income before forecasted cuts in interest rates. An upper limit was set and agreed as a new Prudential Indicator.

Upper Limit on amounts invested beyond 364 days			
	2016/17 £000 Reported Indicator	2016/17 £000 Actual Position	2016/17 £000 Maximum YTD
Investments	15,000	0	0

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COUNCIL MEETING

2 February 2017

BATTERY STORAGE FOR DISTRICT ENERGY SCHEME

Mike Barker, Acting Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to seek approval to fund and install a further 2MW battery storage system for the Gateshead District Energy Scheme at Park Road Depot.
2. In July 2016, Cabinet approved the installation of a 1MW battery storage system. The Council is keen to further support current and future operation of the Gateshead District Energy Scheme and is in a position to exploit the current favourable market conditions while they remain viable.
3. It is proposed that an additional 2MW battery system be installed, at a cost of £1.65m, to the planned 1MW system already being installed within Park Road Depot. This will continue to generate additional income streams for the Council.
4. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

5. It is recommended that Council approves the addition of the £1.65m budget to the Council's capital programme.

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COUNCIL MEETING

2 February 2017

GATESHEAD COUNCIL

REPORT FROM THE CABINET

1. PURPOSE OF THE REPORT

This is the report from the Cabinet. Its purpose is to report on issues for the period December to February 2017.

PROGRESS ON KEY ISSUES

2. PEOPLE

Adult Social Care

Special Olympics

On 19 December 2016, Special Olympics Gateshead Tyne & Wear, a sporting club that provides weekly sports training and competition opportunities for people with disabilities, held its 3rd Annual awards night at the Teams Social Club in Gateshead. The awards night provided recognition for the sporting endeavours of the club's 113 athletes. Lawrie McMenemy (Former Assistant England Football Manager) and Josef Craig (Paralympian Gold Medallist) were attendees of the event to provide trophies and medals to the club's athletes for their achievements this year.

Both Lawrie and Josef signalled out the exceptional level of success that the sporting club has attained in 2016 by:

- Winning the 'Putting People First / Personalisation' award at the 2016 Great Britain Care Awards in Birmingham;
- Winning the 'Outstanding Sports Club' award at the 2016 North East Disability Sports Awards;
- Achieving a 2nd Great Britain international when Sarah Scott (Judo) represented Great Britain at the 2016 World Games in Los Angeles, USA;
- Having 38 Gateshead Tyne & Wear athletes selected to represent the 'Northern' region at the 2017 Special Olympics National Summer Games in Sheffield;
- Commencing the sporting club's Motor Activities Training Programme for athletes with profound and multiple learning disabilities;
- Expanding the sporting club across the Tyne & Wear region;
- Securing children with disabilities into the sporting club.

3. PLACE AND ECONOMY

Environment and Transport

High-Rise Energy Infrastructure for Gateshead Housing Tenants (HEIGHTs)

The project will install new district heat and/or power systems to seven High Rise Housing blocks across Gateshead, to be complete by December 2018. In the Bridges Ward Regent Court will be connected to the Town Centre district energy scheme. In

Chowdene Ward, Ripley, Willerby, Acomb, Bedale and Angel Courts will be supplied by heat from new ground source heat pumps, whilst Stretford and Barford Courts will be supplied with heat and power from a small combined heat and power plant.

Tenants and leaseholders will be supplied energy at rates discounted compared to the market average, to help reduce energy bills. The estimated capital cost of this scheme is estimated to be £11.6m, with £4.5m paid by ERDF grants, and the remainder funded from the Housing Revenue Account initially which will be repaid in full over 25 years from the energy sales and government renewable heat subsidies.

Bringing Plastic District Heating Technology to the UK

This project will install a new district heat and private wire connection from the Town Centre District Energy scheme to Gateshead Leisure Centre area. The project will use a new type of plastic district heating pipe, which will be brought to the UK for the first time. The project should increase carbon and cost savings to the Council. The estimated cost of this scheme is in the region of £2.35m, with £0.86m paid by ERDF grant, and the remainder funded from the Council's capital programme, which will be repaid in full over the life of the new energy network.

Land of Oak and Iron

The Stage 1 application for £650,000 to Heritage Lottery Fund (HLF) Heritage Grants for the Land of Oak & Iron Heritage Centre at Winlaton Mill has been approved. The Stage 2 HLF submission is likely to be made in March with the funding decision in June or July. An allocation of £460,000 from the Rural Growth Network already has Stage 1 approval and the HLF confirmation should help deliver a Stage 2 approval; the bid will be submitted in January. Planning permission is already in place for the £1.3m scheme and it is possible that construction could start on site in the late summer of 2017 and could complete in mid-2018.

