



North Tyneside Council

Cabinet

11 September 2020

Monday, 21 September 2020 The meeting will be held virtually and live streamed - please use the link below. - **commencing at 6.00 pm.**

<https://www.youtube.com/embed/6maKsiODoug>

Agenda Item	Page(s)
<p>1. Apologies for Absence</p> <p>To receive apologies for absence from the meeting.</p>	
<p>2. Minutes</p> <p>To confirm the minutes of the meeting held on 3 August 2020 (previously circulated).</p>	
<p>3. To Receive any Declarations of Interest and Notification of any Dispensations Granted</p> <p>You are invited to declare any registerable and/or non-registerable interests in matters appearing on the agenda, and the nature of that interest.</p> <p>You are also invited to disclose any dispensation in relation to any registerable and/or non-registerable interests that have been granted to you in respect of any matters appearing on the agenda.</p> <p>Please indicate any declarations of interests and/or dispensations verbally at the meeting to the Democratic Services Officer before leaving the meeting.</p>	
<p>4. Report of the Young Mayor</p> <p>To receive a verbal report on the latest activities of the Young Mayor and Young Cabinet.</p>	

Members of the public are welcome to attend this meeting and receive information about it.

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For further information about the meeting please call (0191) 643 5320.

Agenda Item		Page(s)
5.	2020/21 Financial Management Report to 31 July 2020	5 - 76
	To receive the second budget monitoring report for the current financial year which reflects the forecast financial position as at 31 July 2020.	
6.	Poverty Intervention Fund	77 - 88
	To consider a report seeking approval of the proposed approach for the delivery of the Poverty Intervention Fund included in the Authority's Budget for 2020/21 to enable support of families and individual's to alleviate the impacts of living in poverty.	
7.	Public Spaces Protection Orders	89 - 122
	To receive a report which presents the outcome of a 6-week public consultation exercise undertaken on the proposed extension of Public Spaces Protection Orders; and to seek approval for the making of the Orders made on the 20 October 2017 for a period of 3 years.	
8.	An Ambition for North Tyneside - Update	123 - 138
	To receive an update report on the delivery of the Council's Ambition for North Tyneside and the projects to be delivered in 2020/21 and beyond.	
9.	Housing and construction procurement of suppliers of materials and sub-contractors	139 - 144
	To consider a report seeking approval to commence a housing and construction procurement exercise for suppliers of materials and sub-contractors delivered under the direct management of the Authority.	
10.	Complaints Service Report 2019-20	145 - 172
	To provide an overview of the Authority's closed complaints for the year 1 April 2019 - 31 March 2020 and to ensure compliance with the requirement to publish a report on complaints under the relevant statutory complaint legislation.	
11.	Date and Time of Next Meeting	
	Monday 19 October 2020 at 6.00pm.	

Circulation overleaf ...

Circulated to Members of Cabinet: -

N Redfearn (Elected Mayor)
Councillor B Pickard (Deputy Mayor)
Councillor G Bell
Councillor C Burdis
Councillor S Cox
Councillor S Day
Councillor P Earley
Councillor R Glindon
Councillor C Johnson
Councillor M Hall

**Young and Older People's Representatives and Partners of
North Tyneside Council.**

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North Tyneside Council Report to Cabinet 21 September 2020

Title: 2020/21 Financial Management Report to 31 July 2020

Portfolios: Elected Mayor Finance and Resources	Cabinet Member: Norma Redfearn Councillor Ray Glendon
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Report from:	Finance	
Responsible Officer:	Janice Gillespie, Head of Resources	Tel: 643 5701
Wards affected:	All	

PART 1

1.1 Executive Summary:

This report is the second monitoring report to Cabinet on the 2020/21 financial position. The report brings together financial and performance information with the intention of explaining the current financial position in the context of the policy priorities in the Our North Tyneside Plan. It provides the latest indication of the potential revenue and capital position of the Authority at 31 March 2021.

Like all local authorities, North Tyneside Council has felt the impact of the ongoing Covid-19 pandemic. However, when “business as usual” is considered services are performing favourably when compared to this stage in previous financial years. The Authority continues to face financial pressures across areas of Social Care and demand-led services that have been reported over a number of years. In considering the financial outlook for 2020/21, Services have considered the financial pressures they will face in 2020/21 and how they will mitigate these.

This report necessarily reflects these known pressures the Services will be required to manage during the financial year. As well as an explanation of any previously identified risks that have crystallised, this report sets out any new risks that may have a financial impact on the Authority. It is anticipated that the overall in-year pressures of this nature will be managed by the Services.

The financial impact of the pandemic continues to have a significant effect on the projected 2020/21 outturn position. The Authority has received two payments of grant funding from the Government (total of £12.531m), of which £0.733m was allocated due to Covid-19 pressures arising in March 2020 and a further tranche of £1.777m was recently announced.

On 2 July 2020, the Government also announced support will be provided in relation to pressures on sales, fees and charges. Further details are provided within paragraph 3.2. Guidance has recently been released, which the Authority is working through and an update will be provided to Cabinet in the next report in November. The Cabinet Member for Finance and Resources will be kept up to date with the impact of the grant relating to Sales, Fees and Charges. At this stage, no assumption around the level of funding the Authority will be receiving has been included in the position reported.

The impact of pressures arising from Covid-19 in 2020/21 are forecasted to be significant and the July position contains Covid-19 pressures over and above the level of grant funding received to date. Due to the level of uncertainty of how service delivery will continue to be impacted by Covid-19, this report is an early view and it is expected this will change over the coming months as the response and recovery continue. Like all authorities North Tyneside is seeing a clear financial impact as a result of the pandemic and current indications are that the Covid-19 funding received to date does not cover all anticipated costs/loss of income. Discussions are on-going at both local and national level around the financing of the residual pressures expected as a result of Covid-19.

Considering the anticipated financial impact of Covid-19, the report provides an early view of the Council Tax and Business Rates, with an early indication of the Collection Fund position for 2020/21, and also provides an update to considerations of the Authority's cash flow position.

The report includes details of any additional grants received by the Authority since the budget was set. The report also advises Cabinet of the position so far on the 2020/21 Schools budgets, planning for 2021/22, Schools funding and the forecast outturn for the Housing Revenue Account as at 31 July 2020.

Finally, the report provides an update on the 2020/21 Investment Plan, including delivery so far this year, along with details of variations and reprofiling of the Investment Plan which are presented to Cabinet for approval.

1.2 Recommendations:

It is recommended that Cabinet:

- (a) notes the forecast budget monitoring position for the General Fund, Collection Fund, Schools' Finance and Housing Revenue Account (HRA) and as at 31 July 2020 (Annex sections 1, 5, 6 and 7);
- (b) approves the receipt of £3.489m new revenue grants (as outlined in Annex section 3);
- (c) notes the Authority's Investment Plan spend of £5.154m to 31 July 2020 and the financing of the Plan to the end of the year (Annex Section 8); and
- (d) approves variations of £2.872m and reprogramming of £1.576m for 2020/21 within the 2020 – 2025 Investment Plan (Annex Section 8).

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 19 June 2020.

1.4 Authority plan and policy framework:

The budget is a key strand of the Authority's Budget and Policy Framework.

1.5 Information:

1.5.1 Financial Position

This report is the first monitoring report presented to Members on the Authority's 2020/21 financial position. It provides an early indication of the expected revenue and capital financial position of the Authority as at 31 March 2021. This report is an initial view and it is expected this will change over the coming months as the response and recovery to Covid-19 continues.

The report covers:

- The forecast outturn of the Authority's General Fund and HRA revenue budget including management mitigations where issues have been identified;
- The delivery of 2020/21 approved budget savings plans;
- An indication of the impact of Covid-19 on Collection Rates;
- An indication of the impact of Covid-19 on the Collection Fund;
- The implications of Covid-19 of the Authority's cash position; and
- An update on the Capital Investment Plan, including details of variations and reprogramming, that is recommended for approval.

1.5.2 General Fund Revenue Account

The budget for 2020/21 was approved by full Council at its meeting on the 20 February 2020. The net General Fund revenue budget was set at £161.361m. This included £3.244m of savings to be achieved (£0.805m relating to 2020/21).

The forecast overall pressure is estimated at £11.410m against the approved net budget. This is made up of a forecasted pressure of £0.781m on normal activities and £10.629m relating to the impact of Covid-19. The £0.781m pressure in the services is driven mainly by Health, Education, Care & Safeguarding reflecting the continued pressures in Children's Services of £4.799m and Adult Services of £0.924m, partly mitigated by the contingency balances that were created by Cabinet as part of the 2018/19 budget setting process and continue to be held centrally to reflect the on-going pressures in social care being felt locally and nationally.

Included in this projection is £3.929m of pressures in Corporate Parenting and Placements, £1.866m in Wellbeing and Assessment and £1.060m in Integrated Disability & Additional Needs. The drivers for these pressures continue from 2019/20 and arise from:

- Continued growth in demand in Adult and Children's Social Care Services;
- The timing of delivery of some aspects of the Efficiency Savings Programme to the extent that achievement of some savings may be at risk;
- The shared pressure with the North Tyneside Clinical Commissioning Group around agreeing adequate levels of contributions for clients with health needs and to support social care; and

- Negotiations with care providers to assess the impact of the National Living Wage and the consequential impact on our commissioning costs are at an early stage for 2020/21.

It is anticipated that the outturn forecast for normal activities will improve over the course of the financial year as planned remedial actions begin to impact on both expenditure and income.

With regards to the impact of Covid-19, the main drivers behind the £10.629m shortfall are also within Health, Education, Care and Safeguarding where £13.699m is for increased costs to the Authority of supporting the market (£5.533m), impact on savings targets (£2.713m), additional demand (£2.110m), increased costs for children in care (£1.238m) and lost income within School Improvement (£0.873m).

Significant Covid-19 related pressures exist in Environment, Housing and Leisure, (£6.748m) due to loss of income in Sport & Leisure and Highways & Transport and in Commissioning & Asset Management through income lost within Catering (£4.260m).

1.5.3 New Revenue Grants

The following revenue grants have been received during June and July 2020:

Service	Grant Provider	Grant	Purpose	2020/21 value £m
Health Education Care & Safeguarding	Youth Custody Service	Remands to youth secure accommodation	To fund the transfer of responsibility for youth detention	0.039
Health Education Care & Safeguarding (Public Health)	Department of Health and Social Care	Covid-19 Test and Trace Grant	Support for expenditure incurred in relation to mitigation of local outbreaks	1.140
Health Education Care & Safeguarding (Public Health)	Public Health England	Pre Exposure Prophylaxis	To allow Local Authorities to deliver routine commissioning of HIV/PrEP services	0.037
Health Education Care & Safeguarding (Public Health)	Northern Cancer Alliance	Delivery of Northern Cancer Alliance Workplan	To improve the uptake of cervical screening and promote cancer prevention	0.060
Health Education Care & Safeguarding	Police and Crime Commissioner	Northumbria Violence Reduction Fund Grant 2020/21	To fund a clinical psychologist post to support a reduction in	0.060

Service	Grant Provider	Grant	Purpose	2020/21 value £m
	for Northumberland		violence associated with adolescence	
Health Education Care & Safeguarding	North of Tyne Combined Authority	Digital Inclusion Project	Targeted support for resident who become digitally excluded due to the impact of Covid-19	0.137
Health Education Care & Safeguarding	Department for Environment Food and Rural Affairs	LA Emergency Assistance Grant for Food and Essential Supplies	To support people struggling to afford food and other essentials due to Covid-19	0.239
Central Items	Ministry of Housing, Communities and Local Government	Covid-19 Local Authority Support Grant	To support the local authority in funding the financial impact of Covid-19	1.777
Total				3.489

1.5.4 School Funding

Schools are required to submit their rolling three-year budget plan by 31 May each year. The total planned deficit for 2020/21 is £6.689m. Cabinet will be aware that the Authority has been working with schools for a number of years with regard to the long-term strategic issue of surplus secondary places and the associated financial pressures which continue to be compounded by rising employment costs. As anticipated, 2019/20 was the fifth year of balances decreasing following a long-term trend of rising balances in North Tyneside and the overall projected balances for 2020/21 continues this trend.

As well as school balances reducing overall, some individual schools continue to face significant financial challenges. There are twelve schools with deficit budget plan in 2020/21, with seven of these schools continuing to be in deficit following 2019/20 and five schools that are new to deficit in 2020/21.

Cabinet will recall that the High Needs Block ended 2019/20 with a pressure of £4.542m. The initial forecasting of the budget position for 2020/21 indicates an anticipated in-year pressure of £2.470m reflecting a further rise in demand for special school places. The Authority is planning for places at the end of 2020/21 to total approximately 786. This compares to a total of 762 places at this point of 2019/20.

1.5.5 Housing Revenue Account (HRA)

The HRA is forecast to have year-end balances at 31 March 2021 of £6.529m; assuming all identified Covid-19 related costs and income shortfalls are covered Centrally. These balances are £1.525m higher than budget which was set at £5.004m. The higher than forecast balances are mainly as a result of higher opening balances due to the impact of the previous year's financial performance (£0.211m) but there is

also an in-year estimated underspend of (£1.314m), against an in-year budget of £2.590m, due to underspends arising on repairs budgets from Covid-19 impacts (£0.713m) combined with forecast vacancy savings of (£0.151m).

Universal Credit was fully implemented across North Tyneside on 2 May 2018. As of 10 August 2020, 3,913 North Tyneside Homes tenants have moved on to Universal Credit and a team is working proactively with tenants to minimise arrears. This position will be closely monitored as the year progresses to identify any adverse impacts on the budget position.

1.5.6 Investment Plan

The approved 2020-2025 Investment Plan totals £268.208m (£74.096m 2020/21) and is detailed in table 34 of the Annex. The Annex to this report also sets out in Section 8 delivery progress to date, planned delivery for 2020/21, reprogramming and other variations identified through the Investment Programme Governance process.

An officer led review of the Investment Plan has resulted in proposals for reprogramming of £1.576m and variations of £2.872m of which more details are set out in Section 8 of the Annex to this report. The revised Investment Plan stands at £76.795m for 2020/21 and to the end of July 2020 spend of £5.154m had been incurred which represents 6.71% of the revised plan.

1.5.7 Performance against Council Plan

The 2020-2024 Our North Tyneside Plan (Council Plan) sets out the overall vision and policy context within which the Financial Plan and Budget are set. The Council Plan has three key themes – Our People, Our Places and Our Economy. For each one there is a set of policy outcomes that the Authority is seeking to deliver as set out below.

Our People will:

- Be listened to so that their experience helps the Council work better for residents.
- Be ready for school – giving our children and their families the best start in life.
- Be ready for work and life – with the right skills and abilities to achieve their full potential, economic independence and meet business needs.
- Be healthy and well – with the information, skills and opportunities to maintain and improve their health, well-being and independence, especially if they are carers.
- Be cared for, protected and supported if they become vulnerable including if they become homeless.
- Be encouraged and enabled to, whenever possible, be more independent, to volunteer and to do more for themselves and their local communities.

Our Places will:

- Be great places to live by focusing on what is important to local people, such as by tackling the derelict properties that are blighting some of our neighbourhoods.
- Offer a good choice of quality housing appropriate to need, including affordable homes that will be available to buy or rent.
- Benefit from the completion of the North Tyneside Living project and by North Tyneside Council's housing stock being decent, well managed and its potential use maximised.

- Recognise the climate emergency by further reducing the Borough's overall carbon footprint. This will include reducing the Council's carbon footprint, along with encouraging and enabling everyone to reduce their carbon footprint.
- Provide a clean, green, healthy, attractive and safe environment.
- Have an effective transport and physical infrastructure - including our roads, pavements, street lighting, drainage and public transport.
- Continue to be regenerated in Wallsend and Whitley Bay, through effective public, private and community partnerships, while ambitious plans will be developed for North Shields, Forest Hall and Killingworth.
- Be a thriving place of choice for visitors through the promotion of our award-winning parks, beaches, festivals and seasonal activities.

Our Economy will:

- Benefit, along with our people and places, from our ambitious vision which we created with partners in in the North of Tyne Combined Authority. We will have a dynamic and more inclusive economy, which will ensure that all residents have a stake in our region's future.
- Grow by supporting new businesses and building on our strengths, including our existing world class companies, and small and growing enterprises.
- Be business friendly, ensuring the right skills and conditions are in place to support investment, and create and sustain new high-quality jobs and apprenticeships for working age people.
- Continue to support investment in our business parks, units and Town Centres.

The Authority has plans in place to deliver all elements of the Council Plan and performance against these plans is carefully monitored. The area under most financial pressure is Health Education Care and Safeguarding.

In common with most local authorities, and in line with the national picture, North Tyneside has seen costs within adult social care continue to rise. Along with the number of adults supported increasing over the last few financial years, the individual needs of those residents have increased due to people living longer with multiple complex conditions. Supporting those needs requires more intensive packages of care which are more expensive to provide. In addition to older people, younger adults with learning disabilities and physical disabilities are also living longer, often with multiple complex issues.

In Children's Services, good progress continues to be made on engaging with children in the early years of life to ensure that they are ready for school. Safeguarding vulnerable children and maximising their educational attainment remain key priorities.

Over recent years, there has been an increase nationally in demand for children's residential placements but with no corresponding increase in central government funded provision. As such, the levels of looked after children (LAC) and children who require supervision after leaving care continue to generate a significant financial pressure. Data for LAC levels suggest that, whilst fluctuating, there is a general trend of a steady increase in numbers (as per Section 4.2 in the Annex) but there are a wide range of levels of care provided, with more complex cases now being faced.

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

Cabinet may approve the recommendations at paragraph 1.2 of this report.

Option 2

Cabinet may decide not to approve to recommendations at paragraph 1.2 of this report.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

Cabinet is recommended to agree the proposals set out in section 1.2 of this report as it is important that Cabinet continues to monitor performance against the Budget, especially given the current level of financial pressures faced by the public sector.

1.8 Appendices:

Annex : Financial Management Report to 31 July 2020
Appendix 1: 2020 – 2025 Investment Plan

1.9 Contact officers:

Janice Gillespie – Corporate Finance matters – Tel. (0191) 643 5701
Claire Emmerson – Corporate Finance matters – Tel. (0191) 643 8109
David Dunford – (Acting) Senior Business Partner – Tel. (0191) 643 7027
Cathy Davison – Investment Plan matters – Tel. (0191) 643 5727
Darrell Campbell – Housing Revenue Account matters – Tel. (0191) 643 7052

1.10 Background information:

The following background papers and research reports have been used in the compilation of this report and are available at the offices of the author:

- (a) Revenue budget 2020/21
<https://my.northtyneside.gov.uk/sites/default/files/web-page-related-files/Revenue%20Control%20Budget%202020-21.pdf>
- (b) Investment Plan 2020-25
<https://democracy.northtyneside.gov.uk/ieListDocuments.aspx?CId=136&MId=238&Ver=4> (Agenda reports pack - Appendix D(i))
- (c) Reserves and Balances Policy
<https://democracy.northtyneside.gov.uk/ieListDocuments.aspx?CId=136&MId=238&Ver=4> (Agenda reports pack - Appendix G)
- (d) Overview, Scrutiny and Policy Development Performance Report
<https://democracy.northtyneside.gov.uk/documents/s2657/Our%20North%20Tynside%20Performance%20Report%20Cover%20March%202020.pdf>

2.1 Finance and other resources

As this is a financial report, implications are covered in the body of the report. This report will also be presented to the Authority's Finance Sub-Committee at its meeting on 17 November 2020.

2.2 Legal

The Authority has a duty to ensure it can deliver a balanced budget. The Local Government Act 2003 imposes a duty on an authority to monitor its budgets during the year and consider what action to take if a potential deterioration is identified.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Internal consultation has taken place with the Cabinet Member for Finance and Resources, the Elected Mayor, Cabinet Members, the Senior Leadership Team and Senior Finance Officers.

2.3.2 External Consultation / Engagement

The 2020/21 budget was completed after widespread consultation and community engagement in line with the Authority's approved Budget Engagement Strategy.

2.4 Human rights

The proposals within this report do not have direct implications in respect of the Human Rights Act 1998.

2.5 Equalities and diversity

There are no direct equalities and diversity implications arising from this report.

2.6 Risk management

Potential future financial pressures against the Authority are covered in this report and registered through the Authority's risk management process.

2.7 Crime and disorder

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

2.8 Environment and sustainability

There are no direct environmental and sustainability implications arising from this report.

PART 3 - SIGN OFF

- Chief Executive X
- Head of Service X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer X
- Head of Corporate Strategy X

2020/21 Financial Management Report Annex

INDEX

Section	Page
1. General Fund Income Summary	2
2. Delivery of Budget Savings Proposals	5
3. New Revenue Grants	7
4. Service Commentaries	9
5. The Collection Fund	38
6. Schools Finance	42
7. Housing Revenue Account	47
8. Investment Plan	51
9. Treasury Management & Cash Position	57

SECTION 1 - GENERAL FUND SUMMARY

1 General Fund Revenue Forecast

- 1.1 This report is the second monitoring report to Cabinet on the 2020/21 financial position. The report brings together financial and performance information with the intention of explaining the current financial position in the context of the policy priorities in the Our North Tyneside Plan. It provides the second indication of the potential revenue and capital position of the Authority at 31 March 2021. The report explains where the Authority continues to manage financial pressures.

Like all local authorities, North Tyneside Council is in a significant period of financial uncertainty with the impact of the Covid-19 pandemic increasing the challenge of being able to forecast the financial impact across the Authority. The Authority is in the early stages of understanding the impacts and expect the forecast position to change over time as the Authority see the impacts evolve and change. The Authority continues to see areas of pressure across Adults and Social Care, but there are significant impacts on income particularly across Sport and Leisure Services, and Catering Services.

- 1.2 The Authority's approved net revenue budget of £161.361m is forecast to outturn with a pressure of £11.410m. The budget includes £0.805m of savings as agreed at Council on 20 February 2020. Table 1 in paragraph 1.7 below sets out the variation summary across the General Fund.
- 1.3 The Authority is continuing to take a prudent approach to forecasting including in relation to identifying the impact of Covid-19 which currently is

forecast to add pressures of £27.549m to the General Fund in 2020/21. The total Local Authority Support Grant received from Government to date is (£12.531m) of which £0.733m was required to offset Covid-19 issues in 2019/20. A third tranche of funding has been announced and the share for North Tyneside Council is (£1.777m). With that included the remaining (£13.575m) is being applied against the forecasted pressures along with two specific grants for costs linked to Test and Trace (£1.140m) and Infection Control (£2.205m) leaving an amount of £10.629m over and above current grant funding. Therefore, the pressures relating to normal business activities across the Authority are currently in the region of £0.781m and compare favourably with this stage of recent financial years.

- 1.4 On 2 July 2020 the Government also announced support will be provided in relation to pressures on sales, fees and charges. Further details are provided within paragraph 3.2. Guidance has recently been released, which the Authority is working through and an update will be provided to Cabinet in the next report in November. The Cabinet Member for Finance and Resources will be kept up to date with the impact of the grant relating to Sales, Fees and Charges. At this stage, no assumption around the level of funding the Authority will be receiving has been included in the position reported.
- 1.5 This Annex describes as far as possible the assumptions currently made in respect of additional costs and loss of income as a result of Covid-19, and where services continue to see variations in respect of business as usual.
- 1.6 Through close monitoring of Covid-19 implications the forecast position will change through the year. Whilst some of the impact of additional cost and lost income are captured, work is in progress to ensure transparency with regard to some of the savings that changes to operations will drive out. For example, savings on car mileage and potentially energy costs as a result of many office-based staff working from home. The Authority has seen a reduction in printing across all services and are working to understand with Engie how the Authority will see the financial benefit that accrues from that.

Work is also underway to understand the longer-term financial implication and what that means for the longer-term financial plan. Some of that work is set out in Section 5 where an update on the Collection Fund position is included in this Annex.

1.7 Table: 1 2020/21 General Fund Revenue Forecast Outturn as at 31 July 2020

Services	Budget	Forecast July	Variance July	Variance May	Variance Change since May		Of which - Covid-19	Of which - Business as Usual	Business as Usual May Variance	Business as Usual Change since May
	£m	£m	£m	£m	£m		£m	£m	£m	£m
Health, Education, Care and Safeguarding	70.163	89.585	19.422	17.298	2.124		13.699	5.723	5.307	0.416
Commissioning and Asset Management	7.053	12.235	5.182	5.660	(0.478)		4.781	0.401	0.445	(0.044)
Environment, Housing and Leisure	42.671	49.482	6.811	5.825	0.986		6.748	0.063	0.398	(0.335)
Regeneration and Economic Development	1.352	1.623	0.271	0.344	(0.073)		0.055	0.216	0.299	(0.083)
Corporate Strategy	0.632	0.836	0.204	0.214	(0.010)		0.072	0.132	0.163	(0.031)
Chief Executive's Office	(0.090)	(0.143)	(0.053)	(0.063)	0.010		0.000	(0.053)	(0.063)	0.010
Resources	2.779	3.195	0.416	0.279	0.137		0.186	0.230	0.274	(0.044)
Law and Governance	0.048	0.497	0.449	0.510	(0.061)		0.209	0.240	0.256	(0.016)
Central Items	16.740	(4.552)	(21.292)	(17.099)	(4.193)		(15.121)	(6.171)	(6.171)	0.000
Support Services	20.013	20.013	0.000	0.000	0.000		0.000	0.000	0.000	0.000
Total Authority	161.361	172.771	11.410	12.968	(1.558)		10.629	0.781	0.908	(0.127)

SECTION 2 - DELIVERY OF BUDGET SAVINGS PROPOSALS

2.1 The combined budget savings of £0.805m in 2020/21 approved by Council in February 2020 brings the total savings the Authority has had to find in the ten years following the 2010 Comprehensive Spending Review (CSR) to £127.756m.

2.2 **Table 2: Year on Year savings since 2010 CSR**

Year	£m
2011/12	16.169
2012/13	16.739
2013/14	12.240
2014/15	16.552
2015/16	14.158
2016/17	15.737
2017/18	18.338
2018/19	10.143
2019/20	6.875
2020/21	0.805
Total Savings	127.756

2.3 In addition to the £0.805m of new savings proposals approved as part of the 2020/21 budget setting process, £1.346m of savings targets were agreed in prior year budget setting processes for delivery in 2020/21. Savings targets of £1.093m within Health, Education, Care and Safeguarding (HECS) were met in 2019/20 through management actions and still require a permanent solution in 2020/21. The total amount of savings that need to be achieved in 2020/21 is therefore £3.244m.

2.4 The delivery of savings in 2020/21 is expected to be significantly impacted by the Covid-19 pandemic especially within HECS and Commissioning & Asset Management.

2.5 **Table 3: Efficiency Savings by Service at July 2020**

Service	2020/21 Target £m	Projected Delivery £m	Management Actions £m	Still to Achieve £m
HECS	2.691	0.037	0.000	2.654
Commissioning & Asset Management	0.249	0.183	0.000	0.066
Environment Housing & Leisure	0.125	0.125	0.000	0.000
Central Items	0.179	0.179	0.000	0.000
TOTAL	3.244	0.524	0.000	2.720

2.6 The governance structure of the Efficiency Savings programme includes a monthly review of progress by the Senior Leadership Team (SLT). In addition, in-year budget and performance progress meetings are held between officers and Cabinet Members to consider progress and actions being taken to deliver savings. The main variations in

relation to the savings which, at this stage in the year, are shown as yet to be achieved are outlined in the sections below.

Health, Education, Care and Safeguarding (HECS)

- 2.7 HECS has a target yet to be achieved of £2.654m with £0.037m of savings identified relating to Sector Led Improvement income and Sector Led Delivery of services to children with additional needs. This consists of £1.084m of savings reported in 2019/20 as being met in-year through management actions but still requiring a permanent solution and £1.570m of savings identified for delivery in 2020/21. These savings targets relate to a number of areas;
- Increasing income £0.385m
 - Service delivery changes £1.132m
 - Staffing £0.053m
- 2.8 Finance Officers have attended meetings with senior managers and the Head of Service across adult and children's services and individual managers have been assigned responsibility to review existing schemes for deliverability and to identify alternative proposals to mitigate any shortfalls. An update on revised proposals will be outlined in the next report.
- 2.9 This service has been significantly impacted by the Covid-19 pandemic and due to the level of response required during the containment phase and the level of uncertainty across the remainder of the financial year, at this stage a prudent approach to forecasting has been taken. A proportion of the savings involve income generation via third parties or funding through Section 117, CCG or CHC income. Other service delivery-based savings have been impacted due to capacity issues where placements have had to be maintained due to delays in court proceedings or the type of placement not changing due to Covid-19 restrictions. The pressures arising within the budget due to forecasted non-delivery has been shown as part of the Covid-19 financial impact and has been adjusted out of the HECS budget position and is shown within Central Items against the Covid-19 support grants.

Commissioning and Asset Management

- 2.10 Within Commissioning and Asset Management, the only savings targets forecast to be partially met relates to the increase in school meals fees of £0.082m of which £0.033m (reduced from £0.052m in May) is not likely to be achieved due to Covid-19 related school closures which have also impacted a target relating to increases in catering SLA's of £0.100m of which £0.033m is forecasted as yet to be achieved. The value of the savings forecasted as yet to be achieved have also been adjusted out of the service's position and have been shown within Central Items as Covid-19 related costs.

SECTION 3 – NEW REVENUE GRANTS

3.1 New revenue grants have been received or notified during June and July 2020.

Table 4: Grants Received or Notified in June and July 2020

Service	Grant Provider	Grant	Purpose	2020/21 value £m
Health Education Care & Safeguarding	Youth Custody Service	Remands to youth secure accommodation	To fund the transfer of responsibility for youth detention	0.039
Health Education Care & Safeguarding (Public Health)	Department of Health and Social Care	Covid-19 Test and Trace Grant	Support for expenditure incurred in relation to mitigation of local outbreaks	1.140
Health Education Care & Safeguarding (Public Health)	Public Health England	Pre-Exposure Prophylaxis	To allow Local Authorities to deliver routine commissioning of HIV/PrEP services	0.037
Health Education Care & Safeguarding (Public Health)	Northern Cancer Alliance	Delivery of Northern Cancer Alliance Workplan	To improve the uptake of cervical screening and promote cancer prevention	0.060
Health Education Care & Safeguarding	Police and Crime Commissioner for Northumberland	Northumbria Violence Reduction Fund Grant 2020/21	To fund a clinical psychologist post to support a reduction in violence associated with adolescence	0.060
Health Education Care & Safeguarding	North of Tyne Combined Authority	Digital Inclusion Project	Targeted support for resident who become digitally excluded due to the impact of Covid-19	0.137
Health Education Care & Safeguarding	Department for Environment Food and Rural Affairs	LA Emergency Assistance Grant for Food and Essential Supplies	To support people struggling to afford food and other essentials due to Covid-19	0.239

Service	Grant Provider	Grant	Purpose	2020/21 value £m
Central Items	Ministry of Housing, Communities and Local Government	Covid-19 Local Authority Support Grant	To support the local authority in funding the financial impact of Covid-19	1.777
Total				3.489

3.2 On 2 July 2020 the Government also announced support will be provided in relation to pressures on sales, fees and charges. The support will involve a 5% deductible rate, whereby authorities will absorb losses up to 5% of their planned sales, fees and charges income, with the Government compensating authorities for 75p in every pound of their relevant loss thereafter. Guidance regarding how the scheme would work was released on 24 August 2020 and included confirmation that data will be collected three times throughout the remainder of the financial year summarised below:

- The period of 1 April 2020 – 31 July 2020 will be collected in the September 2020 data return with payment intended for October 2020;
- The period 1 August 2020 – 30 November 2020 will be collected in the December 2020 data return with payment intended for January 2021; and
- The period 1 December 2020 – 31 March 2021 will be collected in the April 2021 data return with payment intended for May 2021.

There will also be a compulsory reconciliation process, to be included as part of the grant conditions, that will take place after the three collection periods to ensure the correct level of compensation is awarded to the Authority.

SECTION 4 – SERVICE COMMENTARIES

4.1 Meetings have been held between finance officers and budget managers to review the forecast positions for 2020/21, with forecasts being prepared on a prudent basis at this stage in the financial year. Challenge sessions are planned to review the quarterly financial position and service performance with the Elected Mayor, the Deputy Mayor, the Cabinet Member for Finance and Resources, and other relevant Cabinet Members. Heads of Service and their senior teams also attend these challenge sessions to discuss plans in progress to mitigate any pressures.

4.2 Health, Education, Care & Safeguarding (HECS)

4.2.1 HECS is showing a forecast pressure of £5.723m at July which is an increase of £0.416m compared to the initial forecast variance of £5.307m reported in May. This position is after adjusting for a total of £13.699m of Covid-19 related cost and income pressures which are now shown within Central Items. In May a total of £11.991m of Covid-19 relates cost pressures were forecasted. The main reason behind the increase of £1.708m is the inclusion of the Infection Control Grant expenditure totalling £2.205m which is fully funded by a specific grant shown within Central Items. This forecast position excludes the application of contingency budgets set aside in Central Items for pressures in Adult Services of £1.800m and within Children’s Services of £2.616m.

4.2.2 The HECS service continues to be heavily impacted by the Covid-19 Pandemic and has put in place a range of responses to support existing clients and other residents directly affected by the virus who have required new support packages to be put in place on discharge from hospital or to prevent an admission. Work has also been ongoing to support social care providers to maintain their vital services. In addition to cost pressures, income losses directly related to Covid-19 disruption are forecasted amounting to £1.347m. The following Covid-19 related pressures are forecasted within HECS for 2020/21.

4.2.3 Table 5: Impact of Covid-19 on HECS

Service Area	Covid Cost Impact July £m	Covid Income Impact July £m	Total Covid Impact July £m	Total Covid Impact May £m	Description
Mainly Wellbeing & Assessment	0.000	0.388	0.388	0.388	Lost client contributions
Mainly Wellbeing & Assessment	2.110	0.000	2.110	2.462	Additional demand
Mainly Wellbeing & Assessment	5.533	0.000	5.533	3.513	Supporting the care market (including Infection Control Grant payments)
Mainly Integrated Services	0.691	0.000	0.691	0.754	Supplies and services incl. PPE

Service Area	Covid Cost Impact July £m	Covid Income Impact July £m	Total Covid Impact July £m	Total Covid Impact May £m	Description
Across the Service	1.300	0.000	1.300	1.300	Savings targets at significant risk of non-delivery due to Covid-19 issues
Adults Total	9.634	0.388	10.022	8.417	
Employment & Skills	0.027	0.035	0.062	0.058	Lost course fee income and equipment costs
School Improvement	0.000	0.873	0.873	0.869	Lost income from the Langdale Centre, High Borrans and school development work
Mainly Corporate Parenting & Placements	1.238	0.000	1.238	1.205	Increased costs for children in care
Integrated Disability and Additional Needs	0.000	0.051	0.051	0.000	Lost SLA income for summer term
Across the Service	1.413	0.000	1.413	1.391	Savings targets at significant risk of non-delivery due to Covid-19 issues
Adoptions	0.040	0.000	0.040	0.051	£0.040m costs relating to adoptions
Children's Total	2.718	0.959	3.677	3.574	
Total	12.352	1.347	13.699	11.991	

4.2.4 The financial impact of the Covid-19 crisis began in the last month of 2019/20 and is expected to continue throughout 2020/21. Under Government guidance which applied from 19 March 2020, the costs of packages for residents who have been discharged from hospital and any increased costs of packages which prevented admissions to hospital have been charged into a new pooled fund where the costs will be met by contributions from the Government paid via the North Tyneside Clinical Commissioning Group (NTCCG). The end date for these new arrangements has not yet been published but has been assumed to be 30 September 2020 for the purpose of forecasting. The Discharge Guidance states that there will be a transition period to allow local authorities to undertake a financial assessment of clients provided with a care package during this period. The forecast assumes that the costs of packages provided through the pooled fund will return to the Authority for the last six months of the financial year and is identified as additional demand (£2.110m) in Table 5 above.

