

Extraordinary Council

Thursday 2 February 2017

Business & Capital Plan Cases

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Assess at Home - Review of ASC Customer Journey Pathway (Assessment and Front Door services)
Business Case Number	CF Ass
Service Area(s)	HECS
Member	Cllr Alison Waggott-Fairley
Project Sponsor	Jacqui Old
Project Lead	Ellie Anderson
Council Plan Theme	Our People
Creating a Brighter Future Theme	Cared For
Saving or Income	Saving
Total 17/18 Savings/Income	£884,000
Total 17-20 Savings/Income	£1,084,000

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2. Business Case

Summary

This proposal will seek to reduce the number of staff and change the skill mix for those people who currently carry out social care assessment functions for adults in North Tyneside.

Changes introduced by the Care Act 2014 have provided an opportunity to review the way in which social work and social care assessments function and within this to embed Wellbeing and Prevention at the heart of everything we do.

In line with the Council's Target Operating Model and 3 tier approaches to service delivery, assessment functions in adult social care will review their current pathways and offer to users, carers and parents. The overall aim will be to carry out more personalised and proportionate assessments and offer more solutions to meet need based on existing community resources and an individual's own family and community networks.

In addition the proposal will:

- Provide support early in Tier 2, to avoid escalation to Tier 3
- Where Tier 3 care and support is required, ensure this has an enablement/recovery focus and is delivered in a person and family centered way.
- Use an asset based approach that identifies, develops and uses an individual's own social assets (and that of the community) to meet needs in an outcome focused way.
- Undertake proportionate assessments that focus on outcomes rather than process and make best use of universal services
- Work in partnership with the NHS to provide a multidisciplinary and integrated approach to reablement services for older people
- Promote customers (including other professionals) to self serve
- Introduce a customer portal that allows people to self serve in relation to advice and information
- Ask customers (where possible) to come to us, so reducing the number of home visits needed
- Ensure customers with Personal Budgets remain with a team, thus reducing traffic to Gateway.

This approach builds on the lessons learned and the successes of Care and Connect (C&C) which seeks to provide an earlier intervention as an alternative to more costly social work assessment. It also builds on the "Making Every Adult Matter" approach where working with other agencies allows a support plan to be built around an individual and shares both risk and responsibility. The service will redesign the customer pathway and re-engineer assessment and support planning. The cost of undertaking a proportionate assessment can be assumed as half that of other case management costs, the national average being £455, given that the proposed assessment is shorter/more proportionate, mostly conducted in a community setting and there is less administrative time as we would only broker paid services when universal services cannot meet the outcomes required. The cost of a

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performing a standard assessment in North Tyneside, as currently provided, is at least the national average of £455. Proportionality will be achieved through staff working in the community teams retaining long term caseloads, with customers moving between active and inactive cases as their situation changes. A change in customer circumstances will move the status to active and will prompt an intervention from a member of staff who knows the individual. This avoids a revolving door effect, prevents unnecessary assessment as staff build on what is already known and take on an asset based, problem solving approach.

Working with NHS partners in relation to the Older Person's Pathway, and examining the impact of the opening of the new Emergency Care Hospital, we have reviewed the hospital social work function and are launching a new integrated hospital discharge and admission avoidance service called CARE Point. Again this has afforded the opportunity to re-look at the interaction and potential duplication between community assessment teams and those based at the hospital site to develop the notion of Assess at Home

Assess At Home; the current processes on discharge can be risk adverse and slow. In the first instance this can build in unnecessary cost and in the second, frustrate patients and clinicians. This project will also be developed with the Clinical Commissioning Group and use a single trusted assessor: Where there is no immediate clinical risk, social care assessment will take place at home and will aim to restore the level of independence and quality of life in place before admission. The intention is to pilot this approach in partnership with Northumbria Health Care Foundation Trust using a single Hospital Ward. This is challenging the longstanding orthodoxy to assess in hospital.

Working in a collaborative way with partner agencies such as the police is enabling us to develop a multi agency safeguarding hub (MASH). This will provide a group of co-located professionals who have access to their organisational information about an individual and who are empowered to make decisions about actions to be taken with high level skills in risk assessment and mitigation. This will enable a very responsive decision making model, backed up with a team of staff able to respond very quickly to situations thus ameliorating them at the earliest possible opportunity and preventing the need for long term tier 3 services. We anticipate this model will allow us to realise further savings in 18/19 and 19/20.

The initial proposal is to reduce the staffing complement by 20 posts, and a pilot is currently being undertaken to trial the increased caseloads that this model proposes. The reduction of posts will need to titrate according to the outcomes of this pilot in order to ensure a safe service is provided. If 20 FTE posts are deleted from the current staff establishment responsible for assessment of customers this will be an 18.5% reduction in staff. Achieving the proposed efficiency relies on us being confident that services will be delivered safely. This includes ensuring that the web-based infrastructure to enable self service is available as otherwise the ability for us to reduce demand is compromised. Every calendar month that full implementation is delayed will cost the service £57,000

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Target Operating Model – alignment to key principles	
1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18	18/19 (£000s)	19/20 (£000s)
Savings			(884)	0	(200)
Total			(884)	(0)	(200)

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Employees	(884)
Total	(884)

4. Staffing Implications

Staffing Implications			
<p>This represents a significant reduction in staffing levels and a change in skill mix with less reliance on qualified social workers and a bigger emphasis on preventative work and crisis intervention.</p> <p>Currently staffing levels are being measured against demand and assumptions are being made but there is a likely loss of around 30 – 40 FTE across the time period.</p>			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
	(30)	0	(10)
Total	(30)	0	(10)

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5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Analysis of clients, demography and staffing	Ellie Anderson	October 2016
Pilot the model to test the hypothesis	Ellie Anderson	January 2017
Comms to staff	Ellie Anderson	Weekly/fortnightly to March 17
Staffing structure available for consultation	Ellie Anderson	February 2017
Selection processes	Ellie Anderson	March 2017
Implementation of new model April 2017	Ellie Anderson	April 2017
Training and development in asset based approaches	Ellie Anderson	September 2016 – March 2017
Scoping meeting for MASH with partners	Ellie Anderson	September to October 2016
MASH implementation	Ellie Anderson	February 2017

Risk	Risk Score	Mitigating Actions
Redesigning multiple existing customer pathways at the same time	B3	Officers are part of multiple Boards, MASH is being designed with ASC timescales in mind
Developing sufficient community capacity to provide Tier 2 support and alternatives to Personal Budgets.	B4	May need to retain some community development posts within the new structure. The ability to homogenise community development role into assessment role is being tested in the pilot.
Time to integrate different teams. Minimising any disruption to customers	C2	Testing the hypothesis in the pilot.
Staff redundancies – we will aim to utilise existing vacancies where possible but unlikely we can redeploy 30 FTE	B2	We will maximise the use of VR across the service area to retain opportunities for staff who wish to remain within the Council
Reliance on work with other agencies such as the NHS	B2	Work is progressing in relation to CarePoint.
Reliance on continued joint funding from the NHS	B4	We continue to monitor this in relation to packages with issues flagged up with SLT and the CCG
Re-skilling staff	C3	Gaps in knowledge are being

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		identified through the pilot.
IT not available to allow agile working and to support the self serve required by web	B1	Risks in relation to this are flagged at every ICT Board and in relation to Customer Journey Board
Tension between exploiting individual's personal assets in terms of family support and meeting our statutory duty under the Care Act to carers	C2	We will proceed with taking an asset based approach. We will also look at how carers are supported in their own right. There is a risk that there may be an increase in relation to paid care packages if people do not agree to support their family member.
Increase in new demand and the reduced workforce is unable to respond	A2	Managing workload is being tested through the pilot. If this appears problematic we may need to titrate the number of posts removed from the service and rear load the savings profile. This will increase the financial pressure for 17/18 but will allow a safe and robust methodology for implementation
Skill mix is not calculated adequately leaving insufficient qualified and registered workers to deal with complex casework , decision making, oversight and accountability	A2	Managing workload is being tested through the pilot. If this appears problematic we may need to titrate the number of posts removed from the service and rear load the savings profile. This will increase the financial pressure for 17/18 but will allow a safe and robust methodology for implementation

Performance Indicators

Indicator	Baseline	Target

6. Other Requirements / Dependencies

Technology Requirements

New web offer allowing people to self serve advice and information must be available for April 2017

Workforce must be able to work in an agile way – therefore remaining front line staff will require the equipment to work and there must be 3g connectivity as we cannot ask customers for broadband passwords. – Laptops will be required. To future proof this we need the ability for gaining signatures from customers out in the field – equipment may need to be touch screen

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This proposal is taking a significant amount of staff out of a critical service providing statutory functions. If the technology is not available to allow demand to be deflected the service will not be able to cope as current demand cannot be managed on the proposed staffing levels

Client / Customer Implications

- The customer pathway will be redesigned to focus on the person and their family.
- Customers will be supported to access community based solutions and seek their own options for support.
- This requires a different conversation with customers who have developed expectations that the Council will do this for them. The message of helping people to help themselves requires a campaign and reinforcement across the Council.

Partner / Stakeholder Implications

- North Tyneside CCG – monitoring of Better Care Fund measures and milestones.
- Northumbria Healthcare NHS Foundation Trust – implementation and evaluation of CARE Point.
- Northumbria Police, NTW Mental Health Trust, Probation Services in relation to development of MASH.
- Partner agencies will be required to self serve rather than discussing every case with a professional in the Council.

Equality and Diversity Implications

The changes aim to provide a more preventative and early intervention approach from the model currently implemented but there is a much greater focus on people helping themselves and using their own networks and assets to meet needs rather than paid care packages. People will be expected to use universal services, and only if they are not successful will there be consideration of a care package. This is a culture change for customers.

Older people are more likely to be affected by the changes as they make up the majority of our customers. This group is potentially more likely to struggle with self service using web based approaches – in mitigation of this there will be a supported self serve offer for people who are unable to access the web independently. Carers of older people are more likely to be affected by changes. Whilst we anticipate that the approach will help people find appropriate solutions and prevents deterioration, we anticipate that asking people to do more for themselves will create some tension and there is a likelihood of an increase in complaints as the system embeds, not because we have failed to get things right first time, but because the model is not popular and people do not want to help themselves and would prefer the Council to take responsibility.

People with a disability (and their significant others) will be disproportionately affected by the changes and the same pros and cons apply.

Females are more likely to be affected by the changes because females live longer than males.

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It is not anticipated that there are any negative impacts on people by reason of religion, sexual orientation, gender reassignment, pregnancy/maternity or race. In terms of religion, although there are no anticipated negative impacts in relation to this protected characteristic, it is felt that taking an asset based approach may represent an opportunity for clients who feel their cultural needs or aspirations are not currently being fulfilled by their placement to voice these concerns and for community based relationships/activities to be explored. It is also believed that the proposal exploits opportunities to identify where there may be gaps in community support, thus allowing different types of appropriate support to be developed.

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Alison Waggott-Fairley
Head of Service(s)	Jacqui Old
Finance Manager	Alison Campbell

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1. Summary

Title	A new model to support children
Business Case Number	CF NM
Service Area(s)	Health, Education, Care and Safeguarding
Members	Cllr Ian Grayson/Cllr Alison Waggott-Fairley
Project Sponsor	Jacqui Old
Project Lead	Jill Baker/Mark Taylor, William Kidd, Kath Robinson/ Sue Wood
Council Plan Theme	Our People
Creating a Brighter Future Theme	Cared for
Saving or Income	Saving
Total 17/18 Savings/Income	£1,019,000
Total 17- 20 Savings/Income	£1,264,000

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2. Business Case

Summary

A New Model to Support Children; national policy direction, Inspection and demand pressures are creating an environment where local authorities are looking at alternative models to deliver services to support children, including collaboration and Children's Trusts. This project aims to review best practice and the alternatives to our current approach. It will build on the practical collaborations proposed on Fostering and Additional Needs as well as the strengths of the current North Tyneside team. It will also explore the capability to grow direct provision as the dynamics in the market change and our capability to deliver specialist housing and support grows. This aims to respond to the increasing demand, increasing recognition and expectation but also address cost pressures.

Transforming Children's services

In 2015 – 2016 we undertook the first phase of our transformation programme, which focussed upon prevention and early help. This was based upon detailed analysis of our data in respect of the children who ultimately became 'looked after' and on developing evidence based practice of what would be effective.

Since that time we have been developing further our analysis of the children and families we work with and on developing the research base of 'what works' in respect of fundamentally changing the way we deliver services to vulnerable families and their children.

The purpose of this business case is to ensure that:

- wherever possible children can be supported to live safely at home
- families on the edge of care receive appropriate early help and targeted support to prevent avoidable entry into care
- for those already in care, we focus upon their return to live safely at home at the earliest opportunity
- demand for high cost placements is properly managed – requiring evidence that all options for early help or family/carer reconciliation or crisis intervention have been exhausted before any request is considered.
- the rationale, duration and review arrangements for any out of borough placements are agreed before the placement is made. The presumption being that a placement will see a child returned home as soon as possible, or to a foster carer within the borough.
- young people leaving care are prepared for independence and their transition to adulthood
- a sustainable approach to managing children's social care resources is maintained

Despite a number of changes made within the broad safeguarding service over the last 2 years, Child Protection (CP) Plans are increasing:

- 179 CP Plans at the end of 2015/16
- Increase of 5.9% on previous year, third consecutive year of increase
- 44.2 per 10k, above previous year's England rate for first time since 2012
- The September 2016 rate was 44.7 per 10k

Edge of Care includes children and young people in care for whom a return home is appropriate and achievable. In terms of short episodes of care, in the year to September 2016, 18 children entered and then left care in the same month.

In addition there are challenges in re-integration (from care back to family) as there are high

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percentages of children who leave care but re-enter subsequently, with 17% of LAC having multiple episodes of care. This is particularly prevalent for children at 15+ increasing to 24% of children and young people.

On 31st March 2016 the number of LAC had reduced to 291 and this trend has continued over recent months. However, the total number of children who have been looked after during the full 15-16 year has increased to 459. This represents a 12.2% increase in the total children looked after during the year since 2010/11.

Whole System Change

What we have tried so far has had some limited success, but we are now proposing a fundamental re-design of all safeguarding services, based on research and supported by organisations with a track record in supporting change. This will see us:

1. Recognise that in respect of 'early intervention' when working with children and young people, there is a need for us and our partners to become more effective at managing behaviour and addressing some of the issues that currently escalate both at home and at school until a young person is excluded from school and a family cannot cope. To change this we need to re-think how we work with our partners to deal with behaviour more effectively and review some of our own internal processes about who provides support, when and how. In doing this, we will 'set the scene' for how we manage those children and young people who then need a further intervention. This work is currently being scoped but we expect it to look at:
 - Training and support for staff in both schools and community settings
 - The role of the Support Team for Primary and Secondary Schools
 - The role of alternative education
 - The role of the RHELAC team
2. Implement an approach to practice across all Children's Services to develop a coherent and single 'practice model' which shares a common language and approach with all workers both within the LA but also with partners. We think this will be a model emphasising a relationship based approach such as the restorative practice model employed by children's services in the city of Leeds. Alongside this we are assessing the effectiveness of the 'Signs of Safety' model. This is an evidence based model taking a 'safety' based approach to the care and protection of children and families, which seeks to build upon the family's strengths and assets.
3. Change our 'Front Door' arrangements so that experienced social workers handle enquiries and are better able to 'push back' cases that are not the 10% of children who really need safeguarding. This will be done with adults services and will be further developed to create a multi-agency safeguarding hub - 'MASH – with our partners. This will enable all agencies to more quickly identify those who need high end services and intervene earlier.
4. Re-structure the current teams to emphasise generic working, single social workers staying with the child for the duration of their journey and reducing transitions between teams. So if a child requires a statutory assessment, the social worker (SW) who does that, then becomes the SW for the family, rather than the current arrangement of a duty SW, then an allocated SW. SWs will be moved into the Locality Teams and become a part of the community in which they are based and serve. There will still be a Permanence Team.