The design is in the shape of a water wheel which was inspired by the revolutionary iron works at 'Old' Winlaton Mill. Sir Ambrose Crowley's iron works were established in the 1690s and used water wheels to harness the power of the river Derwent. They became the first fully integrated iron founding and iron goods manufacturing plant in Europe. The Heritage Centre will showcase this distinctive heritage and will feature a café and shop specialising in local produce. It will contribute more than half a million pounds to the local economy every year. The setting is within a country park that provides walking and cycling routes in all directions.

Housing

Gateshead Residential Development Network Event

The Housing Growth Unit coordinates the Gateshead Residential Development Network in conjunction with Development Management. This is a quarterly forum for people involved in the housebuilding industry to engage with the Council to facilitate investment in Gateshead. This quarter, the Network is focusing on small and medium housebuilding enterprises.

A session was held on 11 January 2017 featured an update on recent measures designed to breakdown some of the obstacles commonly reported by SME housebuilders, such as:

- New planning measures in for example Planning in Principle (PIP) whereby brownfield sites meeting the criteria are required to have a PIP identifying acceptable uses and development capacity,
- The HCA's new Home Building Fund offering tailored finance to SME's and,
- Information for SME's on the process of land sale adopted by the Council and how SME's can find out about development opportunities.

The event featured three case studies of development opportunities in Gateshead to offer insight and practical illustration of how planning and finance can be constructed to enable small scale development to take place.

There are currently 55 individuals registered to attend, comprising a mixture of small and medium sized companies, architects, finance intermediaries and housing associations (eligible for the HCA's Home Builders Fund).

The focus of the event was part of an ongoing work stream to engage with SME housebuilders who are seen as an important source of potential new supply and can offer the following benefits that are sometimes absent from large volume housebuilders:

- Rapid start on site as SME housebuilders can rarely afford to bank sites and need to realise assets quickly;
- Utilisation of smaller sites with capacity below an output of 30 homes. These sites are discounted by volume housebuilders;
- The range of profit return required to commence a project can be lower;
- SME's often employ local trades and some retain in-house trade teams;
- Expenditure on development is more likely to be retained in the Gateshead economy;
- SME's have a diversified pattern book of house types;
- Some are exploring and utilising new technology to reduce build costs and increase quality and housing efficiency;
- Housing Association output is critical to maintain the supply of affordable housing and smaller associations are a vital part of the SME housebuilding market.

Economy

Benefits/Universal Credit Update

The Welfare Reform Act 2012 introduced a range of reforms to the welfare benefit system, the 'flagship' reform being the replacement of a number of existing benefits with a new Universal Credit.

Universal Credit

The rollout of Universal Credit (UC) is organised by Job Centre boundaries rather than by local authority area.

So far the implementation of UC in Gateshead has generally been for new claimants who are single persons and have no dependants.

The next phase of implementation using the digital platform is termed the "full service" by the DWP. The rollout of the full service for the Gateshead Job Centre area is

scheduled for October 2017, with the Blaydon Job Centre area following soon after in November 2017.

Benefit Cap

A benefit cap of £26,000 was introduced in 2013 (£18,200 for single persons with no dependants) which initially affected 15 council tenants. The cap has now reduced to £20,000 (£13,400 for single persons with no dependants), with 115 council tenants affected.

Local Housing Allowance Cap

Recently announced amendments to the policy mean that the cap on housing benefit will now begin in April 2019. The cap will include supported or sheltered tenancies and all tenants in receipt of Universal Credit regardless of tenancy date.

The cap will be at the relevant Local Housing Allowance (LHA) rate, in line with social housing size eligibility (i.e. it is not the actual property size that counts, but the household eligibility, assessed in the same way as for bedroom tax)

The current weekly LHA rates in Gateshead are:

Shared room	£60.00 (applies to single persons under 35)
1 bedroom	£90.90
2 bedrooms	£103.56
3 bedrooms	£115.07

As such most single persons aged under the age of 35 without dependants will only be eligible to claim housing benefit at the shared room rate.

Housing and Planning Act 2016

A Ministerial statement released on 21 November 2016 stated that the Rents for Higher Income Social Tenants (HIST) or the "Pay to Stay" policy would no longer be compulsory for councils. The statement did however reiterate the Government's commitment to the introduction of fixed term tenancies. A further announcement was made on 24 November 2016 which stated that the Government will not be requesting any sale of high-value asset payments during 2017/18.

4. COMMUNITIES

Communities and Volunteering

Community Champion Finalist Award

The Evening Chronicle runs an annual awards scheme which celebrates unsung heroes in the North East.

Norma Bolton, the acting chairperson at Kibblesworth Village Millennium Centre, a local registered charity, was nominated by the Centre's users to receive an award. After being shortlisted from a field of 30 Norma attained the runners up award in the community champion category. The award was granted to Norma for the many years she has selflessly devoted to volunteering at the Millennium Centre and supporting the local community.

Culture, Sport and Leisure

Go Gateshead

During January, the new brand of the 'Go Gateshead Sport & Leisure' service was launched through a major brand campaign. The brand aims to support the new approach to increase sales of health and fitness memberships. A major focus of the launch has seen significant rise in digital marketing as well as print, and the brand will be visible in areas such as metro stations, Metrocentre, Newcastle Airport, and billboards and bus stops across the Borough.