4.2.5 The forecasted costs of supporting the care market is estimated to be £5.533m and relates to supporting care homes and other providers to meet the additional operational costs of Covid-19, for example in relation to PPE and backfilling absent

staff. This includes the Infection Control Grant amount of £2.205m. All providers with operational services during the Pandemic have been paid an additional fee premium of 5% to cover Covid-19 operational costs. In addition, any provider which has been severely affected by Covid-19 can apply for reimbursement of any Covid-19 costs not funded through other sources, which have been suffered over and above the additional fee premium paid. The Authority is also working with care home providers within the Borough to address issues relating to the future sustainability of the market especially where individual providers have high levels of vacancies. There are similar operational cost pressures for in-house services totalling £0.691m of which £0.615m relates to PPE costs with additional costs also forecasted in relation to transport for clients, additional costs of Local Authority funded funerals and additional phone and IT costs to support increased levels of agile working.

4.2.6 Lost income across the service has also been identified as an impact of Covid-19 disruption. This relates to client contributions (£0.388m) where reduced levels of income are forecasted at the current rate for the remainder of the financial year. This position is likely to improve as some currently suspended services are re-started albeit at reduced capacity. A loss of income within School Improvement of £0.873m is forecasted relating to a full year loss of income at High Borrans education centre and other fee income loss for the period April to August. Course fee income within Employment and Skills of £0.035m for the full financial year is also forecasted.

4.2.7 A total of £1.238m of additional costs relating to children in care have been identified as a result of care provision being extended as court delays prevent children leaving care and additional operational costs within in-house settings and in externally provided care packages. A fee premium of 5% has been forecasted against all externally provided care for the full financial year.

4.2.8 Once the impact of Covid-19 has been adjusted for, the remaining pressures broadly reflect a continuation of the position in 2019/20. Further details are shown in paragraphs 4.2.10 to 4.2.37.

4.2.9 **Table 6: Forecast Variation for HECS at July 2020**

	Budget £m	Forecast July £m	Variance July £m	Of which- Covid- 19 related £m	Of which- Business as Usual £m	Business as Usual Variance May £m	Business as Usual Change Since May £m
Corporate Parenting & Placements	16.680	22.597	5.917	1.988	3.929	3.663	0.266
RHELAC Service	0.004	0.004	0.000	0.000	0.000	0.000	0.000

	Budget £m	Forecast July £m	Variance July £m	Of which- Covid- 19 related £m	Of which- Business as Usual £m	Business as Usual Variance May £m	Business as Usual Change Since May £m
Child Protection, Independent Assurance and Review	0.673	0.688	0.015	0.000	0.015	0.015	0.000
Early Help & Vulnerable Families	1.039	1.086	0.047	0.126	(0.079)	(0.079)	0.000
Employment & Skills	0.549	0.564	0.015	0.062	(0.047)	(0.068)	0.021
Integrated Disability & Additional Needs Service	2.272	3.920	1.648	0.588	1.060	0.848	0.212
School Improvement	0.056	0.850	0.794	0.873	(0.079)	(0.095)	0.016
Regional Adoption Agency	(0.010)	0.030	0.040	0.040	0.000	0.000	0.000
Children's Services Sub-total	21.263	29.739	8.476	3.677	4.799	4.284	0.515
Wellbeing, Governance & Transformation	2.156	2.214	0.058	0.000	0.058	0.064	(0.006)
Disability & Mental Health	31.851	33.294	1.443	1.788	(0.345)	(0.731)	0.386
Wellbeing & Assessment	11.505	21.388	9.883	8.017	1.866	2.195	(0.329)
Integrated Services	2.997	2.565	(0.432)	0.216	(0.648)	(0.519)	(0.129)
Business Assurance	0.293	0.287	(0.006)	0.001	(0.007)	0.014	(0.021)
Adult Services Sub-total	48.802	59.748	10.946	10.022	0.924	1.023	(0.099)
Public Health	0.098	0.098	0.000	0.000	0.000	0.000	0.000
Total HECS	70.163	89.585	19.422	13.699	5.723	5.307	0.416

Main budget pressures across HECS

4.2.10 In addition to its response to the Covid-19 pandemic, HECS continues to manage a complex budget and is required to deal with a combination of varied funding arrangements, pressures and national policy changes. There are continuing

upward pressures on care providers' fees partially resulting from the National Living Wage but which have become more acute with the operational impact of Covid-19 on care homes and issues around high vacancy levels in a small number of homes within the Borough. Dialogue continues with care home providers around appropriate fee rates. Negotiations also continue around ensuring appropriate levels of funding contributions from the NHS for clients with health needs as the NTCCG themselves face continuing budget constraints.

- 4.2.11 The main factor behind the overall outturn position is the significant pressure within Corporate Parenting and Placements in relation to care provision for children in care and care leavers. Although the number of children in care rose to 321 in January 2020, the numbers dropped to 299 by the end of 2019/20 but have now started to rise to 308 at July (see 4.2.28 below). Pressures within the Integrated Disability and Additional Needs service are rising due to increasing numbers of children with complex needs. In addition to third party care provision pressures, there are also on-going pressures in the workforce arising from staff retention costs and recruitment costs. Within adult services, cost pressures remain in relation to third party care provision especially in relation to older people.

Adult Services

- 4.2.12 In Adult Services, there is a forecasted pressure of £0.924m which represents a £0.099m improvement on the May budget position.
- 4.2.13 There are on-going pressures in third party payments for care provision which is £3.579m above budget levels. There are also smaller pressures relating to premises costs, £0.165m and supplies and services, £0.096m. These are partially offset by increased client contributions and contributions from the NHS (£2.624m). There is an underspend against transport budgets of (£0.156m) and within staffing budgets of (£0.136m). The demand pressures were foreseen by Cabinet and backed by £1.800m of centrally held contingencies.
- 4.2.14 Pressures within external payments for care provision total £3.579m above budget. Table 7 below shows external payments for care pressures analysed into service types.

Table 7: Analysis of Adult Services Care Provision Pressure by Service Type

Type of Service	July £m	May £m
Residential and Nursing Care	2.750	2.950
Homecare and Extra Care	1.493	1.451
Other Community-Based Care	(0.664)	(0.935)
Total	3.579	3.466

Residential and Nursing Care

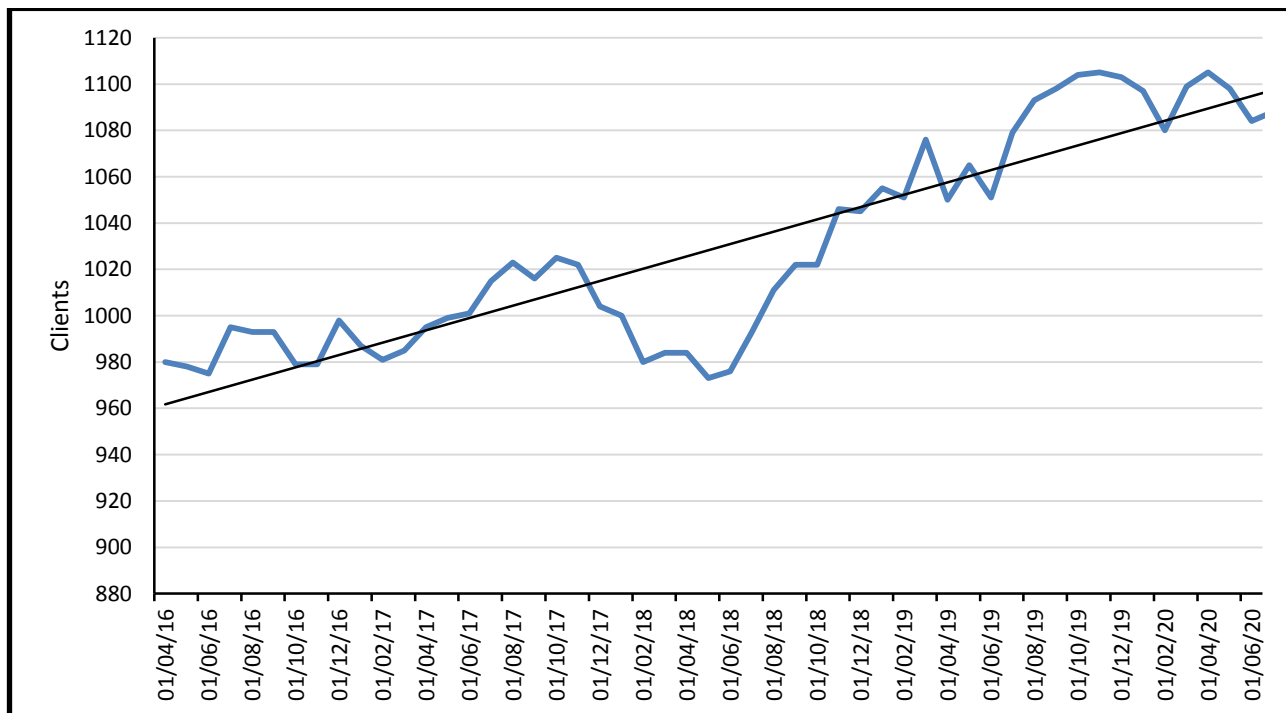
- 4.2.15 In relation to Residential and Nursing Care, an increase in short-term placements in the later part of 2018/19 saw numbers of placements overall rise to 1,066 by the end of that financial year. Internal processes to monitor the use of short-term placements were strengthened and numbers of placements fell in the first part of

2019/20. However, challenges remained, for example the option to move clients from short-term placements to community provision diminishes after longer lengths of stay in short-term placement as clients lose skills and family concerns increase around risks at home. The numbers of placements overall for residential and nursing care, continued in an overall upward trend since July 2019 to a total number of clients placed in care homes of 1,093 at the end of March 2020.

4.2.16 The impact of the Covid-19 pandemic initially had a significant impact on the numbers in residential and nursing care with an initial reduction due to a higher than normal level of deaths and a slower rate of new admissions to care however, numbers have started to recover in July and are now at 1,088. This reduced level overall has led to a drop in pressures with residential and nursing care of £0.200m compared to May.

4.2.17 The movement in numbers placed in residential and nursing care is shown in Chart 1 below.

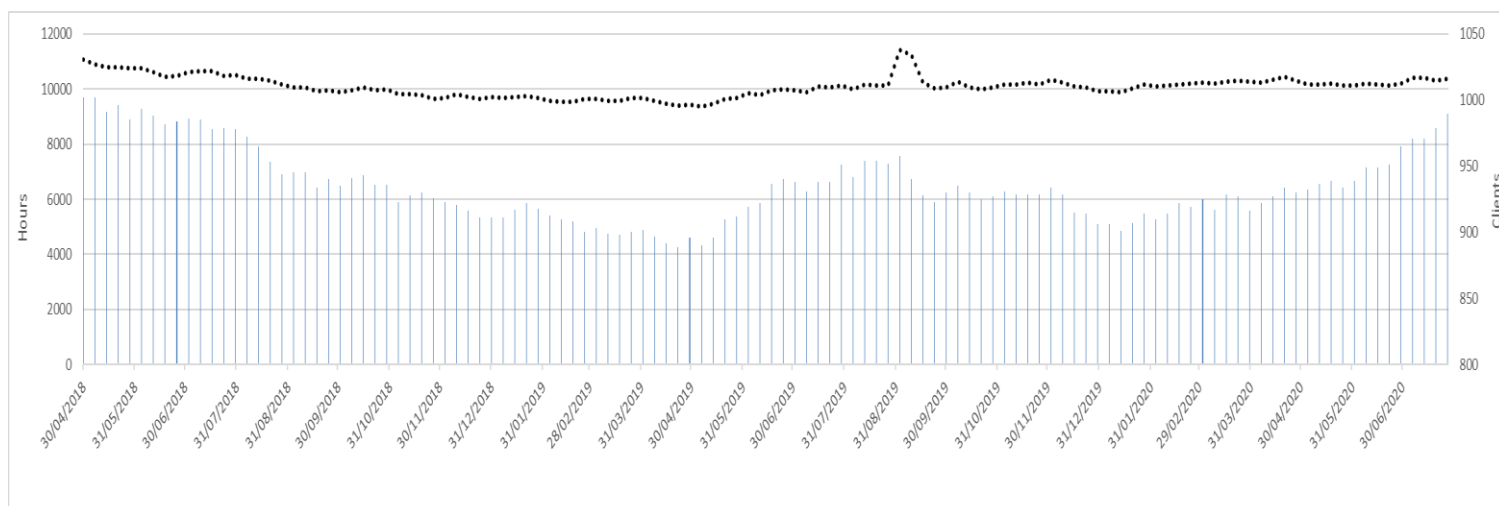
Chart 1: Movement in Numbers of Clients in Residential and Nursing Care since April 2016



Homecare and Extra Care

4.2.18 Cabinet will recall from the 2019/20 Outturn Report that the number of clients rose by 3% during 2019/20 and the number of hours delivered increased by 8.3%. The trend during the initial months of 2020/21 has been fairly volatile with an increase in the number of clients and hours delivered as shown in Chart 2 below. There has been an increase of 183 hours of delivery per week by the end of July compared to May leading to an increased pressure.

4.2.19 Chart 2: Trends in Homecare/Extra Care Services



4.2.20 HECS is working hard to continue to embed the asset-based approach by re-engineering the customer pathway through the service to ensure that assessments are proportionate and that clients receive the appropriate level of support to meet their needs to the extent that they are eligible under the Care Act as cost-effectively as possible. Work is continuing to develop further technology solutions to meet needs related to areas such as medication prompts and shopping in a more cost-effective way. The approach around the proportionate assessments carried out during the Covid-19 pandemic under Care Act easement guidance is expected to support further change within the service and management are working hard to ensure positive changes are retained in future practice.

Other Community Based Services

4.2.21 These services consist of Independent Supported Living, day care, direct payments and Individual Service Funds. The movement predominantly relates to a reduced forecast (£0.350m) for a payment in advance adjustment relating to direct payment balances held to fund services for clients. Balances held have fallen as surplus amounts have been repaid and this impact has increased client associated income described in section 4.2.22 below.

Client Related Income

4.2.22 There is a forecasted pressure in NTCCG contributions for shared care of £0.929m due to a reduction in contributions for clients who have a significant health need but who do not meet the threshold for continuing healthcare often referred to as 'shared care'. Shared care is not subject to the same statutory guidance as Continuing Healthcare and funding arrangements are agreed on an individual client basis between the Authority and the NTCCG. This form of funding has been reducing since 2015/16 and there is a further reduction in 2020/21 of £0.310m mainly due to the full year impact of changes notified in 2019/20. Management within HECS are working hard to ensure that clients with significant health needs are appropriately supported by contributions from NHS funding. This reduction is offset by a surplus against budget in other areas of NHS funding to

give an overall surplus of £0.293m. Contributions from clients and associated income are forecasted to be significantly above budget with a surplus of £2.331m, partially offsetting the overspends within payments for externally provided care.

Premises

- 4.2.23 There is a pressure of £0.165m in premises costs relating mainly to rent for respite premises for clients with a learning disability and accommodation costs for teams based within the community.

Children's Services

- 4.2.24 In Children's Services the £4.799m forecast position (up from £4.824m in May) relates mainly to demand pressures of £3.929m in Corporate Parenting and Placements and £1.060m in Integrated Disability and Additional Needs. These pressures are partially offset by underspends in Early Help and Vulnerable Families, Employment and Skills and School Improvement. The pressures were foreseen by Cabinet and backed by £2.616m of centrally held contingencies. This position excludes Covid-19 related pressures of £3.677m which have been transferred to Central Items.

Corporate Parenting and Placements

- 4.2.25 The pressures within Corporate Parenting and Placements can be broken down as follows:

Table 8: Analysis of Pressures in Corporate Parenting and Placements

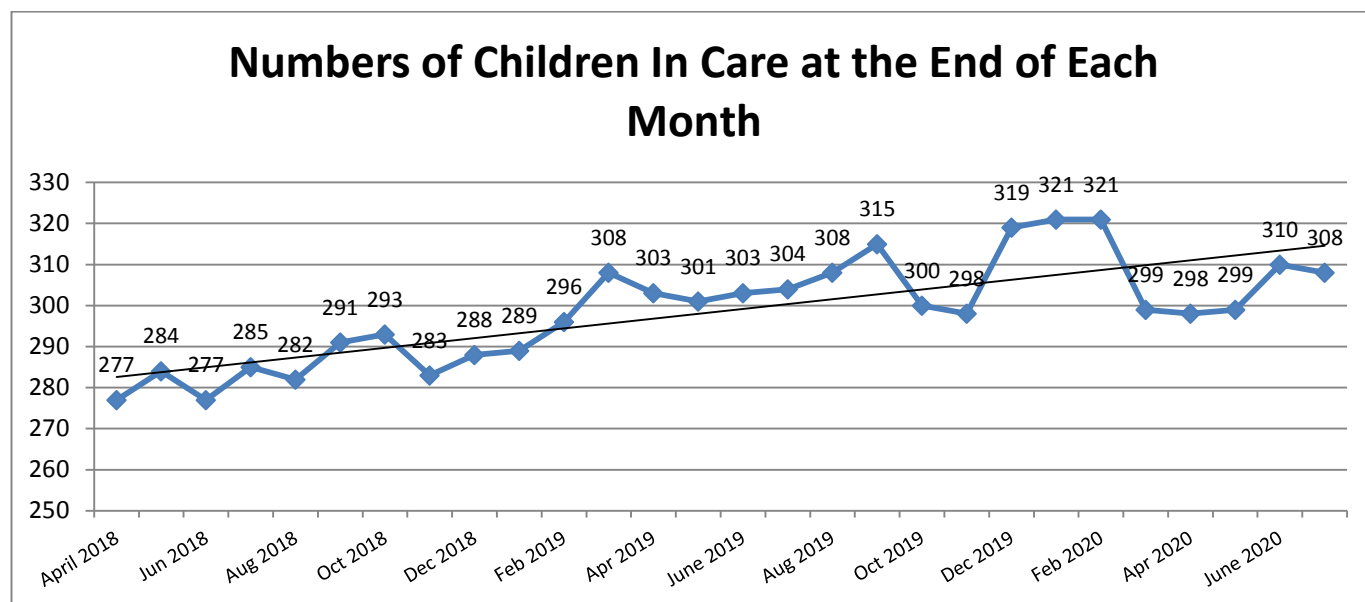
Type of Service	Budget 2020/21 £m	Variance July £m	Variance May £m	Change Since May £m
Care provision – children in care	9.384	2.002	1.960	0.042
Care provision – other children	3.200	0.908	0.719	0.189
Management & Legal Fees	(0.053)	0.437	0.437	0.000
Social Work	4.105	0.577	0.542	0.035
Safeguarding Operations	0.044	0.005	0.005	0.000
Total	16.680	3.929	3.663	0.266

- 4.2.26 The forecast has been developed based on the children in care as at the end of July 2020. The number in care at the end of July was 308, a net increase of 9 since the May report. The May forecast for the total number of care nights was 106,720 nights however due to the net increase in numbers of children in care, at July this has now risen to 108,264 nights explaining the increase in forecast cost pressures. The number of children in care can be volatile and costs for individual children can be very high. The forecast will be increased if numbers of care nights delivered starts to rise above current levels. There is a concern that there may be future spikes in numbers of children in care as the potential economic effects of the Covid-19 crisis impact on families.

Care Provision – Children in Care

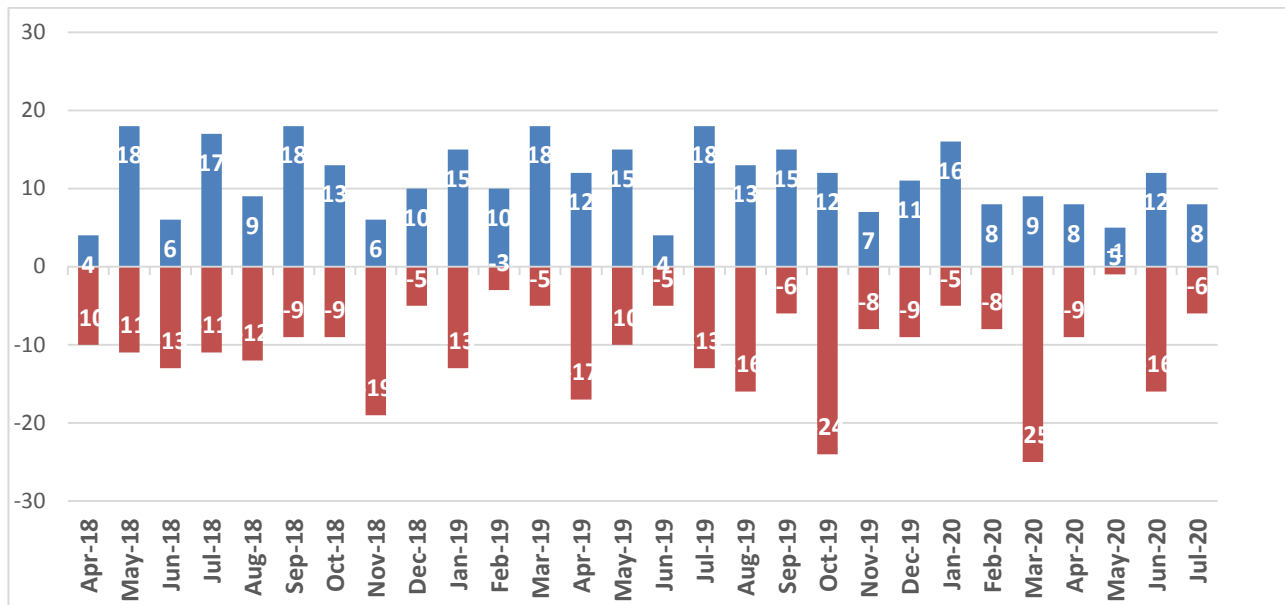
4.2.27 Over recent years, there has been an increase nationally in demand for children’s residential placements but with no corresponding increase in government-funded provision. In North Tyneside over the last few years the overall number of children in care has mirrored the increases being felt nationally.

4.2.28 **Chart 3: Children in Care at the End of Each Month**



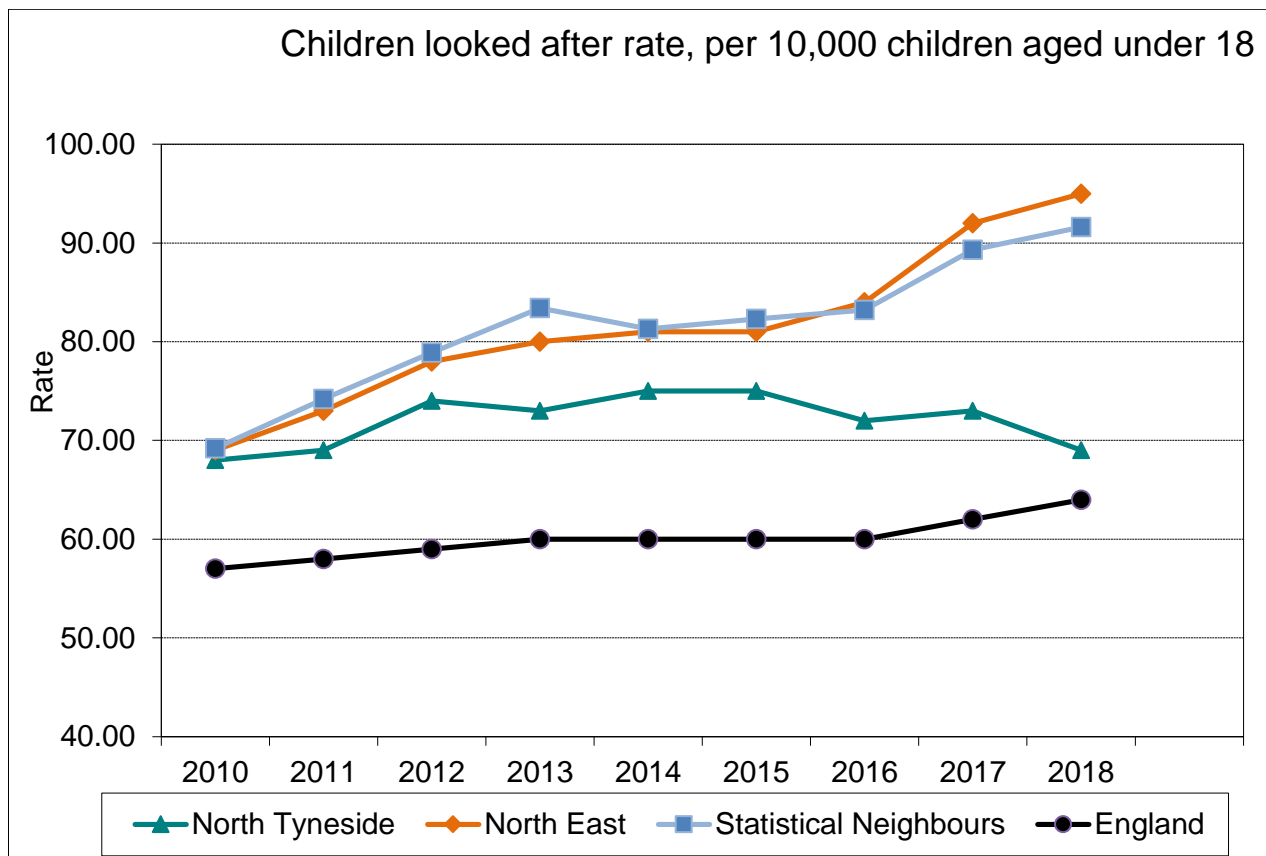
4.2.29 Delays within the court system have eased slightly with 16 children leaving the care system in June however, there is concern about the potential continuing impact of Covid-19 on court processes. The Authority currently has 10 cases delayed either because the court cannot complete the hearings remotely or because Covid-19 has affected the availability of specialist assessments. The impact of this is that children are remaining in care for longer where otherwise an improved situation for them could have achieved in a shorter time frame. The financial impact is the ongoing cost of placements. The pattern of children leaving care proved to be much more volatile in 2019/20 as compared to 2018/19 but with a general pattern of less children leaving care, as shown in Chart 4 below.

Chart 4: Detailed Movement in the Numbers of Children in Care



4.2.30 The most recent available national comparators from 2018/19, as demonstrated by Chart 5 below, shows that North Tyneside, although above the England average, has historically performed well within the North East region in relation to the rates of children in care.

4.2.31 Chart 5: Comparative Performance in Rates of Children in Care per 10,000 Children under 18



4.2.32 Placement mix in 2019/20 continued to change, moving towards the complex end of the spectrum which led to an increase in overall costs last financial year and this pattern is being sustained in 2020/21. Placement numbers rose slightly in June and July with bed night forecast overall rising by 1,544 to 108,264 but this continues to be a reduced forecast compared to 2019/20 levels of 112,622. Residential placements continue to be costly with a current average annual cost of £0.274m but which can be very volatile and is dependent on the individual needs of the cohort of children and young people in externally provided residential placements at any point in time. External supported accommodation can also be expensive. During 2019/20 there was a cohort of eight young people with very complex needs being supported for the majority of the year at an average cost of approximately £0.005m per week and these placements are continuing into 2020/21.

4.2.33 Table 9: Forecast cost, forecast variance, average placement cost and placement mix

Placement Type	July Var.	Average Annual Placement cost (£m)	2020/21 Forecast Bed Nights	2019/20 Outturn Bed Nights	Placement Mix	No. of children July 20	No. of children May 20
External Residential Care	0.784	0.274	7,311	8,649	8%	24	23
External Fostering	0.086	0.040	9,926	11,184	10%	26	24
In-House Fostering Service	0.460	0.023	74,764	76,731	68%	205	204
External Supported Accommodation	0.829	0.181	4,095	4,349	4%	19	16
Other*	0.014	various	12,168	11,709	10%	34	32
Total	2.002		108,264	112,622	100%	308	299

*Other includes Placed for Adoption, Placed with Parents/Parental Responsibility and NTC Children's Homes.

Care Provision – Children not in care

4.2.34 The pressure of £0.908m (May variance, £0.719m) relating to care provision for children not in the care system relates predominantly to children under a Special Guardianship Order (SGO). Cabinet will recall that the Authority's policy for supporting children in SGOs was amended in 2018 and that this brought about additional costs. The contingency budget of £2.616m established in Central Items in 2018/19 was, in part, intended to mitigate against these costs.

Management and Legal Fees

4.2.35 This area has a forecast pressure of £0.437m (unchanged from May). Pressure in this area includes management costs of £0.104m, professional fees relating to children in care £0.060m, legal costs £0.100m and other child related costs such as professional fees, DNA tests, drug and alcohol testing, asylum seeker support, counselling sessions and costs for other therapeutic interventions.

Social Work

- 4.2.36 Within the overall pressure of £3.929m for Corporate Parenting and Placements, there are staffing pressures of £0.577m, a rise of £0.053m from £0.524m in May. Cabinet is aware of the particular challenges faced across the children's social care sector nationally. The net pressure is due to the need to establish an additional team, to support with case load management (£0.234m) and as a result of market supplement payments (£0.293m). There is also a pressure of £0.050m relating to apprentice posts. There are currently no agency staff in place and caseloads are in line with good practice.

Integrated Disability and Additional Needs (IDANS)

- 4.2.37 IDANS is forecasting a pressure of £1.060m which is an increase of £0.212m from the May position of £0.848m. Pressures within IDANS should be seen within the national and local context of increasing numbers of children with Education Health and Care Plans (EHCPs). Within North Tyneside, the number of children with an EHCP has risen from 1,102 in January 2018 to 1,803 in July 2020. The movement in month primarily relates to the cost of short break placements where a pressure of £0.416m is now forecasted. There are also pressures relating to operational staffing costs within in-house residential services of £0.236m and associated unachieved health income target of £0.100m. There are also forecast staffing pressures of £0.229m in Educational Psychology partly relating to cover arrangements associated with maternity leave and partly relating to an increase in non-chargeable statutory work associated with increased levels of EHCPs for children with additional needs. There is a pressure of £0.049m in the Statutory Assessment and Review team who assess and arrange education for children with additional needs. The IDANS service is continuing to carefully review planned provision.

4.3 Commissioning and Asset Management

- 4.3.1 Commissioning and Asset Management (C&AM) has a forecasted outturn pressure of £0.401m (May, pressure of £0.445m) as set out in Table 11. This is after adjusting for forecast pressures of £4.781m relating to the impact of Covid-19 on the service set out in Table 10.
- 4.3.2 C&AM has also been heavily impacted by the Covid-19 pandemic, particularly in relation to supporting schools and in relation to lost income. The following Covid-19 related costs have been forecasted within C&AM for 2020/21 and have been transferred to Central Items and set against the Covid-19 Local Authority Support Grant.

4.3.3 **Table 10: Covid-19 Financial Impact within Commissioning and Asset Management**

Service Area	Covid Cost Impact July £m	Covid Income Impact July £m	Total Covid Impact July £m	Total Covid Impact May £m	Description
Catering	0.861	3.399	4.260	3.824	Lost school meals income and hospitality income and costs of providing additional free school meals services, costs of perishable stock disposal
Catering	(0.861)	0.000	(0.861)	0.000	Savings in provisions due to non-delivery of services
Cleaning	0.333	0.000	0.333	0.333	Additional hours of cleaning and associated equipment and materials directly related to Covid-19
Other income	0.000	0.123	0.123	0.113	Lost income for parking charges at Quadrant, Procurement rebates and school absence penalty notices
Home to school Transport	0.225	0.000	0.225	0.225	Additional costs of transport under infection control
Volunteer Scheme	0.106	0.000	0.106	0.100	Supporting vulnerable residents by additional foodbank support for the full financial year
Property	0.300	0.100	0.400	0.400	Loss of ability to recharge staff time to capital
Property Services	0.000	0.195	0.195	0.135	Potential rental income reductions
Total	0.964	3.817	4.781	5.215	

4.3.4 In relation to paid school meals, there is a forecasted income loss of £1.842m. This assumes a 100% loss of income for the period April to July 2020 dropping to a 65% loss from September to December and a 25% loss for the remainder of the

year. Remaining Catering income losses (£0.294m) relate to staff restaurants and civic catering which are forecasted on the same basis as school meals losses and non-fee-paying income loss (£1.263m) which is forecast for the period April to July 2020. A pressure of £0.716m is forecasted for the costs of packed lunches over and above grant funding for free school meals as this form of provision is forecasted to be more costly than normal operations. There is also a pressure of £0.145m relating to a loss of perishable food stock. These pressures are reduced by a saving in provisions of £0.861m.

- 4.3.5 Additional cost pressures of £0.333m for cleaning has been identified for the full financial year. This relates to anticipated additional cleaning hours that will be required as a result of Covid-19 with a forecasted increase in staffing costs by a third (£0.263m) for the period to March 2021 plus costs of new cleaning machinery and equipment and additional cleaning materials (£0.070m). This forecast will continue to be reviewed as the year progresses.
- 4.3.6 Anticipated losses of car parking income at Quadrant are forecasted as £0.065m and relate to the full financial year. Salary sacrifice arrangements for staff parking are currently suspended. A loss of income of £0.028m is forecasted in relation to school non-attendance penalty notices for the full year and an amount of £0.030m in rebates relating to procurement arrangements is also affected.
- 4.3.7 Additional costs of £0.225m in relation to Home to School Transport have been forecasted as the service is expecting increased pressure from September with a need to provide more single journeys to allow for social distancing in line with anticipated guidelines. Pupils within the same 'bubble' however, can travel together and further modelling is required to validate the expected costs.
- 4.3.8 Additional forecasted pressures in relation to Property relate to a forecast for staff recharges of £0.100m which are unachievable due to Covid-19 related delays to capital schemes and potential rental income losses of £0.195m. An amount of £0.300m has been identified as the forecasted cost of making all council buildings Covid-19 compliant prior to reopening.

4.3.9 Table 11: Commissioning and Asset Management Forecast Variation

	Budget £m	Forecast July £m	Variance July £m	Of which – Covid- 19 £m	Of which – Business as usual £m	Variance May £m	Business as Usual Change since May £m
School Funding & statutory staff costs	4.690	4.655	(0.035)	0.000	(0.035)	(0.029)	(0.006)
Commissioning Service	0.359	0.334	(0.025)	0.000	(0.025)	(0.010)	(0.015)
Facilities & Fair Access	0.353	4.888	4.535	4.050	0.485	0.503	(0.018)
Community & Voluntary Sector Liaison	0.439	0.521	0.082	0.106	(0.024)	(0.018)	(0.006)
Strategic Property & Investment	1.727	2.127	0.400	0.400	0.000	0.000	0.000
High needs Special Educational Needs	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Property	(0.645)	(0.450)	0.195	0.195	0.000	0.000	0.000
Commissioning & Asset Management & support	0.154	0.154	0.000	0.000	0.000	(0.001)	0.001
Procurement	(0.024)	0.006	0.030	0.030	0.000	0.000	0.000
Total Commissioning & Asset Management	7.053	12.235	5.182	4.781	0.401	0.445	(0.044)

4.3.10 The main 'business as usual' budget issues relate to Facilities and Fair Access which is showing forecast pressures of £0.485m (May, pressure of £0.503m) which are largely unchanged from the 2019/20 outturn. The pressures are across Catering and Cleaning (£0.174m) and Home to School Transport (£0.275m) with a smaller pressure on Quadrant car parking income (note the impact of lost Quadrant car parking income resulting from Covid-19 building restrictions has been transferred to Central Items).