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5. Ensure that all care plans consider the range of well resourced evidence based interventions already within the system to support families, before any other placement is considered. These include (not an exhaustive list):
 - Family Group Conferencing – this is a process which brings family members (defined widely) together to create a safety plan for a child/children. It is an evidence based model. We currently contract this out to Barnardo's but would bring it in house and embed it into the practice from early help onwards.
 - Safe Families for Children: this provides 'hosting' for children with local trained families for a few nights
 - Thriving Families (NSPCC): this is for families where chronic and persistent neglect is the key issue
 - Edge of Care team – we currently have 6 'edge of care' staff – their role will be further developed to provide intense, short-term support to families on the edge of care or when a child is being rehabilitated back home

6. Change the 'placement panel' which is currently used when the SW feels there is no option but to seek a placement to a 'placement clinic' which they can come to for a wider case discussion about what they need to do – and which will ensure the above options are incorporated into the care plan. The clinic will be made up of SMT, Team Leaders and respected senior colleagues from social care. The clinic must be accessed at least twice before any placement will be considered and ONLY when these and other interventions have failed.

If the clinic agrees an alternative needs to be sought, then we will develop and extend our residential workers to work with families in their own homes and who will seek to ensure changes are happening and become embedded.

ONLY if this too fails, will a placement be considered by the clinic – but this will be to in borough Specialist Foster Carers (who are currently being recruited through a refreshed and more energetic recruitment campaign) or our existing foster carers in whom we will invest additional training to skill them up to better manage the children and young people we place in their care. We are seeking to recruit 15 additional foster carers over the next 2 years.

If all these things fail, then an alternative placement will be sought – but this will become the exception rather than the rule and the expectation will be that all these things will happen in a short, focussed timescale so that arrangements for returning children to live safely at home are in place before the date of their first review (a period of 20 weeks).

Any requests for placement moves or to deal with a potential placement breakdown must be brought to the clinic at the earliest opportunity.

We anticipate other benefits in terms of outcomes to be delivered through these approaches. For example, through earlier more intensive relationship based work, should cases proceed to a child protection or legal forum then the quality of information should be much fuller and allow earlier and improved analysis and care planning.

7. We will re-structure and re-position the current Leaving Care Team to ensure their role and practice is part of the whole system and does not sit outside the other developments outlined above.

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8. Better housing solutions for care leavers. We will commission the right mix and balance of supported accommodation to meet the needs of 16-18 year olds who are LAC and young people 18+ who are at risk of homelessness. This will include an expanded in-house accommodation offer which provides support for young people with the most complex needs. External providers will be commissioned to provide additional units and floating support for young people making the transition to independence. Any requests for high cost external supported accommodation places will be brought to the clinic. The expectation is that all opportunities for accommodating in-house will have been explored first.
9. Finally, IF we can get to a point where the technology is there to support staff then by better use of e.g. texts and social media we could get much better at making sure visits to families are not wasted. Often workers from across services waste time going to see someone only to find they are out. The above model will help that simply by building much better relationships with families which often result in better engagement with workers, but additional technology could assist this still further so that in time we could reduce staff numbers because the ones we would have would be more productive.

Legal charges

The purpose of this business case is to reduce costs in providing legal help and support across Children's Services. There are fees set by the Government for legal work and submissions to court and this case is to reduce costs in the places that we have some choices. Our legal team currently spot purchase external representation to manage either a challenging case or one where a more senior lawyer is needed. This has entailed barristers being hired to cover.

Moving forward over the next two years, the legal service is going to challenge defence teams when they instruct senior counsel as often this is a pointless expense for both sides. In addition, they are going to instruct senior counsel less and use their in house experience. Finally, they intend to ask for fee reductions for senior counsel that we have to use.

Integrated Disability Team

We are continuing our development of a SEND/Whole life Disability approach and want to ensure our Education Health and Care (EHC) plans continue to accurately reflect an integrated approach. We are specifically seeking in 17/18 to ensure the integration of social care assessments into the EHC planning process, (currently social workers are actively involved in approximately 200 plans for children aged from 0-18 and approximately 50 plans for young adults aged from 19-25).

In order to have a co-ordinated approach we will look to support one person to have oversight of the 0-25 EHC planning process.

We will also review the administration resources dedicated to the administration within the Disability and Additional Needs team.

In addition, we are seeking to maximise the independence and employment skills of the young people with EHC plans, through the remodelling of an outreach team within Children's Services and/or through integration into the Reablement Team.

What is being proposed

1 Reduction of one post involved in the statutory assessment process

To review the roles and people involved in the EHC planning process across Education and Care and as a result reduce the workload by one post.

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- 2 Review Administration posts within the Disabled Children team support
3 Remodelling of the Outreach Team

Target Operating Model – alignment to key principles	
1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

4. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Reduce placements costs for LAC and supported accommodation			(712)	(107)	
Leaving care restructure (replace 2.5 SW posts with 3 PA posts)			(34)		
Delete 2 Safeguarding Team Leader posts (grade 11)			(110)		
Decommission Family Group Conferences contract			(12)		
Reduce failed visits				(138)	
Legal fees			(40)		
Review of assessment function and role to undertake this			(80)		
Review of administration support			(14)		
Review of Outreach Team – savings within 16/17			(17)		
Total			(1,019)	(245)	0

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Financial Analysis 2017/18

Expenditure/Income Line	Value (£000s)
Third party costs	(764)
Employee costs	(255)
Total	(1,019)

5. Staffing Implications

Staffing Implications

Transforming Children's Services

This transformational plan will require significant support from WFD to ensure changes are embedded and staff are supported as we move from what are now long-standing SW practices to more evidence based solutions. It is important that staff are at the heart of these changes and we propose to develop a 'Design Group' of practitioners as we did for the early help work, to ensure people from within the service help shape the future. This will require a significant re-structure - but again our experience from the early help work has given us a model for how best to do this.

Staffing changes:

- Replace 2.5 wte social work posts in the Leaving Care Team with 3 PA posts.
- Delete 2 Safeguarding Team Leader posts (grade 11). This management function will be subsumed within the existing Locality Teams.
- Impact on staffing from reduction of failed visits tbc
- Review of the post of the Inclusion and Support Manager to include management of EHC plans 16-25 as extension of the current role for 0-16.

Integrated Disability Team

Reduction in a permanent assessment function in 17/18

Reconfiguration of the Outreach team – 6 sessional staff

Review of the post of the Inclusion and Support Manager to include management of EHC plans 16-25 as extension of current role for 0-16

Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Transform children's services net impact	(1.5)		
Legal charges	0		
Integrated disability team			
Reduction in assessment function posts	(2)		
Reduction in administration by 0.4	(0.4)		
Reduction in Outreach Team – sessional staff posts	**		
Total	(3.9)		0

** plus 3 sessional staff

6. Delivery Plan, Risks and Outcomes

Key Milestones

Milestone	Lead Officer	Completion Date
Finalise Transformation Business Case	Jill Baker	October 2016
Commence Key Stakeholder Consultations	Jill Baker	October 2016

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Establish internal and external Design groups	Jill Baker	November 2016
Commence staff and unions engagement and consultation	Jill Baker	November 2016
Research models of practice	Jill Baker	November 2016
Establish and define MASH project board and project management framework	Jill Baker	December 2016
Decommission Family Group Conference Provider	Jill Baker	January 2017
Integrated Disability Review of inclusion manager JD	Kath Robinson	March 2017
Restructure of assessment role to keyworker role	Kath Robinson /Sue Wood	March 2017
Restructure re admin role	Kath Robinson	March 2017
Remodel of outreach	Kath Robinson /Sue Wood	March 2017

Risks		
Risk	Risk Score	Mitigating Actions
Staff are not fully involved in the Transformation process	C3	Develop a Design group from across the workforce
Partners are not involved in the process	C3	Establish a 'reference group' from across key partners to critique and co-design the service
Are not able to recruit an additional group of foster carers	C3	Improved marketing to recruit foster carers, particular targeting of private sector, better use of advertising on social media
Increased LAC population	C3	To increase all the preventative work to reduce children and young people having to be made LAC
Ofsted inspection	C3	Clear preparation to get the best outcome possible with clear plans to achieve change
The change process results in increased risk to young people	D2	A tight grip on safeguarding needs to be had by CS SMT and experienced senior staff need to be involved in that process
The pace of change is not fast enough to gain momentum or is too quick to ensure it is safe	C2	Staff from across the organisation – including Members - need to understand the 'story' and speak it, SMT in CS need to own this and ensure no slippage
The savings are not made because the timescale for them is unrealistic	C2	Budget monitoring needs to be tight and Cabinet/SLT need to identify

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		where alternative savings will come from if these cannot be realised safely
We are unable to respond to an unexpected legal matter quickly as we have reduced use of external counsel	C3	The legal team use their in house experience. They have a small group of less expensive counsel that they can consult with limited costs
Development of key worker approach leads to reduction in performance targets for the DFE and for EHC plans completed within 20 weeks	C2	Key worker role to focus upon ensuring the targets for DFE and EHC are achieved
Not co produce with parents	C2	Need to ensure discussions with parents in relation to maximise prevention agenda and increase trust with schools

Performance Indicators		
Indicator	Baseline	Target
Reduction in Section 47 CP enquiries – rate per 10k of population	120 per 10k in 15-16	115 per 10k in 18/19
Reduction in Child Protection Plans – rate per 10k of population	44.2 per 10k	40 per 10k in 18/19
Reduction in LAC	72.1 per 10k (292 LAC March 16)	60 per 10k (England average March 16)
Reduction in % children placed more than 20 miles from home	7.5% in 15-16	5%
Placement stability – short term %. LAC with three or more placements in year	13.1% 15/16 (annual measure)	12%
Placement stability – long term % LAC under 16, in care for > 2.5 years and in same placement for 2 years +	72.6% 15/16 (annual measure)	73%
Reduction in total number and profile of bed nights – decrease in high cost external residential (inc supported accommodation) and IFA placements	114,000 total LAC nights in 15-16, of which 19,943 external residential and IFA nights	10% reduction in external residential and IFA nights
Dartington System Dynamics equilibrium factor	0.44	0.40
EHC plans in 20 weeks 0-16	90%	Must be the same – monitored by DfE
EHC plans within 20 weeks 16-25	90%	Must be the same – monitored by DfE

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7. Other Requirements / Dependencies

Technology Requirements

Transformation

Liquid Logic – vital that CCM is replaced by an efficient system that improves work flows and provides better an immediate data

Mobile working – everyone has access to mobile options that will utilise Liquid Logic and other systems well. This helps to speed up processes

Performance data collection – as above – better collection of data and distribution to staff that then leads to staff using the info to improve practise

Integrated Disability Team

EMS is able to manage the financial transactions required in managing contracts with Colleges

Client / Customer Implications

Transformation

This model changes the way we view and work with families and communities. It is much more about creating safety for children and young people from what is already out there, rather than us being the ‘experts’ and having what can often be fractious and un-productive relationships with families. It is evidence based – which minimises the risks of moving to this new model and it is in keeping with work within CBT and the TOM in supporting people to support themselves in the longer term.

Integrated Disability Team

Co production with families – Part of the transformation group.
Potential concerns re reduction of experience for families

Partner / Stakeholder Implications

Transformation

This change will require significant wok with our partners – NTSP, LSCB. SAB, Children’s Board etc - and needs us to have a clear narrative that we can then share with them but more importantly, involve them in the design of the service. This way of working has implications for them too – we need to ensure that from the outset they are fully involved in the process and sign up to it. We already know some agencies are keen to think differently e.g. Police but that others may need support – and that includes some of our own services.

Is this project also included as a Capital Bid?

Yes

8. Sign Off

Mayor / Cabinet Member(s)	Cllr Ian Grayson/Cllr Alison Waggott-Fairley
Head of Service(s)	Jacqui Old
Finance Manager	Alison Campbell

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1. Summary

Title	Value for Money Tested Social Care
Business Case Number	CF VFM
Service Area(s)	HECS
Member	Cllr Alison Waggott-Fairley
Project Sponsor	Jacqui Old
Project Lead	Sheila Watson & Scott Woodhouse
Council Plan Theme	Our People
Creating a Brighter Future Theme	Cared for
Saving or Income	Saving
Total 17/18 Savings/Income	£790,000
Total 17-20 Savings/Income	£790,000

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2. Business Case

Summary

Value for Money Tested Social Care; long term national policy direction in social care has created a situation which is sometimes at odds with realistic outcomes and the financial position. This project will make changes to day to day commissioning and assessment processes to re-set the outcome of funded social care. In partnership with the Clinical Commissioning Group and using a single trusted assessor, outcomes will be shaped by working with individuals to set realistic goals for independence and applying a value for money test to care at home versus other settings. We have to ensure we test the longstanding orthodoxy that Care is always better at home. We have to ensure that the provision of the right quality of care is affordable.

Home Care

The provision of domiciliary care support enables people to live independently in their own homes for as long as possible, often avoiding the need for more expensive, longer-term care.

Demographic pressures and changes in the complexity of need of many older and disabled people means that in a high number of cases social care customers are now routinely being assessed as needing 2 carers (double-handed care) to support them with certain aspects of their care package, particularly in terms of moving and handling issues.

Work has been undertaken in a number of other local authorities to explore this issue and to seek to find alternative ways of support, such as the provision of newer equipment solutions or improved training and support for frontline care workers as a means of reducing some elements of care packages from double-handed to single-handed. This business case and proposals is built around the reported findings and research available, however it does not assume that double-handed care can be removed for all customers, or for all visits throughout the day. It does however propose that all customers are reviewed in terms of their ability to be transferred safely with one carer, through the use of more suitable equipment, or alternative moving and handling techniques, or better training. The results coming from other authorities indicate that potential reductions of around 40% of double-handed care packages are achievable.

This proposal is therefore two-pronged:

1. To review packages of care following hospital discharge, specifically where care packages propose an increase from single-handed to double-handed care, and to ensure a reduction to single-handed care where safe and practicable; and

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2. To undertake reviews of all existing care packages, where double-handed care is in place to ensure a reduction to single-handed care, where safe and practicable to do so.

The business case proposals have many benefits, not just confined to reducing the cost of care packages to the Authority. Re-designing care packages and exploring alternative solutions also provide individual customers with much more autonomy through the provision of more tailor made, personalised care solutions that not only meet assessed needs and outcomes, but importantly maximise independence.

Extra Care

There is extensive evidence from research that demonstrates:

- Extra Care housing is a preventative model, supporting independence and avoiding admissions into residential care; and
- Extra Care housing is a more cost effective model of care delivery than other models, including residential care and care in the community.

Extra care housing is a model of supported living that is based on customers having their own tenancies within a community setting with care and support services available, on site, 24hrs per day. Extra care housing provides a real alternative to residential care and offers older people the opportunity to retain their independence.

The core characteristic of extra care housing is the ability to provide individually tailored, flexible, and responsive care and support services to customers in their own homes within a scheme, cost effectively and efficiently. The presence of on-site care staff over a 24hr period also offers customers additional security and peace of mind, knowing that they can quickly summon help in an emergency situation. Extra care housing is also different from domiciliary services provided to someone living in their own home, in that the facility also provides a range of support functions, as well as daily activities that promote health and wellbeing and alleviate loneliness.

In 2015 the ASC team worked with Housing Strategy to develop a Market Position Statement for supported housing services for older people and other client groups. This identified the need for additional Extra Care units in the Borough to help us more successfully meet the future housing and care needs for older and disabled people, in a way that was affordable to the Council and which helped to promote independent living and reduced the costs of more intensive longer-term care solutions, supporting the delivery of the Target Operating Model.

Extra Care housing has been developed as a service in North Tyneside over the last 18 years. There are currently 6 purpose-built schemes within the Borough, with the latest coming on line in 2014. In addition there are 2 'Very Sheltered' schemes, which were previously residential care homes, but were the subsequently remodelled into independent living units.

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The existing schemes are managed by a number of Registered Landlords (RSLs): Anchor; Hanover Housing; and Housing 21, Home Housing and Riverside North East. Care and support services are provided into each scheme and are commissioned from external providers who are on an agreed Framework contract.