January is a key time of the year within the industry when individuals search for the best health and fitness offer as part of a new years' resolution, and the service has also engaged a recruitment agency to employ two sales managers to assist the rebrand of the service and support achieve income targets.

This temporary arrangement is a result of a failed recruitment exercise earlier in the year, and it is hoped that the recruitment agency will support the service secure a longer term appointment, which is crucial to the sustainability of the service.

5. CONCLUSION

The Council is asked to note this report.

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COUNCIL MEETING

2 February 2017

GATESHEAD METROPOLITAN BOROUGH COUNCIL

NOTICE OF MOTION

Councillor Mary Foy will move the following motion:

Health and Social Care are in crisis due to the failure of Government to adequately fund both health and social care.

The proposed Sustainability and Transformation Plans (STP) for the North East will not resolve the current crisis without Government recognition of the need to meet the increased costs of growing demand.

We recognise the benefits of greater health and social care integration to meet the needs of our community. But long term investment is needed in these areas to change the system from crisis management to prevention. Government also need to recognise the fundamental link between increased demand for health services and the reductions in funding to local authorities which has impacted on social care provision.

This Council is concerned that the STP process has so far not demonstrated clear engagement with local authorities – the process lacks clear governance and democratic accountability.

Whilst this Council will continue to work together with NHS partners and colleagues, through the formal mechanism of the Health and Wellbeing Board, we will not be able to endorse any final plan which does not recognise and address the need for adequate and fair funding and which has not been the subject of robust and meaningful public consultation.

This Council agrees to:

1. Write to the Secretary of State for Health outlining concerns about the lack of robust governance processes and the inadequate engagement of key stakeholders.
2. Write to MPs in the Borough to ask them to highlight our concerns about the lack of funding to support STP delivery.
3. Support meetings with local Public Services Alliances to undertake joint campaigning work to highlight shared concerns about lack of funding.
4. Use the full powers of Overview and Scrutiny to highlight our concerns with regard to transparency, engagement, finance and accountability.
5. Work with members of Trust bodies to encourage them to challenge the development of STPs with key partners.

Proposed by: Councillor Mary Foy

Seconded by: Councillor Lynne Caffrey
Supported by: Councillor Malcolm Brain
Councillor Martin Gannon



COUNCIL MEETING

2 February 2017

GATESHEAD METROPOLITAN BOROUGH COUNCIL

AMENDMENT TO NOTICE OF MOTION

Councillor R Beadle will move the following amendment:

In 3rd paragraph, 2nd last line, replace “imparted” with “impacted”.

In 5th paragraph, 2nd last line, replace “adequate and fair funding” with “adequate funding based on need”.

In “This Council agrees to: 3”, replace “Public Services Alliances” with “appropriate campaigning groups”.

Proposed by: Councillor R Beadle

Seconded by: Councillor J Wallace

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COUNCIL MEETING

2 February 2017

GATESHEAD METROPOLITAN BOROUGH COUNCIL

NOTICE OF MOTION

Councillor Jonathan Wallace will move the following motion:

This Council notes the results of the referendum on the 23rd June 2016. This Council further notes that many leading supporters of the leave campaign backed calls for the UK to remain in the single market, even if there was a decision to leave the EU. Furthermore, this council notes that proposals to withdraw from the single market were not included in the referendum question.

This Council notes that significant numbers of Gateshead's residents are employed by businesses that trade directly with the single market.

This Council calls on the Government to negotiate to keep the UK in the single market and calls on Gateshead MPs to oppose the triggering of Article 50 in Parliament until assurances are given that the Government will negotiate for the country to remain in it.

Proposed by: Councillor Jonathan Wallace

Seconded by: Councillor Daniel Duggan

Supported by: Councillor Ron Beadle
Councillor Peter Craig
Councillor Susan Craig

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COUNCIL MEETING

2 February 2017

GATESHEAD METROPOLITAN BOROUGH COUNCIL

NOTICE OF MOTION

Councillor Jonathan Wallace will move the following motion:

This Council notes with concern the decision by the Government to invite US President Donald Trump on a state visit to the UK. This Council notes the extreme, discriminatory actions announced by the US President immediately after the visit of the Prime Minister to Washington DC. This Council notes that many residents of Gateshead are now barred from visiting the USA by these divisive measures.

This Council agrees to:

- 1) take no formal part in any state visit to the UK by the US President and to withhold any Council resources from being used to support any such state visit;
- 2) write to the LGA to encourage all councils to take a similar stand

Proposed by: Councillor Jonathan Wallace

Seconded by: Councillor Martin Gannon

Supported by: Councillor Kevin Dodds
Councillor Michael McNestry
Councillor Jack Graham
Councillor Peter Mole
Councillor Malcolm Brain

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