4.3.11 The issues in Catering and Cleaning relate to non-staffing cost increases and staffing pressures which have not been met by increases in income while the Home to School Transport pressures relate to the increase in children with complex needs attending special schools which is a known issue nationally and is also impacting on the High Needs budget within the Dedicated Schools Grant (see

paragraphs 6.5 to 6.7 for more details). National supplier relief guidelines have been followed and transport contractors have been paid at usual rates during the lockdown period however, only the costs of anticipated additional routes to comply with social distancing have been included as Covid-19 costs. These main budget issues with Facilities and Fair Access are difficult to forecast and there is considerable uncertainty resulting from Covid-19 related changes in the operation of schools. Business as usual forecasts are currently largely based on 2019/20 outturns as there is a limited amount of financial data available relating to 2020/21. As such these forecasts prudently include pressures which existed in 2019/20 but which may not fully materialise in 2020/21 due to the restrictions on operations caused by the Pandemic.

4.3.12 C&AM is continuing to look at additional ways to achieve further efficiencies across the Catering and Cleaning services to mitigate these pressures in 2020/21 although this will be further complicated by the ongoing challenge of Covid-19 related changes to the way schools will operate in 2020/21. Within Home to School Transport, work continues on route rationalisation using the new QRout system however this will also be impacted by Covid-19 as sharing of transport may be limited by infection control measures.

4.4 **Environment, Housing & Leisure (EHL)**

4.4.1 EHL is forecasting a pressure of £0.063m against the £42.671m budget, as set out in Table 13 below. This is an improved position since May's forecast outturn (£0.398m). The position includes a planned £0.671m draw-down of reserves for the street-lighting PFI contract.

4.4.2 EHL continues to be heavily impacted by the Covid-19 pandemic most notably by the closure of its sports and leisure facilities and libraries. The following Covid-19 related financial impacts have been identified within EHL as outlined in Table 12 for 2020/21 and have been transferred to Central Items to be set against the Covid-19 related grants received by the Authority. The increase in Covid-19 related pressures of £1.321m is mainly due to revised estimates of income loss relating to sports centres as the impact of operational restrictions becomes clearer.

4.4.3 Table 12: Forecast Impact of Covid-19 on EHL for 2020/21 at July

Service Area	Covid Cost Impact July £m	Covid Income Impact July £m	Total Covid Impact July £m	Total Covid Impact May £m	Description
Sports & Leisure	0.040	4.409	4.449	2.982	Lost income due to closure, reduced take up of facilities and additional operational costs, less savings on repairs
Environmental Services	0.208	0.150	0.358	0.366	Additional costs and lost income from café closures, signage, additional PPE costs and additional staffing Increased bereavement costs.
Waste Management	0.002	0.000	0.002	0.154	Increased supply costs
Cultural Services	0.172	0.193	0.365	0.496	Impact on Mouth of Tyne Festival (upfront non-recoverable fees) Impact on T&W Museums Lost income in libraries Loss of rental income in buildings
Planning and Development	0.000	0.130	0.130	0.113	Reduction in building control fees Reduction in planning applications
Environmental and Regulatory Services	0.006	0.048	0.054	0.040	Taxi licencing activities cost of additional regulatory equipment
Highways and Transport	0.000	1.351	1.351	1.236	Impact on car parking fees Lost income on engineering fees, streetworks, road permits, etc
Homelessness Additional Costs	0.034	0.000	0.034	0.034	Additional bed and breakfast costs to prevent homelessness
Street-lighting PFI	0.005	0.000	0.005	0.006	Costs to counter increased anti-social behaviour
Total	0.467	6.281	6.748	5.427	

4.4.4 The impact of the Covid-19 pandemic on EHL is mainly in relation to lost income. £6.281m of the £6.748m estimated impact is due to income-generating services being closed or expected to operate at a lower level than previously. For the period April to July, lost income is based on known closures and uses prior year income generation patterns to provide an estimated value. Thereafter a high-level impact assessment of ongoing income has been made based on expected operating levels.

4.4.5 In most cases forecasted costs relate to additional work or supplies required to operate during the Pandemic, however the Mouth of the Tyne festival has cost pressures due to upfront costs of providing the festival which cannot be transferred

to the planned event next year. These forecasts will be reviewed as more information becomes available.

4.4.6 **Table 13: Forecast Variation in Environment Housing & Leisure**

	Budget £m	Forecast July £m	Variance July £m	Of Which Covid- 19 £m	Of Which BAU £m	BAU May £m	BAU Change Since May £m
Sport & Leisure	2.802	7.373	4.570	4.449	0.121	0.219	(0.098)
Cultural Services	6.801	7.342	0.541	0.365	0.176	0.166	0.010
Security & Community Safety	0.314	0.342	0.028	0.000	0.028	0.014	0.014
Fleet Management	1.087	1.084	(0.003)	0.000	(0.003)	0.056	(0.059)
Waste and Recycling Disposal	7.579	7.482	(0.097)	0.000	(0.097)	(0.074)	(0.023)
Waste Management	3.880	3.882	0.002	0.002	0.000	(0.002)	0.002
Local Environmental Services	7.210	7.446	0.236	0.358	(0.122)	0.064	(0.186)
Head of Service and Resilience	0.234	0.232	(0.002)	0.000	(0.002)	(0.016)	0.014
Street Lighting PFI	4.323	4.328	0.005	0.005	(0.000)	0.000	(0.000)
Consumer Protection & Building Control	0.997	1.040	0.043	0.054	(0.011)	(0.011)	(0.000)
Transport and Highways	6.395	7.738	1.343	1.351	(0.008)	(0.008)	(0.000)
Planning	0.252	0.382	0.130	0.130	0.000	0.000	0.000
General Fund Housing	0.797	0.812	0.015	0.034	(0.019)	(0.010)	(0.009)
Total	42.671	49.482	6.811	6.748	0.063	0.398	(0.335)

4.4.7 The movement since the last report is due to reduced operational costs, including financing costs for fleet and bereavement, plus vacancy savings due to posts being kept open.

4.4.8 The following paragraphs 4.4.9 to 4.4.23 outline the pressures in each service area;

Sport and Leisure

4.4.9 Sport and Leisure is predicting a reduced pressure of £0.121m, however this position is after a transfer to Central Items of £4.409m lost income and £0.103m

additional expenditure due to Covid-19, offset by £0.063m savings on repairs due to the centres being closed during lockdown.

- 4.4.10 The remaining pressures are due to operational costs forecasted in the leisure centres whilst open, which are showing an improved position since the last report.
- 4.4.11 The Covid-19 impact on lost income for leisure centres has been revised since the last cabinet report, with the expected loss being extended for the full year now the Authority has a clearer view of how the service will function. This has increased the expected loss by £2.535m and will continue to be reviewed as new services come online. Other costs have reduced or been offset by expected savings from being closed.

Cultural Services

- 4.4.12 Cultural Services within North Tyneside are showing a forecast pressure of £0.176m, which is net of Covid-19 related forecast transfers of £0.365m.
- 4.4.13 Historical pressures around energy and rates have been partially mitigated in 2020/21, however some historical pressures prudently remain in relation to library income targets and historical pressures on operational costs against budgets. These pressures will continue to be assessed by Cultural Services as the year progresses, taking in the context of the Pandemic as well as operational reality.

Security and Community Safety

- 4.4.14 This service area has reviewed and realigned both structure and finances to increase its overall viability. The remaining variance is due to forecast reduced income.

Fleet Management

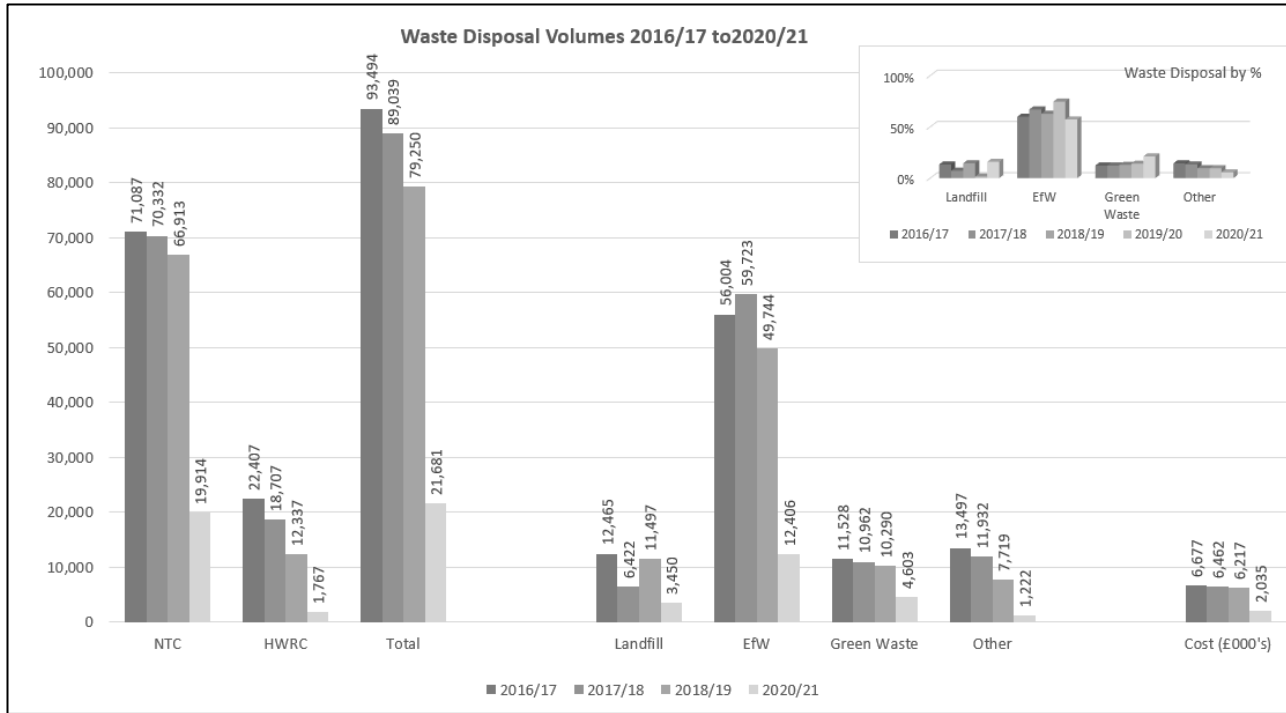
- 4.4.15 Fleet Management is now forecasting a small net saving of £0.003m, a swing from the previously reported £0.056m pressure. The movement mainly reflects a reduction in financing costs. The service is assuming reduced maintenance costs and levels will continue to be reviewed.

Waste Management including Recycling and Disposal

- 4.4.16 Waste Management is showing an expected £0.097m underspend due to vacancy savings in the waste strategy team. Recruitment plans are in place as part of the Authority's Covid-19 recovery plans to re-energise the waste strategy work required supporting the 10-year plan for waste approved by Cabinet in November 2019.
- 4.4.17 For 2020/21 Waste Management have reviewed the waste disposal budgets to meet the expected volumes and prices, then realigned budgets where possible to ensure the expected service costs for fleet, bin replacement, green waste and waste strategy are met. Chart 6 below shows the mix of waste disposal between collected and household recycling centre, across types of disposal and finally costs of disposal. Although the profile of waste collected and treatment methods

has changed due to the impacts of Covid-19, EHL are expecting the costs to remain on budget.

4.4.18 Chart 6: Waste Disposal Volumes and Costs Comparison 2016/17 to 2020/21



Local Environmental Services

4.4.19 Local Environmental Services is predicting a saving of £0.122m, a large swing from the last report's forecast pressure of £0.064m. The swing is mainly relating to increased savings from vacant posts not being filled as the service was not operating to full capacity during lockdown, plus a reduction in capital financing costs charged to revenue for the cremator replacement of £0.050m. These variances will need to be constantly reviewed along with other operational income as the year progresses. Local Environmental Services are transferring out the £0.358m estimated impact of Covid-19 on the service, which mainly relates to lost income in park cafes, additional costs of staffing, signage and PPE and our Authority's contribution towards the region's temporary body storage units in addition to installing a webcast and video/music tribute at Whitley Bay Crematorium.

Street Lighting PFI

4.4.20 The street-lighting PFI contract balances to budget following a planned £0.671m draw-down from reserves, as in previous years. Historical energy cost pressures have been mitigated where possible, reducing the value of the reserve draw-down.

Consumer Protection & Building Control

4.4.21 This area is predicting Covid-19 related costs of £0.054m. Transferring these costs centrally with leaves an expected small staffing saving of £0.011m.

Transport & Highways

4.4.22 This area is forecasting Covid-19 related lost income from car parks of £0.832m, which is based on complete closure to mid-May then reduced ongoing pressure of 90% lost income in June for off-street parking leading to full recovery from August onwards. On-street parking is forecasting 70% lost income in June reducing to 20% from August until December, followed by full recovery from February 2021. There are also reduced engineering fees, streetworks fees and road permit income of £0.404m due to reduced works being carried out during 2020/21. Transferring out these costs to the Covid-19 central cost centres leaves a small forecast operating saving of £0.008m.

General Fund Housing

4.4.23 The planning service is expecting to carry additional Covid-19 related costs due to increased costs of homelessness, though transferring these costs centrally will leave a small saving of £0.019m.

4.5 **Regeneration and Economic Development**

4.5.1 Regeneration and Economic Development (RED) is forecasting a pressure of £0.216m at July 2020, an improvement of £0.083m since May, as shown in Table 14 below. This is after moving the expected Covid-19 impact of £0.055m into Central Items in relation to lost income at Swan Hunters.

4.5.2 **Table 14: Forecast Impact of Covid-19 on RED for 2020/21**

Service Area	Covid Cost Impact July £m	Covid Income Impact July £m	Total Covid Impact July £m	Total Covid Impact May £m	Description
Regeneration	0.000	0.055	0.055	0.055	Estimated lost rental income at Swan Hunters site

4.5.3 Table 15: Forecast Variation for Regeneration and Economic Development

Service Area	Budget £m	Forecast July £m	Variance July £m	Of Which Covid-19 £m	Of Which BAU £m	BAU Variance May £m	BAU Change Since May £m
Business & Enterprise	0.734	0.757	0.023	0.000	0.023	0.006	0.017
Regeneration	0.421	0.616	0.195	0.055	0.140	0.239	(0.099)
Resources & Performance	0.197	0.250	0.053	0.000	0.053	0.054	(0.001)
Total	1.352	1.623	0.271	0.055	0.216	0.299	(0.083)

4.5.4 The pressures in Regeneration result mainly from a forecasted inability to achieve staff capitalisation & recharge income targets of £0.132m following the decrease in regeneration capital projects and changes to how projects are delivered. This loss of recharge income is then further impacted by combined income generation shortfalls at both Swans-related sites making up the remaining pressure.

4.5.5 Resources and Performance is carrying historic staffing pressures resulting in a forecast £0.041m pressure. The remaining forecast pressure comes from nominal overspends against the Private Sector Housing service.

4.6 Corporate Strategy

4.6.1 Corporate Strategy is forecasting a pressure of £0.132m as set out in Table 16 below, after transferring out Covid-19 related costs totalling £0.072m. The position reflects an improvement of £0.031m since the last Cabinet reported pressure of £0.163m.

4.6.2 Table 16: Forecast Impact of Covid-19 on Corporate Strategy for 2020/21

Service Area	Covid Cost Impact July £m	Covid Income Impact July £m	Total Covid Impact July £m	Total Covid Impact May £m	Description
Marketing	0.000	0.060	0.060	0.040	Marketing income lost
Children's Participation & Advocacy	0.001	0.000	0.001	0.000	Snap report
Marketing	0.011	0.000	0.011	0.011	Production of Covid-19 leaflets and guidance
Total	0.012	0.060	0.072	0.051	

4.6.3 Table 17: Forecast Variation Corporate Strategy

Service Area	Budget £m	Forecast July £m	Variance July £m	Of Which Covid- 19 £m	Of Which BAU £m	BAU Variance May £m	BAU Change Since May £m
Children's Participation & Advocacy	0.243	0.243	0.000	0.000	0.000	0.040	(0.040)
Corporate Strategy Management	(0.001)	0.106	0.107	0.000	0.107	0.105	0.002
Elected Mayor & Executive Support	0.013	0.020	0.007	0.000	0.007	0.009	(0.002)
Marketing	0.273	0.360	0.087	0.071	0.016	0.016	0.000
Policy Performance and Research	0.104	0.107	0.003	0.001	0.002	(0.007)	0.009
Total	0.632	0.836	0.204	0.072	0.132	0.163	(0.031)

4.6.4 The remaining pressures in the service are due to shortfall of £0.100m against income targets, plus small staffing and operational pressures across the service. The improvement from the previous report reflects reduced staffing pressures.

4.7 Resources and Chief Executive Office

4.7.1 The forecast pressure of £0.177m within Resources and Chief Executive Office, is after an adjustment of £0.186m for Covid-19 revenue costs. In addition, the service has identified £0.050m of capital Covid-19 costs due to purchase of IT equipment. The service budget pressures, as set out in Table 18 below, mainly relate to additional licence costs within ICT Retained Services, IT Customer Journey costs plus an increased staffing pressure in HR, which are mitigated by savings in Finance (Revenues & Benefits) and the Chief Executive's office.

4.7.2 Table 18: Forecast Impact of Covid-19 on Resources for 2020/21

Service Area	Covid Cost Impact July £m	Covid Income Impact July £m	Total Covid Impact July £m	Total Covid Impact May £m	Description
Corporate ICT Costs	0.003	0.000	0.003	0.000	Purchase of IT equipment
Corporate HR costs	0.005	0.000	0.005	0.005	Additional resource to support HR for Covid-19 issues
Corporate Revenues costs	0.000	0.178	0.178	0.000	Lost enforcement income due to courts being closed
Total	0.008	0.178	0.186	0.005	

4.7.3 Table 19: Forecast Variation Resources

Service Area	Budget £m	Forecast July £m	Variance July £m	Of Which Covid-19 £m	Of Which BAU £m	BAU Variance May £m	BAU Change Since May £m
ICT	2.817	3.012	0.195	0.003	0.192	0.249	(0.057)
Finance	(0.029)	0.093	0.122	0.178	(0.056)	(0.076)	0.020
HR & Organisational Development	(0.009)	0.090	0.099	0.005	0.094	0.101	(0.007)
Chief Executive	(0.090)	(0.143)	(0.053)	0.000	(0.053)	(0.063)	0.010
Total	2.689	3.052	0.363	0.186	0.177	0.211	(0.034)

4.7.4 Within ICT, the main pressures relate to continuing pressures associated with the Customer Journey project running to August, plus on-going pressures relating to various new software development and licence costs. The £0.057m improvement is mainly due to the Customer Journey Project ending in August rather than September.

4.7.5 Within the Finance service, Revenues & Benefits is showing an overall saving of £0.056m, which is made up of these factors:

- Enforcement cost and income are no longer showing a pressure of £0.178m as it has been identified that the pressure is in relation to Covid-19, with this now being forecast in the central Covid-19 cost centre;
- Bank Charges are expected to be £0.030m overspent due to increased costs;
- Overpayments income is forecasting a worsening pressure of £0.369m in month (£1.018m overall) due to the number of overpayments generated during lockdown. Overpayments income is

extremely low so far as there have been reduced changes in circumstances and house moves. There have been less fluctuations in wages as people are either in employment or on fixed furlough amounts. As the stages of lockdown ease and recovery is progressing, these changes are picking up again and this is expected to accelerate as the furlough scheme ends in October. There are a series of reviews planned for the rest of the year for higher risk claims for self-employed, trust and protect claims, main wage earners, and claims below applicable amounts. This is likely to generate additional overpayments and improve the potential to close the gap on the overpayment income target, although it is unlikely to get back to pre Covid-19 and budget levels;

- Subsidy is showing an improved surplus of £0.072m in month (£0.595m overall variance against budget) due to reducing overpayments which increases subsidy yield for North Tyneside Council. As per Overpayments income, throughout the rest of the year, the Authority is likely to see this figure return closer to budget levels as pro-active action takes place to check benefit claims; and,
- Debt is being transferred to the Payment Deduction Programme for recovery by the Department for Work and Pensions which is resulting in a decrease in the bad debt provision by a further £0.099m (£0.497m overall) and as lower numbers of overpayments are being created, the bad debt provision has also been reduced. As with Overpayment income, if targeted action planned for later this year produces more overpayments, then the bad debt provision will have to be adjusted accordingly.

4.7.6 Human Resources (HR) & Organisational Development is showing a pressure of £0.094m due to the full year impact of the restructure, which is offset by small operational savings of £0.010m and increased income (£0.062m) from work on the Step-Up Grant and Health and Safety Insurance recharges.

4.7.7 The Chief Executive's office is showing a saving of £0.053m. The saving is due to an underspend on staffing (£0.023m) and reduced spend on supplies and services (£0.029m). The in-month movement is due to a budget re-alignment to create a central budget for Remembrance Services.

4.8 **Law and Governance**

4.8.1 Law and Governance is forecasting a net pressure of £0.240m, a movement of £0.016m since the May report. The pressure reported is after transfer of £0.269m identified Covid-19 costs and £0.060m Covid-19 related savings (see Table 20).

4.8.2 Table 20: Forecast Impact of Covid-19 on Law & Governance for 2020/21

Service Area	Covid Cost Impact July £m	Covid Income Impact July £m	Total Covid Impact July £m	Total Covid Impact May £m	Description
Customer, Governance and Registration	0.000	0.110	0.110	0.095	Registrars – lost income due to reduction in numbers of weddings / civil ceremonies / citizenship ceremonies / duplicate certificate requests (April - July 2020)
	0.000	0.019	0.019	0.019	Registrars – lost income due to reduction in venue usage for weddings (April - July 2020)
Legal Services	0.000	0.063	0.063	0.063	Legal Services (Non-Contract) lost income due to lower property/business transactions
Information Governance	0.000	0.077	0.077	0.077	Land Charges - lost income due to lower property transactions in conjunction with market forces
Democratic and Electoral Services	(0.060)	0.000	(0.060)	0.000	Election Expenses - Expenditure underspend forecast due to no elections taking place
Total	(0.060)	0.269	0.209	0.254	

4.8.3 Table 21: Forecast Variation for Law and Governance

	Budget £m	Forecast July £m	Variance July £m	Of Which Covid- 19 £m	Of Which BAU £m	BAU Variance May £m	BAU Change Since May £m
Customer, Governance and Registration	(0.074)	0.073	0.147	0.129	0.018	0.025	(0.007)
Democratic and Electoral Services	(0.064)	(0.134)	(0.070)	(0.060)	(0.010)	0.006	(0.016)
Information Governance	0.028	0.067	0.039	0.077	(0.038)	(0.016)	(0.022)
Legal Services	(0.135)	0.100	0.235	0.063	0.172	0.155	0.017
North Tyneside Coroner	0.293	0.391	0.098	0.000	0.098	0.086	0.012
Total	0.048	0.497	0.449	0.209	0.240	0.256	(0.016)

4.8.4 Alongside the forecast staffing pressures arising from within Legal Service (£0.172m) and the increased costs of the Coroner Service (£0.098m), there are smaller pressures within Customer, Governance and Registration relating to a forecast shortfall against income targets not related to Covid-19. These are partially mitigated by net operational savings across the service.

4.9 Central Items

4.9.1 The July 2020 business as usual forecast for Central Items is a surplus of £6.171m and is unchanged from the May report. As described in sections 4.1 to 4.8, the income and expenditure pressures relating to Covid-19 within each service area have been transferred into Central Items to be shown against the Covid-19 support grant. Total pressures of £26.890m has been identified across the rest of the General Fund as shown in Table 22 below. This includes expenditure relating to the Track and Trace grant of £1.140m received within Public Health.

4.9.2 Table 22: Summary of Covid-19 Pressures by Service

Service	Total Forecasted Covid-19 Pressure £m
Health, Education, Care and Safeguarding	13.699
Commissioning and Asset Management	4.781
Environment, Housing and Leisure	6.748
Regeneration and Economic Development	0.055
Corporate Strategy	0.072
Chief Executive's Office	0.000
Resources	0.186
Law and Governance	0.209
Public Health (Track and Trace)	1.140
Total Covid-19 pressures transferred to Central Items	26.890
Covid-19 Pressure within Central Items – bad debts	0.300
Covid-19 Pressure within Central Items – items normally recharged to General Fund from HRA	0.359
Allocation of Local Authority Support Grant and specific grants	(16.920)
Central Items Covid-19 Pressure	10.629

4.9.3 As reported in the May report, the total Local Support Grant received from Government to date was £12.531m of which £0.733m was required to offset Covid-19 issues in 2019/20. The remaining £11.798m has been carried forward into 2020/21. A further sum of £1.777m of Local Authority Support Grant was announced in July. In addition, amounts of £2.205m for Infection Control and £1.140m for Track and Trace are also available to offset some of the Covid-19 pressures identified. The total of grants available is therefore £16.920m and is being applied against the forecasted pressures leaving an amount of £10.629m over and above current grant funding. This compares favourably with a gap of £12.060m at May. This pressure is being partially offset by underspends within Central Items outlined in paragraph 4.9.5 below. Table 23 summarises the position within Central Items.

4.9.4 Table 23: Outturn Variation Central Budgets and Contingencies

	Budget £m	Forecast July £m	Variance July £m	Of Which Covid-19 £m	Of Which BAU £m	BAU Variance May £m	Change in BAU since May £m
Corporate & Democratic Core	1.734	1.734	0.000	0.000	0.000	0.000	0.000
Other Central Items	15.006	(6.286)	(21.292)	(15.121)	(6.171)	(6.171)	0.000
Total Central Items	16.740	(4.552)	(21.292)	(15.121)	(6.171)	(6.171)	0.000

- 4.9.5 Within Other Central Items there are several budget areas which are partially offsetting the Covid-19 pressures. Continuing from 2019/20, there are contingency budgets totalling £4.558m including contingencies held for adult and children's social care of £4.416m. Continued savings have been identified in 2020/21 resulting from the application of the Authority's Treasury Management Strategy. There is a forecasted underspend of £1.314m due to interest savings resulting from higher than forecasted cash balances, reduced interest rates and Investment Plan reprogramming. In addition, reprogramming is also forecasted to deliver a credit against Minimum Revenue Provision of £0.279m.

SECTION 5 – THE COLLECTION FUND

- 5.1 This section has been added to the report due to the impact of Covid-19 on the Collection Fund. Whilst the impact is anticipated to be felt in 2020/21, the nature of the Collection Fund means it is important to consider the impact Covid-19 will have on future years with regards to budget setting in 2021/22 and medium-term financial planning.

Members will recall when the budget was set on 20 February 2020, the budgeted Council Tax for 2020/2021 was £114.558m, of which the retained share for the Authority is £100.886m. For Business Rates (NNDR) the net for 2020/2021 is £58.435m; following adjustment for the previous year's deficit position on NNDR, the budget retained share for the Council for 2020/21 is £27.955m. Business Rates income is supplemented by a top-up grant from Government of £20.505m, providing an anticipated combined budgeted income from Business Rates to the Council of £48.460m.

Council Tax

- 5.2 Cabinet are aware that the Council Tax Base is a key figure used in setting the budget and this is affected by the number of domestic properties in the borough, the level of collection rate expected and the number of households claiming Local Council Tax Support (LCTS). For the 2020/21 Budget, the Council Tax Base was agreed by Cabinet on 20 January 2020. This calculation is based on the number of domestic properties as at the end of November before considering the impact of future housing growth, collection rates and LCTS.
- 5.3 The Covid-19 pandemic has already begun to have a number of impacts on the Council Tax position, most notably through the levels of collection (a 0.88% reduction by June 2020 and 1.13% drop by July 2020) and increase in LCTS. Recovery action was restarted, although with a softer approach in August so this position is expected to improve. Table 24 below shows the position of the key statistics through the last seven financial years leading up the budget position set for 2020/21. The statistics show a strong record of growth in the borough combined with a strong collection performance. However, for July 2020, following the impact of Covid-19, the tax base figure is 61,623 which is lower than the budgeted figure of 61,870. The main cause of this has been the increase in the number of LCTS claimants (outlined in 5.4 below). Despite the net collectable debit being higher, increased pressures on collection and increasing LCTS claimants suggest less resources will be generated by the Authority.
- 5.4 Table 25 shows the number of LCTS claimants over a seven-year period. This shows a year on year reduction in the number of claimants in the borough prior to the impact of Covid-19. This impact is shown in the increase seen from the end of 2019/20 to the July position in 2020/21, where the Authority has had an additional 533 claimants, with further claimants expected. A reduced collection rate of 97.5% is now being assumed due to the increased financial difficulties Covid-19 may have had on residents.

Table 24: Council Tax – Performance through the years

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21 Budget	2020/21 End July
No of Domestic Properties	95,059	95,563	96,243	96,752	97,698	98,626	99,558	99,407	99,671
Council Tax Base	53,034	55,400	56,424	56,948	58,202	59,048	60,167	61,870	61,623
Net Collectable Debit £m	81.404	82.842	84.868	89.961	97.737	104.048	110.511	114.558	113.846
In year Collection Rate %	96.5	96.4	96.6	96.5	96.2	95.4	95.0	n/a	n/a
Assumed Collection Rate %	98.5	98.5	98.5	98.5	98.5	98.5	98.5	98.5	n/a

Table 25: Local Council Tax Support Claimants

Financial Year	Working Age	Pensionable Age	Total Claimants
2013/14	11,551	10,656	22,207
2014/15	11,290	10,032	21,322
2015/16	10,937	9,435	20,372
2016/17	10,434	8,891	19,325
2017/18	10,289	8,435	18,724
2018/19	9,633	8,098	17,731
2019/20	9,372	7,800	17,172
2020/21 – End July	9,986	7,719	17,705

- 5.5 The impact of these factors on the Collection Fund position has the potential to push the Council Tax Collection Fund into deficit for 2020/21, which will have a direct impact on available resources for 2021/22.
- 5.6 The Authority has received £2.023m of discretionary funding from Government to support residents who are in financial hardship through Covid-19. This funding came with a clear instruction that Government expected local authorities to provide £150.00 additional Council Tax discount to working age claimants who were in receipt of LCTS. Some claimants did not have that amount of liability which meant that they had nothing to pay in 2020/21, once the discount was awarded. The hardship discount has been paid to 9,985 LCTS recipients at a cost to date of £1.487m.

The guidance from Government states that any new claimants that are awarded LCTS during 2020/21 should also be entitled to up to £150.00 in hardship support. The Authority is anticipating more claimants to come forward once the Government’s furlough scheme comes to an end and there is a potential for job losses if firms either cease trading or reduce staff.

Forecasts at this stage suggest that approximately £0.400m of the grant may be left after all the hardship payments are allocated as the Authority’s Recovery Group workstream on Welfare Support is currently looking at criteria and processes for utilisation of the remaining hardship funding.

Business Rates

- 5.7 Significant changes have been made by Government to Business Rates in response to the Covid-19 pandemic, in an effort to help support businesses during the crisis. One such measure was the introduction of a grant aimed at supporting businesses in the retail, hospitality and leisure sectors, small businesses in receipt of small business rate relief and other organisations such as community associations and sporting clubs during the pandemic. Using records held in the Northgate system, initial estimates were that 3,014 business premises would be eligible to apply for this grant at a cost of £34.270m. At the end of July 2020, the Authority had made payments to 2,756 (91.44%) of the eligible businesses, totalling £31.760m. Payments have continued to be made during August and as at 14 August 2020, payments totalling £32.065m had been made to 2,782 (92.30%) eligible businesses.
- 5.8 Two further discretionary reliefs were introduced, as a response to Covid-19, for Retail Discount and Nursery Discount. At the end of July 2020, these reliefs totalled £27.782m and £0.219m respectively for North Tyneside.
- 5.9 The implications of these reliefs are that the Authority’s net rateable value is reduced, resulting in lower income than budgeted for being generated through Business Rates. Government is compensating Authorities for this through additional Section 31 grants. Section 31 grants are received into the General Fund whereas business rates income retained would be received into the Collection Fund. These extra reliefs will impact the Collection Fund, leaving a greater deficit than expected but a greater S31 surplus will be achieved in the General Fund. The forecasted position for S31 is shown in table 26 below.

Table 26: Section 31 grants in 2020/21

	Budget £m	July Forecast £m	Difference £m
S31 Grant	(4.900)	(17.537)	(12.637)

- 5.10 Other considerations, resulting from the impact of Covid-19, are not only the ability for businesses to recover and continue to operate in the borough but whether demand for premises will change as businesses adjust to increase levels of home working. With large business parks in the borough, such as Cobalt, Quorum and

Balliol this is a particular concern for North Tyneside. Whilst is very difficult currently to forecast the implications on the Rates payable by the impacts on business across the borough for illustrative purposes at this early stage a 10% reduction to the overall nets rate payable has been assumed. A further consideration will be the impact of collection rates which have fallen towards the end of 19/20 and into 20/21.

5.11 **Table 27: Rateable Value and Net Rates Payable by Business Type**

Type	Current Rateable Value £m	Nets Rate Payable (100%) £m	Nets Rates Payable (90%) £m
Shop/Retail	61.012	1.453	1.308
Offices	30.716	12.494	11.245
Industrial	33.107	13.306	11.975
Hospitality	1.721	0.012	0.011
Club/Community/Sports	3.660	0.942	0.847
Others	19.694	6.508	5.857
Total	149.910	34.715	31.243

5.12 **Table 28: Business Rates Collection Rates**

Financial Year	Collection Rate (%)
2014/15	97.99
2015/16	98.50
2016/17	97.76
2017/18	98.90
2018/19	99.70
2019/20	97.60
2020/21 (assumed)	97.83

5.13 The overall implications are that the Collection fund could move into significant deficit for 21/22, some of which will be met by the S31 grant for the reliefs issued in 20/21 and is illustrated in Table 29 below.

Table 29: Summary position for Business Rates

	Difference £m
Additional S31 Grant (table 26)	(12.637)
North Tyneside Projected Deficit	15.328
Additional Deficit	2.691

SECTION 6 - SCHOOLS FINANCE

Schools Monitoring

6.1 Update on School Budgets 2020/21 to 2022/23

6.2 Schools are normally required to submit their rolling three-year budget plan to the Authority by 31 May each year. Due to the impact of Covid-19, the Council exercised discretion to move this deadline to mid-June, allowing schools to provide initial budget plans before making any allowances for falling rolls, headroom or growth funding (as held within the DSG). Table 30 below shows the current three-year impact of the schools' budgets by phase.

6.3 Table 30: School three-year budget plan summary by phase

PHASE	ACTUAL OUTTURN 2019/20 £m	BUDGET PLAN 2020/21 OUTTURN £m	BUDGET PLAN 2021/22 OUTTURN £m	BUDGET PLAN 2022/23 OUTTURN £m
Nursery/ Primary	(4.371)	(2.999)	(3.117)	(2.269)
Middle / High	5.113	9.422	11.563	14.659
Special / PRU	(0.907)	0.266	3.702	7.831
TOTAL	(0.165)	6.689	12.148	20.221

6.4 The initial planned deficit for school balances is budgeted to rise from a £6.689m deficit in 2020/21 to £20.221m in 2022/23. The schools finance team are continuing to work with schools to refine these budget positions and will also be supporting schools' applications for de-delegated funding held centrally to cover schools experiencing falling rolls, requiring a headroom allocation to help bring them out of deficit sooner or schools experiencing growth in rolls where there is a lag in funding. These applications will be considered by a sub-group of Schools Forum and these allocations will be reported back to Cabinet as they are agreed.

School Deficits

6.5 Some individual schools continue to face significant financial challenges. There are twelve schools with a current deficit budget plan for 2020/21. These break down into seven schools with continuing deficits (including two deemed to be in structural deficit) and five schools with a new deficit in 2020/21. An initial deficit review session has been held with each school during May and June 2020, with challenge sessions commencing in July 2020. Before any adjustments identified during the upcoming challenge sessions and the allocation of falling rolls and headroom funding, the total balances of these deficit schools are expected to total £12.597m with individual school deficit values shown in Table 31 below.