Potential opportunities for North Tyneside Living

Within the original North Tyneside Housing PFI development plan it was identified that there was the potential for North Tyneside to include the development of Extra Care housing in the offer. Three schemes were considered suitable to be developed as 'Hybrid Extra Care', with the potential to change into Extra Care at a later date if required. However, we feel that consideration of an alternative approach should be taken due to the following:

- the changing demographic since the original demand forecasts for the PFI project were undertaken over 10 years ago, specifically in terms of: the increasing numbers of older people, including those with mild to moderate dementia;
- evidenced demand, both in terms of the predicted demand in the Housing MPS and existing demand for Extra Care housing which is outstripping supply;
- the current financial challenges that the Authority faces in terms of budget reductions specifically meeting and managing the costs of social care;
- the increasing move towards supporting people to continue to live independently rather than in residential care; and
- the logistics of managing tenant choice in those schemes originally identified as potential hybrid schemes

The proposal

Work is being undertaken with North Tyneside Homes to identify and consider the use of one of the forthcoming new developments within the PFI project, which could now be potentially considered for the development of Extra Care.

Crossgates

Crossgates has been identified as a potential site. It is a new build scheme in Battlehill and there are currently only 2 of the former tenants who have expressed an interest in moving back. The unit has the potential to provide 47 units of accommodation with one flat being converted for staff and office accommodation. The scheme is due to come on line in late January / February 2017.

Initial conversations with the Homes and Communities Agency (HCA) suggest that converting some of the schemes to Extra Care would be possible within the grant conditions, as the hybrid schemes had been included within the original submission.

Some small capital outlay would be required for the conversion work to one of the flats in each of the schemes, estimated to be under £10k should we propose to proceed in order to provide office and staff accommodation for the on-site care and

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support team. There would also be a loss of income from the rent from those flats, which is estimated to be in the region of £5k per annum and would need to be factored into any savings calculation.

For illustrative purposes and based on the current operating costs for a scheme similar in size to Crossgates, the care and support costs for running the unit would be in the region of £361,904 per annum, which would equate to an average gross cost of £147.67 per flat, per week. This compares to the cost of a residential placement, with an average gross cost of £508.00 per week, or an average community based care package of £49 per week (low needs) and £122.50 (average needs).

Using the accepted model of having a mixed community of those people with high, medium and low needs the average costs of not providing an Extra Care scheme and caring for those people in a care home, or their own homes are estimated to be:

High (10)	cost £508 per week (residential)	£264,886
Medium (25)	cost £122.50 per week (8.75 hours)	£159,688
Low (12)	cost £49 per week (3.5 hours)	£30,660
Total		<u>£455,231</u>
Potential cost reduction		£93,327

Review of Pricing Strategy – ISL Commissioned Services

This proposal is about reviewing the rate paid to external providers for commissioned independent supported living services.

In 2014, work was completed to develop a pricing strategy for ISL commissioned services and to rationalise the varying hourly and overnight rates that were in payment to external providers. Within the strategy, there was the provision to increase the rates to take account of inflationary increases as well as changes to the national minimum wage. There was also the introduction of the National Living Wage for over 25's that came into effect from 1 April 2016.

The current framework agreements all run to 31 March 2017 and work is underway to put in place a new framework agreement. There is therefore the opportunity to review the current pricing strategy and the rates paid for:

- Non-complex hourly rate – daytime
- Complex hourly rate – daytime
- Overnight rate – waking and sleep-in arrangements

An engagement plan will be developed to support this change. Any change in rates will be effective from 1 April 2017 and will have a full year effect into 2017/18.

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Care Call

The Better Care Fund (BCF) provides additional funding to the Care Call Community Alarm and Crisis Response Service for Assistive Technology Solutions (Telecare). This service is available 24/7, 365 days of the year. The team of staff are trained in answering and responding to emergency calls and work closely with the emergency services. Within the first year of providing additional support via BCF the calls to the service increased by 15,420 on the previous year.

There are approximately 3,300 paying customers who live in the community with equipment to which Care Call will monitor or respond. There are three levels of support from the mainstream service that a customer can opt for, all of which carry a charge. There is a weekly increase to this number depending upon hospital discharges and demand for temporary equipment which is funded by BCF.

The BCF funding has provided the opportunity to use Assistive Technology to support those who are discharged from hospital, feel vulnerable and may require a call or visit in the absence of a carer or family. The equipment can also determine what level of support a person requires or tell us when they are most at risk. On discharge from hospital the customer receives the equipment free of charge for the period of their reablement which offers security and mitigates risk. There have been a number of successes whereby the customer has gone on to become independent without the need for a care package, however they have signed up to become a customer of care call for peace of mind.

All of the equipment can be recycled therefore the service offers value for money by being able to use the alarms and equipment again when it is no longer needed by the customer. If this were not the case the service could not sustain demand.

As technology changes on a daily basis there is a team of staff who are trained to identify new equipment and solutions in order to support with the assessment and keep the customer safe.

Although the service meets the wellbeing needs of predominantly older people, the service is currently not at a break even position.

There is a deficit of £0.370m assuming the service will continue to retain £0.249m of Better Care Fund income in 2017/18. The Better Care Fund agreement for 2017/18 will be negotiated in the last quarter of 2016/17.

The service is not statutory in its own right although it does help meet our statutory duty towards promoting wellbeing. A number of other services (envirolink, emergency duty social work, housing and highways calls) are also taken through the call centre as well as emergency planning..

To assist in reaching breakeven Care Call would need to attract additional customers through a targeted marketing campaign, increase charges to partners and promote

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the service to businesses The authority might also consider increasing charges to customers across the borough. Additionally the service is reviewing the support provided to North Tyneside Living, the monitoring and response currently provided by care call is at no additional cost for some of the residents whilst others contribute, which is inequitable

Target Operating Model – alignment to key principles	
1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Home care & Extra Care	03469-2921		(300)		
ISL Pricing	03092-2922		(240)		
Carecall income			(250)		
Total			(790)	0	0

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Third party payments	(540)
Fees and charges	(250)
Total	(790)

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4. Staffing Implications

Staffing Implications			
There are no direct internal staffing implications attached to this business case proposal. Services are commissioned from providers in the independent and voluntary sector and therefore the proposal will have a direct impact on the staff that they employ, who will need to be appropriately trained to use specialist equipment, if required, or to adopt safe single handed transfer processes. Reducing the number of care workers required for individual care packages, has the potential to release additional and much needed capacity within the sector.			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Home care	0	0	0
Extra care	0	0	0
ISL pricing	0	0	0
Carecall income	0	0	0
Total	0	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Establish project groups	<ul style="list-style-type: none"> • Sheila Watson /Ian Lane / Pauline Costello / Karen Robinson, Marissa Woodward (reviews senior) Barbara Kemp • Sheila Watson & Paul Worth 	October 2016
Home care Identify double-up-packages of care for review	Ian Lane / Pauline Costello / Karen Robinson/Marissa Woodward	November 2016
Commence reviews of care packages. Identify dedicated OT resource	Karen Robinson	Commencing November 2016
Work with internal and health OTs and CARE Point to secure appropriate assessments for hospital discharge	Jacqui Culley Eleanor Binks	November / December 2016 onwards
Work with care providers to ensure appropriate training for care staff	Sheila Watson Leanne Fairbairn Pauline Costello	December 2016 onwards

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Develop an outline business case for Extra Care Development	Project group	November 2016
Gain SLT and political approval to progress	Project group	November / December 2016
Identify potential cohort for Extra Care	Project group	November – January 2017
Commission care and support service	Commissioning team	November – January 2017
Commission service	Project group and commissioning team	January 2017 onwards
Review ISL Pricing Strategy model	Scott Woodhouse	December 2016
Consult / engage on proposals	Scott Woodhouse	February 2017
Implement new pricing strategy	Scott Woodhouse	1 April 2017

Risks		
Risk	Risk Score	Mitigating Actions
Home care service is demand led and is based upon the assessed needs of individuals receiving the service at any particular point in time. The potential saving is based on information about customers who are currently receiving the service, which may change.	D2	Monitor care packages to assess impact
Service users are put at risk due to care workers being inappropriately trained to undertake single-handed care – Due to the high turnover and poor retention rates in the independent.	B2	<ul style="list-style-type: none"> Ensure that system is in place to facilitate free, cascade (train-the-trainers) training for providers. Ensure better handovers from Reablement Support to independent sector.
Additional workload for OT team, at a time when the service is being reviewed and staff numbers may be reduced.	B2	<ul style="list-style-type: none"> Prioritise the review of individuals identified and identify dedicated resource.
Some assessments (for people in hospital) are undertaken by Health OTs, who unless involved in the project may continue to ‘prescribe’ double-handed care packages.	C2	<ul style="list-style-type: none"> Work with Northumbria Trust to ensure involvement of health staff in the project from outset

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The project will require major changes to working practices and assessment staff (OTs) and providers may be slow or reluctant to embrace changes.	D2	<ul style="list-style-type: none"> Secure involvement of OT staff and provider representatives on the project group Ensure standardized /streamlined documentation is in place to facilitate cross-agency working Keep up-to-date with what new equipment is available
Customers / and or carers may resist changes	D2	<ul style="list-style-type: none"> Keep service users involved / engaged
Extra Care -HCA do not agree to proposed change of use	D1	Initial discussions indicate this is not likely
Failure to obtain SLT or political agreement	D1	There is evidenced need for the service and potential cost reductions for the Council
There are insufficient customers identified to live in the scheme	D2	Market Position Statement analysis demonstrates a demand for this service in this area. We will adopt a robust marketing strategy and build on the existing waiting list for Extra Care
Timescales prove too tight to achieve	C2	Dedicated project resource would ensure that scheme could become operational by February 2017
Inability to secure care and support provision within the required timescales	D2	Framework contract is already in existence. Mini-competition would enable a provider to be identified in a short time-frame.
Current lettings policy for Sheltered Accommodation is for people aged 60 years plus. Extra Care is usually for those age 55 years plus	C2	Work will need to be undertaken with North Tyneside Homes to consider how we overcome this
Current lettings policy precludes anyone with in excess of £100k capital from renting. This could prove problematic for those older people who choose to sell, albeit modest properties to secure Extra Care accommodation.	C2	Work will need to be undertaken with North Tyneside Homes to consider how we overcome this
There is resistance to revised rates from Providers	C3	Engagement and consultation with providers on new rate to be paid. Benchmarking with other local authorities

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There is resistance to revised rates from family carers	B2	Engagement with Learning Disability Care Forum on new rate to be paid.
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Performance Indicators		
Indicator	Baseline	Target
Proportion of adults with a learning disability who live in their own home or with their family	90.59	90.5
Proportion of clients who are supported in permanent residential/nursing care	73.38%	75%
Permanent admissions to residential and nursing homes, per 100,000 population	207.04	190.41

6. Other Requirements / Dependencies

Technology Requirements
<p><u>Home care</u> In order to ensure the safe transfer of customers, through the provision of single-handed care it may be necessary to utilise new types of equipment. The research available from existing projects demonstrates that investment is modest and that costs can usually be recovered within a period of 6 weeks.</p> <p><u>Extra care</u> All of the PFI schemes have been designed to incorporate Assistive Technology solutions, which will need to be optimised to reduce care and support needs.</p>

Client / Customer Implications
<p>The Home Care proposal represents a significant change for existing customers, many of whom may have had double-handed packages in place for some time. To ensure the success and to bring customers onboard with the proposals it is essential that customers, their carers and their care providers are involved at all stages of the review process.</p> <p>Early identification of potential Extra care customers and effective marketing will need to be undertaken. As the scheme is a new build the offer will provide modern and attractive housing options for older and disabled people</p> <p>For ISL Pricing, as identified above in the risk section, a programme of engagement will be developed with providers, family carers, service users, the Clinical Commissioning Group to develop a new pricing strategy to come into effect from 1 April 2017 (aligned to the start date of the new ISL framework agreements)</p>

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Partner / Stakeholder Implications

Home care

- Northumbria Healthcare Foundation Trust – in relation to assessments for hospital discharge
- Care providers and front-line staff
- Internal Care Management and Occupational Therapy and Reablement staff

Extra Care

Requirements for consultation and engagement

- Elected members
- North Tyneside Homes
- Health Partners
- Independent care and support providers

ISL Pricing Strategy

For ISL proposal a full stakeholder analysis has been completed. All identified stakeholders will be involved in the consultation process and their views considered as part of any changes / proposals.

The main stakeholders include:

- Users
- Family carers
- Service Providers
- North Tyneside Clinical Commissioning Group (CCG)

The CCG will be consulted as they currently contribute towards the cost of shared funded services and they will also be included in the reviews of individual clients where they are making a funding contribution.

Equality and Diversity Implications

The changes proposed in the Home Care & Extra Care business cases seek to provide a more personalised, less intrusive way to support older and disabled people who need domiciliary support to help them to maintain independent living.

The changes will impact upon all adult age groups, but primarily older people who represent the majority of customers who receive domiciliary care support or go into residential care.

Many of the home care customers may have had doubled-handed care in place for some considerable time and may be anxious about the proposed changes. The changes will also impact upon the carers of older and disabled people, who may equally be anxious about change. Work will be undertaken throughout the reviews of customers to ensure that customers and their carers are fully engaged in the process and to ensure that they are confident with the proposed changes.

The Extra Care proposal will provide a more positive option to enable older, disabled people to continue to live independently. The changes will also impact upon the

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carers of older and disabled people, however again it will provide a housing option / solution which will provide peace of mind. Work will be undertaken throughout the reviews of customers to ensure that customers and their carers are fully engaged in the process and to ensure that they are confident with the proposed changes.

Females represent the highest proportion of domiciliary care/ residential customers and therefore it is likely that they will be more affected by the changes.

We do not anticipate that there will be any negative impacts on people by reason of religion, sexual orientation, gender reassignment, pregnancy/maternity or race.

An Equality Impact Assessment has been completed for the ISL Pricing Strategy proposal.

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Alison Waggott-Fairley
Head of Service(s)	Jacqui Old
Finance Manager	Alison Campbell

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1. Summary

Title	Fit for Purpose – Customer Journey
Business Case Number	Fit Cust
Service Area(s)	Deprivation of Liberty
Member	Cllr Alison Waggott-Fairley
Project Sponsor	Jacqui Old
Project Lead	Sue Wood
Council Plan Theme	Our People
Creating a Brighter Future Theme	Fit for Purpose
Saving or Income	Saving
Total 17/18 Savings/Income	£50,000
Total 17-20 Savings/Income	£50,000

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2. Business Case

Summary

Optimise the customer journey and introduce self-service for our routine transactions; the Authority still has a significant cost invested in serving relatively routine transactions. This project builds on work already done by the Authority to ensure our customers serve themselves wherever possible. As part of the development of our Community Hubs this will also involve the creation of effective gateways that make sure only those most in need make direct contact with more specialist services

North Tyneside Council – Deprivation of Liberty (DoL)

This proposal relates to the assessment of individuals who lack the mental capacity to decide where they live or whether to remain in hospital, and who are being deprived of their liberty within a care home or a hospital setting. The undertaking of these assessments by North Tyneside Council, (NTC) referred to as the supervisory body, is a statutory duty and the process of assessment is prescribed in law. We have little discretion as to how we fulfil this duty.

In March 2014 the Supreme Court ruling – in the cases of *P v Cheshire West and Chester Council* and *P&Q v Surrey County Council* – threw out previous judgements that had defined deprivation of liberty more restrictively. This resulted in an increase in Deprivation of Liberty requests from Managing Authorities. (Care Homes and Hospitals)

For information, we had 1,006 active DOLs running during 2015/2016.

See the following table for the number of applications and authorisations for this year and the previous year.

Year	No applications received	No applications signed off	No applications granted	Proportion of applications granted
Applications received in 2015/16	1,205	692	653	94%
Applications received in 2014/15	553	511	477	93%

This increase in requests for assessment has resulted in the service struggling to deal with the increased demand; staff workload was becoming unmanageable and the team continue to struggle to meet statutory timescales.

A strategic risk review for September 2016 is A2 (R)

The Commercial & Business Redesign Team were approached to observe the current Deprivation of Liberty process and improve it. Workshops to determine the As-Is process and the future To-Be process with frontline staff were held.

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The Redesign team felt it was possible to go one step further than simply “leaning” the process. The To-Be process is being designed to be automated with a single information repository for relevant information. The number of steps in the process will be drastically reduced. There will be an online system that will host the referral process. The Managing Authority will log in and submit an electronic referral, assessments will be submitted online, documents will be available to be viewed by relevant persons and the system will generate electronic correspondence. Allowing partners to self serve is a fundamental objective of North Tyneside’s Target Operating Model.

Having an automated process will make it easier to align Adult Social Care reviews with the Deprivation of Liberty process so both assessments and reviews can be carried out at the same time to avoid the client having to go through multiple assessments on separate occasions.

We are now applying an ‘agile’ approach to the design and delivery of the solution. The methodology used in the redesign work has fostered a real team effort between the Redesign team and the Deprivation of Liberty service to drive through positive change; the outcome will be quick deployment of a system that works for everyone involved in the DOL process as well as releasing cashable savings for the service. We are aiming to implement this in early June 2017.

Target Operating Model – alignment to key principles	
1. Deal with the causes not consequences	√
2. Get things right first time	√
3. Understand and manage demand	√
4. Enable people to help themselves	√
5. Target resource at those who need it most	√
6. Maximise Council income to pay for services	
7. Reduce long term financial cost to the taxpayer	√
8. Maximise the impact partners have on achieving outcomes	√
9. Identify and exploit innovation	√
10. Use data and knowledge to make intelligent and lawful decisions	√
11. Use technology to enable delivery and reduce long term cost	√
12. The right people with the right skills in the right place at the right time	√

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3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
DOLS Staffing	04362	(50)	0	0
Total		(50)	0	0

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Staffing	(50)
Total	(50)

4. Staffing Implications

Staffing Implications
DoL Coordinator has been appointed to another post and this 0.5 post will be deleted. There will be a reduction in the administrative post resulting in a redeployment opportunity.

Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
• DoLS Admin Assistant – 0.86 FTE	(0.9)		
• DoLS Co-ordinator – 0.5 FTE	(0.5)		
Total	(1.4)	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Deletion of posts	Sue Wood	November 2016

Risks	Risk Score	Mitigating Actions
<p>Following the Cheshire West ruling in the Supreme Court we have been unable to respond to the increased number of referrals for Deprivation of Liberty requests being received from care homes and hospitals.</p> <p>Consequences</p> <ul style="list-style-type: none"> Risk of unlawful deprivation of liberty for vulnerable adults. (173 DoL assessments awaiting allocation and 102 in the process of being assessed. 	A2	<p>The Business Re-design team are currently undertaking a review of the full DoL process with a view to streamlining the process using increased technology. Recommendations have already been made which are aligned to the Target Operating Model. Outsystems team are on sight and progressing redesign work “at a pace”</p> <p>Benchmarking is ongoing with other</p>

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<ul style="list-style-type: none"> • 130 cases waiting for documentation to be sent to care homes and families following assessment. This backlog of correspondence is approximately 3 months.) • Potential for claims from individuals or their families • Potential for inspection from regulator • Adverse impact on the Council's reputation • Impact of delays in documentary evidence of assessments being completed and correspondence being sent to interested parties resulting in an increase in complaints. • Delays in appointing appropriate advocacy support for individuals. • Increase in risk of challenge <p>Additionally new case law for DOLs for children and service users who are Continuing Health Care (CHC) in their own homes will impact further on the team's ability to cope with demand.</p>	<p>Local Authorities.</p> <p>The Care Quality Commission are responsible for monitoring the way hospitals and care homes operate the Deprivation of Liberty Safeguards. They do this by undertaking visits in accordance with their existing programme of inspections and reporting on findings annually.</p> <p>If they find that the Safeguards are not being used correctly, they can take action against providers under the Health and Social Care Act 2008.</p> <p>Risk of legal challenge.</p> <p>An action plan has been developed and Legal Services as well as the DoL Coordinators are supporting Children's Services to prepare approximately 20 cases of Children thought to be deprived of their liberty who will have to be authorised through a court process</p>
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Performance Indicators		
Indicator	Baseline	Target
Regional comparison with NTC as one of 12 LAs	<ul style="list-style-type: none"> • Eight LAs Performing better than NTC • Three LAs Performing worse than NTC 	Improve performance and meet legal timescales.

6. Other Requirements / Dependencies

Technology Requirements
Dependant on Outsystems platform that will provide the front end interface and will link the back end with existing systems. Development has begun by Outsystems who will produce the system and in future will be maintained by IT. Costs are borne centrally within the Council and the Outsystems platform will be used for other

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Council services.

Client / Customer Implications

Under the Mental Capacity Act, DoLS are compatible with Article 5 of the European Convention on Human Rights (the right to liberty and security of person). At this time Safeguards to protect vulnerable adults are not meeting legal timescales – there is a risk that a breach of Human Rights could occur.

The majority of the clients being assessed do not have the Mental Capacity to engage in consultation.

Partner / Stakeholder Implications

The business redesign team have facilitated meetings with Managing Authorities, doctors and other stakeholders to ensure “buy in” to the new process.

Equality and Diversity Implications

Main client groups affected are:

- Elderly Care
- Learning (Intellectual) Disability and or Autism

The Mental Capacity Act 2005 – notably the Deprivation of Liberty Safeguards (DoLS) which aim to help people who lack capacity to maintain their independence, dignity and right to freedom. The DoLS aid vulnerable individuals to maintain their right to dignity and equality.

Is this project also included as a Capital Bid?

Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Alison Waggott-Fairley
Head of Service(s)	Jacqui Old
Finance Manager	Alison Campbell

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1. Summary

Title	Fit for Purpose – How we are organised
Business Case Number	Fit - How
Service Area(s)	All
Members	All Members and the Elected Mayor
Project Sponsor	All
Project Lead	All Heads of Service
Council Plan Theme	Our People
Creating a Brighter Future Theme	Fit for Purpose Organisation
Saving or Income	Saving
Total 17/18 Savings/Income	£3,495,000
Total 17-20 Savings/Income	£4,660,000

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2. Business Case

Summary

As services change the organisation must change with them. This project aims to ensure the organisation is reshaped to reflect changes in services and reductions in resources. In addition to changes in service delivery, it also aims to ensure the organisation's infrastructure is changed and shrinks in line with the rest of the organisation with resultant changes in overheads and recharges. This will include taking opportunities to streamline the Council's decision-making infrastructure and processes where appropriate. In addition the Authority will make sure that infrastructure is tested against best practice, the priorities of the Mayor and Cabinet and the market.

The changes include :-

- **Human Resources (HR)** - Moving towards a Target Operating Model for HR where service managers can do more for themselves via self service and a gradual reduction in the workforce development budget based on reducing headcount over the 3 years.
- **Business & Economic Development (BED)** –Proposal is a mix of increased income into a ring fenced budget together with capital spend at Swans that can accrue revenue savings by reducing the security revenue costs of Swans, together with some council staff costs being attributed to this ring fence budget. There is also a proposal to make savings in both the Business Factory and overall marketing costs in Business and Enterprise budgets.
- **Environment, Housing & Leisure (EHL)** - Reduce staffing costs in the Housing Strategy Budget, reduction in housing growth budget, reduction in business support team and reduce hours for bio-diversity officer, reduced housing advice and homeless prevention grant
- **Commissioning & Investment (C&I)** These proposals reflect the service restructure proposals within Commissioning and Investment Service: Staffing reductions across the following services:
 - Independent Assurance and Review
 - People Based Commissioning Service
 - Facilities and Fair Access
 - Internal Audit, Risk , Procurement
 - Strategic Property & Investment
- **Law & Governance(L&G)** These proposals:-
 - restructure the senior management team
 - reduce the Legal Services and the Statutory Services teams and remove reliance on recharges and capital funding for key areas
 - reduce the printing costs within Governor Services
- **Corporate Strategy(CS)** Set out below are proposals for

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- Staffing Reductions across all areas of Corporate Strategy
- Reduction in supplies budget & Secure additional Income
- **Health Education and Children's Services(HECS)** The Service currently has funding streams which support in year (no more than one year committed at any one time) service developments and community support as part of preventing or delaying the need for social care support. The proposal has two key strands:
 - Service development – Service development money will be reduced by £100k by utilising internal skills and resources from the HECS Transformation and Development team
 - Good Neighbour Project - The Council currently commissions this community support service from VODA. The intention is to review a wider range of prevention activity in Adult Social Care and re-commission this service along with others supporting similar needs. (£42k)
- **Finance (F)** Set out below are proposals to:
 - Use appropriate grant funding to support Welfare reform work during 2017/18
 - Reduce subscriptions to CIPFA during 2017/18
 - Reduction in the External audit fee 2017/18
 - Negotiate work returning to the council in 2018/19 from Engie therefore fee reduction
 - Remodel Finance team in 2019/20 and reduction of post.
- **Commercial & Business Redesign(C&BR)**

The Commercial and Business Redesign team are focusing their efforts on supporting the organisation to move towards the TOM. Some of the teams work is focussed on delivering the Customer Journey Programme, working with the business to redesign processes then design and deliver working solutions (using the Outsystems platform the Council has procured, along with other tools) that enable the business to improve customer outcomes and reduce cost. The proposal is to charge some of this time to the Customer Journey capital investment budget as members of the team are directly supporting the creation of an asset (the solutions that are being delivered via Outsystems). In addition, there will be a 1 FTE reduction in the C&BR team.

The Information Systems Team supports the development and usability of the systems used in Adults Services, Children's Services, and Housing. The team will continue to shift focus and role as the ICT systems infrastructure changes. 2017/18 will bring the implementation of a replacement Adults Services and Children's Services case management system. This is a significant change but, along with other ICT developments, should lead to a system that is easier to use and support, enabling more staff self-service and

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reducing support costs. The proposed change in the team (a 1 FTE reduction for each year) reflects this move towards a slicker ICT environment

- Services consuming their own element of the pay award and pension uplift. Services are identifying how they will consume the additional costs from the pay award and pension uplift – this will be through a mixture of ways including, but not limited to , review of working hours , not filling vacancies, review of non-essential spend and efficiencies in working
- Service reviews during 2017/18 leading to restructuring savings in last 6 months. Service reviews starting now will identify additional savings that can be implemented by 30 September 2017

Target Operating Model – alignment to key principles	
1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
HR -training	P5151 2416		(25)	(25)	(30)
HR -staffing	P5151		(128)	0	(70)
BED – Swans	01952		(35)	(28)	(20)
BED staffing	01716		(40)	(40)	(13)
BED – reduced marketing	01716		(62)	0	(35)
EHL -Staffing	various		(99)	0	0

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EHL – Prevention Fund & Housing growth budget	02137 & 03138		(21)	0	0
C&I – Reduced employee costs across the service	various		(555)	(88)	(95)
L&G -Reduce printing costs –Gov services	00410-2051		(7)	0	0
L&G Restructure management team	various		(38)	0	0
L&G Reduction Legal & Stat services teams	various		(301)	(46)	(92)
L&G – income & cap recharges fall out	various		235	0	0
CS –staff reduction			(182)	0	0
CS –reduction supplies and services			(11)	0	0
CS –increased income			(70)	0	0
CS - future years			0	(160)	(160)
HECS – service development			(100)	0	0
HECS – Good neighbour			(42)	0	0
F– external audit fee			(50)	0	0
F – CIPFA subs			(4)	0	0
F – welfare reform work funded by grant			(57)	0	57
F -Work delivered by Engie returned to authority			0	(75)	0
F - restructure			0	0	(60)
F – income from charges to trading companies			(40)	0	(15)
C & BR Capitalisation of posts	01939		(113)	(50)	(50)
C & BR Reorganisation	01939/ 3032		(88)	(35)	(35)
Services consuming their own element of the pay award and pension uplift			(1,255)	0	0
Service reviews during 2017/18 leading to restructuring savings in last 6 months BED			(14)	0	0
Service reviews during 2017/18 leading to restructuring savings in last 6 months CEO & DCEO			(8)	0	0
Service reviews during 2017/18 leading to restructuring savings in last 6 months C & BR			(17)	0	0
Service reviews during 2017/18 leading to restructuring savings in last 6 months C & I			(39)	0	0

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Service reviews during 2017/18 leading to restructuring savings in last 6 months Corp Strat			(29)	0	0
Service reviews during 2017/18 leading to restructuring savings in last 6 months EHL			(216)	0	0
Service reviews during 2017/18 leading to restructuring savings in last 6 months Finance			(15)	0	0
Service reviews during 2017/18 leading to restructuring savings in last 6 months HR			(19)	0	0
Service reviews during 2017/18 leading to restructuring savings in last 6 months Law & Gov			(50)	0	0
Total			(3,495)	(547)	(618)

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Supplies	(46)
Employees	(3,088)
Recharges	(245)
Third party	(280)
Fees	164
Total	(3,495)

4. Staffing Implications

Staffing Implications			
<p>The details are shown below. Staff will need to be more flexible and more importance will need to be placed on monitoring and managing workloads.</p> <p>Where possible reductions will be made through voluntary redundancy. However, where this is not achievable, the appropriate processes, including consultation with staff will be followed. Any necessary changes to job descriptions to reflect changes in responsibilities will be subject to appropriate consultation.</p> <p>The implementation of a finance reporting tool during 2017/18 will allow for a change to working practices and therefore the capacity to return some elements of work from Engie in 2018/19. Further staff efficiency to be made in 2019/20</p> <p>Structure changes will be required (reduction in substantive posts)</p> <p>Management posts will be reviewed with the aim of moving post-holders on to generic JDs. Consideration will need to be given to the longer term Comm & Bus Redesign team changes that might be required once the Customer Journey funding is not available.</p>			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
HR	(3)	0	(2)
BED	0	(1)	0

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EHL	(2.8)	0	0
C & I	(15)	(2)	(2)
L & G	(9.9)	(1)	(2)
CS	(4.4)	0	0
HECS	0	0	0
F	0	0	(1)
C & BR	(2)	(1)	(1)
Services consuming their own element of the pay award and pension uplift	(50)	0	0
Service reviews during 2017/18 leading to restructuring savings in last 6 months	(86)	0	0
Total	(173.1)	(5)	(8)

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
HR Structure	AL	31 March 17
HR Policy plan	AL	31 March 18
HR ICT systems requirements	AL	31 March 18
HR Training plan for managers rolled out	AL	31 March 18
BED Security fencing and CCTV – capital spend	Graham Sword	31 March 2017
BED Reduce manned security presence on Swans	Graham Sword	1 April 2017
BED Ring fence income from Swans CFI – staff costs realigned (Receptionist, part Estate Manager, and part Regen Officer	Graham Sword	1 April 2017
BED Revised Marketing Strategy to reflect reduced budget	Sean Collier	1 February 2017
Design and implementation of re-organisation	Jackie Laughton	March 2017 for full implementation
HECS Carry out a review	Haley Hudson	March 2017

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of current ASC prevention activity		
HECS Re-procure Good Neighbour project	Sheila Watson	March 2017
Finance – implementation of Reporting tool	Janice Gillespie	March 2018 for full implementation
Finance – reorganisation consultation	Janice Gillespie	Summer 2019
Prepare for formal staff consultation	Lisa Clark	Now – Mid-Nov 2016
Begin staff consultation	Lisa Clark	5 December 2016
End staff consultation	Lisa Clark	Early January 2017
Begin selection process (if required)	Lisa Clark	Mid January 2017
End selection process (if required)	Lisa Clark	End January 2017
New structure is live	Lisa Clark	1 April 2017

Risks		
Risk	Risk Score	Mitigating Actions
Workforce planning	C3	Transition plan for management development, systems and processes approach
Income – tenancies in the Swans CFI may reduce , thereby impacting on income	C4	Ensure Centre is managed in a professional manner, and rental fees represent excellent value for money
Security- Reduced security presence overnight	C3	Target hardening and remote surveillance put in place
Lack of inward investment in borough	C2	Focused marketing strategy to ensure that we maximise the available budget
Legal Services -There is an inherent risk that there will be insufficient staff resources to continue to meet demand if it does not reduce following the introduction of gateways and the increased 'self serve' approach.. There is a risk that as Authority officers are required to 'self serve' to a greater degree and legal input is reduced, appropriate advice may not be accessed at the appropriate time to mitigate risk to the Authority.	C3	It will be necessary to manage demand for the service and prioritise to focus on key Council priorities (inc safeguarding the vulnerable, regeneration and value for money procurement). The introduction of gateways to limit direct access to Legal Services; other service areas to 'self serve' to a greater degree in accordance with the Target Operating Model.