6.6 **Table 31: Schools in an expected deficit position 2020/21**

School	Deficit Budget 2019/20 £m	Outturn 2019/20 £m	Deficit Budget 2020/21 £m	Status
Beacon Hill	(0.211)	0.149	(0.699)	In Deficit
Fordley Community	(0.019)	(0.055)		Out of Deficit
Forest Hall Primary	(0.025)	0.001	(0.014)	In Deficit
Holystone Primary	(0.023)	(0.051)	(0.032)	In Deficit
Ivy Road Primary	(0.357)	(0.257)	(0.300)	In Deficit
Longbenton High	(2.195)	(2.092)	(2.610)	In Deficit
Marden High	(0.603)	(0.459)	(0.468)	In Deficit
Monkseaton High	(4.492)	(4.310)	(5.165)	Structural Deficit
Norham High	(2.057)	(2.198)	(3.193)	Structural Deficit
St Aidan's RC Primary	(0.025)	0.001		Out of Deficit
St Bartholomew's C of E	(0.033)	0.004		Out of Deficit
Benton Dene Primary			(0.016)	New Deficit
St Mary's North Shields			(0.033)	New Deficit
Marden Bridge Middle			(0.067)	New Deficit
TOTAL	(10.040)	(9.267)	(12.597)	

6.7 Further work continues with special schools to look at appropriate levels of funding for the needs of their current cohort of pupils. A review of High Needs provision in North Tyneside is also being undertaken and the outcome of this review will be reported to Cabinet in due course.

6.8 As in previous years, the details of schools' balances will be reported to the Department for Education (DfE) through the Consistent Financial Reporting (CFR) return. This return is co-ordinated by the Authority and would normally be submitted by the deadline of July (to coincide with the end of term). Due to the pressures on schools dealing with Covid-19, the revised deadline for completing this return is 25 September 2020. Concerns have been raised nationally with the DfE as many schools will have difficulties meeting this deadline as schools are planning to either close or be on reduced setting from July to September.

6.9 The next in-year monitoring for schools takes place in October and November and will be reported in the November report. This will be the first monitoring report which will give an indication of the pressures schools are experiencing in relation to Covid-19.

Covid-19 Impact on Schools

6.10 Schools across North Tyneside have identified approximately £0.797m of additional costs due to the impact of Covid-19 for March to July. In April, the DfE issued advice that they would be looking to support costs in schools, especially around additional cleaning, keeping schools open outside normal hours and costs

of providing meals. Schools forecasted that costs in these categories would be approximately £0.148m of the £0.797m total impact, with £0.460m due to lost income out of school clubs and other community-led services. DfE have now issued guidelines that significantly reduce the costs that will be covered, leaving schools with a potential £0.650m pressure over the budgeted pressures in 2020/21.

Early Years Block

- 6.11 The Early Years block outturn for 2019/20 was a surplus of £0.432m. Initial indications for 2020/21 show that services can be delivered within the budget available.

Covid-19 Impact on Early Years

- 6.12 The worst-case forecasted impact on funding for Early Years settings was initially estimated to be £0.300m. This was to assist settings that were open to cover costs of supporting children from closed settings, assuming most children would still be attending settings. In practice, open Early Years settings are only applying for additional funding where they are taking in children over their normal numbers (which is mainly impacting on child-minding services rather than nurseries). Due to this managed approach the additional impact on funding is expected to be less than £0.020m.

High Needs Block

- 6.13 Cabinet will recall that the High Needs block reported an expected in-year pressure of £1.943m, a cumulative pressure of £6.485m. Cabinet should note that the High Needs block forms part of the Dedicated Schools Grant (DSG) which is ring-fenced and does not form part of the General Fund.
- 6.14 The forecast for the High Needs Block is now an anticipated in-year pressure of £2.470m reflecting a further rise in demand for special school places within the Authority. This will give a £7.012m cumulative balance at the end of the year. A breakdown of the revised in-year pressure is shown in Table 32 below:

6.15 Table 32: Breakdown of High Needs Pressures at July 2020

Provision	Budget £m	Variance July £m	Comment	Variance May £m
Special schools and PRU	13.000	1.627	Pressure on places for children with profound, Multiple Learning Difficulties, Social Emotional and Mental Health problems and Autism Spectrum Disorder	1.217
ARPs/Top ups	4.005	0.507	Pressures in pre 16 top ups e.g. Norham ARP, Melrose ARP	0.497
Out of Borough	2.165	0.301	Increased number of children placed outside North Tyneside Schools	0.227
Commissioned services	3.957	0.035		0.002
Subtotal	23.127	2.470		1.943
2019/20 Balance		4.542		4.542
Subtotal	23.127	7.012		6.485

Autumn Term School Finance Plan

6.16 The Authority is continuing to work with schools and the Schools Forum to review the modelling of the conversion of the Authority's Local Funding Formula towards the National Funding Formula. In addition Schools Forum have been asked to consider the introduction of a Growth Fund Policy to support schools with increasing pupil numbers due to bulge classes or increases in pupil published admission numbers (PAN) as approved by the Authority. The process will continue in line with the key milestones outlined in Table 33 below:

6.9 **Table 33: Process to Agree the Schools Allocation Formula and Growth Policy for 2020/21**

	Detail	Timescales
1	Review of the current Local Funding Formula (LFF)	Complete
2	Scenario modelling for potential LFF changes for 2021/22	Complete
3	Draft Growth Fund Policy to Schools Forum	8 September 2020
4	Liaise with Schools Forum Finance Sub Group <ul style="list-style-type: none"> • LFF recommendations for consultation • Agree Growth Fund Policy • Schools in Financial Difficulty eligibility criteria review 	September 2020
5	Schools Forum to receive recommendations in relation to LFF, Growth Fund Policy and Schools in Financial Difficulty Policy	1 October 2020
6	LFF Consultation	5 October 2020 – 1 November 2020
7	Schools Forum – agree LFF recommendations to Cabinet	8 November 2020
8	Delegated decision for LFF – Cabinet	January 2021
9	The Authority submits individual school allocations based on the agreed formula to the DfE	January 2021

SECTION 7 - HOUSING REVENUE ACCOUNT

Forecast Outturn

7.1 The forecast set out in Table 34 below is based on the results to July 2020. Currently the HRA is forecasting a saving against budget of £1.314m before the impact of identified HRA Covid-19 costs and a £0.602m pressure after including Covid-19 costs. Throughout the year costs will be monitored closely across all areas, but with additional focus on Rent Arrears and the related impact on the bad debt provision, rental income, Council Tax voids and staffing vacancies, which could lead to further improvements in the forecast position.

7.2 Table 34: Forecast Variance Housing Revenue Account

	Budget £m	Current Forecast £m	Current Variance £m	Last cabinet report £m
HRA Management Costs	10.227	10.076	(0.151)	(0.159)
HRA Repairs	12.247	11.534	(0.713)	(0.966)
HRA Other Costs	40.415	40.415	0.000	0.000
HRA - Rental Income	(60.299)	(60.749)	(0.450)	0.000
Total before Covid-19 pressures	2.590	1.276	(1.314)	(1.125)
HRA Covid-19 pressures	0.000	1.916	1.916	1.729
Total after HRA Covid-19 pressures	2.590	3.192	0.602	0.604

7.3 The £1.916m Covid-19 costs for HRA mainly relate to unproductive workforce costs resulting from restrictions during lockdown, but also include costs from lost rental income due to properties not being available to let and the costs of PPE. In addition, HRA services have identified costs relating to the general fund. The increase in Covid-19 pressures since the May report is mainly due to an increase in the bad debt provision of £0.150m.

7.4 Table 35: Forecast Impact of Covid-19 on HRA for 2020/21

Service Area	Covid Cost Impact July £m	Covid Income Impact July £m	Total Covid Impact July £m	Total Covid Impact May £m	Description
HRA – PPE	0.085	0.000	0.085	0.095	HRA PPE and Staff involved in procuring, receiving, packaging and delivering PPE for the entire authority being acquired as a direct result of the Covid-19 Pandemic - HPC Stores staff, Procurement staff and staff driving vans for delivery.
HRA - Other	0.022	0.145	0.167	0.069	Losses from increased numbers of empty homes and matched properties that cannot be let (Rent and Council tax)
HRA – Workforce	1.514	0.000	1.514	1.565	Costs of carrying unproductive staff resource and related support costs during downtime, for staff delivering HRA-related work
HRA – Other	0.150	0.000	0.150	0.000	Increased requirement for Bad Debt Provision as a result of increased arrears
Total	1.771	0.145	1.916	1.729	

7.5 Rental income is currently performing ahead of target. Dwellings rent figures are forecasted to perform ahead of budget (£0.200m) due to an improvement in the empty homes position across both general needs and sheltered accommodation; Service charge income is currently forecasted to also perform ahead of budget (£0.050m) due to the improved income in Sheltered Accommodation resulting from the lower than forecast empty homes position. There was a slight rise in the number of empty homes early in the period due to the suspension of works resulting from Covid-19 restrictions, but these works have now recommenced, and

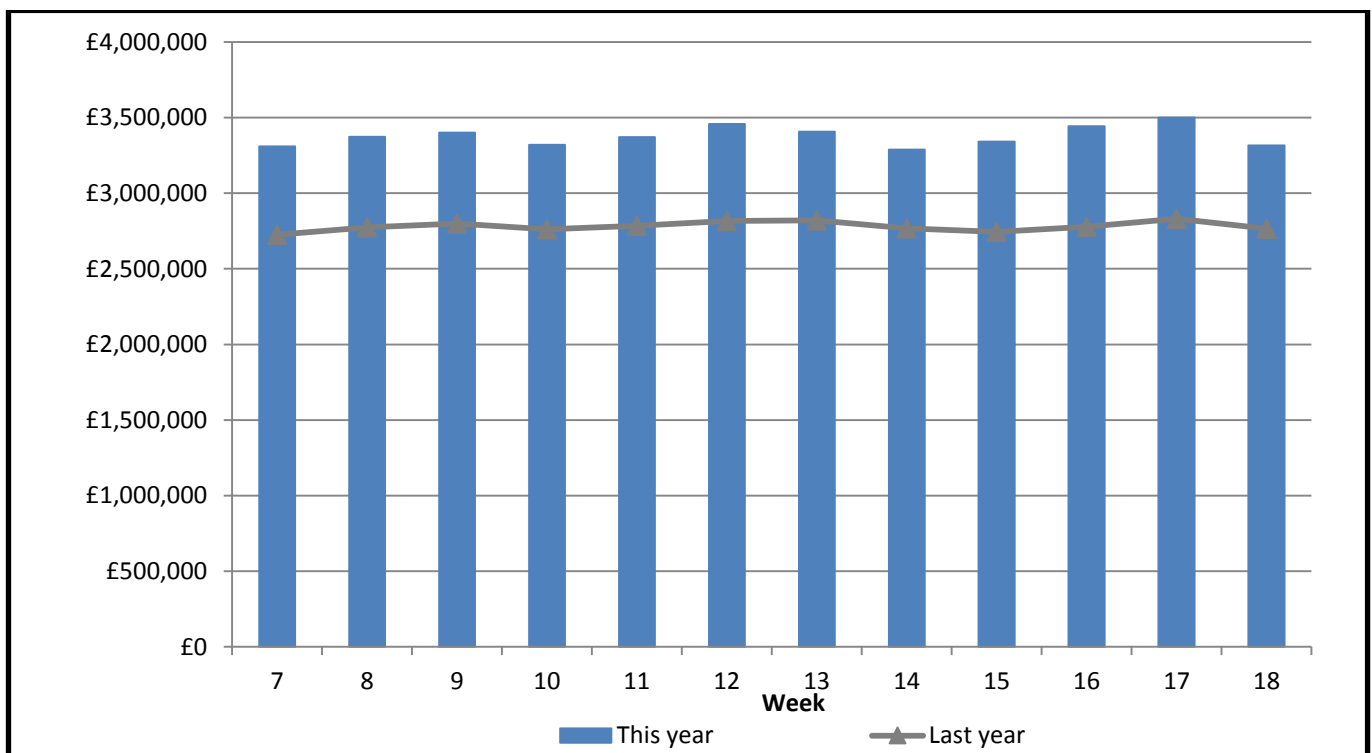
work is being accelerated. Therefore, the current rental forecasts could continue to improve as the year progresses. However, some of this improved position has been offset by the continuing impact of Universal Credit, coupled with Covid-19 which has resulted in a forecasted increase in the Bad Debt Provision of £0.150m above budget. There has also been an increased Council Tax void costs (£0.022m) due to the initial rise in empty properties along with the budgeted empty property assumptions for the remainder of 2020/21. All of these will continue to be closely monitored throughout the year.

7.6 It is anticipated that savings in management costs will be realised due to delays in recruitment to several vacancies as a result of the Covid-19 pandemic. The recruitment to these vacancies could result in further savings if posts are recruited internally within the HRA. There are also forecasted savings, once Covid-19 costs have been removed, within Repairs. This represents the impact of Covid-19 and the fact that most areas of the in-house construction service were stood down during the initial months of 2020/21 and as a result, have not been incurring costs for materials.

Rent Arrears

7.7 The impact of rent arrears has risen in the first two months of 2020/21 as compared to 2019/20. Chart 7 below shows the value of rent arrears in 2020/21 compared to the same period in 2019/20. A team is working proactively with tenants to minimise arrears, and this is being closely monitored as the year progresses to identify any adverse impacts on the budget position. For the past two years there has been a pressure on the bad debt provision (the prior 15 years had seen no such pressure), which was mainly in relation to changes caused by Universal Credit.

7.8 **Chart 7: Rent Arrears in Weeks 7-18 (May-July) 2020/21 compared to 2019/20**

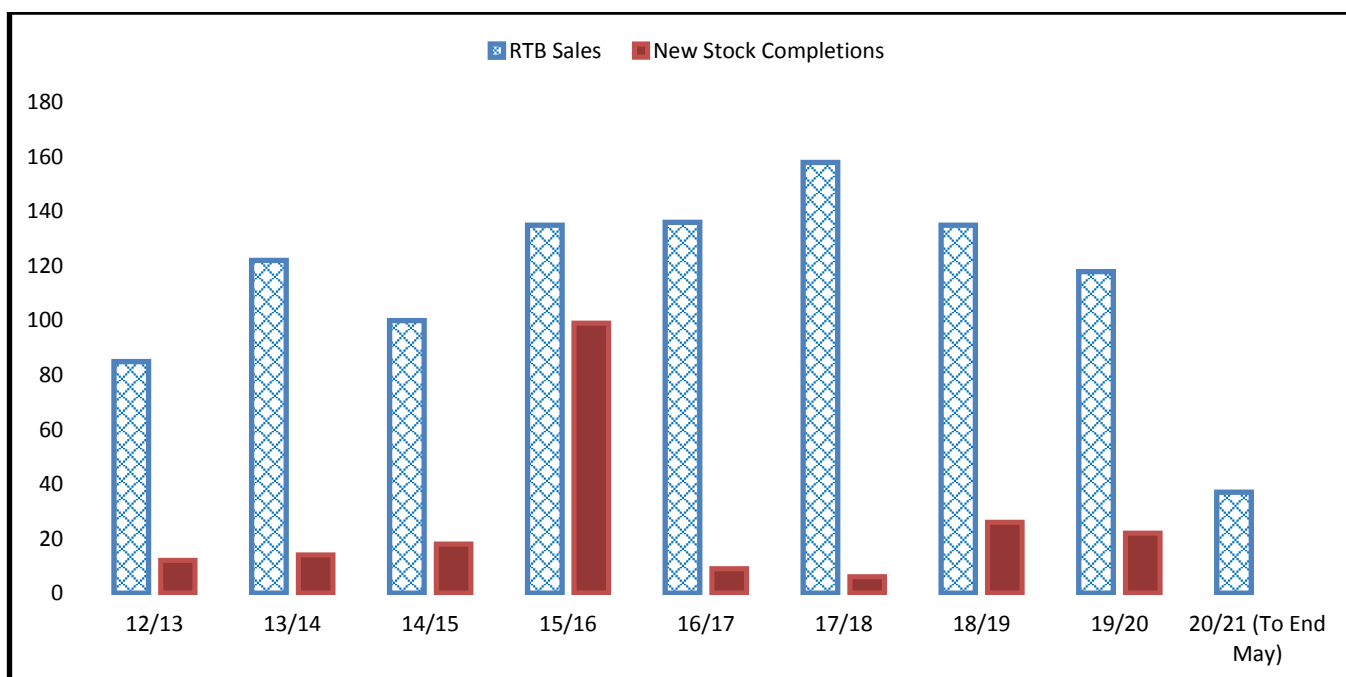


7.9 Universal Credit was fully implemented across North Tyneside on 2 May 2018. The Authority continues to work with residents to provide ICT support to help them make applications and to provide personal budget support to help residents manage their household finances. At 30 March 2020, there were 3,417 tenants of North Tyneside Homes on Universal Credit with arrears totalling £2.033m. At 10 August 2020 there were 3,913 tenants on Universal Credit (increase of 496 tenants) with related arrears of £2.245m (increase of £0.212m).

Right to Buy (RTB) Trends

7.10 The impact of RTB is critical to long-term planning for the HRA. Prior to the introduction of self-financing in 2012, average RTB sales had dropped to around 25 per annum, mainly due to the capped discount (£0.022m) which had remained static as property values had increased, making RTB less attractive financially to tenants. Shortly after self-financing began, Central Government announced a change to RTB significantly increasing the maximum discount, initially to £0.075m and then subsequently annual inflation was added to the maximum. Chart 8 below shows the trend in RTB sales since that time.

7.11 Chart 8: Trend in Right to Buy Sales



SECTION 8 - INVESTMENT PLAN

Review of Investment Plan - Position Statement

8.1 The Authority's Investment Plan represents the capital investment in projects across all Service areas. Officers will continue to plan the delivery of those key projects included within the 2020/21 Investment Plan and regularly review the impact of Covid-19. The variations shown in paragraphs 8.8 through to 8.10 below include the expected impact of Covid-19 on the delivery and financing of the Investment Plan at this stage. This position is being regularly reviewed and any further changes will continue to be reported through the budget monitoring process.

Some of the key highlights of the Investment Plan due to be delivered during 2020/21 are summarised below:

Affordable Homes New Build and Conversion Works

8.2 There are currently 3 affordable home projects that will progress during 2020/21, these include:

- The construction of 3 new affordable homes at Edwin Grove, Howdon;
- The construction of 12 new affordable homes on the former site of the Cedars, North Shields;
- The construction of 9 new affordable homes on the former site of Bawtry Court, Battlehill; and,
- In addition to the above projects that will be complete in year there will be a number of other schemes progressed through the design, planning and procurement process during 2020/21 that will subsequently complete in future financial years.

Housing Investment Work

8.3 The Housing Capital delivery programme will see the following works delivered across the borough during 2020/21:

- Kitchens and bathrooms to 541 homes;
- Heating upgrades to 600 homes;
- Electrical upgrades to 50 homes;
- Boundary improvements to 1,035 homes;
- Roof replacements to 334 homes;
- External Brickwork Repairs to 245 homes;
- External refurbishment works to 9 non-traditional homes;
- Damp Proof Course restoration works to 18 homes;
- Footpath repairs throughout the borough; and,
- Fire door replacement to 344 flats within communal blocks.

Education Investment Works

8.4 Delivery of the priority condition related projects across the school estate as part of the Schools Condition Investment Programme.

Asset Investment works

- 8.5 Delivery of the priority condition related projects across the asset property estate as part of the Asset Condition Investment Programme.

Highways and Infrastructure Works

- 8.6 The main Highways & Infrastructure works include:
- Delivery of the LTP, including the annual resurfacing programme and integrated transport projects. Larger projects will include the construction phase of the Pier Road stabilisation scheme and the demolition of Borough Road Bridge;
 - Delivery of the Additional Highway Maintenance Programme including footway improvements in line with the Mayor's priorities; and,
 - Construction of the Southern Promenade sea wall scheme.

Regeneration Works

- 8.7 Regeneration Works for 2020/21 include:
- Swans – the next phase consists of:
 - CFI Phase 2 – completion of works; and,
 - Sale of the Swans site.
 - North Shields – a grant from Historic England for the North Shields Heritage Action Zone scheme for Northumberland Square and Howard Street. The scheme will have a total project value of £1.900m. The consultation draft masterplan was approved by Cabinet on 3 August 2020. Engagement will take place late summer/autumn 2020.

Variations to the 2020-2025 Investment Plan

- 8.8 Variations of £2.872m to the Investment Plan and net reverse reprogramming of £1.576m have been identified and are included in tables 36 and 37 below. Further details are provided in paragraph 8.9:

8.8.1 **Table 36: 2020 - 2025 Investment Plan changes identified**

	2020/21 £m	2021/22 £m	2022/23 £m	2023-25 £m	Total £m
Approved Investment Plan – Council 3 February 2020	67.307	50.773	41.303	84.937	244.320
Previously Approved Reprogramming/Variations					
2019/20 Monitoring	8.866	4.000	0.000	0.000	12.866
2019/20 Outturn	6.751	0.000	0.000	0.000	6.751
August 20 Cabinet	(8.828)	12.089	0.738	0.272	4.271
Approved Investment Plan	74.096	66.862	42.041	85.209	268.208
Jun/Jul 20 Monitoring Variations					
Variations	1.123	1.665	0.028	0.056	2.872
Reprogramming	1.576	(1.576)	0.000	0.000	0.000
Total Variations	2.699	0.089	0.028	0.056	2.872
Revised Investment Plan	76.795	66.951	42.069	85.265	271.080

8.9 Details of the variations and reprogramming are shown below:

- (a) **CO083 Whitley Bay Crematoria £1.175m reprogramming** – The project has been pushed back due to the Covid-19 pandemic and the potential implications this may have for decommissioning the cremators. The cremator replacement programme is now expected to be completed in 2021/22;
- (b) **DV064 Council Property Investment £0.060m** – Due to the impact of Covid-19 there has been some delay bringing forward pipeline sites including Backworth and Tynemouth Library resulting in reprogramming of £0.060m to 2021/22 to reflect the expected start on site;
- (c) **DV066 Investment in North Tyneside Trading Company £1.074m** – Covid-19 has delayed the purchasing of sites from the Authority and the commencement of associated development works. This has resulted in reprogramming of £1.074m;
- (d) **DV067 Northern Promenade £0.684m** – Proposals for phase 1 improvements have been submitted to the Investment Project Board. They include upgrading and modernising the Rendezvous café external area, including re-modelling the public toilets and re-surfacing the car park and the promenade around the Rendezvous area. The expected cost of the project is £1.024m. There is already £0.340m budget set aside, this variation is to transfer £0.350m from the Ambition for North Tyneside fund and to add in Section 106 funding £0.334m that has been identified towards this scheme;
- (e) **DV073 Ambition for North Tyneside £2.158m credit** – This variation is to reflect the transfer of £0.350m funding to support the Northern Promenade project and the transfer of £1.808m for the North Shields Housing Action Zone to its own project code;

- (f) **DV075 Town & Neighbourhood Centres £0.101m** – The authority has been awarded £0.184m of ERDF funding of which £0.101m is to be used for capital purposes. This funding is to allow local authorities to put in place additional measures to establish a safe trading environment for businesses and customers in our high streets and Neighbourhood shopping areas;
- (g) **ED132 Schools Capital Allocation £1.637m** – Central Government recently announced an additional £560m for repairs and upgrades to school buildings, on top of funding already allocated this year. This has been allocated through school condition allocations and the Condition Improvement Fund and is to help the recovery from the pandemic. North Tyneside’s allocation is £1.637m. It is unlikely that the additional grant will be spent in 2020/21 as any works during term time would cause significant disruption to our schools, so the grant has been allocated to 2021/22 to allow to identify and finalise the priority projects;
- (h) **EV034 Local Transport Plan £0.494m** – Section 106 developer funding £0.354m was obtained from two residential developments in the Newcastle City Council area near the boundary with North Tyneside. This is to be used to improve the Coach Lane junction by introducing a signalized junction. Also, £0.140m (£0.028m per annum) has been added to reflected funding from Nexus for public transport improvements;
- (i) **EV095 Emergency Active Travel Tranche £0.306m** – The Department for Transport (DfT) announced a £250m Covid-19 Emergency Active Travel Fund (EATF) which seeks to respond to the Covid-19 pandemic and associated reduction in public transport capacity, and support businesses in the recovery period, by providing measures which can be installed quickly to create a safer environment for cycling and walking. The EATF Tranche 1 measures in North Tyneside were implemented by 1 July 2020 and their effectiveness is being kept under review. These include the introduction of a two-way cycle track alongside one-way general traffic flow along the seafront between Tynemouth and Whitley Bay; reserving streets for cycling and walking only at Park View in Whitley Bay, the Fish Quay in North Shields and High Street West in Wallsend; and making extra pedestrian space to support social distancing on Front Street in Tynemouth; and,
- (j) **HS015 Refurbishment / Decent Homes Improvements £3.885m reverse reprogramming** – As part of the Housing and Construction Recovery Workstream the Authority has reviewed its Housing Capital Plan to assess what is able to be delivered prior to the end of the financial year. This includes a range of work that has been brought forward (accelerated) from next year’s plan and will be delivered this year to help meet expenditure targets and deliver improvements earlier than expected to some of our homes. Therefore, it is necessary to reverse previously reported reprogramming to finance the improvements.

8.10 The impact of the changes detailed above on capital financing is shown in table 37 below.

8.10.1 Table 37: Impact of variations on Capital financing

	2020/21 £m	2021/22 £m	2022/23 £m	2023-25 £m	Total £m
Approved Investment Plan	74.096	66.862	42.041	85.209	268.208
Council Contribution	(2.309)	2.309	0.000	0.000	0.000
Grants and Contributions	1.123	1.665	0.028	0.056	2.872
HRA Capital Receipts	0.298	(0.298)	0.000	0.000	0.000
HRA Revenue Contribution	3.587	(3.587)	0.000	0.000	0.000
Total Financing Variations	2.699	0.089	0.028	0.056	2.872
Revised Investment Plan	76.795	66.951	42.069	85.265	271.080

Capital Receipts – General Fund

8.11 General Fund Capital Receipts brought forward at 1 April 2020 were £1.773m. The capital receipts requirement for 2020/21, approved by Council on 3 February 2020, was £0.423m (2020-25 £1.100m). To date, £0.524m capital receipts have been received in 2020/21, of which £0.356m will be used to repay capital loans. The receipts position is shown in table 38 below.

8.11.1 Table 38: Capital Receipt Requirement – General Fund

	2020/21 £m	2021/22 £m	2022/23 £m	2023-25 £m	2020-25 Total £m
Requirement reported to February 2020 Council	0.423	0.423	0.254	0.000	1.100
Receipts Brought Forward	(1.773)	(1.518)	(1.095)	(0.841)	(1.773)
Total Receipts received 2020/21	(0.524)	0.000	0.000	0.000	(0.524)
Receipts used to repay capital loans	0.356	0.000	0.000	0.000	0.356
Net Useable Receipts	(0.168)	0.000	0.000	0.000	(0.168)
Surplus Receipts	(1.518)	(1.095)	(0.841)	(0.841)	(0.841)

Capital receipts – Housing Revenue Account

8.12 Housing Capital Receipts brought forward at 1 April 2020 were £8.313m. The housing receipts are committed against projects included in the 2020-2025 Investment Plan. The approved Capital Receipt requirement for 2020/21 was £3.117m. This, together with the reprogramming and variations reported to Cabinet, gives a revised requirement of £0.727m. To date, receipts of £1.714m have been received in 2020/21 of which £0.469m has been pooled as part of the quarterly returns to Central Government. In total, subject to future pooling, this leaves a surplus balance of £8.831m to be carried forward to fund future years.

8.12.1 Table 39: Capital Receipt Requirement - Housing Revenue Account

	2020/21 £m	2021/22 £m	2022/23 £m	2023-25 £m	2020-25 £m
Requirement reported to February 2020 Council	3.117	3.329	2.970	6.990	16.406
Reprogramming 2019/20 Outturn	0.167	0.000	0.000	0.000	0.167
Reprogramming 2020/21	(1.702)	1.702	0.000	0.000	0.000
Variation 2020/21	(0.855)	(0.855)	(0.855)	0.000	(2.565)
Revised Requirement	0.727	4.176	2.115	6.990	14.008
Receipts Brought Forward	(8.313)	(8.831)	(4.655)	(2.540)	(8.313)
Receipts Received 2020/21	(1.714)	0.000	0.000	0.000	(1.714)
Receipts Pooled Central Government	0.469	0.000	0.000	0.000	0.469
(Surplus)/ Balance To be generated to fund future years (subject to further pooling)	(8.831)	(4.655)	(2.540)	4.450	4.450

The final figure for useable receipts and pooled receipts in year will depend on the final number of Right to Buy properties sold during 2020/21.

Investment Plan Monitoring Position to 31 July 2020

8.13 Actual expenditure for 2020/21 in the General Ledger was £5.154m; 6.71% of the total revised Investment Plan at 31 July 2020. This is after adjusting for £0.237m of accruals relating to 2019/20 expenditure.

8.13.1 Table 40: Total Investment Plan Budget & Expenditure to 31 July 2020

	2020/21 Revised Investment Plan £m	Actual Spend to 31 July 2020 £m	Spend as % of revised Investment Plan %
General Fund	51.568	4.743	9.20%
Housing	25.227	0.411	1.63%
TOTAL	76.795	5.154	6.71%

SECTION 9 – TREASURY MANAGEMENT & CASH POSITION

Current Cash Position

9.1 As at month end the Authority had £5.000m invested on an instant access basis with Lloyds Bank and with £53.000m invested externally with other UK Local Authorities. There was no investment with the DMO over month end due to the low balances.

9.2 Table 41: Investment Position as at 31/07/2020

Counterparty	Type	Amount (£m)	Maturity
Barclays Bank	Current	2.200	n/a
DMO	Term	0.000	n/a
Lloyds Bank	Call	5.000	Call
Inter – LA	Fixed	53.000	25 January 2021*

**This is the last maturity of this tranche.*

9.3 Short-term cash investment rates are amongst all-time lows and an opportunity has been taken to maximise investment returns by investing longer and locking in investment returns by undertaking forward dated transactions. As a result, the Authority has locked in £0.153m in interest income to be received by year end.

9.4 The approach of maintaining low cash balances has been part of the strategy for a number of years and has generated substantial savings year on year. The government's Debt Management Office (DMO) and other deposit investment rates are currently paying 0.01%, taking into account CHAPS transfers fees and principal invested, it can cost the Authority to invest surplus cash. Therefore, the Authority is investing longer to reduce transactional costs as well as maximise returns. The temporary borrowing market is currently very liquid with significant cash available at very low rates. A summary of rates available is shown in table 42 below. PWLB rates also continue to remain low due to low Gilt yields, which they are tracked against.

9.5 Table 42: Summary of Borrowing Levels

Temporary Market		PWLB	
Tenor	Level	Tenor	Level
1 week	0.01%	2 years	1.92%
1 month	0.01%	5 years	1.87%
3 months	0.03%	10 years	2.11%
6 months	0.15%	20 years	2.60%
9 months	0.35%	30 years	2.64%
12 months	0.30%	50 years	2.49%

9.6 Any shortfalls in cashflow are covered by in year temporary borrowing, which is a quick and cost-effective method of cash management in the current environment.

Borrowing Position

9.7 Table 43 shows the Authority's current debt position, with total borrowing maturing in 2020/21 of £64.470m.

Table 43: Current Debt Position

	PWLB (£m)	LOBO (£m)	Temp (£m)	Total (£m)
Total Outstanding Borrowing Debt	398.443	20.000	68.610	487.053
Debt Maturing 2020/21	1.000	10.000	53.470	64.470

**£10.000m LOBO has a call date in 2020/21 and subject to agreement between the Authority and the lender, the LOBO can be repaid. It is unlikely that the lender will call due to the current spread on interest rates vs Bank of England base rate.*

Covid-19 Impact on Cash

9.8 The impact of Covid-19 on cashflow for the Authority has resulted in several large grants being front loaded to the Authority. In March 2020, the Authority drew down £25.000m of PWLB to bolster the Authority's cash position, de-risk our borrowing requirement and take advantage of historically low levels in PWLB, and by doing so has contributed to the surplus cash balance. Whilst a proportion of this is currently invested out for a fixed term, the Authority is currently carrying a cash surplus balance. However, it is anticipated this surplus will unwind as Covid-19 restrictions are reduced. Projected reduced revenue streams, increased costs and repayment of outstanding debt is forecast to utilise cash balances within the year. It is therefore prudent to assume the Authority will be in a deficit cash position to the amount of the projected budget pressure.

The Authority is under-borrowed to the value of £57.655m as at 31 March 2020, and whilst the Authority cannot borrow to fund this revenue pressure, it can look to utilise reserves, unwind its under-borrowed position and externalise borrowing.

Fu nd	Then	Project	Financing Type	Year					Total £000
				2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	
General Fund									
Maintaining Our Assets									
BS026 Asset Planned Maintenance									
			Council Contribution	1,691	1,500	1,500	1,500	1,500	7,691
			Football Foundation Grant	17	0	0	0	0	17
			Section 106	12	0	0	0	0	12
			Contribution from Reserves (Insurance)	367	0	0	0	0	367
			Contribution from Reserves (Leisure)	251	0	0	0	0	251
BS026 Asset Planned Maintenance Total				2,338	1,500	1,500	1,500	1,500	8,338
BS029 Wallsend Customer First Centre									
			Council Contribution	488	0	0	0	0	488
			Public Health England	384	0	0	0	0	384
			Northumbria Violence Reduction Unit Interve	76	0	0	0	0	76
BS029 Wallsend Customer First Centre Total				948	0	0	0	0	948
CO076 Lockey Park Environmental and Play Improvements									
			Section 106	23	0	0	0	0	23
CO076 Lockey Park Environmental and Play Improvements Total				23	0	0	0	0	23
CO080 Burradon Recreation Ground									
			Council Contribution	336	0	0	0	0	336
			Section 106	171	0	0	0	0	171
CO080 Burradon Recreation Ground Total				507	0	0	0	0	507
CO082 Sport and Leisure Facility Improvements									
			Contribution from Reserves (Leisure)	80	0	0	0	0	80
CO082 Sport and Leisure Facility Improvements Total				80	0	0	0	0	80
CO083 Whitley Bay Crematoria									
			Council Contribution	366	1,175	0	0	0	1,541
CO083 Whitley Bay Crematoria Total				366	1,175	0	0	0	1,541
CO084 Rising Sun Sports Ground2									
			Section 106	22	0	0	0	0	22
CO084 Rising Sun Sports Ground2 Total				22	0	0	0	0	22
ED075 Devolved Formula Capital									
			Education Funding Agency (Devolved)	1,463	1,079	579	579	579	4,279
			Education Funding Agency (30 Hours)	60	0	0	0	0	60
ED075 Devolved Formula Capital Total				1,523	1,079	579	579	579	4,339
ED120 Basic Need									
			Education Funding Agency (Basic Need)	277	2,014	113	113	113	2,630
ED120 Basic Need Total				277	2,014	113	113	113	2,630
ED132 School Capital Allocation									
			Education Funding Agency (SCA)	3,535	5,171	3,534	3,534	3,534	19,308
ED132 School Capital Allocation Total				3,535	5,171	3,534	3,534	3,534	19,308
ED186 Backworth Park Primary									
			Council Contribution	-800	0	0	0	0	-800
			Section 106	800	0	0	0	0	800
ED186 Backworth Park Primary Total				0	0	0	0	0	0
EV034 Local Transport Plan									
			Dept for Transport LTP ITA	958	958	958	958	958	4,790
			Dept for Transport LTP Maint	2,427	2,000	2,000	2,000	2,000	10,427
			Section 106	650	90	0	0	0	740
			Public Transport Funding	28	28	28	28	28	140
EV034 Local Transport Plan Total				4,063	3,076	2,986	2,986	2,986	16,097
EV055 Surface Water Improvements									
			Environment Agency Grant	364	0	0	0	0	364
			NWL Contribution	40	0	0	0	0	40
EV055 Surface Water Improvements Total				404	0	0	0	0	404
EV056 Additional Highways Maintenance									
			Council Contribution	2,101	2,000	2,000	2,000	2,000	10,101
EV056 Additional Highways Maintenance Total				2,101	2,000	2,000	2,000	2,000	10,101

Fund	Year	Project	Financing Type	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Ger Maintaining Our Assets									
		EV069 Vehicle Replacement							
			Council Contribution	895	1,274	762	1,248	0	4,179
		EV069 Vehicle Replacement Total		895	1,274	762	1,248	0	4,179
		EV095 Emergency Active Travel Tranche 1							
			Dept for Transport Covid19 Emergency Travel	306	0	0	0	0	306
		EV095 Emergency Active Travel Tranche 1 Total		306	0	0	0	0	306
		IT020 ICT Strategy							
			Council Contribution	1,102	1,000	1,000	1,000	1,000	5,102
		IT020 ICT Strategy Total		1,102	1,000	1,000	1,000	1,000	5,102
		Maintaining Our Assets Total		18,490	18,289	12,474	12,960	11,712	73,925
Corporate									
		EV076 Operational Depot Accommodation Review							
			Council Contribution	3,909	551	0	0	0	4,460
			ERDF	2,089	551	0	0	0	2,640
		EV076 Operational Depot Accommodation Review Total		5,998	1,102	0	0	0	7,100
		GEN03 Contingencies							
			Council Contribution	5,276	500	500	500	500	7,276
		GEN03 Contingencies Total		5,276	500	500	500	500	7,276
		Corporate Total		11,274	1,602	500	500	500	14,376
Education									
		ED189 School Nursery Capital Fund							
			Education Funding Agency (Devolved)	25	0	0	0	0	25
			Education Funding Agency (SNCF)	77	0	0	0	0	77
		ED189 School Nursery Capital Fund Total		102	0	0	0	0	102
		Education Total		102	0	0	0	0	102
Housing General Fund									
		DV064 Council Property Investment							
			Council Contribution	1,678	60	0	0	0	1,738
		DV064 Council Property Investment Total		1,678	60	0	0	0	1,738
		HS004 Disabled Facilities Grant							
			Better Care Fund	810	2,281	0	0	0	3,091
		HS004 Disabled Facilities Grant Total		810	2,281	0	0	0	3,091
		HS051 Private Sector Empty Homes							
			Council Contribution	106	393	393	0	0	892
			Homes & Communities Grant	258	0	0	0	0	258
		HS051 Private Sector Empty Homes Total		364	393	393	0	0	1,150
		Housing General Fund Total		2,852	2,734	393	0	0	5,979
Investments									
		DV066 Investment in North Tyneside Trading Co							
			Council Contribution	2,934	1,074	0	0	0	4,008
			Section 106	620	0	0	0	0	620
		DV066 Investment in North Tyneside Trading Co Total		3,554	1,074	0	0	0	4,628
		Investments Total		3,554	1,074	0	0	0	4,628
Regeneration									
		CO079 Playsites 2019/20							
			Section 106	50	0	0	0	0	50
		CO079 Playsites 2019/20 Total		50	0	0	0	0	50
		DV054 Spanish City Dome							
			Council Contribution	2	0	0	0	0	2
		DV054 Spanish City Dome Total		2	0	0	0	0	2
		DV058 Swan Hunters Redevelopment							
			Council Contribution	232	0	0	0	0	232
		DV058 Swan Hunters Redevelopment Total		232	0	0	0	0	232
		DV067 Northern Promenade							

Fund	Year	Project	Financing Type	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Ger Rege	DV067	Northern Promenade	Council Contribution	340	0	0	0	0	340
			Section 106	334	0	0	0	0	334
			Capital Receipts	350	0	0	0	0	350
		DV067 Northern Promenade Total		1,024	0	0	0	0	1,024
		DV068 Southern Promenade							
			Environment Agency Grant	626	0	0	0	0	626
		DV068 Southern Promenade Total		626	0	0	0	0	626
		DV072 Royal Quays Enterprise Park							
			Council Contribution	2,500	7,800	0	0	0	10,300
		DV072 Royal Quays Enterprise Park Total		2,500	7,800	0	0	0	10,300
		DV073 Ambition for North Tyneside							
			Council Contribution	849	864	654	1,225	2,000	5,592
			Capital Receipts	73	423	254	0	0	750
			Revenue Contribution (??)	577	577	746	500	0	2,400
			Historic England - Heritage Action Zone	0	0	0	0	0	0
		DV073 Ambition for North Tyneside Total		1,499	1,864	1,654	1,725	2,000	8,742
		DV074 North Shields Housing Action Zone (Ambition)							
			Council Contribution	151	136	346	275	0	908
			Historic England - Heritage Action Zone	149	134	345	272	0	900
		DV074 North Shields Housing Action Zone (Ambition) Total		300	270	691	547	0	1,808
		DV075 Town & Neighbourhood Centres (Ambition)							
			ERDF	101	0	0	0	0	101
		DV075 Town & Neighbourhood Centres (Ambition) Total		101	0	0	0	0	101
		EV084 A189 Improvements Haddricks Mill to West Moor							
			DFT National Productivity Fund	302	0	0	0	0	302
			Section 278	1,554	0	0	0	0	1,554
		EV084 A189 Improvements Haddricks Mill to West Moor Total		1,856	0	0	0	0	1,856
		EV087 Air Quality Early Measures Fund							
			Transforming Cities Fund	7	0	0	0	0	7
		EV087 Air Quality Early Measures Fund Total		7	0	0	0	0	7
		EV088 Tyne View Terrace Cycleway							
			Transforming Cities Fund	8	0	0	0	0	8
		EV088 Tyne View Terrace Cycleway Total		8	0	0	0	0	8
		EV090 S278 Avant Homes at Killingworth Village							
			Section 278	66	0	0	0	0	66
		EV090 S278 Avant Homes at Killingworth Village Total		66	0	0	0	0	66
		EV094 Transforming Cities Tranche 22							
			Transforming Cities Fund	200	0	0	0	0	200
		EV094 Transforming Cities Tranche 22 Total		200	0	0	0	0	200
		GEN12 Local Infrastructure							
			Council Contribution	176	100	100	100	100	576
		GEN12 Local Infrastructure Total		176	100	100	100	100	576
		HS052 Killingworth Moor Infrastructure							
			Housing Infrastructure Fund	6,000	4,000	0	0	0	10,000
		HS052 Killingworth Moor Infrastructure Total		6,000	4,000	0	0	0	10,000
		Regeneration Total		14,647	14,034	2,445	2,372	2,100	35,598
		Climate Emergengy							
		EV083 Street Lighting LED							
			Council Contribution	500	0	0	0	0	500
		EV083 Street Lighting LED Total		500	0	0	0	0	500
		EV091 Other Initiatives Climate Change							
			Council Contribution	73	74	0	0	0	147
		EV091 Other Initiatives Climate Change Total		73	74	0	0	0	147
		EV092 E-Cargo Bikes2							
			DFT E-Cargo Grant	76	0	0	0	0	76
		EV092 E-Cargo Bikes2 Total		76	0	0	0	0	76

			2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Fund	Then	Project						
		Financing Type						
Ger Climate Emergency Total			649	74	0	0	0	723
General Fund Total			51,568	37,807	15,812	15,832	14,312	135,331
HRA								
Housing								
HS015 Refurbishment / Decent Homes Improvements								
See HRA Financing			20,473	20,893	20,183	21,003	21,491	104,043
HS015 Refurbishment / Decent Homes Improvements Total			20,473	20,893	20,183	21,003	21,491	104,043
HS017 Disabled Adaptations								
See HRA Financing			880	1,233	1,072	1,083	1,094	5,362
HS017 Disabled Adaptations Total			880	1,233	1,072	1,083	1,094	5,362
HS039 ICT Infrastructure Works								
See HRA Financing			192	108	109	109	110	628
HS039 ICT Infrastructure Works Total			192	108	109	109	110	628
HS041 Housing PFI								
See HRA Financing			154	0	0	0	0	154
HS041 Housing PFI Total			154	0	0	0	0	154
HS044 HRA New Build								
See HRA Financing			3,528	6,910	4,893	5,040	5,191	25,562
HS044 HRA New Build Total			3,528	6,910	4,893	5,040	5,191	25,562
Housing Total			25,227	29,144	26,257	27,235	27,886	135,749
HRA Total			25,227	29,144	26,257	27,235	27,886	135,749
Total £000			76,795	66,951	42,069	43,067	42,198	271,080

Investment Plan Financing

		2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
General Fund							
	Council Contribution	24,905	18,501	7,255	7,848	7,100	65,609
	Council Contribution - Capital Receipts	423	423	254	0	0	1,100
	Grants & Contributions	24,965	18,306	7,557	7,484	7,212	65,524
	Revenue Contribution	577	577	746	500	0	2,400
	Contribution from Reserves	698	0	0	0	0	698
General Fund Total		51,568	37,807	15,812	15,832	14,312	135,331
HRA Financing							
	HRA Capital Receipts	727	4,176	2,115	3,922	3,068	14,008
	HRA Revenue Contribution	10,470	10,092	10,403	9,093	10,100	50,158
	HRA MRR	12,826	14,876	13,739	14,220	14,718	70,379
	HRA House Building Fund Reserve	1,204	0	0	0	0	1,204
	HRA PFI Reserve	0	0	0	0	0	0
HRA Financing Total		25,227	29,144	26,257	27,235	27,886	135,749
Total £000		76,795	66,951	42,069	43,067	42,198	271,080

North Tyneside Council Report to Cabinet Date: 21 September 2020

Title: Poverty Intervention Fund

Portfolio(s): Deputy Mayor Finance and Resources	Cabinet Member(s): Councillor Bruce Pickard Councillor Ray Glindon
Report from Service Area:	Corporate Strategy and Customer Service
Responsible Officer:	Jackie Laughton Tel: (0191) 643 5724)
Wards affected:	All

PART 1

1.1 Executive Summary:

The purpose of this report is to set out the proposed approach for the delivery of the Poverty Intervention Fund which was included in the Authority's Budget for 2020/21. The overall aim of the Fund is to enable support to families and individuals to alleviate the impacts of living in poverty.

1.2 Recommendation(s):

It is recommended that Cabinet:

- (1) Agrees the proposed priorities and initiatives for the Poverty Intervention Fund;
and
- (2) Authorises the Head of Corporate Strategy and Customer Service, in consultation with the Deputy Mayor and Cabinet Member for Finance, to take all other steps necessary to implement these proposals.

1.3 Forward Plan:

Twenty-eight days' notice of this report was not possible, due to need to put support in place as soon as possible having already been delayed due to the impact of the coronavirus pandemic.

1.4 Council Plan and Policy Framework

This report relates to the following priority in the 2018-2021 Our North Tyneside Plan: our people will be cared for, protected and supported.

The Fund will also support the delivery of the Children and Young People Plan which is the Council's Child Poverty Strategy. Also, the Fund will support the way in which North Tyneside recovers from the Covid-19 pandemic.

1.5 Information:

Background and Context

1.5.1 Policy Aim and Objectives

As agreed by Cabinet on 29 June 2020, the overarching policy aim for the Poverty Intervention Fund is:

- “To help to alleviate the impacts of poverty on families and individuals across North Tyneside with particular emphasis on children, by providing support to those who need it”

In order to deliver that policy aim, the Fund will have the following lower level policy objectives:

- to address the **financial impacts of poverty** by targeting support to areas where people are struggling to make ends meet to be able to afford the basics or where they are having to go without certain things which others take for granted;
- to address the **social impacts of poverty** by targeting support so that people can play a full role in society and for activities which will have a positive impact; and
- to address the **health impacts of poverty** by targeting support on relevant areas such as risk-taking behaviour and mental health and well-being.

1.5.2 What is meant by poverty?

Based on the definition used by the Joseph Rowntree Foundation, poverty is when an individual's resources are well below their minimum needs. This means not being able to heat their home, pay their rent, or buy the essentials they need. There is no single measure of poverty in the UK but:

- there is relative income poverty where households have less than 60% of the contemporary median income;
- there is material deprivation where individuals cannot afford essential items and activities; and
- there is destitution where individuals cannot afford basics such as shelter, heating, food and essential toiletries.

1.5.3 Delivery Approach

As agreed by Cabinet, the delivery approach with the Fund will be guided by the following set of principles:

- evidence based – to ensure both that the Fund is targeted to meet need and is based on proven best practice/research;
- inclusive – the Authority will engage externally and internally to inform its approach;
- fair – the Authority will conduct an Equality Impact Assessment to ensure that the approach provides opportunities for the widest possible reach and that no-one is disadvantaged;
- targeted – the Fund will be used to meet the greatest levels of evidenced need in the Borough;
- funding will be allocated to groups or organisations via a mix of grant funding and commission-based approaches;
- collaborative – working in partnership to deliver the best outcomes to meet need;
- creative and flexible – to respond to changing need (particularly key in the Covid-19 situation); and
- measured – we will ensure that we are able to monitor, measure and evaluate outcomes.

1.5.4 Governance

As agreed by Cabinet, the delivery of the Fund will be overseen by:

- a Steering Group comprised of 1 elected member per ward (with appropriate arrangements for mixed wards) and also to include the Young Mayor/Cabinet Member with representation from relevant external organisations. The Steering Group will meet at least quarterly; and
- a Delivery Group chaired by the Deputy Mayor to include relevant Cabinet Members to meet on a monthly basis to have oversight of the detailed operation of the Fund.

1.5.5 Evidence and Engagement

Prior to the first meeting of the Steering Group on 15 July 2020, engagement and desk-based research was carried out, in line with one of the principles of the fund, which is that it is evidence based. Officers engaged with Cabinet Members, schools, the voluntary and community sector and the Young Cabinet to get a clearer picture of poverty in North Tyneside.

According to the Joseph Rowntree Foundation, nationally poverty impacts on the following key groups:

- Children – 30% of children were in poverty in 2018/19

- Working age adults with children – 25% of families were in poverty in 2018/19
- Older people – 16% were in poverty in 2018/19 (this has been on the increase since 2012/13)

Children

In North Tyneside, an estimated 31.4% of children were living in poverty in 2017/18. The Children's Society national research explains that children feel stigma around the impacts of poverty. Struggling with school costs often leads to embarrassment and bullying and that children are usually aware of financial strain and will modify their behaviour accordingly, such as not passing on notes to parents or carers from school about trips or other events where a cost to the parent/carer would be incurred.

The Joseph Rowntree Foundation analysis of poverty trends and figures in 2017 found that education and skills are the strongest predictors of future poverty, and that the gap in attainment between students from richer and poorer backgrounds remains significant. In North Tyneside, at key stage 4, the gap between disadvantaged and non-disadvantaged pupils widened in 2019 and was larger than the national gap.

It is important to recognise that mental health problems can also be a causal factor and impact of poverty. Young people aged 10-15 with a low socio-economic status are more likely to suffer anxiety and depression than wealthier peers¹. Mental health problems in childhood can disrupt education, limit attainment and impact social participation.

Working age adults with children

According to the Children's Society, the key drivers that push families to financial crisis include the benefits system and debt. Working age adults with families often face a 'poverty premium', whereby they pay more than other families for basic goods. For example, having to buy cheaper school uniform or clothing and replace it numerous times, or being unable to bulk buy. It is also known that 'in work' poverty is an increasing problem. Seven in ten children in poverty are now in a working family².

Another important issue, that was mentioned through the engagement process, was domestic violence and abuse (DVA). It is well known that domestic violence and abuse can affect any family, regardless of financial situation and that poverty does not cause DVA. However, there is evidence of an association between poverty and DVA. It is important to recognise financial abuse, which can make it difficult for a parent to buy basic goods for children or themselves.

Older people

National research has shown that some groups of older people are significantly more likely to be in poverty than others. For example, 30% of older women who are separated are in poverty, compared to 21% of women who are divorced. Older people who are Pakistani are more likely to be in poverty than any other ethnicity.

The Joseph Rowntree Foundation finds that many older people are struggling to navigate the benefit system. This includes being unaware of benefits entitlement or unsure of how to claim. It is clear that many older people need more than just information and signposting, but support to process information and make informed decisions.

¹ Joseph Rowntree Foundation

² Joseph Rowntree Foundation

It is also known that loneliness and poverty are closely associated in old age. Age UK have found that one of the biggest risk factors associated with loneliness is low income.

Loneliness and the inability to navigate the benefit system can go hand in hand. For example, a research paper by North East branches of Age UK gave a case study of a woman in North Tyneside. After a benefit check which helped her to identify entitlement to Attendance Allowance, she was enabled to socialise and visit her family, as well as accessing the local Taxi Link service.

1.6 **Proposed priorities and initiatives**

1.6.1 Proposed Priorities for Funding

An assessment of evidence of how poverty impacts across North Tyneside, including the outcome of engagement with individual Cabinet Members and key external stakeholders, was presented to the cross-party Steering Group in July 2020. Based on this evidence, the Steering Group considered which key groups to target with the fund and what the impacts of poverty are on those groups.

The Steering Group were presented with evidence on the impacts of poverty in North Tyneside as follows:

- children – key impacts being their experience at school and on their mental health
- older people – key impacts being not taking up full benefit entitlement and social isolation/loneliness
- families with children – key impacts being not being able to afford essentials such as school uniform and food during school holidays and domestic violence or abuse

The Steering Group supported the proposed priority groups to be targeted through initiatives supported by the Fund. The Steering Group also gave feedback on other issues to be considered. This will be discussed further at the next meeting of the Steering Group in September 2020.

1.6.2 Proposed initiatives to be funded by the Poverty Intervention Fund

Based on the evidence-based discussion at the Steering Group it is proposed that the fund will be delivered in a phased approach, with the first phase focusing on four priorities:

- for children – focusing on the key impact which living in poverty has in relation to their experience at school (there are currently 5641 children in North Tyneside who are entitled to free school meals due to low income)
- for older people – focusing on the key impact of not taking up full benefit entitlement
- for families with children – focusing on the key impact of not being able to afford the essentials of clothing for school and food during school holidays (where they do not have access to free school meals)

It was also a priority for the Steering Group that these initiatives wherever possible be delivered in partnership with or by local organisations in particular from within the community and voluntary sector.

Set out below are the initiatives which are proposed to be funded through the Poverty Intervention Fund to address the key impact of poverty on the priority groups for North Tyneside:

Initiative	INITIAL ALLOCATION	DETAIL
Poverty Proofing the School Day	£172,755	<p>This programme has been run by Children North East since 2011. Working through schools, it seeks to better understand what child poverty looks like from a child and young person’s perspective. Each school involved is fully supported to be able to put in place an action plan to alleviate this in the school setting and to reduce the stigma and discrimination faced by children who live in poverty. It has already been successfully rolled out in some schools in North Tyneside and the proposal is that the Poverty Intervention Fund is used to enable every school in the borough to be able to take part. The outcome would be to ensure more equity of experience, opportunity and learning for pupils in poverty.</p> <p>Poverty proofing leads to positive outcomes for children, parents, schools and teachers. Where the programme has already been implemented in schools there are improved rates of attendance and attainment for disadvantaged pupils as well as a direct impact by reducing the cost of the school experience for pupils and their families, thereby alleviating some of the pressures on parents in poverty. Where the programme has been delivered there have also been improvements in relation to mental health and wellbeing amongst children and young people. Schools have implemented actions such as free musical instrument tuition for all pupils, supplying bus passes, alternatives to non-uniform days for fund-raising, not sending debt letters home with pupils and challenging staff over whether asking pupils to write about their holidays or presents was appropriate. However, one of the biggest impacts for schools is a cultural shift. One school told evaluators that previously, they had done things without ‘necessarily being aware of what the impact on disadvantaged pupils would be’, but that after the programme, they ‘now consider the impact first’.</p> <p>The recommended approach is for this initiative to be borough wide to take into account the fact that in North Tyneside whilst there are certain parts of the borough which are more deprived than others, there are also children living in poverty in the more affluent areas. This approach would give the same opportunity to all children and young people across the borough regardless of where they live. The proposal would be to fund the programme</p>

		through Children North East and to work in partnership with them to encourage and support schools to take part in the initiative.
Benefits take-up campaign and support	£100,000	<p>Citizens Advice and Age UK have advised that the impacts of living in poverty for some individuals and families is compounded by people not taking up their full entitlement to benefits. This is recognised in particular for older people (and especially for older people with disabilities) who often struggle to navigate the often-complex system of benefits and allowances or for whom, the digital nature of benefits administration and claiming processes are not always easy to access. It is expected that this will become even more of an issue beyond older people given the economic impact of the pandemic.</p> <p>It is proposed that the Authority commissions a provider or providers to deliver an end-to-end targeted benefits take-up campaign. This would include raising awareness and providing information to people of what benefit support is available through proactive communications and marketing activity. It would also include advice workers to work with older people to understand their potential entitlement to benefit as well as support to make a claim.</p>
School appropriate clothing	£253,845, based on current numbers of children on free school meals	<p>The Authority's engagement has shown that families with children who are living in poverty often struggle to be able to afford the regular costs for school uniforms, shoes or winter coats and that this can contribute significantly to the key impacts of poverty. This can be a particular issue where schools require their own branded items of clothing to be worn.</p> <p>The proposed approach would be to provide funding for every pupil in receipt of free school meals due to low income. This would be provided through a voucher scheme where vouchers (up to a maximum value of £45) would be able to be used to purchase for clothing for school.</p> <p>The preferred delivery route would be to partner with a provider. The provider would be funded to be able to bulk buy uniform items, winter coats and shoes (including branded items) which would therefore reduce the individual costs of each item. The provider would set up a dedicated area to be a 'shop'. Families would be able to choose what they needed to purchase using the vouchers provided to them. Preferably, the provider will have access to recycled school uniform already, which families can access for free to supplement what they need. Families would be encouraged to donate items back to the scheme once they no longer needed the clothing so that would support the scheme to also continue to be available for recycling.</p>

		Consideration is also being given as to how the scheme is fully accessible to families with limited access to transport.
Holiday Food	£200,000	<p>It is known that families living in poverty face particular financial difficulties during the school holidays where children do not have access to free school meals. This has been recognised during the coronavirus pandemic where a Government voucher scheme was provided to give financial help to families during the Easter and Summer school holidays so that they could purchase additional food. As things currently stand, there are no plans for the Government to continue this for other school holiday periods during the rest of the 2020/21 financial year (which amount to four weeks in total). The proposal is that the Authority uses the Poverty Intervention Fund to continue this provision for these weeks.</p> <p>The Government food voucher scheme provided a £15 voucher per child entitled to free school meals due to low income.</p> <p>In North Tyneside there are also a number of ways in which families have been supported during school holidays in the past including the Bay Foodbank and local schemes delivered by community and voluntary sector organisations (which often combined the provision of food/meals with some out of school activities).</p> <p>The proposed delivery approach is to commission a provider (or providers) to provide access to food or meals during the school holiday periods. This would need to have ease of access by families. Consideration is also being given to an option to include access to holiday activities as well as food or meals.</p>

1.7 Decision options:

The following decision options are available for consideration by Cabinet

Option 1

Cabinet to agree the proposed approach to operate the Poverty Intervention Fund including proposed priorities and initiatives as set out in paragraphs 1.6.1 to 1.6.2.

Option 2

Cabinet not to agree the proposed approach to operate the Poverty Intervention Fund.

1.8 Reasons for recommended option:

Option 1 is recommended for the following reasons:

This would allow the Poverty Intervention Fund to be established from September 2020.

1.9 Appendices:

None.

1.10 Contact officers:

Jackie Laughton, Head of Corporate Strategy and Customer Service, tel. (0191) 643 5724

Vicki Nixon, Snr Manager Participation, Advocacy and Engagement, tel. (0191) 643 8215

Claire Emmerson, Senior Manager Financial Strategy and Planning Strategic Finance, tel. (0191) 643 8109

1.11 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

(1) Poverty rate by person type over time, JRF

<https://www.jrf.org.uk/data/poverty-rate-person-type-over-time-after-housing-costs-ahc>

(2) Nowhere to Turn: Strengthening the safety net for children and families facing crisis, the Children's Society

https://www.childrenssociety.org.uk/sites/default/files/crisis-support-one-family-report_0.pdf

(3) Poverty and Mental Health, Mental Health Foundation and JRF

<https://www.mentalhealth.org.uk/sites/default/files/Poverty%20and%20Mental%20Health.pdf>

(4) Evidence and policy review: Domestic violence and poverty, University of Bristol and JRF

https://researchinformation.bris.ac.uk/ws/portalfiles/portal/128551400/JRF_DV_POVERTY_REP_ORF_FINAL_COPY_.pdf

(5) Working together: reducing chronic loneliness in the north east, Age UK North of Tyne and Gateshead

<https://www.ageuk.org.uk/bp-assets/globalassets/northumberland/local-age-uks-reducing-chronic-loneliness-in-the-north-east.pdf>

(6) UK Poverty 2017, JRF

<https://www.jrf.org.uk/report/uk-poverty-2017>

(7) Evidence Review: Loneliness in Later Life, Age UK

https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/health--wellbeing/rb_june15_loneliness_in_later_life_evidence_review.pdf

(8) Pensioner Poverty, JRF

<https://www.jrf.org.uk/data/pensioner-poverty>

(9) Poverty Intervention Fund Cabinet Report, 29/06/2020

<https://democracy.northtyneside.gov.uk/documents/s4040/Poverty%20Intervention%20Fund.pdf>

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The Authority's Budget for 2020/21 contained £1m for the Poverty Intervention Fund. Operation and delivery of the Fund will be managed within existing resources.

2.2 Legal

There are no direct legal implications arising from this report.

Under the provisions of Section 1 of the Localism Act 2010 the Authority has general powers of competence that allows the Authority "to do anything that individuals generally may do".

This is a matter that falls to Cabinet to determine pursuant to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 and the Local Government Act 2000.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Consultation with all Cabinet Members as well as the Young Mayor and Cabinet has taken place.

2.3.2 External Consultation/Engagement

Engagement with the following key stakeholders has taken place: North Tyneside Strategic Partnership; Community and Voluntary Sector groups and organisations; Young Mayor and Cabinet.

2.4 Human rights

There are no human rights implications arising from the proposals in this report.

2.5 Equalities and diversity

An Equality Impact Assessment (EIA) has been carried out regarding the proposed approach for the Fund, this will inform the development of the detailed process for the administration of the Fund by the Steering Group and Delivery Group and the drafting of a new EIA of the administration process.

2.6 Risk management

The relevant risks have been discussed with the senior risk management advisor and will be managed in line with the agreed corporate approach.

2.7 Crime and disorder

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

2.8 Environment and sustainability

There are no environment and sustainability implications arising from the proposals in this report.

PART 3 - SIGN OFF

- Chief Executive
- Head(s) of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy and Customer Service

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North Tyneside Council Report to Cabinet Date: 21 September 2020

Title: Public Spaces Protection Orders

Portfolio: Environment & Transport Community Safety & Engagement	Cabinet Member: Councillor Carl Johnson Councillor Carole Burdis
Report from Service Area: Environment, Housing and Leisure	
Responsible Officer: Phil Scott, Head of Environment Housing and Leisure	
Tel: (0191) 643 7295	
Wards affected: All	

PART 1

1.1 Executive Summary:

Tackling environmental crime is a key priority of the Elected Mayor and Cabinet to ensure that North Tyneside remains a great place to live, work and visit. Having legal powers available to effectively manage and enforce environmental crime is essential to the quality of life of the community. Public Spaces Protection Orders (PSPOs) provide the Authority with an important enforcement tool.

In October 2017, following approval by Cabinet, PSPOs were made to tackle problems in the borough relating to irresponsible dog ownership and the irresponsible consumption of alcohol in public places. PSPOs cannot last for more than 3 years unless formally extended. The effect of this is that the PSPOs made by the Authority in October 2017 will expire in October 2020 if they are not extended.

At its meeting on 29 June 2020, Cabinet approved a 6-week public consultation exercise on proposals to extend those PSPOs for a further 3 years. Cabinet agreed to receive a further report following the conclusion of the consultation exercise to determine if it was 'reasonably satisfied'; in accordance with the enabling legislation; to make that decision.

This report presents to Cabinet the outcome of the consultation and invites Cabinet to determine that the PSPOs be extended for a further 3 years.

1.2 Recommendations:

It is recommended that Cabinet:

- i. notes the consultation exercise undertaken on the proposed extension of Public Spaces Protection Orders for a further period of 3 years and the consultation responses as outlined in this report;
- ii. approves the making of the Orders at Appendix 4 of this report that will extend the Public Spaces Protection Orders made on 20 October 2017 for a period of 3 years;
- iii. authorises the Head of Law and Governance in consultation with the Head of Environment, Housing and Leisure, the Cabinet Member for Environment and Transport and the Cabinet Member for Community Safety and Engagement to correct any minor drafting errors that may be identified in the Orders referred to in ii. above, and make minor amendments including deletions and insertions that may be necessary to ensure that the Orders extending the Public Spaces Protection Orders reflect the intentions of Cabinet as set out in this report;
- iv. authorises the Head of Law and Governance in consultation with the Head of Environment, Housing and Leisure, the Cabinet Member for Environment and Transport and the Cabinet Member for Community Safety and Engagement to make the Orders at Appendix 4 of this report subject to the correction of any minor amendments in accordance with recommendation iii. above and to undertake all ancillary matters associated with this recommendation including the signing of the Orders on behalf of the Authority; and
- v. authorises the Head of Environment, Housing and Leisure, the Cabinet Member for Environment and Transport and the Cabinet Member for Community Safety and Engagement to consider the key emerging themes arising from the public consultation and undertake any action that is considered appropriate.

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 10 July 2020.

1.4 Council Plan and Policy Framework

This report relates to the following priorities in the 2020-2024 Our North Tyneside Plan:

Our places will:

- Provide a clean, green, healthy, attractive, safe and sustainable environment

1.5 Information:

1.5.1 Background

Public Spaces Protection Orders (PSPOs) were introduced by The Anti-social Behaviour, Crime and Policing Act 2014 (the '2014 Act') and provided local authorities with powers to introduce PSPOs to deal with any particular activities having a detrimental effect on the quality of life of those in the community or any likely activity that would have such an effect.

A PSPO effectively prohibits specified things from being done or requires certain things to be done in an area covered by it, whilst ensuring that law-abiding members of the public can use and enjoy that area.

A PSPO can be made by the Authority where it is satisfied on reasonable grounds that two conditions are met:

- 1) Activities carried on in a public place within the borough have had a detrimental effect on the quality of life of those in the locality or it is likely that activities will be carried out in the area that will have such an effect; and
- 2) That the effect, or likely effect, of the activities:
 - a) is, or is likely to be, of a persistent or continuing nature;
 - b) is, or is likely to be, such as to make the activities unreasonable, and
 - c) justifies the restrictions imposed by the PSPO.

The Authority made PSPOs on 20 October 2017 following approval by Cabinet which seek to tackle problems relating to irresponsible dog ownership and the irresponsible consumption of alcohol in public places.

A summary of the activities controlled by those PSPOs is attached as **Appendix 1** of this report.

Copies of the PSPOs that it is now proposed should be extended are attached as **Appendix 2** of this report.

When a PSPO is made the 2014 Act specifies that it cannot last for more than 3 years unless formally extended by the local authority who made the PSPO before it expires. The effect of this is that the PSPOs made by the Authority on 20 October 2017 will expire at midnight on 19 October 2020 if they are not extended before that date.

The 2014 Act provides that the Authority may extend those PSPOs for a further period of not more than 3 years. Any proposed extension of those PSPOs cannot take place until the necessary statutory consultation and necessary publicity on the proposed extension has taken place in accordance with the 2014 Act.

At its meeting on 29 June 2020, Cabinet approved a 6-week public consultation exercise on proposals to extend those PSPOs. Cabinet agreed to receive a further report following conclusion of the consultation exercise to determine if it is reasonably satisfied that extending the PSPOs is necessary to prevent: -

- a) occurrence or recurrence of the activities identified in the PSPOs after the expiry of the PSPOs; or
- b) an increase in the frequency or seriousness of those activities after the expiry of the PSPOs.

1.5.2 The Consultation

Following Cabinet's decision to undertake the consultation outlined above, an engagement plan was finalised. That engagement plan needed to take account of the on-going restrictions imposed by the Covid-19 pandemic. The key objectives set were to:

- Complete the task safely in a Covid-secure way
- Engage as widely as possible with all members of the community
- Encourage as many people as possible to have their say to inform decision-making.

The method of engagement was primarily internet-driven using information published on the Authority's website where visitors were requested to complete an online survey. This closely reflected the chosen method used during the last consultation in 2017 which proved to be very successful.

To support the website, the following activity was also undertaken:

- A press release and regular postings on social media publicising the proposal to extend the PSPOs;
- Information displayed on noticeboards in public places such as parks and cemeteries; and
- Targeted awareness-raising emails to residents, elected members, statutory consultees, partners, agencies, organisations and groups with an interest in how our public spaces are managed (which is in keeping with the requirements of the 2014 Act which requires consultation with "community representatives" as considered appropriate).

Public consultation on the proposals took place over the 6-week period from Tuesday 14 July to Monday 24 August 2020.

1.5.3 Outcome of the Consultation

The Authority received 180 responses to the online questionnaire and a further 4 responses by other means.

Overall, respondents provided huge support to the proposal to extend the PSPOs.

In relation to dog controls:

- **95%** supported the continuation of the borough wide PSPO controlling dog fouling and failing to pick up
- **92%** supported the continuation of the PSPO excluding dogs from designated play sites
- **74%** supported the continuation of the PSPO excluding dogs from designated beaches during the period 1 May to 30 September
- **85%** supported the continuation of the PSPO requiring dogs to be on a lead in designated public spaces
- **90%** supported the continuation of the PSPO requiring a dog to be put on a lead when directed to do so.

In relation to alcohol controls:

- **87%** supported the continuation of the borough wide PSPO controlling the nuisance of on street drinking.

In addition to the questions asked, respondents were invited to provide comments on each of the PSPOs which led to 251 individual comments being made. These were analysed to identify key emerging themes.

Themes that emerged in relation to dog controls were:

- The availability and use of bins
- Levels of enforcement
- Better signage
- Making changes to the scope of the control excluding dogs from beaches (there was a mix of opposing views with some seeking a relaxation and others seeking an extension).

Themes that emerged in relation to alcohol controls were:

- Reflections on alcohol-related disorder during the Covid-19 pandemic
- Levels of enforcement
- Extending the scope to cover other environmental problems such as littering.

Two respondents used the opportunity during the consultation to request that new PSPOs be considered to tackle specific nuisance in their local area.

A more detailed summary of the conclusions of are included in **Appendix 3**.

1.5.4 Other evidence

North Tyneside is one of the safest places in England to live, work and visit. However, tackling environmental crime is a key priority of the Elected Mayor. Additional officer capacity has been introduced which includes new community protection wardens and an environmental rapid response team. Also, a new CCTV vehicle has been introduced along with more CCTV cameras which are capable of being redeployed to tackle identified hotspots for anti-social behaviour and environmental crime.

Having legal powers available to deter environmental crime and to take action when it is appropriate to do so is key to ensuring that the borough remains a great place to live, work and visit. PSPOs provide the Authority with an important enforcement tool.