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Statutory Services -A reduction in the team may impact upon its ability to undertake the range of duties.	C3	Restructuring of the Service, ensuring skills and effort are focussed on key areas will minimise any risk from staffing reduction.
Risk that a reduction in Corporate Strategy leads to a reduction incapacity to deliver the additional income.	B1	A transition plan will be developed to maintain essential skills
Risk that a reduction in the Commercial and Business redesign teams delays delivery of the Customer Journey Programme and the Social Care replacement systems.	C3	Consultation with SLT and other key stakeholders.
Risk that resource to support change reduces at a time when there is significant change taking place in the organisation	C3	Consultation with SLT and other key stakeholders.
Risk that additional service reviews are delayed and savings are not achieved in full in 2017-18	B2	Consultation with SLT and other key stakeholders.

Performance Indicators

Indicator	Baseline	Target

6. Other Requirements / Dependencies

Technology Requirements

HR

BMS reporting tool in place to enable more HR self service (in plan now with ENGIE)
LMS system in place (links to ENGIE and in plan)
New intranet up and running

BED

CCTV cameras to be installed and monitored remotely from Killingworth by March 2017

L & G

The roll out of appropriate ICT devices and solutions (including lap tops and electronic court bundles) will support the team to work with greater agility and efficiency. Use of an intranet page and forms to channel requests for advice required.

Corp Strategy

Technology to enable staff to work flexibly, tools to manage budgets, staffing and performance information

Finance

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Implementation of Reporting Tool by Engie currently being procured- no additional cost the authority as part of the unitary charge currently in place.

Client / Customer Implications

Managers will need to do more for themselves in terms of HR case management
Potential reduced visibility of Business enterprise service due top reduced marketing budget.

It will be necessary for officers across the Authority to observe new formalised protocols in relation to accessing Legal Services. The informal access that is currently in place will be restricted to ensure that further self service for service areas is promoted and the legal officer time is focussed upon legal issues.

HECS – Good Neighbour project will be re provided, supporting similar client group and level of needs.

Finance - Budget managers/holders and HOS currently expected to manage budgets, the tool should enable easier access to financial and staff data enabling decision making. The finance service can then add different value

Comm & Bus redesign - Potential impact on breadth of service offered to organisation from Commercial and Business Redesign Team and Information Systems Team.

Partner / Stakeholder Implications

Reduced service to businesses through reductions in staff number will lead to a more focused service provision and small businesses may not receive as much assistance

It will be necessary for partners to observe new formalised protocols in relation to accessing Legal Services. The informal access that is currently in place will be restricted to ensure that further self service for service areas is promoted and the legal officer time is focussed upon legal issues

HECS – potential new provider for Good Neighbour project

Finance - Reduction in the 2018/19 Engie fee with associated reduction in resource requirement. Dialogue already commenced.

Comm & Bus Redesign

- SLT (on role of the C&BR team moving forward)
- Adults, Children's, Housing Management teams on potential reduction of service following reductions in teams.

The impact on customers and partners will be considered as an integral part of the service reviews.

Equality and Diversity Implications

Equality Impact Assessments will be undertaken for of the proposals where an impact is expected.

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Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)	All Members and the Elected Mayor
Head of Service(s)	Alison Lazazzera, Paul Buie, Phil Scott, Mark Longstaff, Viv Geary, Jacqueline Laughton, Jacqui Old, Janice Gillespie
Finance Manager	Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Sourcing Supply Chain and Commercials
Business Case Number	Fit - Source
Service Area(s)	All
Members	All Cabinet Members & Elected Mayor
Project Sponsor	Jacqui Old, Jacqueline Laughton, Mark Longstaff & Janice Gillespie
Project Lead	Wendy Burke & Jacqueline Laughton, Mark Longstaff & Janice Gillespie
Council Plan Theme	Our People
Creating a Brighter Future Theme	Fit for Purpose
Saving or Income	Saving
Total 17/18 Savings/Income	£1,112,000
Total 17-20 Savings/Income	£1,792,000

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2. Business Case

Summary

Sourcing, supply chain and commercials; more than half of the Authority's expenditure is to third parties and with a supply chain of almost 5000 organisations and individuals it is critical that the sourcing, supply and commercial arrangements are as sharp as possible. This project aims to look beyond the large scale commissioning and major partnerships to ensure all of the supply chain is subject to a rigorous value for money test and best practice category management is applied.

Public Health

North Tyneside's allocation for the public health ring fenced grant in 2016/17 was

2017/18	2018/19	2019/20
12,761,100	12,429,300	12,106,100
-327,000	-332,000	-323,000
-2.5%	-2.6%	-2.6%

£13,080,000 this included a recurrent 6.2% reduction which was introduced in year in 2015/16 plus an additional cut of 2.2% (total reduction of just over £1m). All of which have been managed in the financial year due to permanent reduction in the value of external contracts particularly in respect of the 0-19 children's public health contract.

The table below identifies the further national reduction to the Authority's Public Health Grant over the next three years. The grant remains ring fenced for 2017/18 and the spend against it will have to be accounted for in the national return. In response to these national cuts efficiencies will need to be made accordingly. This business case sets out how this will be achieved.

PFI savings

The authority has a number of PFI arrangements and it is assumed that a detailed review of these arrangements might identify areas where the costs could be reduced by reducing for example the specifications, the scope of services or hand back condition of the assets acceptable to the authority

Corporate Strategy

Review of grants to voluntary organisations to reduce the budget by £60k over two years.

Procurement Savings

A root and branch review of all purchases will be performed with the intention of ensuring

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that the authority is taking advantage of all procurement savings open to it. Given the scale of purchases made annually by the Authority it is assumed that this should identify circa £500k of savings per annum

Target Operating Model – alignment to key principles	
1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Reduction on the current sexual health contract through contract negotiations (current contract ends 31 st March 2019) and potential re procurement.			(127)	(100)	(70)
Reduction on in house 0-19 children's public health service			(100)	(100)	(73)
Reduction in health check contract				(22)	(30)
Reduction on drug and alcohol contract through negotiations on current contract (ends 31 st March 2018) and potential re procurement			(100)	(50)	(100)

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Reduction in health protection budget					(10)
Reduction in stop smoking services through re commissioning of service					(40)
Public health team restructure				(60)	
Reduction in grants to CVS			(35)	(25)	
Procurement savings			(500)		
PFI savings			(250)		
Total			(1,112)	(357)	(323)

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Supplies and Services	(35)
Third Party	(1,077)
Total	(1,112)

4. Staffing Implications

Staffing Implications			
The key staffing implications for the Authority will be the loss of a post from the public health team in 2018/19 and potential staff reductions in the 0-19 service.			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Public health team restructure		(1)	
0-19 service		(3)	(2)
Total		(4)	(2)

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Transfer the existing 0-19 service from NHCFT to Council within the budget available	Wendy Burke	April 2017/18
Structure the 0-19 service in the first year to deliver an effective service taking account of reduction in budget in year 2 and year 3	Wendy Burke	December 2017
Agree reduction in current sexual health contract for 2017/18	Wendy Burke	March 2017
Agree reduction in current sexual health contract for 2018/19	Wendy Burke	March 2018
Agree reduction in current sexual health contract for 2019/20	Wendy Burke	March 2019
Agree reduction in current drug and	Wendy Burke	March 2017

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alcohol contract for 2017/18		
Review the drug and alcohol service and make a decision about whether to go out to procurement or roll the contract forward for a further year	Wendy Burke	September 2017
Restructure the public health team which has 5.8 WTE and reduce the current establishment by 1 WTE post	Wendy Burke	December 2017
Review of grants to CVS	Jackie Laughton	November 2016.
Notice of grant changes to CVS	Jackie Laughton	January 2017 in line with Budget proposals

Risks		
Risk	Risk Score	Mitigating Actions
There is a risk that the 0-19 service may be over budget in the first year as a result of the TUPE transfer and the need to provide specific infrastructure of which some of the costs such are not known e.g. N3 connection	D3	There is a project plan in place and project leads identified for key work streams who are currently comprehensively quantifying infrastructure costs.
There is a risk that the sexual health contract and drug and alcohol contract values can not be reduced further due to the need to deliver inherently clinical services with high costs for expert clinical professional staff.	D3	Regular meeting are being held with providers to identify how costs can be reduced across the service areas in particular re negotiation of the overhead costs
There is a risk that the Director of Public Health will not be able to fulfil the Authority's statutory duties with such limited public health capacity	C3	A review of statutory duties and ability to provide them will be required.

Performance Indicators		
Indicator	Baseline	Target

6. Other Requirements / Dependencies

Technology Requirements
The Authority will require N3 connection to support the transfer of 0-19 children's public health service transfer. The costs of this are not quantifiable at the moment as the national contract for N3 will change on 1 st April. A short term solution is being sought via NHCFT the costs of this are awaited.

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Client / Customer Implications

Consultation in relation to the 0-19 service has already been sought from pupils and parents. Work is ongoing with the Youth Council.

Partner / Stakeholder Implications

There has been communication with wider stakeholders such as GP, CCG and head teachers in relation to some of the changes of the contracts.

Equality and Diversity Implications

An equality impact assessment has been completed in relation to the transfer of 0-19 service.

An equality impact assessment will be completed once changes are agreed to the sexual health service contract for 2017/18.

Is this project also included as a Capital Bid?

Yes

7. Sign Off

Mayor / Cabinet Member(s)	All Cabinet Members & Elected Mayor
Head of Service(s)	Jacqui Old, Mark Longstaff, Janice Gillespie & Jacqueline Laughton
Finance Manager	Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Develop our Community Hubs
Business Case Number	GP Comm Hubs
Service Area(s)	Cultural Services, Sport and Leisure Services
Member	Cllr Eddie Darke
Project Sponsor	Steve Bishop
Project Lead	Phil Scott
Council Plan Theme	Our People, Our Places
Creating a Brighter Future Theme	Great Place
Saving or Income	Savings
Total 17/18 Savings/Income	£154,000
Total 17-20 Savings/Income	£154,000

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2. Business Case

Summary

Develop our Community Hubs; over the last decade the Authority has created significant assets to support and serve our communities. Four Customer First Centres have been delivered alongside new assets in Dudley, Shiremoor, Battle Hill and Howdon as well as significant investment in the leisure offer in Whitley Bay, North Shields, Wallsend and Killingworth. In harmony with the work to protect and develop the cultural offer this project aims to identify the needs of each community and focus services to support those needs and provide a universal service which helps manage demand for more intensive and expensive support. The outcome will be the development of our team and work with partners to deliver a maximum use of an optimum number of hubs

This business plan aims to work with cultural and leisure partners to further develop the offer by making the most of the Authority's assets. There will be an optimum offer that makes the maximum difference to residents, business and visitors exploiting opportunities to maximise income and reducing costs.

Target Operating Model – alignment to key principles

1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Transfer Howdon Community Centre to third party or close			(71)	0	0
Closure of Royal Quays Tourist Information Centre (TIC)			(83)	0	0
Total			(154)	0	0

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Employees	(170)
Premises	(52)
Transport	(1)
Supplies and charges	(8)
Third party	(1)
Support charges	(1)
Sales	53
Fees	26
Total	(154)

4. Staffing Implications

Staffing Implications			
See below			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Tourist Information centre	(3.5)		
Community Centres	(3.5)	0	0
Total	(7.0)	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Deliver upon consultation and closure programme of	Steve Bishop	April 2017

Risks		
Risk	Risk Score	Mitigating Actions
That transfer of Howdon CC does not proceed with preferred provider.	D4	Alternative third sector provider interest can be explored

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Performance Indicators

Indicator	Baseline	Target

6. Other Requirements / Dependencies

Technology Requirements

n/a

Client / Customer Implications

There will be some impact for users of gym at Howdon and the TIC

Partner / Stakeholder Implications

n/a

Equality and Diversity Implications

An EIA has been completed

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Eddie Darke
Head of Service(s)	Phil Scott
Finance Manager	Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Define North Tyneside's Cultural and Leisure Offer.
Business Case Number	GP Cult
Service Area(s)	Cultural Services, Sport and Leisure Services
Member	Cllr Eddie Darke
Project Sponsor	Steve Bishop, Paul Youlden.
Project Lead	Phil Scott
Council Plan Theme	Our People, Our Places
Creating a Brighter Future Theme	Great Place
Saving or Income	Saving
Total 17/18 Savings/Income	£123,000
Total 17-20 Savings/Income	£123,000

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

2. Business Case

Summary

In a period of significant financial pressure the Authority has managed to sustain and develop a rich cultural and leisure offer. The current investment plan includes developing this offer with an investment plan which includes Whitely Bay Regeneration Programme; the Dome; The North and South Promenades; St Mary's Island; The Wallsend Regeneration Programme and the North Shields Master plan.

This business plan aims to work with cultural and leisure partners to further develop the offer by making the most of the Authority's assets. There will be an optimum sport, leisure and library offer that makes the maximum difference to residents, business and visitors delivering a developed and sharpened events programme and exploiting opportunities to maximise income and reducing costs.

Target Operating Model – alignment to key principles

1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Staffing restructures			(66)	0	0
Close gym provision at John Willie Sams.			(18)	0	0
Review of materials, supplies & services			(39)	0	0
Total			(123)	(0)	(0)

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Financial Analysis 2017/18

Expenditure/Income Line	Value (£000s)
Employees	(84)
Supplies and services	(28)
Third party	(11)
Total	(123)

4. Staffing Implications

Staffing Implications

Restructure Sport and Leisure management team to accommodate reduction of 1 x Grade 11 Group manager post.
Delete 1x PT grade 6 (16 hrs) Gym Instructor post from Sport and Leisure structure.
0.7 staff at JWS (26 hours)

Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Sport and Leisure (-)	(1.5)		
JW Sams	(0.7)		
Total	(2.2)	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones

Milestone	Lead Officer	Completion Date
Restructure management of Sport and Leisure service.	Paul Youlden	April 2017
Close gym provision at JWSC.	Steve Bishop	April 2017
Reduce materials fund/supplies and services	Steve Bishop	April 2017

Risks	Risk Score	Mitigating Actions
There is a risk that the restructure of the management of Sport and Leisure service will impact upon frontline service delivery	D4	Remaining managers will be allocated priorities and services in line with their experience, training and skills.

Performance Indicators

Indicator	Baseline	Target

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

6. Other Requirements / Dependencies

Technology Requirements

None identified

Client / Customer Implications

None identified

Partner / Stakeholder Implications

None identified

Equality and Diversity Implications

An EIA has been prepared

Is this project also included as a Capital Bid?

Yes

7. Sign Off

Mayor / Cabinet Member(s)

Cllr Eddie Darke

Head of Service(s)

Phil Scott

Finance Manager

Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Securing Income from Trading Opportunities
Business Case Number	GP Prop Dev
Service Area(s)	Environment, Housing and Leisure
Member	Elected Mayor
Project Sponsor	Phil Scott
Project Lead	Roy Marston
Council Plan Theme	Our Places
Creating a Brighter Future Theme	Great place to live, work and visit
Saving or Income	Income
Total 17/18 Savings/Income	£330,000
Total 17-20 Savings/Income	£2,000,000

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

2. Business Case

Summary

Pursue Profit from Property Development; the housing and property market in North Tyneside has remained relatively buoyant through a difficult decade. In parallel to the Mayor and Cabinet's Affordable Homes Programme and in line with the Draft Local Plan this project aims to use a range of commercial models to exploit current and acquired assets to build for profit. We expect this to happen both at scale and at a property by property basis beginning with initial work in North Shields (Northumberland Square) and Whitley Bay (The High Point, Whiskey Bends and The Avenue). This links to the Government ambition to deliver more homes.

This proposal is to generate income for the Council through new trading opportunities. It is proposed that these will deliver income of £0.330m in 2017/18 and £2.000m over the next three years. Details of the proposals are being developed with £0.100m of the 2017/18 income being delivered through the "Delivering Housing Growth through the North Tyneside Trading Company" project which was approved at Cabinet on the 14 November 2016. Further income will be generated from this project during 2018/19 and 2019/20. The remaining income will be delivered through additional trading and commercial opportunities that are currently being explored.