In the 2018 Resident's Survey:

- 48% of residents highlighted a clean environment as being one of the most important factors to them in making the borough a good place to live
- Fewer than 55%, reported feeling safe after dark. The importance to residents of being able to address crime and tackle anti-social behaviour has increased at a national level as well as locally in North Tyneside.

The Authority has a published Statement of Enforcement Policy which is based on taking a proportionate approach towards achieving compliance with the law. Considerable community engagement is undertaken by the Authority's community protection and environment teams. In some circumstances formal enforcement is however required. Available data includes:

- 49 Fixed Penalty Notices have been issued between October 2017 and March 2020
- 6 out of 10 Fixed Penalty Notices issued have been in relation to dog fouling offences and three out ten for dog control offences
- Following the PSPOs being made in October 2017, the number of reported dog fouling incidents has decreased year on year, whereas prior to this, the number of reported incidents had been showing a steady increase since 2013/14
- During 2019/20, there were 449 dog fouling incidents reported to the Authority, 424 in 2018/19, compared to 585 incidents during 2017/18 and 537 in 2016/17.

1.5.5 Determining to extend PSPOs

Given the outcome of the public consultation outlined in section 1.5.3 above and both the context and evidence provided in section 1.5.4 it is recommended, in accordance with the 2014 Act, that Cabinet can be satisfied on reasonable grounds that extending the current PSPOs is necessary to prevent:

- a) occurrence or recurrence of the activities identified in the PSPOs after the expiry of the PSPOs; or
- b) an increase in the frequency or seriousness of those activities after the expiry of the PSPOs.

1.5.6 Next Steps

Should Cabinet decide to extend the PSPOs for a 3 year period the Orders attached at **Appendix 4** of this report will be made implementing that decision. It is proposed that the Head of Law and Governance, after appropriate consultation with the Head of Environment, Housing and Leisure, the Cabinet Member for Environment and Transport and the Cabinet Member for Community Safety and Engagement will take all the appropriate steps to ensure that the Orders are made in accordance with the wishes of Cabinet.

In addition, it is proposed that the key themes that emerged from the public consultation responses highlighted in section 1.5.3 will be considered further by officers with oversight provided by the Cabinet Member for Environment and Transport and the Cabinet Member for Community Safety and Engagement. Any action that is considered appropriate will be taken in consultation with Cabinet.

1.6 **Decision options:**

The following decision options are available for consideration by Cabinet:

Option 1

To agree to the recommendations set out in Section 1.2 of this report.

Option 2

Not to agree to the recommendation set out in Section 1.2 of this report and instruct that an alternative approach is taken.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended. Section 1.5.1 of this report explains that the PSPOs in place within the borough will expire at midnight on 19 October 2020. If the PSPOs are not extended before their expiry they will cease to have effect resulting in the Authority having no controls in place to tackle anti-social behaviour relating to dogs and the irresponsible consumption of alcohol in public spaces and the detrimental effect that such behaviour can have on the quality of life of those in the community. Given the outcome of the public consultation exercise coupled with the other available evidence Cabinet can be reasonably satisfied that extending the PSPOs currently in place is necessary to prevent the occurrence or recurrence of the activities identified in the PSPOs after the expiry of the PSPOs, or an increase in the frequency or seriousness of those activities after the expiry of the PSPOs.

1.8 Appendices:

- Appendix 1: Summary of activities controlled by PSPOs
- Appendix 2: PSPOs approved by Cabinet and made on 20 October 2017
- Appendix 3: Consideration of consultation responses
- Appendix 4: Proposed Orders extending the PSPOs for a 3 year period

1.9 Contact officers:

Colin MacDonald, Senior Manager, Technical and Regulatory Services, Tel. (0191) 643 6620
Samantha Dand, Senior Manager, Local Environmental Services, Tel. (0191) 643 7294
Paul Worth, Senior Manager, Housing Operations, Tel. (0191) 643 7554
John Barton, Lawyer, Tel: (0191) 643 5354
David Dunford, Acting Senior Business Partner, Tel. (0191) 643 7027

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- 1) The Anti-Social Behaviour, Crime and Policing Act 2014
- 2) Statutory Guidance Published by the Home Office on Anti-social behaviour powers
- 3) PSPOs: Guidance for councils, LGA
- 4) North Tyneside Council Statement of Enforcement Policy
- 5) Cabinet decision, 9 October 2017
- 6) Cabinet Report, 9 October 2017
- 7) Cabinet decision, 21 September 2020
- 8) Cabinet report, 21 September 2020
- 9) Engagement Plan
- 10) Equality Impact Assessment

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The cost of the proposal contained within section 1.2 of the report to extend the PSPOs in place within the borough for a period of 3 years can be managed within existing revenue budgets within Environment, Housing and Leisure.

2.2 Legal

As stated in the report, the Anti-Social Behaviour, Crime and Policing Act 2014 (the 2014 Act) introduced Public Spaces Protection Orders (PSPOs) as a means of tackling a wide range of anti-social behaviour that can have a detrimental effect on the lives of those living and working in the borough. PSPOs can be used to tackle such issues as litter, vandalism, public drunkenness, and the control of dogs.

The Authority can extend a PSPO for a period of up to 3 years if the Authority is satisfied that it has reasonable grounds for doing so in accordance with section 60(2) of the 2014 Act. Before any extension of a PSPO can be made “necessary consultation” has to take place on the proposed extension with those set out in section 72(4) of the 2014 Act. It is also necessary to undertake “necessary publicity” before extending a PSPO which means publicising the fact that a proposal to extend a PSPOs is being considered. Both consultation on, and the publicising of, the proposal to extend the PSPOs has taken place as set out in the report.

The decision on whether or not to extend the PSPO is a Cabinet function because there is nothing in the 2014 Act that specifies that such a decision has to be taken by Council and there is nothing in the Local Authorities (Functions and Responsibilities)(England) Regulations 2000 that indicates that the making of a PSPO is a function that is not the responsibility of Cabinet.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Consultation on the proposal to extend the PSPOs has taken place with the Cabinet Member for Environment and Transport and the Cabinet Member for Community Engagement. In addition, during the consultation period highlighted in section 1.5.2 all elected members were contacted directly to have their say.

2.3.2 External Consultation/Engagement

Extensive external consultation and engagement took place on the proposal to extend the PSPOs. Prior to commencement of the consultation, an engagement plan was finalised as agreed by Cabinet, taking account of; the consultation requirements of the 2014 Act, the 6-week consultation period, the recognised corporate standards for consultation, and the on-going restrictions imposed by the Covid-19 pandemic.

Section 1.5.2 of the report outlines the comprehensive way in which the consultation was advertised and promoted. The Authority received an encouraging 184 responses. Furthermore, these were from a broad range of respondents which achieved the key objectives set out in the engagement plan, to engage as widely as possible with all members of the community and encourage as many people as possible to have their say to inform decision-making.

2.4 Human rights

In deciding whether or not to make a PSPO the Authority must have particular regard to the rights of freedom of expression and freedom of assembly as set out Articles 10 and 11 of the European Convention on Human Rights respectively and the Authority must be satisfied that it is reasonable and proportionate to make or extend PSPOs

2.5 Equalities and diversity

An Equality Impact Assessment (EIA) was undertaken prior to commencement of the consultation exercise. This has been reviewed and no further changes have been identified at this point. Equality monitoring undertaken during the consultation stage highlighted that there was strong participation from those identified within the borough as having a protected characteristic.

Should Cabinet decide to extend the PSPOs the EIA will continue to be reviewed during the implementation period.

2.6 Risk management

There are no risk management implications arising directly from this report. Risks are managed via the established risk management arrangements in place within Environment, Housing and Leisure which form part of the corporate risk management framework.

2.7 Crime and disorder

The purpose of a PSPO is to provide the Authority and Police with the ability to effectively tackle anti-social behaviour, which can amount to crime and disorder.

2.8 Environment and sustainability

The existence of PSPOs can improve the environment for the community by preventing behaviour that has a detrimental effect on the community from occurring or recurring.

PART 3 - SIGN OFF

- Chief Executive X
- Head of Service X
- Mayor/Cabinet Members X
- Chief Finance Officer X
- Monitoring Officer X
- Head of Corporate Strategy and Customer Service X

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APPENDIX 1

Public Spaces Protection Orders

Summary of Controlled Activities

Subject	Control	Extent
Alcohol	<u>Consumption</u> The consumption of alcohol in a public space.	Borough-wide
Dog Control	<u>Fouling</u> Dog fouling in a public space and not picking up.	Borough-wide
	<u>Exclusion</u> The exclusion of dogs from play sites. The exclusion of dogs from specified beaches between 1 May – 30 September.	Within the designated areas Within the designated areas
	<u>Leads</u> Requirement to put a dog on a lead in a public space when directed by an authorised officer to do so.	Borough-wide

Full details are published on the Authority's website [here](#).

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**THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE (DOG FOULING OF LAND)
PUBLIC SPACES PROTECTION ORDER 2017**

**SECTION 59
ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014 (“the Act”)**

The Council of the Borough of North Tyneside (“the Authority”) being satisfied that:-

- Dog faeces which are not removed from land forthwith (“the activity”) in public places within the Borough has had a detrimental effect on the quality of life of those in the locality and/or
- It being likely that the activity will be carried on in public places and that it will have such an effect.

And being satisfied that the effect or likely effect of the activity

- a) Is, or is likely to be, of a persistent or continuing nature
- b) Is, or is likely to be, such as to make the activity unreasonable; and
- c) Justifies the restrictions imposed by this Order

And pursuant to the requirements of section 72 of the Act the Authority:-

- a) Having had particular regard to the rights of freedom of expression and freedom of human assembly set out in Articles 10 and 11 of the European Convention of Human Rights; and
- b) Having carried out the necessary consultation, notification and publicity

MAKES this Public Spaces Protection Order under section 59 of the Act

1. This Order applies to all public land within the boundary of the Council of the Borough of North Tyneside which is open to the air and to which the public are entitled or permitted to have access (with or without payment).
2. This Order may be cited as The Council of the Borough of North Tyneside (Dog Fouling of Land) Public Spaces Protection Order 2017 and shall come into force on 20 October 2017 for a period of 3 years unless extended by further Order.

EFFECT OF THE ORDER

The effect of this Order is to impose the following requirements on the use of public land within the boundary of the Council of the Borough of North Tyneside to which this Order applies at all times:-

- a) If a dog defecates at any time within a public space to which this Order applies the person in charge of the dog must remove the faeces from the land forthwith unless he or she has a “reasonable excuse” for failing to do so or the owner, occupier or other person or authority having control of the land has consented (generally and specifically) to his or her failing to do so.
- b) Being unaware of the defecation (whether by reason of not being in the vicinity or otherwise), or not having a device for or other suitable means of removing the faeces, shall not be a “reasonable excuse” for failing to remove the faeces.

EXCEPTIONS

Nothing in this Order shall apply to a person who relies upon a dog trained by a prescribed charity and such person:-

- a) Is registered as a blind person in a register compiled under section 29 of the National Assistance Act 1948; or
- b) Is deaf; or
- c) Has a disability which affects his mobility, manual dexterity, physical coordination or ability to lift, carry or otherwise move everyday objects.

OFFENCE

It is an offence for a person without reasonable excuse to fail to comply with the requirements imposed on him/her by this Order and on conviction is liable to a fine not exceeding level 3 on the standard scale.

FIXED PENALTY NOTICE

A Constable or Authorised Person may issue a Fixed Penalty Notice to anyone he or she has reason to believe has committed an offence by failing to comply with requirements imposed on him or her by this Order. A person served with a Fixed Penalty Notice will have 21 days to pay the fixed penalty of £100. If a person pays the Fixed Penalty within 14 days the fixed penalty will be reduced to £75.00. If payment of the Fixed Penalty is made a person will not be prosecuted.

GENERAL

For the purposes of this Order:-

A 'public place' means any place to which the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission.

An 'Authorised Person' means an employee of the Authority, person designated by the Authority to act on its behalf or a Police Community Support Officer.

An 'interested person' means an individual who lives in the restricted area or who regularly works in or visits that area.

Each of the following is 'prescribed charity':-

- Dogs for the Disabled (registered charity number 700454)
- Support Dogs Limited (registered charity number 1088281)
- Canine Partners for Independence (registered charity number (803680)
- Dog A.I.D (registered charity number 1092960)
- Guide Dogs (registered charity number 209617)
- Hearing Dogs for Deaf People (registered charity number 293358)

CHALLENGING THE VALIDITY OF THE ORDER

An interested person may challenge the validity of this Order by applying to the High Court within 6 weeks of it being made. The grounds on which such an application can be made are:-

- That the Authority did not have the power to make the Order or to include particular prohibitions or requirements imposed by the Order, or
- That a requirement under the legislation in relation to the Order has not been complied with, for instance, that no consultation was undertaken.

When an application is made the High Court can decide to suspend the operation of the Order pending the Court's decision, in part or in total. The High Court may uphold the Order, quash it or vary it.

This Order is made the 20th day of October 2017


.....
V M Geary
Head of Law and Governance
and Monitoring Officer

THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE (DOG CONTROL) PUBLIC SPACES PROTECTION ORDER 2017

**SECTION 59
ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014 (“the Act”)**

The Council of the Borough of North Tyneside (“the Authority”) being satisfied that:-

- The activities identified below have been carried on in a public place within the Borough and have had a detrimental effect on the quality of life of those in the locality and/or
- It is likely that the activities identified below will be carried on in public places within the Borough and that they will have such an effect.

And that the effect or likely effect of the activities

- a) Is or is likely to be of a persistent or continuing nature
- b) Is or is likely to be such as to make the activity unreasonable; and
- c) Justifies the restrictions imposed by this Order

And pursuant to the requirements of section 72 of the Act the Authority:-

- a) Having had particular regard to the rights of freedom of expression and freedom of human assembly set out in Articles 10 and 11 of the European Convention of Human Rights; and
- b) Having carried out the necessary consultation, notification and publicity

MAKES this Public Spaces Protection Order under section 59 of the Act

1. This Order applies, as the case may be, to the public land described in the Schedules of this Order and shown on the maps attached to this Order, or to all public land within the boundary of the Council of the Borough of North Tyneside being land in the Borough to which the Act applies and which is land protected by the making of this Order (“the restricted areas”).
2. This Order may be cited as The Council of the Borough of North Tyneside (Dog Control) Public Spaces Protection Order 2017 and shall come into force on 20 October 2017 for a period of 3 years unless extended by further Order.

EFFECT OF THE ORDER

The effect of this Order is to impose the following prohibitions and requirements on the use of the restricted areas:-

1. The Exclusion of Dogs from Land

- 1) A person in charge of a dog shall not at any time take a dog on, or permit a dog to enter or remain on, any children’s play area listed in Schedule 1 of this Order and shown on maps 1.1 to 1.55 attached to this Order and between 1 May and 30 September (inclusive) on a beach listed in Schedule 2 of this Order and shown on maps 2.1 to 2.4 attached to this Order unless:-
 - a) He/she has reasonable excuse for failing to do so; or

- b) The owner, occupier or other person or authority having control of the land has consented (generally or specifically) to his/her failing to do so.

2. Dogs to be on a Lead

- 1) A person in charge of a dog shall at all times keep a dog on a lead in the restricted areas listed in Schedule 3 of this Order and shown on maps 3.1 to 3.14 attached to this Order unless:-
 - a) He/she has reasonable excuse for failing to do so; or
 - b) The owner, occupier or other person or authority having control of the land has consented (generally or specifically) to his/her failing to do so.

3. Dogs on Leads by Order

- 1) On any land which is open to the air to which the public are entitled or permitted to have access (with or without payment) within the boundary of the Council of the Borough of North Tyneside a person in charge of a dog shall at all times comply with a direction from a Constable or Authorised Officer to put and keep a dog on a lead unless:-
 - a) He/she has reasonable excuse for failing to do so; or
 - b) The owner, occupier or other person or authority having control of the land has consented (generally or specifically) to the dog remaining off the lead.
- 2) A Constable or Authorised Officer may only give a direction under this Order if such restraint is reasonably necessary to prevent a nuisance or behaviour by the dog that is likely to cause annoyance or disturbance to any other person, or the worrying of an animal or bird.

EXCEPTIONS

Nothing in this Order shall apply to a person who relies upon a dog trained by a prescribed charity and such person:-

- a) Is registered as a blind person in a register compiled under section 29 of the National Assistance Act 1948; or
- b) Is deaf; or
- c) Has a disability which affects his mobility, manual dexterity, physical coordination or ability to lift, carry or otherwise move everyday objects.

OFFENCE

It is an offence for a person without reasonable excuse to comply with the requirements imposed on him/her by this Order and on conviction is liable to a fine not exceeding level 3 on the standard scale.

FIXED PENALTY NOTICE

A Constable or Authorised Person may issue a Fixed Penalty Notice to anyone he or she has reason to believe has committed an offence by failing to comply with requirements imposed on him or her by this Order. A person served with a Fixed Penalty Notice will have 21 days to pay the fixed penalty of £100. If a person pays the Fixed Penalty within 14 days the fixed penalty will be reduced to £75.00. If payment of the Fixed Penalty is made a person will not be prosecuted.

GENERAL

For the purposes of this Order:-

A 'public place' means any place to which the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission.

An 'Authorised Person' means an employee of the Authority, person designated by the Authority to act on its behalf or a Police Community Support Officer.

An 'interested person' means an individual who lives in the restricted area or who regularly works in or visits that area.

Each of the following is 'prescribed charity':-

- Dogs for the Disabled (registered charity number 700454)
- Support Dogs Limited (registered charity number 1088281)
- Canine Partners for Independence (registered charity number (803680)
- Dog A.I.D (registered charity number 1092960)
- Guide Dogs (registered charity number 209617)
- Hearing Dogs for Deaf People (registered charity number 293358)

CHALLENGING THE VALIDITY OF THE ORDER

An interested person may challenge the validity of this Order by applying to the High Court within 6 weeks of it being made. The grounds on which such an application can be made are:-

- That the Authority did not have the power to make the Order or to include particular prohibitions or requirements imposed by the Order, or
- That a requirement under the legislation in relation to the Order has not been complied with, for instance, that no consultation was undertaken.

When an application is made the High Court can decide to suspend the operation of the Order pending the Court's decision, in part or in total. The High Court may uphold the Order, quash it or vary it.

This Order was made on 20th day of October 2017


.....

V.M Geary
Head of Law and Governance
and Monitoring Officer

THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE (CONSUMPTION OF ALCOHOL) PUBLIC SPACES PROTECTION ORDER 2017

**SECTION 59
ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014 (“the Act”)**

The Council of the Borough of North Tyneside (“the Authority”) being satisfied that:-

- The consumption of alcohol and/or the refusal to surrender alcohol to a Constable or Authorised Person (“the activity”) carried out in a public place within its area has had a detrimental effect on the quality of life of those in the locality and/or
- It being likely that the activity will be carried on in a public place and that it will have such an effect.

And that the effect or likely effect of the activity:-

- a) Is or is likely to be of a persistent or continuing nature
- b) Is or is likely to be such as to make the activity unreasonable; and
- c) Justifies the restrictions imposed by this Order

And pursuant to the requirements of section 72 of the Act the Authority:-

- a) Having had particular regard to the rights of freedom of expression and freedom of human assembly set out in Articles 10 and 11 of the European Convention of Human Rights; and
- b) Having carried out the necessary consultation, notification and publicity

MAKES this Public Spaces Protection Order under section 59 of the Act

1. This Order applies to all public land within the boundary of the Council of the Borough of North Tyneside which is open to the air and to which the public are entitled or permitted to have access (with or without payment) subject to the exceptions listed below.
2. This Order may be cited as The Council of the Borough of North Tyneside, (Consumption of Alcohol) Public Spaces Protection Order 2017 and shall come into force on 20 October 2017 for a period of 3 years unless extended by further Order.

EFFECT OF THE ORDER

The effect of this Order is to impose the following requirements on the use of the restricted areas at all times:-

Where a Constable or Authorised Person reasonably believes that a person is, or has been, consuming alcohol in a restricted area or intends to do so, the Constable or Authorised Person may require the person concerned:-

- (a) Not to consume in a restricted area anything which is or which the Constable or Authorised Person reasonably believes to be alcohol;
- (b) To surrender anything in possession of the person in question which is, or which the Constable or Authorised Person reasonably believes to be alcohol or a container for alcohol.

The Constable or Authorised Person must tell the person in question that failing without reasonable excuse to comply with a requirement imposed by the Constable or Authorised Person is an offence.

OFFENCE

It is an offence for a person without reasonable excuse to comply with the requirements imposed on him by this Order and on conviction is liable to a fine not exceeding level 2 on the standard scale.

FIXED PENALTY NOTICE

A Constable or Authorised Person may issue a Fixed Penalty Notice to anyone he or she has reason to believe has committed an offence by failing without reasonable excuse to comply with a requirement imposed on him or her by a Constable or Authorised Person. A person served with a Fixed Penalty Notice will have 21 days to pay the fixed penalty of £100. If a person pays the Fixed Penalty within 14 days the fixed penalty will be reduced to £75.00. If payment of the Fixed Penalty is made a person will not be prosecuted.

EXCEPTIONS

Nothing in this Order shall apply to:-

- a) Premises (other than council-operated licensed premises) authorised by a premises licence to be used for the supply of alcohol
- b) Premises authorised by a club premises certificate to be used by the club for the supply of alcohol
- c) A place within the curtilage of a premises within (a) or (b)
- d) Premises which by virtue of Part 5 of the Licensing Act 2003 may at the relevant time be used for the supply of alcohol or which, by virtue of that Part, could have been so used within the 30 minutes before that time.
- e) A place where facilities or activities relating to the sale or consumption of alcohol are at the relevant time permitted by virtue of a permission granted under section 115E of the Highways Act 1980 (highway-related issues).
- f) Council-operated licensed premises when the premises are being used for the supply of alcohol, or
- g) Within 30 minutes after the end of a period during which the premises have been used for the supply of alcohol.

GENERAL

For the purposes of this Order:-

A 'public place' means any place to which the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission.

An 'Authorised Person' means an employee of the Authority, person designated by the Authority to act on its behalf or a Police Community Support Officer.

An 'interested person' means an individual who lives in the restricted area or who regularly works in or visits that area.

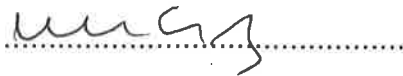
5. CHALLENGING THE VALIDITY OF THE ORDER

An interested person may challenge the validity of this Order by applying to the High Court within 6 weeks of it being made. The grounds on which such an application can be made are:-

- That the Authority did not have the power to make the Order or to include particular prohibitions or requirements imposed by the Order, or
- That a requirement under the legislation in relation to the Order has not been complied with, for instance, that no consultation was undertaken.

When an application is made the High Court can decide to suspend the operation of the Order pending the Court's decision, in part or in total. The High Court may uphold the Order, quash it or vary it.

This Order is made the 20th day of October 2017



V M Geary
Head of Law and Governance
and Monitoring Officer

Proposal to extend Public Spaces Protection Orders Consultation Responses

Introduction

A public consultation took place on proposals over a period of 6 weeks from Tuesday 14 July to Monday 24 August 2020.

The consultation pointed to information that was published on the council's website and invited people to complete an online questionnaire with their views. The Authority received **180** responses to the online questionnaire and a further **4** responses by other means.

Equality monitoring undertaken during the consultation stage highlighted that there was strong participation from those identified within the borough as having protected characteristics.

Detailed Outcome

Alcohol:

Consumption- controlling the consumption of alcohol in a public space borough-wide.

- The overwhelming majority of respondents (**87%**) supported the continuation of the borough wide PSPO controlling the nuisance of on street drinking.

Conclusion: Given the huge support, this strongly contributes to Cabinet being able to satisfy the test of being '*reasonably satisfied*' that extending the PSPO is necessary.

Response comments

- 39 comments were received in relation the proposal to extend this control
- Themes related to; reflections on alcohol-related disorder during the Covid-19 pandemic, levels of enforcement and extending the scope to cover other environmental problems such as littering.

Dog Control:

Fouling – controlling dog fouling and not picking up borough-wide.

- The overwhelming majority (**95%**) supported the continuation of the borough wide PSPO controlling dog fouling and failing to pick up.

Conclusion: Given the huge support, this strongly contributes to Cabinet being able to satisfy the test of being '*reasonably satisfied*' that extending the PSPO is necessary.

Response comments

- 55 comments were received in relation to the proposal to extend this control
- Themes related to; levels of enforcement and the availability and use of bins.

Excluded areas – excluding dogs from designated play sites at all times and from designated beaches during the period 1 May to 30 September.

- **Play sites** - The overwhelming majority (**92%**) supported the continuation of the PSPO excluding dogs from designated play sites
- **Beaches** - The large majority (**74%**) supported the continuation of the PSPO excluding dogs from designated beaches during the period 1 May to 30 September.

Conclusion: Given the huge support, this strongly contributes to Cabinet being able to satisfy the test of being '*reasonably satisfied*' that extending the PSPO is necessary.

Response comments

- 23 comments were received in relation to the proposal to extend the controls for play sites
- The general theme was positive that this was common sense.

- 69 comments were received in relation to the proposal to extend the controls for beaches
- Themes related to; the council should consider making changes to the scope (including a mix of opposing views seeking a relaxation or an extension of the current controls), levels of enforcement, and a better approach to signage.

Leads – requiring dogs to be on a lead in designated public spaces and requiring a dog to be put on a lead in a public space when directed by a constable or an authorised officer to do so.

- The overwhelming majority (**85%**) supported the continuation of the PSPO requiring dogs to be on a lead in designated public spaces
- The overwhelming majority (**90%**) supported the continuation of the PSPO requiring a dog to be put on a lead when directed to do so.

Conclusion: Given the huge support, this strongly contributes to Cabinet being able to satisfy the test of being '*reasonably satisfied*' that extending the PSPO is necessary.

Response comments

- 39 comments were received in relation to the proposal to extend the controls for the designated areas for leads
- There were no clear themes although there was a suggestion that the scope should be considered for review.

- 20 comments were received in relation to the proposal to extend the controls for the designated areas for leads
- Themes related to; levels of enforcement and nuisance caused by extendable dog leads.

Other Matters

Two respondents used the opportunity during the consultation to request that the council considers new PSPOs to tackle specific nuisance in their local area. Issues related to;

- Controlling the feeding of seagulls; and
- Anti-social behaviour, littering and drugs.

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North Tyneside Council Report to Cabinet Date: 21 September 2020

Title: An Ambition for North Tyneside - Update

Portfolio: Regeneration	Cabinet Member: Councillor Bruce Pickard
Responsible Officer:	John Sparkes, Head of Regeneration and Economic Development
Wards affected:	All
Tel:	0191 643 6091

PART 1

1.1 Executive Summary:

The purpose of this report is to provide the Cabinet with an update on the delivery of the Council's 'Ambition for North Tyneside' which was agreed by Cabinet on the 26th November 2018 as a framework for the regeneration of the borough in line with the Our North Tyneside Plan and the themes of 'our people', 'our place' and 'our economy'.

Since the annual update to Cabinet in November 2019, the Council has been undertaking a broad range of activities across the whole borough that impact positively upon "Our People, Our Places and Our Economy" and which will make a real difference. The Deputy Mayor and officers have been working closely with a range of partners that include the North of Tyne Combined Authority, the Local Enterprise Partnership, the National Heritage Lottery Fund, Historic England, businesses and landowners to deliver meaningful change and to unlock potential and opportunity. The progress set out in the report is the outcome of this detailed work that has been undertaken by the Deputy Mayor and officers over recent months.

This report explains what has been achieved to date as well as setting out the planned activities across the borough over the next 12 months and beyond. To support the ongoing delivery of those schemes are identified in 'Our Ambition for North Tyneside', through the Authority's budget setting process there is an allocation of £2m p.a. for the next five years. In addition to delivering schemes, this budget commitment will also act as match funding when seeking external funding through the North of Tyne Combined Authority, the North East Local Enterprise Partnership as well as from Central Government and the private sector.

1.2 Recommendation(s):

It is recommended that Cabinet:

- (1) note the progress made in delivering the overall plan since November 2018;

(2) note the projects to be delivered in 2020/21 and beyond; and

(3) agree that 'An Ambition for North Tyneside' will continue to be monitored by the Investment Programme Board and progress reported regularly to Cabinet.

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 1st July 2020.

1.4 Council Plan and Policy Framework

This report is directly concerned with the delivery of the entire Our North Tyneside Plan with direct benefits expected for Our People, Our Place and Our Economy.

1.5 Information:

1.5.1 Background

Scope and approach

By way of background, An Ambition for North Tyneside considers the borough as four areas namely:

- The South West area around Wallsend, including the communities who live in Howdon, Willington Quay, Hadrian Park, High Farm and Battle Hill
- The North West including Benton and Longbenton, Forest Hall and Killingworth, Dudley, Weetslade, Burradon, Camperdown and Fordley
- The North East area around Whitley Bay, including Monkseaton and Earsdon, Shiremoor, Backworth and West Allotment; and
- The South East area around North Shields, including Cullercoats and Tynemouth, Chirton and Percy Main

1.5.2 Borough-wide ambition

The Elected Mayor and Cabinet's ambitions for the Borough are set out in the Our North Tyneside Plan. Specific commitments have been made and are being met in terms of Our People, Our Place and Our Economy.

1.5.3 The report explains in more detail progress that has been made on the Elected Mayor and Cabinet's ambitions for each part of the Borough. It sets out what has been achieved over the last 18 months, what is currently planned and what will happen next (subject to funding) and what the Authority will do, if it can and when it can.

1.5.4 For the South West

The South West has some fantastic assets; a World Heritage site at Segedunum, the industrial north bank of the Tyne, with world leading business (including the Swans site), a great leisure offer with Hadrian Leisure Centre, well used libraries and the refurbished Richardson Dees Parks and, for some parts of the community, some strong transport links.

The Authority continues to support business and residents to create more and better jobs. The Authority also continues to work with public transport providers and funders to help improve the connections of those parts of the area that do not have strong transport links. The Authority also wants to improve the housing offer and improve the sense of place and community and in doing so closing the gap in life chances.

Current Activity:

Swan Hunter Site: Following the Cabinet's decision in May 2018 to approach the market with a view to the sale or long leasehold of the former Swan Hunter site, the Authority is now nearing completion of the sale following the receipt of offers in October 2019. The proposals currently being considered will see the site brought back into beneficial economic use which meets the Authority's (and funders) objectives around job creation and economic growth. It is anticipated that the sale will be completed in the autumn of 2020. This will mark a major milestone in the renaissance of the river and will see further investment creating more and better jobs for our residents as well as valuable potential for business growth.

Centre for Innovation: The Authority has completed the second phase of the Centre for Innovation which opened in the summer of 2020 having experienced three months delay arising from the national shutdown in response to Covid-19. This has brought forward some 10,000 sq. ft of commercial floorspace for businesses and will build on the success of the first phase of the scheme which is occupied by a range of companies related to the offshore / energy sectors. There has been some market interest in the new office provision and marketing is underway to attract new tenants. The existing phase 1 offices are now over 80% occupied.

Segedunum: Work has been completed in articulating a new vision for Segedunum with Tyne and Wear Archives and Museums. Working with the Mayor and Deputy Mayor to develop a policy steer, specialist advice was procured from the nationally renowned Hemmingway Design which has given the Authority intelligence on the market and has identified potential opportunities to grow the visitor offer.

This is now being developed into a comprehensive 15 Year Master Plan and investment programme for the site which will underpin future business planning and will help grow the visitor offer making it a more sustainable entity. It will also integrate the site into the wider Wallsend offer and will capture benefits arising from the sale and redevelopment of the Swan Hunter site.

Charlotte Street Housing: In 2019 the Authority acquired 11 residential properties in Charlotte Street, Wallsend. The properties were in the ownership of a single landlord and were in a poor condition and poorly managed which was having a major impact on the residential amenity of the street and the quality of life for residents. Having secured the vacant possession of the properties and secured them, the Authority is currently refining plans for their refurbishment and conversion from flats to family housing.

Healthcare Facilities: The Authority continues to work with town centre land-owners (New River Retail) and healthcare providers to deliver new healthcare facilities in the heart of Wallsend Town Centre as part of the regeneration of the town centre. Discussions continue between the providers and landowners to refine a financially viable scheme which can be delivered. It is anticipated that legal agreements for the delivery of the scheme will be in place by the end of the year.

GM Memorial Hospital: Work continues with the current operator of the Civic hall to explore future opportunities for the wider site. A key element of this work is to ensure that

any proposals are aligned with the Authority's wider objectives for the site and to maximise the potential for securing external funding opportunities.

The Buddle:

Pre-renovation enabling works have now been completed to the building which represents the first phase of activity to bring the building back into beneficial economic use. This has included site set up and security, completion of condition and asbestos surveys, removal of dangerous roof timbers and partial roof repairs to prevent further ingress of water in advance of a full re-roof of the building. The transfer of the property to a private sector developer/operator is currently being progressed to facilitate the main phase of renovation work to bring the building back into use as serviced office accommodation and conferencing/events space.

Next Steps 2020-2025:

Segedunum: It is proposed that further investment is brought forward at Segedunum to deliver the Authority's ambition for the site and to grow it as a visitor destination.

Using the work from Hemingway Design, a Master Plan and supporting investment programme will now be produced and agreed. Investment will be targeted towards the repair and refurbishment of existing fabric of the of the buildings and site with a focus on the Bath House which has been closed for some time. Estimated cost of his project is circa £1m with match funding to be sought to maximise the impact of the scheme.

Swan Hunter Site: Following the sale of the site the Authority will work with the new owners to bring forward new employment opportunities. This will include working with regional and national funding partners to secure investment. Work will also be done to ensure there is integration between the Authority's objectives for Swan Hunters and the proposals for investment in Segedunum to ensure they complement each other and maximise the benefits for Wallsend Town Centre and the surrounding area.

GB Memorial Hospital: Demolition work will begin on the later extensions to the GB Hunter Memorial Hospital in 2020/21 with planning approval having been granted subject to conditions

Centurion Park: A revised planning application is expected. The Authority will continue to work with the private sector over the development of Centurion Park.

When funding and timing allows:

New Housing Opportunities: Plans for housing renewal will be developed and delivered improving the quality of place and providing a greater housing choice and opportunity for residents.

Town Centre Traffic Flows: as will a long-term plan to redesign traffic and transport flows around the town centre. The purpose of these will be to improve the pedestrian, cycle and vehicular movements within the town centre environment and create a better visitor experience and provide opportunity and support to local business. Valuable intelligence is being drawn from the temporary arrangements implemented earlier in the summer to support safe opening as part of the National Recovery Strategy.

1.5.5 For the North West

The North West is a great place to live and includes many of our historic mining settlements as well as Killingworth new town. The area has a broad range of housing and sees strong demand from families who want to live there. It has access to national infrastructure assets at the A1 and Newcastle Airport with a good leisure offer and a

significant portion of the Borough's open land and major development sites including Killingworth Moor which is identified in the 2017 Local Plan for 1500 new homes.

For the North West the Authority is trying to develop sustainable communities, supporting retail and bringing local centres to life while meeting housing need (particularly in and around the former mining communities). The Authority aims to grow the economy, seeing more and better jobs to which people are better connected. As well as delivering the Killingworth Master Plan in a way that promotes a richer living environment on human scale.

Current Activity

Killingworth Lake: A major flood alleviation project has been delivered by the Authority and the Environment Agency by recontouring parts of the site and introducing new planting. This will help improve the visitor experience and make the drainage in the area more sustainable. The new surface water management arrangements have provided opportunities to further invest and broaden the offer of the park.

Forest Hall Shopping Centre: This well used local centre has been improved with investment into the public realm which was completed in April 2019. Working with the community and businesses, this scheme has transformed the appearance of the centre and has acted as a catalyst for further private sector investment into commercial properties.

Killingworth Young People's Club (the KYPC): A new 3G pitch has been developed which has improved the facility for its users. The KYPC is well used community asset and is home to some 20 teams ranging from toddlers to young adults. This has further supported our health and well being objectives and helps residents to lead healthy lives.

Burradon 3G Pitch

Approved works to make improvements to the bowling green, grass pitches and artificial grass mini soccer pitch at Burradon Welfare are planned to begin soon.

Cycle and Bus Infrastructure: Work has also been completed to add a new bus lane and improve access for cyclists and pedestrians along Salters' Lane between Haddrick's Mill and West Moor. This was completed in October 2019 and is part of the wider Salters Lane A189 Improvement Works which was funded through a successful bid to the National Productivity Investment Fund.

Killingworth Moor Housing Site: Work continues to deliver on the Authority's plans for new housing in the borough. Officers continue to work with developers and land-owners to develop appropriate plans for the delivery of new housing and infrastructure at the Killingworth Moor site which will be in line with the approved Master Plan.

Next Steps 2020-2025:

Killingworth Lake: Further investment is planned in Killingworth Lake. This will build on the investment in Flood Defences and will broaden and expand the visitor offer by further developing facilities and unlocking additional opportunities and activities. This should lead to increased use while preserving the ecology of the site and its landscape. Proposed investment will include a Multi-Use Games Area, a new café opportunity and a health and fitness trail. The estimated cost for investment into facilities at Killingworth Lake is £750K.

Borough-wide Wagonway Project: the Wagonways are a much-valued resource for the entire Borough – spreading out from the former mines from Seaton Burn towards

Earsdon, their original routes south to the river have been successfully developed into popular walking and cycling routes. The network was particularly valuable for safe exercise during the recent restrictions caused by COVID 19. It is proposed to develop the network over the next 5 years in three ways.

The first is navigation and connectivity. The creation of the network happened through a number of projects and funding bids. There is now a job to be done to ensure the network is easily navigated and connected. Approaching this in the same way as the highways network, the Authority will work with users and communities to ensure there is comprehensive signage that allows the use of the network for leisure and travel to work. That work will translate into supporting maps available digitally to support residents and visitors to explore and use the network. In some places, the connections through built up areas or across the highways network need improvement to make travel easier.

The second is surfacing and treatment. The Authority needs to ensure that the surfacing allows for participation by a wide variety of users, and in particular is accessible to people with disabilities.

A consistent approach to surfacing and treatment is being agreed to ensure greater consistency across the network and to ensure standards are in place whenever a project is being delivered. Again, working with users and communities, the Authority will agree those standards.

The third is animation. Clearly the Wagonways are a legacy of a rich history and work is planned to tell the story of the network and find ways to bring that to life for users. The Authority will work with users and communities to help interpretation of the heritage of the network. But the network is also a living resource. There are opportunities to increase engagement and awareness of the flora and fauna that surround the network as well as encouraging greater diversity. And there is an opportunity to provide business opportunities throughout the network serving users and working with the materials that grow along its length.

This project is particularly appropriate for external funding. It is therefore planned to set aside £0.500m to begin the development work and to act as matched funding during the period.

When funding and timing allows:

Transport Infrastructure: The Authority will also seek to develop the transport network including continued lobbying for a Metro extension between North Tyneside and Newcastle Airport. The Authority will also work with partners for the delivery of the Northumberland / Tyne heavy rail link.

Indigo Park: The site remains a strategic employment site and is identified in the 2017 Local Plan for employment purposes. The site has its challenges in terms of securing a high voltage electricity supply and refining a scheme which meets market demand and is economically viable. The Authority will continue to work with partners to review funding opportunities to secure investment and refine proposals that are fundable and deliverable.

1.5.6 For the North East

This part of North Tyneside has seen significant investment at the coast to create an asset for the Borough and the Region. For the North East and the surrounding communities, the Authority is investing in the environment and infrastructure to

encourage visitors to support the local economy. The Authority aims to build upon the success of the Spanish City regeneration and to create first-class coastal visitor offer for all of North Tyneside and the Region. This includes continued investment in our coastal infrastructure following our investment in the Central Lower Promenade and the southern portion of the Northern Promenade and Watts Slope WC's. The Authority aims to meet housing and transport demand in a sustainable way.

Current Activity:

High Point Hotel: The development of the former High Point Hotel to create 14 high quality sea front town houses has been completed and has transformed the site which was previously occupied in part by a semi-derelict hotel. The scheme has had a major impact in improving the appearance of this part of the seafront and in improving perceptions of the area through its high-quality contemporary design. It has also brought new, high quality housing opportunities to the area for people seeking to live on the coast. The scheme is currently being marketed with some of the properties now occupied.

Empress Point Housing: The redevelopment of the former Avenue Pub has been completed transforming this prominent seafront location and building on the success of the Spanish City regeneration. The scheme, which has been delivered by the Authority's Trading Company, Aurora, has provided 12 high quality family homes. The scheme is currently being marketed with some of the properties now occupied.

St Mary's Island Causeway: The Authority has carried out remedial works to St. Mary's Island Causeway as part of initial steps to secure further investment into the island as part of the visitor offer.

Southern Promenade: A scheme has been refined to repair and strengthen the lower sea wall at Southern Promenade to maintain an effective sea defence. The work involves infilling a set of steps which are causing a weak spot in the structure along with other localised repairs to the wall. A construction contract has been agreed and is in place with works scheduled to commence over the summer.

Next Steps 2020-2025:

Northern Promenade: Significant investment in the Central Lower Promenade and the first southern portion of the Northern Promenade have been a successful part of the regeneration of Whitley Bay. The public spaces have provided room for events and exercise for residents, visitors and businesses from across the Borough. It is proposed to complete the work on the Northern Promenade in three phases over the next five years.

Phase 1 – The Rendezvous Café. This phase constitutes an investment of just over £1m to renovate the building, including the associated toilets, car park and promenade space. It is planned to begin this work in the Autumn of 2020 and complete it in the Spring of 2021. The work aims to preserve the character of the café while improving the fabric of the building and the public toilets.

Phase 2 – Northern Promenade final surfacing work. This phase will complete the refurbishment of the promenade dealing with the original surface treatment and the remains of the former beach huts. Due to be delivered in 2021/22 and expected to cost £0.8m.

Phase 3 – Linking the path at Briar Dene to the St Mary’s Island Promenade upgrading the current informal path on the sea side of the Mini Golf Course. Due to be delivered in 2022/23 and expected to cost £0.2m.

When funding and timing allows:

Churchill Playing Fields: It is also proposed to further develop plans for sporting facilities at Churchill Playing fields. Building on recent investment in the surface of the running track, a long-term investment strategy for the site is being refined which will see it developed as a regional centre for sporting activities which further broadens the boroughs offer and attractiveness as a place to live, work and visit. Considerations include redesigning access to the site and a new pavilion to serve both the athletics and cricket area.

Murton Housing Site: Identified in the 2017 Local Plan as a strategic housing site, the Authority will continue to work with the development consortia to deliver the Murton Master Plan which was adopted by the Authority as a framework for the delivery of this major scheme. In addition to bringing forward 3000 new homes the development will include investment in new transport infrastructure including a new link road, Metro Station as well as new schools.

Metro Extension to Cobalt Business Park: The Authority will also seek to further develop the transport network including continued lobbying for a Metro extension in the Cobalt corridor and the potential for a rail station at Northumberland Park as part of Northumberland / Tyne Railway proposals.

St Mary’s Island: Options and funding are being sought to manage and appropriately develop St Mary’s Island. This will see investment into the fabric of the lighthouse and the associated buildings and structures as well as the potential for private sector investment on the landward side to provide a higher quality visitor food and beverage offer with associated WCs. This approach will preserve and enhance the historic lighthouse and will also seek to protect the ecology of the island and the area surrounding the car park to the north.

Whitley Bay Town Centre Traffic Flows: In line with the National Recovery Strategy, proposals have been implemented in Whitley Bay as part of the Emergency Active Travel Fund. In the longer terms there are plans to redesign traffic and transport flows in and around Whitley Bay town centre. The purpose of these will be to improve the pedestrian, cycle and vehicular movements within the town centre environment and create a better visitor experience and provide opportunity and support to local business.

1.5.7 For the South East

The South East area contains North Shields Town Centre and Fish Quay and together with the surrounding communities contain some significant assets that contribute to the overall offer of the Borough. The Fish Quay is England and Wales’ largest prawn landing port. The South East is also home to the longstanding fishing activity which is based at Cullercoats Harbour. It contains the major Port of Tyne site, the north side of the Tyne Tunnels and a major site for Northumbrian Water as well as the two retail outlets at Silverlink and Royal Quays and the attractions of Tynemouth Village. Northumberland Park, Tynemouth Pool and The Parks are at the core of a significant leisure offer.

For the South East and its surrounding area the Authority is working towards raising the quality of the built environment. It is also working towards regenerating North Shields

Town Centre and connecting it to a vibrant quayside that is home to the fishing industry as well as numerous pubs and restaurants. The Authority wants to tackle working poverty, improve the life chances of our residents and address issues of poor quality private rented housing as part of the work to close the gap. The Authority wants to work in partnership to deliver the proposals contained in the emerging North Shields and Fish Quay Master Plan.

Current Activity:

Cullercoats Bay Works have recently been completed to the toilet facilities within Cullercoats Bay. Funded through the 19/20 and 20/21 Asset Planned Maintenance Programmes this has allowed for essential structural works, internal refurbishment and external redecoration works. The project was fully completed on 19 August 2020 and arrangements will now be put in place to work with the Service to re-open that facilities to the general public.

13-16 Northumberland Square: The Authority is investing in the heart of the town centre with the restoration of the historic Grade 2 listed Georgian terrace at Northumberland Square further enhancing the character of the Conservation Area. This scheme will see 28 new family homes developed which will create a new residential quarter in the town centre which, in addition to providing a unique housing offer, will also drive footfall into the town centre helping to support local shops and services as part of the Authority's plans to diversify and broaden the town centre offer. The scheme will be completed by Autumn 2020 with works to the recently acquired adjacent building continuing into 2021 (see below).

11-12 Northumberland Square: In addition, the Authority has recently acquired the adjacent properties (11-12 Northumberland Square) which were in private ownership and very poor condition. These listed properties will now be refurbished and converted into residential apartments to complement the rest of the scheme.

Wallington Court Housing: In addition to the schemes at Empress Point and the former High Point Hotel, a further 12 new homes have also been delivered by the Authority's Trading Company on the site of the former care home at Wallington Court located within the Marden Estate. These well designed and attractive bungalows have provided a first-class housing offer and greater choice for people wishing to live in the area.

Unicorn House: Unicorn House was purchased by the Council in May 2020. Given the design of the building and the limited contribution it makes to the townscape of North Shields, it was considered that the best outcome would be for the public sector to intervene and redevelop the site to a high standard. Options are currently being prepared to bring forward a scheme and IDP architects have been commissioned to produce options for an innovative development which reflects the Authority's policy objectives around placemaking and design quality. Tenders have also been received for the demolition of the site which includes the removal of asbestos.

North Shields Heritage Action Zone: The Authority has also been successful in attracting Heritage Action Zone funding for improvements to Howard Street Conservation Area. This will see significant investment into the fabric of the Conservation Area including both buildings and public realm. This will improve the character and appearance of the Conservation Area and will build upon the investment at Northumberland Square. It will also provide new commercial opportunities for some of the buildings on Howard Street which could be repurposed toward high quality food and beverage / leisure uses and which would take advantage of this unique location. The first meeting of the Heritage

Action Zone Steering Group was held in July 2020 and applications have been prepared for funding support in relation to 11/12 Northumberland Square

North Shields Master Plan: Following the award of £200k Funding from the North of Tyne Combined Authority, work has been progressed over 2019/20 to develop a Master Plan for North Shields Town Centre and Fish Quay. Like many town centres, North Shields has suffered from the decline of town centre retailing which is a consequence of structural changes at a national level in the retailing and leisure industries. The purpose of the Master Plan is to set out a vision for the town centre which reflects the Authority's policy objectives to broaden and diversify the visitor offer and to create a sustainable future for the town centre with improved links to the Fish Quay.

An initial draft of the Master Plan was presented to Cabinet on 3rd August 2020. This sets out a vision for the town centre and comprises a series of projects which, collectively, will transform the town centre and create opportunities for new commercial and residential developments as well as investment in the public transport infrastructure and public realm.

In addition to the heritage based projects referred to above, the Master Plan proposes improvements to key gateways into the town centre, a proposed new bus station integrated with the existing Metro Station as well as other improvements to the highway network and public realm to improve the appearance of the town centre and enhance the visitor experience. Other interventions will see new housing identified for the former Tyne Brand Site and Unicorn House which was acquired by the Authority in 2020.

For reference, the schemes contained in the Master Plan include:

1. Town Centre Gateway Improvements
2. Transport Hub and Bus Interchange
3. New Town Square
4. Bedford Street / Saville Street Public Realm Improvements
5. Northumberland Square Improvements
6. Howard Street Cultural Quarter
7. Riverside Embankment Walkway
8. Housing Sites
 - Tyne Brand
 - Unicorn House
9. Relocation of North Shields Ferry

The Master Plan is subject to ongoing public engagement and consultation which will provide the Authority with an insight to views of residents and businesses alike and which will inform the final draft version of the document. Once finalised, it is proposed to formally adopt the plan as Supplementary Planning Guidance

The Authority has also been successful in securing funding through the Transforming Cities Fund which is for major transport infrastructure projects. The Authority's proposals are for a new integrated transport facility within North Shields Town Centre which will link bus and Metro services and provide a better customer experience. The Authority's bid also includes highway improvements within North Shields Town Centre as well as proposals for a walkway from the town centre to the Fish Quay to improve pedestrian connectivity.

The Tyne Brand Site: The Authority also continues to work with the new owners of the Tyne Brand site on the Fish Quay to identify development solutions that will see this

prominent site brought forward for residential purposes. In broadening the housing offer at this stunning and unique location, the redevelopment of the site will address the issues of dereliction that blight the site and its surrounds. Moreover, it will open up new opportunities on Tanners Bank and Brew House Bank which will further improve the quality of place.

Tanners Bank Bridge: The Authority have also received confirmation of £3.6m funding for Tanners Bank Bridge in June 2020 and work is currently underway to refine a delivery strategy for this scheme. This includes a contribution of £300K from Nexus as well as match from the Authority of £103K from the Local Transport Plan.

North Shields Ferry Landing: Identified in the emerging Master Plan, work is ongoing with Nexus to refine a scheme for the relocation of the Ferry landing to Western Quay. It is also proposed that the new landing will link in with the proposed Riverside Embankment Walkway which is included in the Master Plan. Having a link into the heart of the Fish Quay will improve accessibility and drive footfall. The proposals will include bus turning facilities to ensure there is public transport connectivity with the town centre and beyond. Nexus are currently refining their plans and are seeking funding to deliver this from the Getting Building Again Fund.

Wooden Dolly: The statue was removed from Northumberland Square earlier in the year and is currently being restored by Robert Thomson and Sons in Yorkshire who were the original sculptors. These works were completed in August (having been delayed due to Covid-19) and the statue was returned to the Square for a final 'shift' with a view to retiring it in due course to an indoor location in the longer terms. Options for a replacement to be located in Northumberland Square will be considered as part of the wider renovation works to the Square.

Next Steps 2020-2025:

North Shields Town Centre and Fish Quay: It is proposed that North Shields Town Centre is identified as a priority for investment. As projects contained within the Master Plan are refined, it is proposed that Authority funding is targeted towards the delivery of schemes identified in the Master Plan and is used as match funding in order to attract significant additional funding from Central Government, the North East LEP and the North of Tyne Combined Authority. Existing commitments for the funding include the Council's contribution towards the Heritage Action Zone which is circa £1m.

Subject to the Master Plan being agreed by Cabinet following public consultation over the Summer, we will then be able to refine delivery strategies for the projects contained in the Master Plan.

When funding and timing allows:

North Shields Town Centre: The Authority will further develop plans to implement the projects contained in the emerging North Shields and Fish Quay Master Plan. The Authority will also continue to support both the working quay and the Fish Quay as a food and drink destination. In addition to the projects listed, the Authority will also seek to tackle poor quality private rented accommodation and improve the choice of housing in terms of type and tenure.

Port of Tyne Enterprise Zone: The Authority will continue to work with the Port of Tyne and the North East LEP to identify solutions for the Royal Quays Enterprise Zone. The site is currently in a poor condition and requires extensive enabling works to bring it forward for beneficial economic use. The Port's plans for the site have been delayed due

to the Coronavirus pandemic although they have undertaken soft market testing to see if there is appetite in the development community to work collaboratively to bring the site forward.

Collingwood Monument and Tynemouth Priory: Given the significance and visibility to these iconic structures and their place within the heritage of the North East, it is proposed to celebrate these with new lighting schemes that will redefine their presence and create a striking impression on visitors, especially those arriving via the River Tyne.

The people of North Tyneside

This plan contains a broad range of physical projects which develop North Tyneside as a place. However, North Tyneside is nothing without its people. It the businesses and shoppers that make the town centres, the visitors, residents and businesses that bring to life the attractions at the coast and our residents and visitors that fill our parks and wagonways with activity.

Just as this programme is designed to be for all of North Tyneside it is designed for all of the people of North Tyneside wherever they live. Many of the projects that have been delivered and will be delivered are shaped with that in mind. For example, the development of the hotel and restaurant at The Spanish City was done in partnership to create a Work Academy that allowed residents who had limited experience of work to undergo training and then have a guaranteed interview. The proposals at Swan Hunters have at their heart, the delivery of new jobs on that sight.

Later this year, Cabinet will be asked to consider its strategy for an inclusive economy; making sure that everyone in North Tyneside has access to good education, good jobs, safe spaces and good quality housing. Cabinet will consider how best to deliver the agreed Digital Strategy which seeks to ensure residents have the right digital skills for work and play and that businesses have the right skills and connectivity to take advantage of a changed world.

This plan is ambitious in scope and complex in its nature but it means nothing without the people served by North Tyneside Council.

Proposed Funding Breakdown

An initial breakdown of the proposed funding allocation is set out below.

Scheme	Council Funding from Our Ambition / Budget (£2m per year for five years)	External Funding
North West – Killingworth Lake	£0.75m	To be confirmed
North West – Wagonways	£0.50m	To be confirmed
South West – Segedunum	£1.00m	To be confirmed
North East – Northern Promenade	£0.35m	£0.67m
Churchill Playing Fields	TBC	TBC
South East – North Shields Heritage Action Zone	£1.00m	£0.90m Heritage and £0.10m private sector

South East – North Shields Town Centre	£TBC	<p>£19.1m Transforming Cities Fund for investment in new bus infrastructure, gateways and pedestrian routes between the town centre and Fish Quay</p> <p>£3.6m DfT funding for improvements to Tanners bank Bridge with £0.3m contribution from Nexus</p> <p>Bids are also pending for: £3.5m Getting Building Again Fund (MHCLG via LEP) for investment in the town centre public realm, with £1.00m match from Heritage Action Zone and £0.6m for the North East LEP.</p> <p>£5.8m Getting Building Again Fund (MHCLG via LEP) for investment in a new Ferry landing, with £3.1m contribution from Nexus</p>
TOTAL	£3.6m	£39.00m

Subject to Cabinet agreeing the proposed list of Tranche 1 projects, further work will be undertaken to refine a delivery programme and to profile the spend for each project across the five year period.

1.5.8 How the plan will be managed

Progress on the Our Ambition Plan shall be monitored by the Deputy Mayor, who has responsibility for regeneration, and regular reports on progress will be reported to Cabinet. Property related projects will be dealt with via the Strategic Property Group chaired by the Elected Mayor. Investment projects are overseen by the Investment Programme Board, which is chaired by the Cabinet Member for Finance and includes the Deputy Mayor. Specific project and working groups will be established to handle more significant projects with appropriate Elected Member and Chief Officer leadership.

1.5.9 Next steps

Subject to agreement by Cabinet, the next steps will include:

- Further project development including refining delivery plans and funding mix;
- Options on the major projects moving through appropriate governance;
- Finalise the Investment Programme based on a £10m budget over 5 years.

1.6 Decision options:

There is no decision to be made regarding the report which is for information purposes only. All projects identified for delivery within the report will be subject to the Authority's project governance arrangements.

1.7 Reasons for recommended option:

Not applicable as the report is for information purposes only

Contact officers:

John Sparkes, Head of Regeneration and Economic Development, tel. (0191) 643 6091

1.8 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) Our North Tyneside Plan 2018-2021
- (2) State of the Area 2018
- (3) Cabinet report 26th November 2018 'An Ambition for North Tyneside'
- (4) Cabinet report 1st April 2019 'An Ambition for North Shields'
- (5) Cabinet Report November 2019 'An ambition for North Tyneside' mid year update
- (6) An Ambition For North Tyneside – Regeneration Strategy: Delivery by Area

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The capital and revenue implications relating to those projects currently underway are included within the Authority's current Investment Plan and Financial Plan respectively. Any future proposals will be considered as part of the investment plan gateway process in line with the Authority's Capital Investment Strategy.

The Authority's budget identifies a 5 year, £10m investment pot to deliver the projects contained in Our Ambition for North Tyneside. This will support the specific projects identified in this report but, crucially, will be available as matched funding to take advantage of emerging public and private finance opportunities.

As projects are further developed and refined, we will continue to identify sources of match funding from national and regional funding bodies in order to deliver on our promises and to maximise the impact of our schemes and to provide value for money.

2.2 Legal

There are no direct legal implications arising from this report. As projects and plans come forward individual consideration of the legal implications of these plans and projects will be required.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The report is based on discussions with the Elected Mayor and Cabinet Members as well as detailed technical discussions across the Senior Leadership Team.

2.3.2 External Consultation/Engagement

As the Authority has begun to mobilise on many of the key projects contained in Our Ambition for North Tyneside, the Authority has undertaken a numerous consultation events and have engaged with businesses and stakeholders to seek their views. This has included meeting with businesses at specific engagement events as well as meetings with the Chambers of Trade.

As proposals contained in Our Ambition for North Tyneside move towards delivery and where statutory processes are involved, for example Planning Applications, formal consultation will take place.

Future engagement will also build upon earlier consultation that has been undertaken which includes the Big Community Conversation; Budget Engagement and the engagement which supported the production of the North Tyneside Local Plan, Master Plans and Community Infrastructure Levy.

2.4 Human rights

There are no human rights implications arising from this report.

2.5 Equalities and diversity

Equality Impact Assessments will be carried out for each project where appropriate. This is a key part of project planning as it assesses the potential impact a project may have on people with protected characteristics.

2.6 Risk management

Specific projects will have their own risk management arrangements in line with the agreed corporate approach.

2.7 Crime and disorder

Any crime and disorder implications and mitigation measures will be considered as part of the proposals for the individual schemes and projects set out in this report.

2.8 Environment and sustainability

The contents of the plan aim to support sustainable development and contribute to reducing carbon emissions and responding to our climate change emergency.

PART 3 - SIGN OFF

- Chief Executive
- Head(s) of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy and Customer Service

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North Tyneside Council Report to Cabinet Date: 21 September 2020

Title: Housing and construction procurement of suppliers of materials and subcontractors

Portfolio: Housing	Cabinet Member: Councillor Steve Cox
Report from Service Area:	Environment, Housing and Leisure
Responsible Officer:	Phil Scott, Head of Environment, Housing and Leisure Tel: (0191) 6437295
Wards affected:	All wards

PART 1

1.1 Executive Summary:

On 1st April 2019 the long-term partnership agreement for the delivery of the housing repairs, maintenance and construction services with Kier North Tyneside expired. These services are now managed by the Authority. At the time of transfer a major procurement exercise was undertaken to engage a supply chain to provide vital goods and services aligned to Council policy priorities. These contracts were for an initial term of 2 years and now need to be re-procured.

In accordance with Contract Standing Order 8(4), this report requests Cabinet approval to proceed with the procurement as the value will exceed £500,000.

1.2 Recommendations:

It is recommended that Cabinet:

- 1) approve the procurement of the goods and services as detailed in this report;
- 2) delegate authority to the Head of Environment, Housing and Leisure in consultation with the Cabinet Member for Housing, the Head of Resources and the Head of Law and Governance to commence a procurement to establish frameworks and award contracts to those bidders who represent the most economically advantageous tender and any subsequent call-off contracts.

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 14 August 2020.

1.4 Council Plan and Policy Framework

This report relates to the following priorities in the 2020-2024 Our North Tyneside Plan:

- Our people will be ready for work and life
- Our places will be great places to live
- Our places will offer a good choice of quality housing
- Recognise the climate emergency
- Our economy will grow by supporting new businesses

1.5 Information:

1.5.1 Background

The housing repairs, maintenance and construction service was previously delivered by Kier North Tyneside. Following expiry of this contract on 1st April 2019 the service is now delivered under the direct management of the Authority. At that time engagement was undertaken with the market and a suitable supply chain was established. These frameworks were for a minimum of 2 years.

1.5.2 Authority Requirements

The original contracts had an extension period built in, however it is deemed inappropriate to extend the contracts due to some market failures during the contract period and/or change to the Authority's requirements.

Lessons learned from the previous exercise show that there is a market for the services that the Authority requires. The services procured in 2019 were well received by our tenants, with a seamless transition. High quality products have been maintained, and the team engaged with suppliers and customers to pilot new products which have been well received.

It is intended that frameworks will be established with multiple suppliers, with larger packages of works being subject to mini-competition exercise. This will ensure value for money for the Authority. The frameworks will be for an initial term of either 2 or 3 years with an option to extend for a further year dependant on service requirements.

1.5.3 Good and Services

The following goods and services will be procured:

- Materials (plumbing, electrical, building, painting, timber, skips, glass and kitchens)
- Services (fencing, painting, minor works, scaffolding, roofing, plumbing and heating and electrical works)
- Design consultancy services

A new kitchen unit supplier is required and we will engage with tenants prior to the award of this contract.

1.5.4 Benefits realised to date

The housing, repairs maintenance and construction service currently spends circa £20m on goods and services to support the in-house team across both the housing and schools and public buildings offer. As reported to Cabinet at its meeting of 25 November 2019 the savings associated with the Construction Project and savings in the first year were circa £5.311 million. As reported to Cabinet at its meeting of 25 November 2019 the spend within the borough had increased by 17% from previous years following the transfer of the service. This increase is hoped to be surpassed in this procurement exercise.

Supporting the Local Supply Chain

As detailed in the report to Cabinet dated 25 November 2019 a large majority of material suppliers are large national companies. However we may now be able to increase the local supply chain by re-packaging the offer to the market.

The Covid crisis has changed the supply chain, some suppliers are now unfortunately in administration. We have supported the supply chain where possible using supplier relief, business rates relief and the discretionary grant. We will continue to engage with businesses and customers prior to commencing the tender exercise to ensure we fully understand the new emerging marketplace.

During the original procurement exercise engagement through social media was incredibly successful with over 250 businesses attending events to understand the business on offer. We will replicate this as part of this procurement exercise. Virtual briefings will be provided together with a number of short 'how to videos'. Our procurement pages and links to external organisations will be updated and will be easier to navigate. This will ensure smaller suppliers are able to tender.

1.5.5 Our Priorities

The opportunities will be packaged to maximise the benefits for the Authority while supporting the local supply chain as much as possible.

Climate Emergency

Following the climate emergency declaration by full Council at its meeting of 24 June 2019, the materials and services tender will support the Authority's carbon reduction and recycling ambitions. For example, a more local supply chain will reduce travel for suppliers, branches within the borough will increase local employment and increase productivity.

The Procurement Strategy

The Authority adopted its Procurement Strategy in 2017. Utilising the social value principles within the Procurement Strategy, the Authority will gain commitments of local employment and apprenticeships. This will contribute to the economic recovery of North Tyneside in the wake of the Covid crisis.

Our tendering process will be streamlined and better information will be provided to the market. Lower value tenders will be issued, and this will give our SME's the chance to

work with the Authority, again supporting local businesses. Working with the Business Forum and NEPO, bespoke workshops will be developed to support SME's.

The principles set out in the Authority's Responsible Procurement Charter will be embedded in the tender requirements.

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

Cabinet may approve the recommendations set out in paragraph 1.2 to carry out the necessary procurement exercises.

Option 2

Cabinet may not approve the recommendations and continue to carry out tender opportunities for each package of works and/or services. This may not provide value for money or achieve the priorities of the Authority.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

The Authority has a duty to obtain value for money. Tendering the opportunities identified in the report will meet the priorities contained within the Procurement Strategy and Our North Tyneside Plan. Should individual opportunities be tendered value for money and the associated benefits may not be achieved.

1.8 Appendices:

There are no appendices to this report.

1.9 Contact officers:

Phil Scott – Head of Environment, Housing and Leisure. Tel 0191 6437295
Sarah Heslop – Senior Manager (Contracts). Tel 0191 6435456
David Foster – Housing Property and Construction Manager. Tel 0191 6437801

1.10 Background information:

There are no background papers.

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The procurement of suppliers and contractors to service the Authority's Housing Repairs and Construction operational needs is a critical part of the process to enable the successful delivery of the housing and construction offer.

The budgets to pay for the costs of sub-contractors are provided for either via the Housing Revenue Account Business Plan, the General Fund or the Capital Investment Plan

2.2 Legal

The procurement shall be carried out in compliance with the Public Procurement Regulations 2015 and the Authority's Contract Standing Orders.

2.3 Consultation/community engagement

Consultation has been carried out with the Cabinet Member for Housing. Market engagement events will be undertaken prior to the tender process commencing.

2.4 Human rights

There are no human rights issues directly arising from this report

2.5 Equalities and diversity

There are no equality and diversity issues which arise directly from this report

2.6 Risk management

Any risk management issues are included within the Authority's risk register and will be managed by this process.

2.7 Crime and disorder

There are no crime and disorder issues directly arising from this report.

2.8 Environment and sustainability

Where appropriate tenderers will be obliged to commit to carbon reduction and recycling to assist with the climate emergency declaration.

PART 3 - SIGN OFF

- Chief Executive
- Head(s) of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy and Customer Service

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North Tyneside Council Report to Cabinet Date: 21 September 2020

Title: Complaints Service Report 2019-20

Portfolio(s): Elected Mayor Community Safety and Engagement Adult Social Care Children, Young People and Learning	Cabinet Member(s): Norma Redfearn Councillor Carole Burdis Councillor Gary Bell Councillor Peter Earley
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Report from Service Area: Law & Governance

Responsible Officer: Bryn Roberts, Head of Law and Governance (Tel: 643 5339)

Wards affected: All

PART 1

1.1 Executive Summary:

The purpose of this report is to provide Cabinet with an overview of the Authority's closed complaints, for the year 1 April 2019 and 31 March 2020 and to ensure compliance with the requirement to publish a report on complaints under the relevant statutory complaint legislation. This report covers all complaints made to the Authority, including those made under social services arrangements, and those made to the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman (HO).

The LGSCO have recently produced their annual summary of complaints for all local authorities and North Tyneside Council remains second lowest within Tyne and Wear. In total, the Ombudsmen received 50 complaints about North Tyneside Council, positively, where a detailed investigation took place, only eight complaints were upheld.

The number of complaints continues to be very low compared to the amount of transactions the Authority undertakes every year. Overall, formal complaints to the Authority in 2019-20 has remained static in comparison to 2018-19 (1069 complaints and 1070 complaints respectively).

Effective complaints handling is very important and learning from the outcomes is an excellent way to improve service delivery.

1.2 Recommendation(s):

It is recommended that Cabinet:

1. notes the complaint related activity during 2019-20 as set out in the Annual Complaints Report (Appendix 1);
2. approves the above Report for publication by the Head of Law and Governance; and
3. receives the Local Government and Social Care Ombudsman's Annual Review of complaints concerning North Tyneside Council for 2019-20 (Appendix 2).

1.3 Forward plan:

28 days notice of this report has been given and it first appeared on the Forward Plan that was published on 19 August 2020.

1.4 Council plan and policy framework

This report relates to the following priorities in the Our North Tyneside Plan "Our People" and "Our Places", as lessons learned from complaints are a key driver in service improvement and ensuring best value for money.

1.5 Information:

1.5.1 Background

The Authority undertakes millions of transactions with its 204,000 residents and 6.6 visitors to the Borough, throughout the year. Against that background, the number of complaints received by the Authority remains consistently low, reflecting the excellent services our customers receive and the Authority's ability to resolve swiftly any issues that do arise at the first point of contact.

The number of formal complaints during 2019-20 remained static compared to the previous year as the Authority continues to take a proactive approach to encouraging our residents and service users to provide feedback. The Authority's complaint leaflet entitled "How to complain about Council services" is widely available in the Authority's buildings and to download from the Authority's website. It is also now very easy for our customers to contact us on-line, and Social Care Service users are provided with a complaint leaflet at the first point of contact.

Customer satisfaction with the complaints process remains relatively high and the Authority continues to resolve the vast majority of complaints at Stage One. The Authority welcomes complaints as valuable feedback from its customers and complaint outcomes provide valuable lessons learned to further improve and enhance the Authority's services and procedures.

The Authority operates statutory complaint procedures for Adult Social Care and Children and Young People's Services and Public Health. It also provides a Corporate Complaints Procedure for all other services. The Senior Complaints Officer is the Authority's main contact with the offices of the Local Government and Social Care Ombudsman and Housing Ombudsman (LGSCO and HO). This involves responding to initial enquiries, gathering information, and arranging access

to files and interviews of staff under the instruction of the LGSCO and HO investigators, and providing advice and assistance to the Authority's Officers who may be the subject of a complaint.

1.5.2 Local Government and Social Care Ombudsman

During 2019-20 the Authority responded to LGSCO enquiries in a timely fashion and was well within the required timescale for response of 28 days. The LGSCO's Annual Review of complaints concerning North Tyneside Council for 2019-20 is at Appendix 2.

1.5.3 Complaints Report

The Authority's Complaints Annual Report for 2019-20 is attached at Appendix 1. Cabinet is invited to note that the overall number of formal complaints to the Authority in 2019-20 has remained static in comparison to 2018-19 (1070 complaints and 1069 complaints respectively).

1.5.4 Corporate Complaints

There were 973 Corporate Complaints received during 2018-19, the figure has remained similar during 2019-20 at 967.

The Authority recognises that it is important to deal with complaints well as this is central to providing a good customer service. Services seek to address complaints and learn from these complaints so that the Authority can continually improve services.

The results are set out in detail in Section 3, Table 8 of the Report at Appendix 1.

1.5.5 Social Care Complaints

The number of Social Care complaints (relating to both Adult Social Care and Children and Young People's Services) minimally increased from 97 in 2018-19 to 102 in 2019-20. This equates to 49 cases in Children's Social Services and 53 cases in Adult Social Care.

The results are set out in Section 2, Tables 2 to 6 of the Report at Appendix 1.

1.5.6 Future Developments

The Authority has proposed to establish a programme that aims to improve customer services and to demonstrate that "we listen and we care". This programme has four parts: Customer Promise, Brilliant Basics, Customer Focussed Services and Better Never Stops – a continuous improvement culture.

Better Never Stops will examine how the Authority collects queries, feedback and complaints. It will look at the quality and consistency of the Authority's responses and how the feedback is used to gather and inform ongoing service delivery. The Authority will also develop the way its employees act to drive up the standard the Authority has set itself and how to recognise and celebrate good customer service.

A key aim of the complaint process is 'learning' from complaints and connects with the Better Never Stops programme. There have been several changes to procedures and practice during 2019-20 as a result of resolved complaints, examples of these have been listed on pages 10-11 of the Report.