Target Operating Model – alignment to key principles

1. Deal with the causes not consequences	
2. Get things right first time	
3. Understand and manage demand	
4. Enable people to help themselves	✓
5. Target resource at those who need it most	
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	
11. Use technology to enable delivery and reduce long term cost	
12. The right people with the right skills in the right place at the right time	

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

3. Financial Implications

Net Savings-/ Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Income from Trading Opportunities			(330)	(500)	(1,170)
Total			(330)	(500)	(1,170)

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Income	(330)
Total	(330)

4. Staffing Implications

Staffing Implications			
At the present time it is not envisaged that this proposal will impact upon the number of FTEs for the Authority.			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Total	0	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Explore trading and commercial options	Roy Marston	In progress and ongoing
Undertake financial modelling	Roy Marston	31/03/17
Delivery	Roy Marston	From 01/04/17 and ongoing

Risks		
Risk	Risk Score	Mitigating Actions
Robustness of financial assumptions	D2	<ul style="list-style-type: none"> Updating of financial models as trading opportunities arise
Delays to the timing of income being received will impact on proposals	C2	<ul style="list-style-type: none"> Confirmation of proposals Robust project management

Performance Indicators		
Indicator	Baseline	Target
N/A		

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

6. Other Requirements / Dependencies

Technology Requirements

N/A

Client / Customer Implications

N/A

Partner / Stakeholder Implications

Appropriate engagement will be required to be undertaken

Equality and Diversity Implications

There are no E&D implications arising at this stage. EIAs will be required for further projects

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)

Elected Mayor

Head of Service(s)

Phil Scott

Finance Manager

Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Develop Specialist Housing Products and Services
Business Case Number	GP Spec
Service Area(s)	Housing, Children Young People Learning & Adult Social Care
Member	Cllr Harrison, Cllr Grayson & Cllr Waggott-Fairley
Project Sponsor	Roy Marston
Project Lead	Martin Bewick
Council Plan Theme	Our Places, Our People
Creating a Brighter Future Theme	Great Place
Saving or Income	Saving
Total 17/18 Savings	£275,000
Total 17-20 Savings/Income	£296,000

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

2. Business Case

Summary

Develop Specialist Housing Products and Services; early work on the Cabinet's Affordable Homes Programme has demonstrated the Authority's ability to deliver specialist housing which supports independent living and reduces costs. This project aims to shape our housing growth plans to include specialist housing products and services for children and adults with additional needs, Looked After Children and older people. We aim to create a joint team with commissioning, housing and social care expertise to make that a success building on existing pilot work to deliver at scale. This links to the Government's ambition to deliver more homes.

These proposals centre on Housing and Social Care working together to provide suitable housing to accommodate various client groups. This will reduce the care costs for various clients groups. Specifically the project will:-

- Utilise and make better use of existing Council housing stock,
- Reduce costs via increased joint working between Housing, CYPL and ASC,
- Reduce the cost of out of Borough placements by creating housing based solutions which allow clients to return and be cared for in the Borough,
- Provide a higher standard of accommodation, via new-build and refurbishment to meet clients needs and enhance livability,

Housing Solutions in Partnership with Children Young People & Learning

A review of how the Council provides accommodation and support to vulnerable young people. This included those leaving care, aged 16+ and 18+.

The review has examined the current model of provision and the current and projected client base with a view to developing a new and fundamentally different model of service, focused on a 'housing' based solution which will enable revenue savings to be generated. By considering a variety of housing options inline with placement needs, young people will be empowered to live independently, with minimal on-site support.

- 1) The current cost of accommodating high need clients leaving care 16+ is approximately £647k pa. This is based on the average cost over the year, which accommodated an average of 5 clients at any one time. Part year costs make it difficult to provide a fixed average cost per client, however it's anticipated that this new model will negate the need for high cost external placements.

Initial calculations suggest that a saving of circa £412k could be generated by using a block of six flats for high cost placements, thus preventing the future use of costly external provision. This block of 6 units, (at Matfen Gardens), would house office and sleep-over space, (in 1 flat), leaving 5 units for leaving care 16+ clients.

Of the overall £412k projected saving, £246,000 is already included within the HECS Business Case, leaving **£166k**. These savings would be reduced in the first year due to the repair costs associated with setting-up the properties. These costs

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

are estimated at £26k for homeless payments, plus £65k for repair works. Savings of £75,000 for 2017/18 and an additional £91,000 for 2018/19 are included below.

Housing Solutions in Partnership with Adult Social Care

1. Enable the development of 13 apartments for persons with a learning disability at Charlton Court, Whitley Bay. Projected savings are **£130k pa** from 2018/19.
2. Development of 20 new-build properties, by our partner Mariner Care at Backworth Park, agreed within the section 106 agreement for the site. Twelve of these are dementia specific and eight for clients with learning disabilities. The units for LD will produce a saving of £80k pa

RISKS

Housing Solutions in Partnership with CYPL

- The options proposed are reliant on approvals being given by the individuals concerned and family members. People have the right to be consulted on how their care is provided and may think that the revised options are not the most suitable way to receive their care.
- Inability to identify, decant and refurbish a suitable block of flats for leaving care 16+ clients.
- Failure to secure capital resources to make the necessary alterations.
- Repair costs become very high and reduce savings produced.
- Any delay in the project will delay the realisation of savings.
- That Portfolio Holders and local Ward Councilors do not agree to proposals.
- Need for high cost placements increases over time.

Housing Solutions in Partnership with ASC

- The options proposed are reliant on approvals being given by the individuals concerned and family members. People have the right to be consulted on how their care is provided and may think that a revised option is not the most suitable way to offer their care.
- The inability to identify land and capital required to development new build housing.
- Reluctant of Portfolio Holders and local ward councilors to agree with proposals.
- Landowner at Backworth Park, (Northumberland Estates), may not agree terms regards section 106 and provision of supported housing on their site
- Landowner of Backworth Park site may choose to sell the site to another housing provider.
- Mariner Care may decide not to proceed.

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Target Operating Model – alignment to key principles	
1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	
9. Identify and exploit innovation	
10. Use data and knowledge to make intelligent and lawful decisions	
11. Use technology to enable delivery and reduce long term cost	
12. The right people with the right skills in the right place at the right time	

3. Financial Implications

Net Savings / Income (NB excludes elements included in HECS business cases)	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Savings in HECS			(275)	(21)	0
Totals			(275)	(21)	0

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Third party payments	(275)
Total	(275)

4. Staffing Implications

Staffing Implications			
Seven support worker posts at grade 4 will be needed from April 2017.			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
CYPL 1	+7		
Total	+7		

5. Delivery Plan, Risks and Outcomes

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Key Milestones		
Milestone	Lead Officer	Completion Date
Identify, decant and refurbish a block of 6 flats at Matfen Gardens	M Bewick	March 2017
Recruit support staff in line with new model	T Hopps	March 2017
Identify, prioritise and occupy 5 flats from April 2017	T Hopps	April 2017
Establish additional 5 flats attached to Matfen to reduce use of NEST / New Key	T Hopps	April 2017
Ensure Home Housing secure approval for development at Charlton Court	M Bewick	April 2017
Ensure Home Housing complete build at Charlton Court	M Bewick	June 2018
Identify site and resources for New Build Respite Centre	M Bewick S Woodhouse	April 2017
ASC 2B Other New Build	On-going	On-going
Ensure successful agreement of section 106 agreement at Backworth Park	M Bewick	May 2017
Ensure Mariner Care complete development as planned	M Bewick	Summer 2018
Allocate units at Backworth Park	S Woodhouse	Summer 2018

Risks		
Risk	Risk Score	Mitigating Actions
The options proposed are reliant on approvals being given by the individuals concerned and family members. People have the right to be consulted on how their care is provided and may think that the revised options are not the most suitable way to receive their care	D4	<ul style="list-style-type: none"> Individuals and family members will be consulted at the earliest opportunity and the benefits of new accommodation options outlined
Inability to identify, decant and refurbish a suitable block of flats for leaving care 16+ clients	D4	<ul style="list-style-type: none"> Various blocks of flats are being considered to widen the choice and increase chances of securing suitable accommodation Consultation will be undertaken with local residents and ward members to identify and overcome any concerns Potential Homeloss payments and other costs have been factored into calculations. The potential total for five properties is £26k

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Failure to secure the estimated capital of £55k - £65k required to make the necessary alterations	F4	<ul style="list-style-type: none"> • The cost has been estimated by examining previous similar works. This has allowed an estimate to be included in the calculation. • Further work will take place w/c 7 November to establish actual capital cost • This will allow exploration for the capital resource required • Could consider using the savings generated in year one to cover the capital cost • Bid for capital funds to the DoH's Technology Fund may provide capital for works at Edwin House
Repair costs become very high and reduce savings produced.	D4	<ul style="list-style-type: none"> • To explore and confirm position.
Any delay in the project will delay the realisation of savings	A4	<ul style="list-style-type: none"> • Work will be prioritised to enable swift progress on these projects and able savings at the earliest convenience
Reluctance of Portfolio Holders and local ward councillors to support with proposals	D4	<ul style="list-style-type: none"> • Consultation will be undertaken with local residents and ward members to identify and overcome any issues
Need for high cost placements increases over time	D4	<ul style="list-style-type: none"> • CYPL and ASC to undertake work to assess up-coming demand and negate the need for high cost assistance by securing alternative accommodation and support.
The inability to identify land and capital required to develop new build housing	C4	<ul style="list-style-type: none"> • Specialist housing group will be made aware and will explore options for development • Support will be given to a Partners to secure external capital funding
Landowner of Backworth Park, (Northumberland Estates), site may choose to sell the site to another housing provider	C4	<ul style="list-style-type: none"> • Liaison and dialogue has commenced with Northumberland Estates to ensure identification of any such issues
Landowner at Backworth Park, (Northumberland Estates), may not agree terms regards section 106 and provision of supported housing on their site	C4	<ul style="list-style-type: none"> • Liaison and dialogue has commenced with Northumberland Estates and Mariner Care • Delivering specialist housing has been agreed by the Council in place of general needs housing, something which is also agreed by Northumberland Estates • Watching brief required

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Mariner Care may decide not to proceed	D4	• Comfort given to Mariner Care regards need for dwellings and retained Council support
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Performance Indicators

Indicator	Baseline	Target

6. Other Requirements / Dependencies

Technology Requirements

Specialist technology will be installed in two of the schemes; these are Edwin House and Charlton Court. The cost for installation of this technology has been included in the Council's bid to the DoH's Technology Fund. If successful it will be cost neutral to the Council.

If this is not successful, the Council can choose not to include the technology or seek to fund it from elsewhere. The absence of the technology may affect the savings expected.

Client / Customer Implications

None noted

Partner / Stakeholder Implications

Consultation and engagement with Portfolio Holders and ward councillors will be required.

A partnership with Home Housing is already established and there is much confidence that this partnership will deliver the housing required at Charlton Court. The partnership with Northumberland Estate, (land owner at Backworth Park) and Mariner Care, the proposed developer is much less established. Although it appears that this development suits all parties, a watching brief is required to ensure this development progresses.

Equality and Diversity Implications

An IEA has been completed

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Harrison, Cllr Grayson & Cllr Waggott-Fairley
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Head of Service(s)	Phil Scott
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Finance Manager	Alison Campbell
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2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Delivering Our Transport Strategy
Business Case Number	GP Trans
Service Area(s)	Environment, Housing & Leisure (Environment and Technical & Regulatory Services)
Member	Cllr John Harrison
Project Sponsor	Phil Scott
Project Lead	Colin MacDonald
Council Plan Theme	Our Places
Creating a Brighter Future Theme	Great Place
Saving or Income	Income and Saving
Total 17/18 Savings/Income	£200,000
Total 17-20 Savings/Income	£450,000

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

2. Business Case

Summary

Major investment is underway in North Tyneside. This is specifically shaped to support the local economy and to handle housing growth. The Draft Local Plan must be underpinned by an effective Transport Strategy and transport operations. The Authority is developing a Transport Strategy for the Borough to be agreed later this year by the Mayor and Cabinet. This will shape significant investment in the highway network as well as local, tactical investment in roads and pavements

The Strategy will also shape our own transport operations including how we commission transport services and operate our fleet. This Business Case identifies efficiencies that the Authority will make in 2017 – 2020.

A Sustainable Parking Permit System

The Authority is currently reviewing its Parking Strategy. As part of that review, the Cabinet Member for Transport and Housing requested Overview, Scrutiny and Policy Development Committee to undertake a study of parking permits offered across the Borough. The current system is complex and the full costs of operating it are not recovered. Committee reported its findings to Cabinet in July. A key recommendation was to introduce a new approach to charging and introduce a paperless approach where possible as part of a more simplified and sustainable scheme.

Reducing Costs in Fleet

Capital investment in our fleet means that we can reduce cost, specifically in relation to third party costs incurred in hiring in vehicles to support service delivery.

Target Operating Model – alignment to key principles

1. Deal with the causes not consequences	√
2. Get things right first time	
3. Understand and manage demand	√
4. Enable people to help themselves	√
5. Target resource at those who need it most	√
6. Maximise Council income to pay for services	√
7. Reduce long term financial cost to the taxpayer	√
8. Maximise the impact partners have on achieving outcomes	
9. Identify and exploit innovation	
10. Use data and knowledge to make intelligent and lawful decisions	
11. Use technology to enable delivery and reduce long term cost	√
12. The right people with the right skills in the right place at the right time	

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
A Sustainable Permit Parking System			(100)	(100)	(150)
Reducing Costs in Fleet			(100)	TBC*	TBC*
Total			(100)	(100)	(150)

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Fees and charges	(100)
Transport	(45)
Support charges	(55)
Total	(200)

4. Staffing Implications

Staffing Implications			
None identified			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Total	0	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Agreement of Parking Permit Scheme with Cabinet	Colin MacDonald	June 2017
Implementation of Parking Permit Scheme	Colin MacDonald	September 2017

Risks		
Risk	Risk Score	Mitigating Actions
Agreement with Capita on realignment of income targets within managed budget and delivery of business case	D4	Agreement via Operational Partnering Board and Annual Service Plan setting process.
Political desire to implement new Parking Permit Scheme	C4	Business Case drafted in line with Overview & Scrutiny recommendations and in close consultation with the Cabinet Member for Transport & Housing.

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Political desire to invest the additional income in car parking improvement schemes.	D3	Provision in capital plan for car parking improvement schemes.
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Performance Indicators		
Indicator	Baseline	Target
To be developed as part of the detailed parking permit scheme business case that will be presented to Cabinet.		

6. Other Requirements / Dependencies

Technology Requirements
<u>Parking Permit Scheme</u> New web-based parking permit management software needs to be procured and installed. There will be on-costs associated with this which are included in the draft business case.

Client / Customer Implications
<u>Parking Permit Scheme</u> Customers will no longer receive a paper-based permit for parking in controlled areas (subject to some exceptions).

Partner / Stakeholder Implications
<u>Parking Permit Scheme</u> Consultation has already taken with a broad range of stakeholders as part of the Overview & Scrutiny study. The introduction of the new scheme is subject to approval by Cabinet of the business case.

Equality and Diversity Implications
<u>Parking Permit Scheme</u> An EIA has been undertaken and the draft business case carefully considers equality and diversity implications.

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr John Harrison
Head of Service(s)	Phil Scott
Finance Manager	Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	A 10 year plan for waste
Business Case Number	GP Waste
Service Area(s)	Local Environmental Services
Member	Cllr John Stirling
Project Sponsor	Phil Scott
Project Lead	Samantha Dand
Council Plan Theme	Our Places
Creating a Brighter Future Theme	Great Place
Saving or Income	Saving
Total 17/18 Savings/Income	£200,000
Total 17-20 Savings/Income	£200,000

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

2. Business Case

Summary

Waste levels are increasing and figures indicate that a rise of 2.6% per annum which would mean an additional 3,000 tonnes of rubbish every year to manage at an additional cost of around £350,000. Although there are a number of factors that affect waste growth, the state of the economy is the single biggest factor. North Tyneside is also a growth point in terms of new households.

Other pressures associated with the collection and disposal of waste across the borough including:

- Waste disposal costs
- Recycling costs in an unstable market
- End of grant support (Weekly Collection Support Scheme)
- Household Waste Recycling Centre and non-household waste

Proposed options in line with the Target Operating Model

- Introduce a charge for non-household waste (construction and demolition waste) at the Household Waste Recycling Centre (HWRC) with a permit for vans and trailers. This should reduce waste disposal charges through stopping abuse by traders, and generate some income.
- In our new developments introduce communal and underground storage systems (where practicable) to reduce collection and disposal costs moving forwards.
- Consider options for processing and marketing recyclable materials through an in-house facility.
- Procurement of new waste disposal contract with opportunities to partner other authorities to minimise cost and maximise income and opportunities for innovation. New partner in place by 2019.

Target Operating Model – alignment to key principles

1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? months	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Charges at the Household Waste Recycling Centre (HWRC) for non-household waste			(200)		
Total			(200)	0	0

Financial Analysis 2017/18	Value (£000s)
Fee income	(200)
Total	(200)

4. Staffing Implications

Staffing Implications				
None				
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20	20/21
		0	0	0
Total		0	0	0

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Engagement with residents relating to introduction of permit scheme/charges at HWRC.	Waste Team/Comms Team	August 2017
Systems in place to enable permit and charging scheme	Commercial and Business Redesign Team/Engie	August 2017
Introduction of permit scheme and charges at HWRC	Waste Team	September 2017

Risks		
Risk	Risk Score	Mitigating Actions
This business case does not account for house growth and the increase in waste across the borough. This will further stretch services impacting on the refuse and recycling collection service and waste disposal costs.	B4	This has been taken into consideration as part of the financial planning process.
Adverse reaction to charges at the Household Waste Recycling Centre (HWRC) for non-household waste.	C3	Political approval required to introduce control methods (permits or new charges).

Performance Indicators		
Indicator	Baseline	Target
Total amount of municipal waste collected (tonnes)	106,845	106,000
Total waste produced per household (kg)	997	954
% Household waste sent for reuse, recycling & composting	37.8%	39%
% of Municipal waste sent to land fill	9.6%	7.5%
% of household waste land filled	10.5%	6.3%

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

6. Other Requirements / Dependencies

Technology Requirements

We will require some investment in technology in order to enable self serve and income recovery associated with Household Waste Recycling Centre (permits and charges) .

There is an opportunity with the procurement of the waste disposal contract (new contract due to start April 2022) to look at alternative technological solutions to manage waste and maximise benefit from it as a resource. The recycling contract runs to the end of September 2019 with the option of two further one year extensions, so it would be possible to go to the market with the option of all the waste being included, widening the technology and resource opportunities. There were benefits of scale in the joint procurement of the recycling contract and there are potential synergies in terms of contract lengths with neighbouring authorities.

Client / Customer Implications

- All of the options will require timely and extensive resident engagement and ongoing communication.
- Change in residents' behaviour associated with all of the options.

Partner / Stakeholder Implications

There are contractual implications associated with all of the options. Discussions will be required with the main contractors, SUEZ and O'Brien Waste Recycling Solutions, prior to any significant change to the management of the Household Waste Recycling Centre.

Equality and Diversity Implications

There are no direct equality and diversity implications associated with the options. These are generally universal services. There are at this time no proposed concessions relating to charges.

Is this project also included as a Capital Bid?

Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr John Stirling
Head of Service(s)	Phil Scott
Finance Manager	Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Delivering our Fees and Charges Policy
Business Case Number	MR Fees
Service Area(s)	Various
Members	Cllr Ian Grayson, Cllr Harrison, Elected Mayor & Cllr Eddie Darke
Project Sponsor	Mark Longstaff, Phil Scott & Viv Geary
Project Lead	Mark Longstaff, Phil Scott & Viv Geary
Council Plan Theme	Our People
Creating a Brighter Future Theme	Maximising Resources
Saving or Income	Saving
Total 17/18 Savings/Income	£350,000
Total 17- 20 Savings/Income	£826,000

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

2. Business Case

Summary

Catering services

The Authority has an agreed Fees and Charges Policy that reflects policy priorities, need and the wider market in which we operate. This project will continue our work to regularly review our Fees and Charges.

Current proposal is based upon 5p per year increase in School Meals price. This would mean that over the next three academic years the price of a school meal rise from current price of £2.10 (Sept 2016) to £2.25 (Sept 2019). The respective % increase is shown below:

Sept 2017 increase of 5p £2.10 to £2.15 2.38%

Sept 2018 increase of 5p £2.15 to £2.20 2.33%

Sept 2019 increase of 5p £2.20 to £2.25 2.27%

Bereavement Services

This item proposes to increase Bereavement Services fees for cremations by 1%, burial fees by 3% and purchase of graves by 5%.

Based on current prices, this will place us joint highest for cremation fees with Northumberland in Tyne & Wear and second lowest in the region for burials.

Law & Governance

Registrars Service

Increase in income via Registrars Service, this is subject to the emerging opportunities to expand the range of ceremonial venues and the further expansion of the service via new celebratory ceremonies (as non-licensed premises).

Governor Services

In response to a rise in demand for clerking provision from schools and academies there will be an increase in income from the provision of additional services.

Legal Services

The team is proposing to increase income in response to demand for the supply of legal services related to the Authority's trading activity.

Information Governance

The team is proposing to offer services to schools for the first time via the Service Level agreement. Schools are their own data controllers and must comply with legislation on information governance. The team can provide specialist training and support to assist with compliance.

Sport and Leisure

Increase general fees and charges in Sport and Leisure centres by 5% Ease card and 10% non Ease card.

Increase swimming lesson prices by 25p per lesson over and above general % increase

Increase off peak swimming charges from £1.50 to £1.70

Increase income target at Whitley Bay mini golf course in line with success of "foot-golf" provision

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Target Operating Model – alignment to key principles	
1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Increased income re Catering Services	03531		(45)	(62)	(62)
Bereavement Income	05541		(70)		
Increase income - Registrars	08731 – 5501,5609		(5)	(15)	(10)
Increase income – Governor Services	00410 - 525		(20)	(10)	(10)
Increase income – Legal Services	08555 5672		(25)		
Introduce income – Information Governance			(5)		
Increase general fees and charges in Leisure Centres and Pools			(110)	(60)	(60)
Increase swimming lesson charges over and above general increases outlined above			(50)	(50)	(50)
Increase in Contour charges			0	0	(70)
Increase off peak swimming from £1.50 to £2.00 over 3 years			(10)	(5)	(10)
Increased income from outdoor facilities			(10)	(1)	(1)
Total			(350)	(203)	(273)

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Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Sales	(170)
Fees and Charges	(179)
Rent	(1)
Total	(350)

4. Staffing Implications

Staffing Implications			
Assumes level of demand for the service can be managed within existing staffing.			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Total	0	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Finalise Business Case	Barbara Patterson	October 2016
Notify Stakeholders of price increases	Barbara Patterson	July 2017
Implement Increase	Barbara Patterson	September 2017
Registrars - Introduction of celebratory ceremonies	Joanne Macgregor	Spring 2017
Registrars – Identification and licensing of potential additional ceremonial venues	Joanne Macgregor	Spring 2018
Bereavement – implement increase	Samantha Dand	February 2017
Increase general fees and charges in Sport and Leisure centres by 5% Ease card and 10% non Ease card.	Paul Youlden	January 2017
Increase swimming lesson prices by 25p per lesson over and above general % increase	Paul Youlden	January 2017
Increase off peak swimming prices from £1.50 to £1.70.	Paul Youlden	January 2017

Risks		
Risk	Risk Score	Mitigating Actions
Reduced usage at Sports and Leisure centres resulting from increase in fees and charges and	D4	Continue to offer quality facilities and services and effectively promote and market what is

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therefore new targets not being achieved		available. Continue to offer free activities through Active North Tyneside to those who need most support and are most vulnerable
Registrars – identified potential venues may not be delivered in the anticipated timescale.	C4	To liaise with the Regeneration Team regarding anticipated timescales.
Registrars – there is a risk that the new celebratory ceremonies will not prove to be popular and therefore not increase the number of ceremonies being booked.	C4	To work with the Communications Team to promote the service.
Registrars – there is a risk that the opening of new venues may have a detrimental effect on the number of weddings taking place in the Tyne View room, thus reducing the income from this venue.	C4	To work with the Communications Team to promote the service.
Bereavement Services – This is very much dependent upon death rates. So there is a possible risk that the numbers of burials, cremations and grave purchases will decline.	E4	Continue to offer quality services.
Governor Services - Possible risk that the demand for service reduces unexpectedly.	D4	Promotional work continuing throughout the year.
Legal Services – Possible risk that demand does not reach the expected level and the income target is not met	D4	Promotional work and in year budget monitoring
Information Governance – New offer. Risk that there is no demand and the income target is not met	C4	Promotional work and in year budget monitoring

Performance Indicators

Indicator	Baseline	Target

6. Other Requirements / Dependencies

Technology Requirements

Over the period of the business case an increased use of self service and on line payments and booking will help exploit opportunities to maximise income. Improved technology will be required to enable this.

Client / Customer Implications

Increase in prices may impact on level of take up.

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Registrars

The opening of new licensed premises will give a wider choice of venues for wedding/civil partnership ceremonies within the Borough.

The introduction of celebratory ceremonies will give couples the opportunity to celebrate their marriage/civil partnership in a venue of their choice, the legal marriage or civil partnership takes place in the local authority ceremony room followed by a celebratory ceremony, usually held in a location which would not be eligible to be licensed for marriages or civil partnerships, such as a marquee in their parents' garden, or another spot which is special to them.

Governor Services

The team is self funding and is proposing to increase the income stream in response to demand. This is achieved by providing an excellent service to schools through the quality of our clerks and the flexibility within the team to ensure availability of staff to meet the needs of our customers.

Legal Services

The team is proposing to increase income in response to demand for the supply of legal services related to the Authority's trading activity. There are no specific implications for clients/customers.

Information Governance

The team is proposing to offer services to schools for the first time via the Service Level agreement. There are no specific implications for clients/customers other than they have the option to access the service.

Sports & Leisure

Customers using the Sport and Leisure Service will see an increase in fees and charges although significant discounts are still available for those with a priority EASE card. In addition those who need support the most will have access to free activities through the Active North Tyneside programme.

Partner / Stakeholder Implications

Registrars

To liaise with the owners/manager/developers of premises regarding their potential future as wedding/civil partnership/celebratory venues and the anticipated level of demand.

To work with the Communications Team to promote North Tyneside as the borough of choice for wedding/civil partnerships/celebratory ceremonies.

Is this project also included as a Capital Bid?

Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Ian Grayson, Cllr Harrison, Elected Mayor & Cllr Eddie Darke
Head of Service(s)	Mark Longstaff, Phil Scott & Viv Geary

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Finance Manager

Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Balancing the Investment Plan
Business Case Number	MR Managing our assets
Service Area(s)	Various
Member	CIlr Ray Glindon
Project Sponsor	Janice Gillespie
Project Lead	Janice Gillespie
Council Plan Theme	Enabling
Creating a Brighter Future Theme	Maximising Resources
Saving or Income	Saving
Total 17/18 Savings/Income	£7,700,000
Total 17- 20 Savings/Income	(nil)

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

2. Business Case

Summary

The Minimum Revenue Provision (MRP) is the charge made to the revenue account to reflect repayment of borrowing over the useful life of the assets that have been funded from that borrowing. The Council implemented the Minimum Revenue Provision (MRP) guidance in 2007/08, and has since assessed the MRP in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003. Authorities are obliged by new section 21(1B) to “have regard” to such guidance. In particular, the Council are satisfied that the guidelines for their annual amount of MRP set out within this Policy Statement will result in their making the requisite prudent provision that is required by the guidance.

The DCLG guidance, revised in February 2012, allows for MRP to be charged at different rates depending on whether the borrowing is supported or unsupported. Options 1 and 2 of the guidance relate to supported borrowing whilst options 3 and 4 relate to unsupported borrowing. The guidance notes state that these options are recommendations not regulations and it is down to individual authorities to either follow the guidance or consider a more individually designed MRP approach which remains consistent with statutory duty.

As part of the 2016/17 budget process the MRP policy was amended so that the provision for historic debt (supported borrowing) was reduced, from a level of 4% per annum, to 2% per annum as a more reasonable provision (which equates to a 50 year asset life). During 2016/17 further work has been carried out to review the level of provision made to date whilst also recognising the lifespan of the assets created by the debt with the aim of aligning the provision more closely with the benefit being received by the Authority from the use of those assets. This work has confirmed a 50 year asset life as a reasonable estimate. Following this the MRP policy proposed for 2017/18 recognises that the amount of MRP set aside to date in respect of historic supported borrowing (at 4%) is greater than the proportion of the asset life used at this stage (estimated to be an average of 2% based on 50 years). It is therefore proposed that an “MRP holiday” is taken in respect of these assets until the MRP provision realigns to the asset lives. This adjustment will release a saving of £7.700m into the 2017/18. There will also be a corresponding impact on the Capital Financing Requirement (CFR), in that the repayment of the supported borrowing element of the debt will be extended, so the CFR will reduce more slowly.

Target Operating Model – alignment to key principles

1.	Deal with the causes not consequences	
2.	Get things right first time	

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3. Understand and manage demand	
4. Enable people to help themselves	
5. Target resource at those who need it most	
6. Maximise Council income to pay for services	
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	
9. Identify and exploit innovation	
10. Use data and knowledge to make intelligent and lawful decisions	
11. Use technology to enable delivery and reduce long term cost	
12. The right people with the right skills in the right place at the right time	

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
MRP holiday		12	(7,700)	7,700	0
Total			(7,700)	7,700	0

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
MRP	(7,700)
Total	(7,700)

4. Staffing Implications

Staffing Implications			
No staffing implications arise from this business case.			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Total	0	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Asset identified for relevant period	Cathy Davison	October 2016
Asset lives reviewed	Cathy Davison/Iain	November 2016

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	Betham/Andy Flynn	
MRP Calculated based on reviewed asset lives	Cathy Davison	November 2016
MRP Policy updated	Cathy Davison	January 2017

Risks		
Risk	Risk Score	Mitigating Actions
The regulations governing MRP state that the amount provided is a s151 judgement. That said it is possible the external auditors could challenge if they felt the value was materially inappropriate.	D2	Early dialogue with the external auditors is being undertaken to ensure there is no challenge.

Performance Indicators		
Indicator	Baseline	Target

6. Other Requirements / Dependencies

Technology Requirements
N/A

Client / Customer Implications
N/A

Partner / Stakeholder Implications
N/A

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Ray Glindon
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Head of Service(s)	Janice Gillespie
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Finance Manager	Cathy Davison
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2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Continue to redesign 0-19 Services
Business Case Number	RFS 0-19
Service Area(s)	HECS
Member	Cllr Ian Grayson
Project Sponsor	Jacqui Old
Project Lead	Jill Baker
Council Plan Theme	Our People
Creating a Brighter Future Theme	Ready for School
Saving or Income	Saving
Total 17/18 Savings/Income	£580,000
Total 17-20 Savings/Income	£580,000

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

2. Business Case

Summary

As part of Business Cases BC06a and BC06B last year, we carried out extensive consultation with parents across the borough. Whilst parents were understandably upset about the planned closures, there was no evidence that this would reduce childcare for working parents in the borough – this has proved to be the case with 4 new daycare nurseries opening in the borough and 4 additional schools offering the 2 year old offer. The borough continues to have sufficient childcare capacity to meet the needs of working families. The Business Case also suggested we carry out further review in 2017-18 around Oaktrees and Riverside with an assumption that they too would close in 2017-18 with a saving of £312k.