1.5.7 Conclusion

Complaints are now widely recognised as integral to the provision of quality services at both individual and strategic levels. The Authority's successful history and current good practice in effective complaint handling will be an integral service improvement driver in the current rapidly changing culture. The demands of maintaining, and increasing levels of customer satisfaction, coupled with organisational changes across public and partner sectors, will be well supported by the current robust complaint handling procedures and electronic system in place.

The Report will be published on the Authority's website and will be available on request from the Senior Complaints Officer.

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

Note the content of the Report and approve publication of the report.

Option 2

Cabinet may refer the report back to officers and request that further analysis and information is provided.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reason:

All local authorities providing 'social service functions' including North Tyneside Council are legally required to publish an annual report on complaints received. Publication of a Report also supports community engagement and promotes transparency and opportunities for organisational improvement.

1.8 Appendices:

Appendix 1: North Tyneside Council Complaints Service Report 2019-20.

Appendix 2: The Local Government Ombudsman's Annual Review of complaints about North Tyneside Council 2019-20.

1.9 Contact officers:

Bryn Roberts, Head of Law and Governance, tel 643 5339

Emma Rothery, Senior Complaints Officer, tel 643 5361

Claire Emmerson, Senior Manager Financial Strategy and Planning, tel 643 8109

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- The Local Authority Social Services Complaints (England) Regulations 2006 and Guidance (Children)
<http://www.legislation.gov.uk/ukxi/2006/1738/contents/made>
- The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009 and Guidance (Adults)
http://webarchive.nationalarchives.gov.uk/+www.dh.gov.uk/en/SocialCare/DH_120361
- North Tyneside Council Corporate Complaints Procedure
<http://my.northtyneside.gov.uk/category/479/complaints-procedure>
- The NHS Bodies and Local Authorities Regulations 2012
<http://www.legislation.gov.uk/ukxi/2012/3094/introduction/made>

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There are no financial or other resource implications arising directly from this report. The delivery of the service is provided for from existing budget provision. Compensation payments are funded from existing budgets in the relevant Service areas.

2.2 Legal

Local Authorities with Social Service functions are required to publish regular reports on Complaints and Ombudsman investigations in accordance with The Local Authority Social Services Complaints (England) Regulations 2006.

2.3 Consultation/community engagement

Internal Consultation

The Report has been circulated to Heads of Service, the Acting Chief Executive, the Elected Mayor, Deputy Mayor and Cabinet Members for Adult Social Care and Children, Young People and Learning. Comments received have been incorporated where relevant in the Report.

2.4 Human rights

The service promotes equal access to complaint services and opportunities to contribute to service improvement.

2.5 Equalities and diversity

The service promotes equal access to complaint services and opportunities to contribute to service improvement. Material is available in different formats and Officers actively provide assistance for people with individual needs as required. Equality monitoring is undertaken so that the service can ensure it meets the needs of people with protected characteristics across all of the borough's communities.

2.6 Risk management

A risk assessment has taken place. All risks identified can be managed through North Tyneside Risk Process and will be added to the Authority's Risk Register.

2.7 Crime and disorder

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

2.8 Environment and sustainability

There are no environment and sustainability implications directly arising from this report.

PART 3 - SIGN OFF

- Chief Executive X
- Head(s) of Service X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer X
- Head of Corporate Strategy and Customer Services X

COMPLAINTS SERVICE REPORT 2019-20

Date: July 2020

Author: Emma Rothery

Contents

Introduction	3
Executive Summary	3
Procedures	
Overview	4
How to make a complaint	5
Help and Support	5
Who can make a complaint?	6
External Review	
Local Government and Social Care Ombudsman and Housing Ombudsman	6
Care Quality Commission.....	7
O.F.S.T.E.D.....	8
Management and Operation	8
Performance Indicators	8
Numbers and analysis of complaints	9
Lessons Learned	10
Future Developments	11
Conclusions	11
Statistics	
Overall number of complaints	13
Social Services	13
Corporate Complaints	15
Local Government and Social Care Ombudsman and Housing Ombudsman	17
Informal complaints and enquiries	18



North Tyneside Council

COMPLAINTS SERVICE REPORT

1 APRIL 2019 – 31 MARCH 2020

Introduction

This report provides an overview of the Authority's closed complaints, for the year between 1 April 2019 and 31 March 2020. It covers complaints under the Children Act 1989 and the Local Authority Social Services NHS Complaint Regulations (England) 2009, which are often referred to together as the 'social services' procedures. It also includes other 'corporate complaints' about other services provided by the Authority and Complaints made to the Local Government and Social Care Ombudsman (LGSCO) and Housing Ombudsman (HO). This report has been produced using data from complaints that were closed during 1 April 2019 to 31 March 2020.

The Authority always aims to provide high quality services and customer care at all times. However, it recognises there are occasions when people may wish to register dissatisfaction with those services. When this happens, the Authority wants to hear about people's experiences and, where something has gone wrong, to put it right, so far as is possible and this process in turn drives improvements generated from complaints. Therefore, we have a comprehensive complaints service that covers not only the statutory Social Services arena, but also all other services of the Authority under a Corporate Complaints Procedure.

We also welcome comments, compliments and suggestions to provide a broad, balanced and reflective picture of people's experiences of our services.

Executive Summary

The number of complaints continues to be very low compared to the millions of transactions the Authority has with approximately 204,000 residents and approximately, 6.6 million visitors to the area every year, but the overall number of formal complaints to the Authority has remained very similar to last year when 1070 complaints were registered in comparison to 1069 during 2019-20.

Complaint leaflets are widely available in the Authority's buildings and to download from the Authority's website. It is also now very easy for our customers to contact us online and this is very quickly becoming, the preferred method of communication especially at the end of the year when we saw an abrupt pause to regular complaint processing due to Covid-19.

In keeping with the principle of resolving problems as quickly as possible, the proportion of Corporate Complaints resolved at Stage 1 remains high at 88% in 2019-20 and 88% for Children Social Care Complaints. Adult Social Care complaints have a one stage process and if the complainant remains dissatisfied, they may complain to the Local Government

and Social Care Ombudsman, resulting in all such complaints being resolved at Stage 1 of the statutory complaints procedure.

The Local Government and Social Care Ombudsman undertook 12 detailed investigations during this period and upheld eight. The Authority fully complied with all recommendations made by the Local Government and Social Care Ombudsman.

Procedures

Overview

The Council aims to respond positively to all complaints and other representations so that it can help resolve individual issues and learn from experience how to improve services. We aim to provide comprehensive complaint services, which are widely understood and easily accessible to all. The whole Authority, staff and Members, are committed to effective complaint handling and problem solving as an integral part of customer focussed services and responsive performance management.

There are three separate procedures for Corporate, Children's and Adult Social Care. Wherever possible, before the 'formal' complaint procedures are used, efforts are made at an operational level to resolve any difficulties.

Corporate Complaints

Once the formal procedures are entered into for Corporate Complaints, there are, in essence, three stages:

1. The complaint is referred to a Team Leader or Manager, of the relevant services area, to try to resolve within 15 working days.
2. If not resolved to the customer's satisfaction, they can ask for it to be reviewed by a more senior Manager and this will be done within a further 15 working days; and
3. Ultimately, the Regulation and Review Committee, consisting of up to five Ward Councillors, make the final decision but prior to progression to this stage, the matter is fully considered by the Senior Complaints Officer.

Children Social Care Complaints

In Children Social Care cases, the statutory complaints process is governed by the Local Authority Social Services Complaints (England) Regulations 2006. Stage 1 should be responded to within 10 working days and can be extended to 20 working days; at Stage 2 the response is due within 25 working days and may be extended to 65 working days for complex complaints with the complainant's approval; and Stage 3, the complaint is referred to an Independent Review Panel.

The Authority engage Independent Investigators and Independent Persons for Children Social Care Complaints at Stage 2 as set out in the Regulations. Other independent roles, e.g. members of Independent Complaint Review Panels, are also engaged by the Authority's Complaints Service when required.

Children Social Care staff ensure that all children, of an understanding age, who are new to the care system are in receipt of a complaints leaflet.

Adult Social Care Complaints

The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009 were introduced in April 2009. Under these provisions, the characteristics of individual complaints are assessed and specific plans of how to address the complaint are agreed with the complainant. The approach focuses on the complainant and enables organisations to tailor a flexible response that seeks to resolve the complainant's specific concerns. It is based on the principles of good complaints handling:

1. Getting it right
2. Being customer focused
3. Being open and accountable
4. Acting fairly and proportionately
5. Putting things right
6. Seeking continuous improvement

This statutory procedure has no fixed timescales, other than a maximum period of six months for handling the complaint and is a one stage process, however, locally, the Authority aims to respond within 20 working days.

How to make a complaint

Complaints can be made in a number of ways, e.g.

- By talking to the staff involved, to let them try to sort the problem out
- By writing to or telephoning the Customer and Member Liaison Office:
Customer and Member Liaison Office
Quadrant
The Silverlink North
Cobalt Business Park
North Tyneside
NE27 0BY
Tel. 0191 643 2280
Email: cmlo@northtyneside.gov.uk
- A complaint form is available on line
at: <https://my.northtyneside.gov.uk/category/478/complain-about-council-services>
- By personal visit to any of the Council's Customer First Centres
- By telephoning the Council's Contact Centre on 0345 2000 101

Help and support

The Customer and Member Liaison Office is independent of service departments and offers information, advice and help to complainants and staff responding to complaints. The primary role of the Customer and Member Liaison Office is to ensure all complaints are investigated properly and any lessons learned are adopted.

Independent advocacy is available for people wishing to make Social Services complaints, especially children and vulnerable adults. Other assistance can be arranged to suit individual requirements.

Copies of this report and other material can be made available in other formats or languages on request to the Customer and Member Liaison Office.

Who can make a complaint?

Under the Corporate Complaints Procedures, any user of the Authority's Services can complain. This includes residents and visitors. It also includes relatives and carers acting on someone's behalf, e.g. a person living outside the area representing a relative living in North Tyneside.

In the Social Services arena, people can make a complaint if they are someone for whom the Authority has a power or duty to provide, directly or indirectly, a social service and his/her needs for that service have come to the attention of the Authority. This is extended to cover someone acting on his or her behalf, e.g. a relative or carer.

Limited exclusions do apply:

- when other more appropriate processes already exist, e.g. formal appeal procedures, legal proceedings;
- when the matter occurred more than 12 months before the complaint was made (unless there is good reason for the delay in bringing the matter to the Authority's attention); and
- when the matter has already been properly examined.

It should be noted that where a complaint is made on someone else's behalf, authorisation to act will be obtained from the person the complaint is about.

External review

Local Government and Social Care Ombudsman and Housing Ombudsman

The Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman (HO) look at complaints about Local Authorities in a fair and independent way and their service is provided free of charge. They are independent of all Government Departments and have the same powers as the High Court to obtain information and documents. If they find the Authority has done something wrong, they will make recommendations to put things right.

The Ombudsmen play a vital role for people wishing to make a complaint. It is usual for them to refer a matter to the Authority to examine, if it has not done so previously; they class this type of complaint as "premature".

The Local Government and Social Care Ombudsman Advice Team can be contacted on:

Tel: **0300 061 0614** Text 'call back' to **0762 481 1595** at: www.lgo.org.uk
or write to: **The Local Government and Social Care Ombudsman**, PO Box 4771,
Coventry CV4 0EH

The Housing Ombudsman Advice Team can be contacted on:

Tel: 0300 111 3000 Email: info@housing-ombudsman.org.uk

or write to: **Housing Ombudsman Service**, Exchange Tower, Harbour Exchange Square, London, E14 9GE

Operational liaison with the Local Government and Social Care Ombudsman and the Housing Ombudsman is undertaken by the Senior Complaints Officer.

In the Annual Letter for 2019-20 from the LGSCO they indicated that in total, 50 complaints about North Tyneside Council had been received during the year. The HO does not provide an annual report for each Authority so similar information is not available from the HO in relation to complaints they have received regarding provision of housing and housing services by the Authority.

Of the 50 complaints received, advice was given by the Ombudsmen on one occasion, 16 were referred back to the Authority for local resolution, 20 were closed after initial enquiries, four were not upheld, eight were upheld and three were invalid. The Ombudsmen has emphasised that their statistics reflect the data they hold and may not necessarily align with the data we hold. For example, their numbers include enquiries from people they signpost back to the authority, some of whom may never contact us.

The LGSCO Annual Letter is available on their website and a copy is available from the Senior Complaints Officer.

Set out below are details of the complaints received by the LGSCO in relation to neighbouring authorities. In comparison with previous years, it is apparent that levels of contact with the LGSCO remain constant highlighting that the majority of complainants are satisfied with the way their complaint has been handled by the Authority.

Complaints referred to the LGSCO in Tyne & Wear	2016-17	2017-18	2018-19	2019-20
Gateshead	44	51	51	51
Newcastle upon Tyne	66	66	67	65
North Tyneside	36	46	56	50
South Tyneside	45	49	49	40
Sunderland	71	67	67	74
Total	262	377	290	280

Care Quality Commission

In the Adult Social Care arena, the Care Quality Commission also plays a similar role within its wider remit of regulation of social care. The Commission can be contacted at CQC, Citygate, Gallowgate, Newcastle upon Tyne, NE1 4PA, telephone: 03000 616161 or via an online form on their website www.cqc.org.uk.

OFSTED

For Children Social Care and across Children Young People and Learning, OFSTED plays a similar role to Care Quality Commission. They can be contacted at: OFSTED, Piccadilly Gate, Store Street, Manchester, M1 2WD, telephone: 0300 123 1231 or via email: enquiries@ofsted.gov.uk.

Management and Operation

The management and operation of both the corporate and social services processes is provided by the Customer and Member Liaison Office, which is based within the Law and Governance Department of the Authority. The Customer and Member Liaison Office is also the main point of contact for the Local Government and Social Care Ombudsman and the Housing Ombudsman.

The Office not only managed many individual complaints but also monitored the correct use of the procedures in the various service departments. It did not investigate complaints as service areas were responsible for examining complaints about their own services.

Individual complaints were referred to relevant service managers to examine and respond to the complainant.

The Complaint service is supported by a bespoke Customer Relationship Management system.

Performance Indicators

The Complaints Annual Report is presented to the Authority's full Cabinet meeting. The Report is also presented to the Authority's Regulation and Review Committee to update Members with the number of complaints that have been received the previous year and to advise Members if the recommendations from any Stage Three Corporate complaint hearing have been undertaken.

The Authority carries out an in-house survey of people who have used the complaints process. These show that 81% of respondents said they found it easy to find information about the complaints process; 56% were happy with the time taken to respond to complaints; 50% thought the process was good and 35% were satisfied with the outcome.

There are currently approximately 204,000 residents in North Tyneside. Voluntary diversity monitoring of complainants was introduced several years ago. The following table compares the results of the survey against the Office of National Statistics (ONS) Mid Year Population estimate for 2017 in relation to gender and age, and the latest data in relation to disability, ethnic origin and religion, which is taken from the 2011 Census.

%	O.N.S.	NTC	%	O.N.S.	NTC
Gender			Ethnic Origin		
Female	51.7	43.5	Asian	1.9	0
Male	48.3	44	Black	0.4	0
Declined		12.5	Other Ethnic	0.6	0
Age			Mixed	0.9	0
16-24	11.1	0	White British	95.4	69
			Other White	1.2	0
25-34	14.9	31	Chinese	0.5	0
35-44	16.1	25	Declined	-	31
45-54	18.1	6	Religion		
55-64	15.9	13	Christian	63.8	25
65-74	13.1	6	Hindu	0.3	0
Over 75	10.8	6	Buddhist	0.2	0
Declined	-	13	Muslim	0.7	0
			Sikh	0.2	0
With a disability			Jewish	0	0
Yes	20.6	36	Other	0.2	0
No	-	26	None	28.1	25
Not given	-	38	Declined	6.4	50

Numbers and analysis of complaints

The number of complaints for 2019-20, together with previous years for comparison, is shown in the tables at the end of this report.

This information is made available for consideration by individual service areas, as part of performance management throughout the year. This helps identify any themes or trends and so informs service improvement initiatives. The Senior Complaints Officer met with various service management teams to discuss any implications arising from themes or trends in complaints.

The total complaints related activity is set out in Table 1.

Corporate complaints resolved at Stage 1 remained high at 88% and 88% of Children Social Care complaints closed during the period were resolved at Stage 1. This reflects the commitment of Managers and Supervisors to resolve complaints at an early stage.

All complaints concluded and closed off on the Complaints Database create a prompt to enter any lessons learned as a result of the complaint. Several changes, generated by complaints, were made to procedures and services during the year. A few examples of such improvements are set out below.

Department	Lessons Learned
Children's Services	Through the complaints process, the Authority determined: there was a benefit to early contact with a complainant and providing swift responses to representations, to avoid them developing into complaints; that a sensitive, thorough and considered response at Stage One is important to ensure the resident feels they have been heard; that it is important to apologise, where appropriate, and acknowledge the impact of making the complaint, even if there has not been any direct fault; and it is important to give parent complainants the opportunity to respond to information in an assessment, and to have their views represented, and amendments considered.
Adult Social Care	Following a change to the payment system, in relation to when Adult Social Care are now required to directly pay rent, new arrangements have been adopted to ensure a regular monthly payment is made, ensuring future payments are made automatically.
Public Health	Following a complaint, a change has been made to the Request for Health Information Consent Form to clearly distinguish between requests for information about children and requests for information about parents and carers.
Housing	Through the complaints process, the Authority established there had been a failure to identify damp in a void property. Consequently, extensive checks will be made when void properties are to be re-let, ensuring necessary repairs are carried out before re-letting.
Commissioning and Investment	Through the complaints process the Authority determined that greater clarity was required in letters relating to the school meal payment system, together with additional information about the internal and external help and support available to parents.
Customer Services	In response to a complaint staff training has been provided, and a system change deployed, to allow operators to record the "Mx" prefix for transgender people, should they wish.
Law and Governance	Following a complaint in relation to how an initial contact had been recorded, refresher training was provided to staff on the impact of failing to log a complaint, and on the accurate and timely recording of complaints.

Developments

North Tyneside Council continues to change rapidly. This change process will continue and remain a challenge for effective complaints handling as service users experience changes

and the organisation evolves internally as a result of changing priorities from central Government and more limited resources being available to the Authority.

There are significant examples of change within the Authority. The Authority currently has partnership arrangements with Engie and Capita to provide a range of services and for the past ten years, housing repairs and maintenance were undertaken by a partnership organisation, Kier North Tyneside. However, in April 2019, this changed, and the housing repairs and maintenance is now undertaken internally by the Housing Property and Construction Group.

The overall focus of attention continues to be very much centred on 'learning' from complaints and this will be a core driver in all future developments by the Authority.

Conclusions

In the Our North Tyneside Plan, the Authority has made a commitment to listen and to work better for residents. As part of this commitment, Cabinet agreed in May 2019, a programme to improve customer service across all its services. This programme has four key elements and one of these, "Better Never Stops", will introduce a clearer focus on a continuous improvement culture across the organisation.

The rapidly changing culture and demands of increased customer satisfaction coupled with organisational changes across public and partner sectors means that complaints services must be continually kept up to date. The Authority's successful history and current good practice in effective complaint handling cannot be taken for granted.

Therefore, part of the customer service improvement programme will include a review of how we handle complaints to ensure that the Authority has the best structure and systems in place to enable complaints to be dealt with effectively, sensitively and in a timely manner. The Authority already delivers a good level of service as set out in this annual report, but this review as part of the customer service improvement programme will identify where there might be any other improvements that could be made.

The underlying principles when dealing with complaints will tie into a new set of customer service standards, a "Customer Promise" that will be developed as part of the Customer Improvement Programme and will continue to include the following.

- To aim to respond to complainants in a proportionate manner, understanding the perspective of the person making the complaint and wherever possible resolve matters at an early stage.
- To continue to work alongside and support managers and other partner organisations to ensure that complaints are responded to concisely and in a timely manner.
- To continue to work within our policies, procedures and legislative guidelines throughout the complaints processes.
- To provide training to staff to ensure complaints are handled effectively and efficiently.
- To continue to focus on handling enquiries promptly to try to prevent unnecessary escalation and dissatisfaction.
- To continue to learn from our outcomes and make changes to improve our services.

By the very nature of this area of work, the complaints services will never satisfy all of the people all of the time. However, the survey of complainants indicates a good level of satisfaction with the service overall.

The Authority is committed to providing effective complaints services for the benefits of individual customers, the Authority and the community alike. Complaints are now widely recognised as integral to the provision of quality services at both individual and strategic levels and will continue to be so in the coming years.

Background

Statistics

This part of the report is broken down into the following sections:-

- 1) Overall number of complaints across the Authority
- 2) Social Services Complaints
- 3) Corporate Complaints
- 4) Local Government and Social Care Ombudsman
- 5) Informal Complaints and Enquiries

1. Overall number of complaints across the Authority

The volume of formal complaint related activity for the period April 2015 to March 2019 is summarised in Table 1.

Table 1 Summary	2016-17	2017-18	2018-19	2019-20
Social Service Complaints	115	126	97	102
Corporate Complaints	992	1070	973	967
Total	1107	1196	1070	1069
Local Government & Housing Ombudsman complaints received by NTC	32	38	56	50
Formal total	1139	1234	1126	1119
Pre-Complaint and general enquiries dealt with by the Customer & Member Liaison Office	599	685	1105	1107
Total complaint related activity	1738	1919	2231	2226

There has been a very similar number of complaints and general enquiries dealt with by the Customer and Member Liaison Office during 2019-2020. The Customer and Member Liaison Office continued to make sure that as many enquiries as possible are directed to the most appropriate service at the first point of contact. This ensured customers were given more responsive replies and reduced the inefficiencies inherent in redirection of enquiries within the Authority. All enquiries received by email into the Customer and Member Liaison Office were acknowledged by email, the majority on the same working day. The customer was also notified of who their enquiry had been sent to and that they should expect a

response direct. Enquirers by telephone or letter were also provided with a receipt setting out the same information.

2. Social Services Complaints

Social Service complaints dealt with under the relevant statutory processes are split into Children’s and Adult Services, as shown in Table 2. In addition, there are complaints regarding Children’s and Adult Services which were dealt with under the Corporate procedure (see Table 8).

Table 2 Social Services by Division	2016-17	2017-18	2018-19	2019-20
Children’s Social Care	54	64	42	49
Adult Social Care	61	62	55	53
TOTAL	115	126	97	102

Overall, there has been minimal increase of complaints about Social Care Services during the last year.

Within Children Social Care, complaints have been categorised as shown in Table 3.

Table 3 Children & Families Services Categories	2016-17	2017-18	2018-19	2019-20
Adoption/Fostering/LAC	7	14	5	4
Safeguarding	22	31	19	33
Child Protection	2	2	0	0
Front Door	12	9	2	7
Commissioning and Investment	0	3	0	0
Children with Disability Team	0	5	3	4
Other	11	0	13	1
TOTAL	54	64	42	49

Children who are looked after, receive a complaints leaflet to use if they wish to raise any point about their care or circumstances generally. Acknowledging that making a complaint can be difficult, young people are encouraged to have the assistance of a mentor or advocate if they want to make a complaint. The units for children with a disability have specially trained advocates to help those who have communication difficulties.

In the child protection system users may feel they have little power to make a complaint and this is acknowledged. To capture issues of user concern, the review process and other meetings are forums in which matters that are a worry to the user can be tackled. In this way the user’s view can be heard and services influenced. In addition to the numbers reported above there were 20 complaints about Children Services dealt with under the Corporate Complaints procedure.

Within Adult Social Care, categories are shown in Table 4.

Table 4 Adult Services Categories	2016-17	2017-18	2018-19	2019-20
Safeguarding	1	3	5	4
Commissioning	3	2	4	6
Personalisation / Social Work	44	40	34	33
Integrated Services	5	9	5	7
Other	8	8	7	3
TOTAL	61	62	55	53

In addition to the numbers reported above there were 21 complaints about Adult Services dealt with under the Corporate Complaints Procedure during 2019-20.

Tables 5 and 6 show the proportions of upheld complaints for Children's and Adults Services over the year.

Table 5 - Children Social Care complaint outcomes	2016-17 %	2017-18 %	2018-19 %	2019-20 %
Not Upheld	46	55	40	46
Upheld in Full	4	8	31	20
Upheld in Part	44	37	29	34

Table 6 - Adult Social Care complaint outcomes	2016-17 %	2017-18 %	2018-19 %	2019-20 %
Not Upheld	43	44	48	55
Upheld in Full	3	0	9	7
Upheld in Part	51	56	43	38

Problem solving at the earliest opportunity is a key aim of effective complaint handling. This is not only of value to the complainant but also to the Authority in optimising use of resources and enhancing customer care.

Table 7 shows early resolution at Stage 1 of Children's complaints only. From April 2009 a one stage process was introduced for Adult Social Care complaints.

Table 7 – Children's Social Services complaints resolved at stage:	2016-17 %	2017-18 %	2018-19 %	2019-20 %
One	93	94	93	88
Two	2	1.5	7	10
Three	0	4.5	0	2

3. Corporate Complaints

Table 8, below, shows a breakdown of corporate complaints received from 2016-17 for comparison purposes.

Table 8 – Corporate Complaints					
Department	Service Area	2016-17	2017-18	2018-19	2019-20
Chief Exec & Financial Services	Finance & Resources	7	11	14	5
	Law & Governance	22	7	5	14
	Other (inc Street Lighting)	2	1	7	13
	Total	31	19	26	32
Revs, Bens & Customer Services	Benefits	71	51	30	28
	Council Tax	43	69	99	101
	Customer Services	37	37	42	22
	Total	151	158	171	151
Adult Social Care					
	Total	15	14	20	23
Children, Young People & Learning					
	Total	19	16	24	20
ENVIRONMENT, LEISURE AND HOUSING:					
Department	Service Area	2016-17	2017-18	2018-19	2019-20
Leisure	Indoor Sports & Leisure	15	21	21	9
	Cultural Services Other	11	8	12	1
	Total	26	29	33	10
Environment	Parking	33	52	46	52
	Planning/Building Control	27	21	19	18
	Highways	64	87	59	42
	Environmental Health	15	19	7	13
	Other	3	20	3	0
	Street Environment	49	80	61	61
	Property	7	7	8	5
	Waste Management	15	30	15	3
	Recycling/Wheeled Bins/Special Collections	89	116	153	152
	Trees/Shrubs	21	15	9	6
	Winter Maintenance	0	0	0	2
	Bereavement Services	3	0	0	1
	Total	326	447	380	355

Housing	Debt Recovery/Income	20	20	18	13
	Day-to-day Repairs	16	10	22	11
	Allocations/Letting	40	26	31	23
	Housing Estates	79	76	47	53
	Empty Homes /Voids	5	10	12	8
	Quality Homes for Older People	7	4	1	0
	Homelessness / Advice	6	9	12	16
	Housing Investment	11	10	17	4
	Safer Estates	10	4	22	23
	Leasehold	2	3	0	3
	Other	10	10	6	2
	Total	206	182	188	156
Housing, Property and Construction	Day-to-day Repairs	156	148	99	158
	Gas Services	26	20	10	27
	Housing Investment	19	20	11	31
	Empty Homes / Voids	16	12	7	3
	Other			2	
	Total	217	200	129	219
Business & Economic Development	Business & Economic Development	1	4	1	0
Public Health	Public Health	0	1	1	1
	Grand Total	992	1070	973	967

The number of formal Corporate Complaints registered during 2019-20 has remained similar to last year.

Table 9 shows the proportion of corporate complaints upheld or not.

Table 9: Corporate complaints outcomes	2016-17	2017-18	2018-19	2019-20
	%	%	%	%
Not Upheld	47	46.5	49	54
Upheld in Full	24	27	30	24
Upheld in Part	29	26.5	21	22

Table 10 shows the stage at which corporate complaints were resolved, again indicating a high level of early problem solving overall and again is consistent with previous years.

Table 10: Corporate complaints resolved at Stage:	2016-17	2017-18	2018-19	2019-20
	%	%	%	
One	88	87	85	88
Two	12	13	14	12
Three	0	<1	<1	0

Policy complaints

Complaints about the policies of the Authority are recorded and responded to at Stage 1 but not considered further within the complaints process.

4. Local Government and Social Care Ombudsman and Housing Ombudsman

The next stage after the Authority's complaints procedures is consideration by the Local Government Social Care Ombudsman or Housing Ombudsman.

Table 11 groups the breakdown by the Authority's Service Areas as recorded by the Authority:

Table 11: Complaints to the LGSCO & HO	2016-17	2017-18	2018-19	2019-20
Environmental & Cultural Services	5	4	4	4
Highways, Transport & Planning	4	7	9	10
Revenues & Benefits	4	4	3	5
Housing	9	8	11	3
Education & Children Social Care	4	5	15	17
Adult Social Care	4	8	10	6
Other	2	2	4	5
Total	32	38	56	50

Table 12 gives the decisions made by the Local Government Social Care Ombudsman in the given years as recorded by the Authority.

Table 12: LGSCO		2016-17	2017-18	2018-19	2019-20
Total	Complaints Received	32	38	56	50
Not Investigated	Outside Jurisdiction	3	7	10	8
	Closed after initial enquiries	7	8	10	13
	Premature referrals	6	3	19	16
	Discontinued Investigation	2	5	0	0
	Signposted to HO			5	1
Total Not Investigated		18	23	44	38
Investigated	Not upheld	8	10	5	4
	Satisfied with LA's actions	0	0	0	0
	Maladministration and injustice	3	3	6	7
	Maladministration, no injustice	0	1	0	1
	Ongoing	3	1	1	0
Total Investigated		14	15	12	12

5. Informal complaints and enquiries

As has been indicated previously, the 'headline' figure of the number of formal complaints does not reflect the number of concerns or problems reported to the Authority, and satisfactorily dealt with by staff via social media, telephone and email contact and via the Members Enquiries System.

The Customer and Member Liaison Office also monitored the number of enquiries and informal complaints, or 'pre-complaint enquiries' dealt with by its staff during 2019-20, and these figures are shown in Table 13. This information has already been helpful on a number of occasions as early indicators of developing issues in some service areas.

Table 13 - Pre complaint & general enquiries processed by CMLO	2016-17	2017-18	2018-19	2019-20
Children, Young People & Learning	18	20	8	29
Adult Social Care	18	15	22	14
Cultural Services	17	23	27	26
North Tyneside Homes	84	91	110	264
Kier North Tyneside	29	23	57	0
Environmental Services	353	404	805	615
Customer Services, Revs & Bens	32	41	36	89
Law & Governance	20	20	19	23
Finance & Resources	21	35	6	3
Other	7	13	15	44
TOTAL	599	685	1105	1107

It is noted that the pre-complaint/general enquiry numbers have remained very similar to that of last year.

22 July 2020

By email

Mr Hanson
Acting Chief Executive
North Tyneside Metropolitan Borough Council

Dear Mr Hanson

Annual Review letter 2020

I write to you with our annual summary of statistics on the decisions made by the Local Government and Social Care Ombudsman about your authority for the year ending 31 March 2020. Given the exceptional pressures under which local authorities have been working over recent months, I thought carefully about whether it was still appropriate to send you this annual update. However, now, more than ever, I believe that it is essential that the public experience of local services is at the heart of our thinking. So, I hope that this feedback, which provides unique insight into the lived experience of your Council's services, will be useful as you continue to deal with the current situation and plan for the future.

Complaint statistics

This year, we continue to place our focus on the outcomes of complaints and what can be learned from them. We want to provide you with the most insightful information we can and have made several changes over recent years to improve the data we capture and report. We focus our statistics on these three key areas:

Complaints upheld - We uphold complaints when we find some form of fault in an authority's actions, including where the authority accepted fault before we investigated. A focus on how often things go wrong, rather than simple volumes of complaints provides a clearer indicator of performance.

Compliance with recommendations - We recommend ways for authorities to put things right when faults have caused injustice. Our recommendations try to put people back in the position they were before the fault and we monitor authorities to ensure they comply with our recommendations. Failure to comply with our recommendations is rare. An authority with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.

Satisfactory remedies provided by the authority - We want to encourage the early resolution of complaints and to credit authorities that have a positive and open approach to resolving complaints. We recognise cases where an authority has taken steps to put things

right before the complaint came to us. The authority upheld the complaint and we agreed with how it offered to put things right.

Finally, we compare the three key annual statistics for your authority with similar types of authorities to work out an average level of performance. We do this for County Councils, District Councils, Metropolitan Boroughs, Unitary Councils, and London Boroughs.

This data will be uploaded to our interactive map, [Your council's performance](#), along with a copy of this letter on 29 July 2020, and our Review of Local Government Complaints. For further information on how to interpret our statistics, please visit our [website](#).

Resources to help you get it right

There are a range of resources available that can support you to place the learning from complaints, about your authority and others, at the heart of your system of corporate governance. [Your council's performance](#) launched last year and puts our data and information about councils in one place. Again, the emphasis is on learning, not numbers. You can find the decisions we have made, public reports we have issued, and the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

I would encourage you to share the tool with colleagues and elected members; the information can provide valuable insights into service areas, early warning signs of problems and is a key source of information for governance, audit, risk and scrutiny functions.

Earlier this year, we held our link officer seminars in London, Bristol, Leeds and Birmingham. Attended by 178 delegates from 143 local authorities, we focused on maximising the impact of complaints, making sure the right person is involved with complaints at the right time, and how to overcome common challenges.

We have a well-established and successful training programme supporting local authorities and independent care providers to help improve local complaint handling. During the year, we delivered 118 courses, training more than 1,400 people. This is 47 more courses than we delivered last year and included more training to adult social care providers than ever before. To find out more visit www.lgo.org.uk/training.

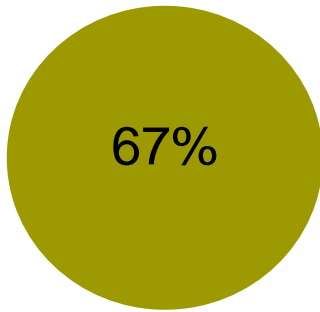
We were pleased to deliver three complaint handling courses, including adult and children's social care courses, to your staff during the year. I welcome your Council's investment in good complaint handling training and trust the courses were useful to you.

Yours sincerely,



Michael King
Local Government and Social Care Ombudsman
Chair, Commission for Local Administration in England

Complaints upheld



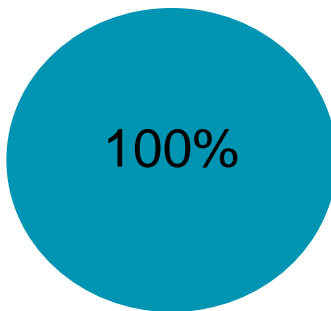
67% of complaints we investigated were upheld.

This compares to an average of **67%** in similar authorities.

8
upheld decisions

Statistics are based on a total of 12 detailed investigations for the period between 1 April 2019 to 31 March 2020

Compliance with Ombudsman recommendations



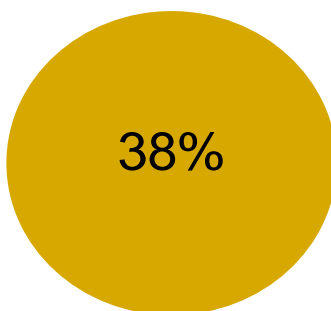
In **100%** of cases we were satisfied the authority had successfully implemented our recommendations.

This compares to an average of **100%** in similar authorities.

Statistics are based on a total of 5 compliance outcomes for the period between 1 April 2019 to 31 March 2020

- Failure to comply with our recommendations is rare. An authority with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.

Satisfactory remedies provided by the authority



In **38%** of upheld cases we found the authority had provided a satisfactory remedy before the complaint reached the Ombudsman.

This compares to an average of **11%** in similar authorities.

3
satisfactory remedy decisions

Statistics are based on a total of 12 detailed investigations for the period between 1 April 2019 to 31 March 2020

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