However, during the consultation it became evident that the needs of children and parents in the Riverside/Chirton/Collingwood wards were different to those of working parents and the work we have undertaken with parents at Oaktrees of 2 year olds has had a positive impact on both children and their parents. This has been supported by local head teachers who report that children are more ready for school than they were several years ago

As a result, this Business Case is suggesting an alternative delivery model for Riverside which will see during an 18month period:

- the provision becoming more focused upon the model developed by Oaktrees;
- the closure of the Oaktrees building (as we can accommodate all the children at Riverside)
- the provision becoming full cost recovery by April 2019 and the provision only taking the funded 2, 3 and 4year old places with no paying parents
- A rebranding of the provision as a 'Ready for school, work and life' offer – which focuses upon getting children school ready and their families able to work and participate in their community and in doing so supports the Creating a Better Future Together programme, the TOM principles and the Riverside/Chirton action plan

This would then become part of the children's centre/ 'community offer' in that area.

Target Operating Model – alignment to key principles

1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓

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9. Identify and exploit innovation	
10. Use data and knowledge to make intelligent and lawful decisions	
11. Use technology to enable delivery and reduce long term cost	
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Residual savings from closure of 4 Nurseries in 16/17	04161 04171 04179 04181		(179)	0	0
Savings from ceasing to deliver the current childcare at Riverside and Oaktrees	04178 04237	12	(401)	0	0
Total			(580)	0	0

Financial Analysis 2017/18

Expenditure/Income Line	Value (£000s)
Employees	(1,365)
Premises	(19)
Supplies and services	(58)
Third party	(18)
Support services	(1)
Fees and charges	563
Recharges	318
Total	(580)

4. Staffing Implications

Staffing Implications

This will require a reduction in staffing and a changing of job descriptions and person specifications to bring the posts in line with the new offer.

Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Childcare numbers are in the region of an overall reduction from 40 FTEs to 11 posts but 9 of them will be part time, term time only	(30.5)		
Total	(30.5)	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones

Milestone	Lead Officer	Completion Date
Project plan drawn up	Jill Baker	December 2016
Job descriptions/Person Specs	Maddy Kennedy/Kath	February 2017

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drawn up and re-evaluated	Alexander	
Consultation with partners	Jill Baker	End March 2017
Staff/Union consultation begins	Ellie Anderson	March 2017
Staff/Union consultation ends	Ellie Anderson	End April 2017
Staff recruitment undertaken and staff dismissed	Michelle Seymour	End May 2017
Enterprise parents supported to find alternative places	Mark Taylor	End July 2017
Private Sector provider sought for Oaktrees site	Mark Taylor	May 2017
Oaktrees children supported in their transition	Riverside Team Leader	July 2017
Staff for 'new' Riverside model trained and prepared	Jill Baker/Maddy Kennedy	End July 2017

Risks		
Risk	Risk Score	Mitigating Actions
Partners do not support the new model	D2	Explain process in context of CBFT and TOM and use evidence from Oaktrees and elsewhere
Job evaluation process does not come out as financial model expects	D2	Ensure HR understand the model and advise on the development of the new job descriptions and person specs
The savings are not made because the timescale for them is unrealistic	C2	Budget monitoring needs to be tight and Cabinet/SLT need to identify where alternative savings will come from if these cannot be realised safely
Enterprise parents mount a negative campaign	D2	Provide as much information and support as possible to ensure smooth transition to new providers
New provider does not come forward to take over Oaktrees site	D2	Commissioning proactively make information available about the opportunity

Performance Indicators		
Indicator	Baseline	Target (Academic Year 18-19)
Children at the age of two and a half who are not meeting their level of development will be by the age of four	New measure to be defined	To be confirmed once baseline established
KS1 to KS2 VA scores in R W & M for children living in Riverside, Chirton and Collingwood wards attending school in North Tyneside	R = 0.28 W = 0.98 M = 0.48	At least in line with National Average = 0
Persistent absence levels for primary and secondary aged children who live in these wards	11.6%	8.5%

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Claimant counts in Riverside, Chirton and Collingwood wards (all ages)	4.5% (Mar 2016)	3% by Mar 2019
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6. Other Requirements / Dependencies

Technology Requirements

None anticipated

Client / Customer Implications

We will need to conduct a review with parents at Riverside who currently pay for childcare and support them in finding alternative provision. Experience from 16/17 tells us that whilst this is not easy, it is perfectly possible.

Partner / Stakeholder Implications

We will want to engage fully with partners in the Riverside/Collingwood/Chirton wards, especially the schools, to ensure that they understand the proposed new model and to work effectively with them in the transition to school

Equality and Diversity Implications

The proposals will ensure some of the most deprived children in the borough, aged 2, 3 and 4 years of age, receive high quality childcare that supports their development during the critical early years of their life. It will also ensure these children are ready for school, which will significantly reduce their risk of poor outcomes throughout their life.

There is potential disruption to the care of some children aged 0-5 years, as the service moves away from enterprise provision, to a business model based on the Government funded early education offer. The Authority has successfully managed this transition at other settings during the implementation of the childcare review. The continued availability of childcare arrangements in this area can significantly improve the parent's ability to work.

The policy does not impact upon the ability of families to divide the care of children equally between parents / carers, but childcare arrangements disproportionately impact upon the ability of women to participate in the labour market.

The workforce within the Authority's childcare provision is predominantly female therefore any reductions in staffing are likely to have a disproportionate impact on women. There is no anticipated impact in respect of marital/civil partnership status as a result of this proposal.

It is not expected that individuals from different racial backgrounds will be disproportionately affected by the remit of this proposal.

There is no anticipated impact in respect of religion or belief as a result of this proposal.

There is no anticipated impact in respect of sexual orientation as a result of this proposal.

The proposals are not expected to have a disproportionate effect on individuals involved in gender reassignment.

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Ian Grayson
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2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Head of Service(s)

Jacqui Old

Finance Manager

Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Deliver the Employment and Skills Strategy - Employment and Skills Review
Business Case Number	RFW Empl
Service Area(s)	Employment and Skills - Adult Learning Alliance, Connexions, Education to Employment
Members	Cllr Ian Grayson & Cllr Alison Waggott-Fairley
Project Sponsor	Jacqui Old, Head of Health, Education, Care and Safeguarding
Project Lead	Angela James, Principal Manager – School Improvement
Council Plan Theme	Our People Our Economy
Creating a Brighter Future Theme	Ready for Work
Saving or Income	Saving
Total 17/18 Savings/Income	£300,000
Total 17-20 Savings/Income	£300,000

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Business Case for Change

2. Business Case

Summary

Deliver the Employment and Skills Strategy; later during 2016-17 the Mayor and Cabinet will consider a replacement to the existing Employment and Skills Strategy. This will position North Tyneside's work in this area relative to the Global, European, National and Regional economic drivers. This project aims to ensure our work in this area is in line with national best practice and builds on the existing high performance. Work will be done to sharpen the adult learning offer to support the priorities of the Mayor and Cabinet as well as re-shaping the Connexions service to ensure the delivery of the statutory obligations and a school-funded offer that meets the needs of those schools. This is aligned to the North East Strategic Economic Plan "more & better jobs" and government policy on more and better apprenticeships and better post 16 offers.

This proposal is about delivering Phase 2 of the Employment and Skills Review, which commenced in 2015. Phase 2 will deliver budget savings through a restructure of the Employment and Skills Team, informed by the requirements for service delivery in 2016-17 and beyond. It also includes plans to move to a full cost recovery model for the Connexions Service through a two-year staged increase to SLA charges to schools to address a shortfall in the core council budget to fund this service at present levels.

The Senior Leadership Team has created a Target Operating Model (TOM) that describes how we will operate and deliver the outcomes of the Creating a Brighter Future (CBF) programme in alignment with Our North Tyneside Plan whilst reducing cost. A systematic redesign process of services is essential in order to meet the TOM principles and outcomes. The Senior Leadership Team (SLT) identified Employment and Skills as one of four priority redesign projects in 2015 and work has been ongoing during 2016 to deliver the outcomes from this review. The redesign of this service will ensure that the Council's role and function in Employment and Skills is clearly articulated, agreed and that a structure exists to deliver this function in a cost and quality effective way.

It is crucial that residents of all ages and especially our young people in North Tyneside are able to access sustainable employment. In order to achieve this aim the way in which the council works with schools, colleges, businesses, other independent training providers, funding agencies and voluntary sector organisations is very important. There are other organisations that can offer support to help young people and residents to access further training or work but how effective and targeted this is, is unknown. There are good job opportunities within North Tyneside and the region, particularly in the expanding local business parks and on the North Bank of the River Tyne. However, not everyone has the same chance of getting a job and the figures for unemployment continue to be too high. There are a high percentage of people that do not have the skills, formal qualifications or experience presenting a mismatch of skills and experience against jobs available.

Whilst employment opportunities, including apprenticeships for young people are growing there is still work to be done. We need increased and better labour market information direct from local and growth industries, including work experience opportunities that will provide information for our young people to make informed decisions regarding their careers and be better prepared for employment.

Our review has considered these challenges with a particular focus on young people and the long term unemployed, who are the most vulnerable and require more support for longer

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periods. By redesigning the services involved and working closely with partners, schools and businesses we are making sure that what is offered will provide the very best support to enable local people to have access to more jobs and increase their skills and experience which will make them attractive to employers, colleges and universities.

The review is aimed at making informed decisions as to the future role of the Employment and Skills service. Options considered include:

- continue 'as is' but redesign the current offer
- consider alternative delivery structures and providers
- reviewing the financial viability of the current service offer
- consider the future financial viability challenges.

Within this review consideration has been made as to the dependency of generating income upon delivering a service within the 80% tier of the target operating model to be able to deliver to the 15% and 5% tiers and the potential impact of reducing external funding on the council budget.

Our work so far has assessed what we deliver in relation to cost, performance, relevance (strategic fit) and quality with a next step to redesign the service offer and the structures required to deliver this accordingly. This work includes a full course review of our Adult Learning offer, which was undertaken in May 2016 to inform our curriculum for the 2016-17 academic year and a full review of the costs and service offer to schools in relation to the Connexions IAG offer, which is currently being discussed with schools. In addition, the review has considered:

- The approach to demand management and the tiered approach
- Any self-service / automation elements
- Workforce impacts
- Key deliverables and milestones
- Benefits realisation and savings profile
- Programme dependencies.

The anticipated benefits of the review are:

- Budget Savings (year on year) with 2016-17 budget savings now achieved
- A clear and evidence based service offer
- A fit for purpose management and staff structure to deliver this offer
- Fit with TOMS, CBF and the Locality Model
- Future proofed options for service development.

The review was developed from the initial Employment and Skills Review Scoping Document produced in November 2015 and findings from initial project meetings and workshops involving all Employment and Skills staff.

The key outcome of the review is to determine a model that will deliver a more flexible, cost effective and targeted service that meets both the TOM and CBF Principles. The service will be flexible enough to respond to future funding changes and customers will have the skills and experience to obtain employment. The objectives are to:

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- Redesign the service to be more responsive to residents, business, schools and the local economy
- Ensure all elements are cost effective and VFM
- Achieve first year budget savings (£250k in 2016-17) and anticipated savings in future years of £250k in 2017-18 and £50k in 2018-19
- Design a service structure that is fit for purpose and to achieve these savings
- Review and set out future options for delivery including contract funded and traded models.

The Teams and their related functions and projects that are within scope of this business case are:

- Adult Learning Alliance
- Connexions
- Education to Employment

Next Steps:

In line with creating a Brighter Future and encouraging those that can support themselves to do so to be Ready for Work and Life the Employment and Skills team is being reviewed to consider how to better target its offer to those most in need and from disadvantaged communities.

In order to deliver a wide ranging support to assist young people and adults of working age to gain work there is a heavy reliance on external partners and external funding. The council service also relies heavily upon external grants, primarily from the Department for Work and Pensions (DWP) and the Department for Education (DfE). Previously, the Employment and Skills service area has been funded to the tune of 81% external income and 19% council contribution.

In order to move towards decreasing the dependency of the Employment and Skills service area on Council contributions and increasing the income from external sources it is proposed to take a tapered approach to reduce the overall Employment and Skills council budget from £1,010,017. The initial year 1 proposal was to reduce this by £250k (25%) to £760,017 and the service is on track to achieve these savings in 2016-17. A similar level of financial value reduction of £250k is proposed in 2017-18, which would equate to a greater reduction of 33% and a further £50k in 2018-19. This would leave a Council contribution to the service of £510,017 in 2017-18 and £460,017 in 2018-19; in line with the resources required to deliver our statutory responsibilities and an overall reduction of 55% in three years. The statutory responsibilities of the service include:

- Tracking & Monitoring – maintain a specified CCIS data-system and provide monthly returns to DfE.
- Deliver the ‘September Guarantee’ of Offer of Learning to 16 to 18 year olds.
- Monitor and report on the Participation in Learning (RPA) via the CCIS system.
- Ensure Participation Provision matches local need – by knowledge of the 16-18 year old cohort individual learning intentions.
- LDD & SEND Review at transition points – supporting Preparation for Adulthood (informs Commissioning and provision planning; informs Assessment of Need process). Completion of Post 16 EHC plans (SEND Reforms 2014).

Local Authorities have a duty to track the activity, circumstance, situations and destinations

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of young people from age 16 to their 20th birth date and report this on a monthly frequency to the Department for Education. This reporting has been undertaken by Connexions services or their equivalents using a prescribed data-system – Client Caseload Information System (CCIS). This duty is contained within the Education & Skills Act 2008, Section 68.

Connexions provides an independent and impartial Careers Education, Information, Advice and Guidance (CEIAG) and support service to young people aged 13-19 years (and up to the age of 25 for young people with special education needs) to enable schools to meet their statutory responsibilities under the Education Act 2011.

Connexions is seeking the full cost recovery of the service they deliver to schools for all pupils in Years 8 to 14 (with the exception of those who have identified SEND and those who are long-term Looked after Children) and to increase the income from schools to £177,000 from its present level of £83,000. A two-year staged approach will be taken to achieving this; this will leave a funding shortfall of £46k in 2017-18, which will be met by the Council Core Budget. This additional saving will be realised in 2018-19.

The £250k reduction in 2016-17 has been achieved through a combination of increasing contributions from external grants by applying and securing more funding, reducing costs to existing grants, where appropriate and in line with grant conditions, and reductions in staffing achieved through voluntary redundancies and non-replacement of vacant posts.

Recently we have been informed that we have been successful in being named as an end to end provider in North Tyneside with the successful bidder for the BIG Lottery's European funding. This funding is made available via Priority axis 1: Inclusive Labour Markets - Investment Priority 1.4 Active Inclusion and thematic objective 9 which is called 'Promoting social inclusion and combating poverty'. This is likely to result in a formal offer of funding within the next three months in the region of £240k over 3 years. There are at least three other similar programmes that could provide additional funding for employment and skills activity. These additional programmes include the Skills Funding Agency opt-in, the DWP opt-in and the BIG Lottery's Health Barriers to Employment. In addition, smaller awards of DWP Flexible Support Funding have been secured to support residents in Chirton and Riverside and those affected by the Benefit Cap. These rounds do not require the identification of match funding. There will also be additional open calls for bids that do require the identification of match funding. The funding secured means that we will see an expansion of our delivery team, with additional Employment Advisor roles being required.

Savings in subsequent years from 2017-18 onwards will be achieved through a restructure of the team, focusing on the management and business support functions of the service. This will in effect bring forward the longer term plan to sustain the employment and skills offer from external funding. An integrated Employment and Skills Team will be established to be in place for April 2017. This will include bringing together the Adult Learning, Education to Employment and Connexions services under one management structure with a slight reduction in the number of posts, but a realignment of management and financial accountability to ensure the service achieves better quality and VFM. In addition, two new posts will be created to support our Business Development (marketing, promotion and employer engagement) and Digital Inclusion functions. Both of these posts have been highlighted by staff and other stakeholders as crucial in developing our offer, securing additional external funding through grants and a growth in Apprenticeship provision and developing ICT and Digital skills amongst our workforce and residents.

In addition, the Business Support functions of the three teams will be brought together into

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one team that will have responsibility for project and programme support, financial monitoring, reporting and claims, data requirements and reporting, curriculum planning and support, learner records, examinations, venue assistance, resources and business administration. The data and financial monitoring and reporting requirements for over £4m of external funding and the support required to deliver a curriculum of over 400 courses per year are not to be underestimated and therefore care will be taken in redesigning this element of the service to reduce financial and reputational risks to the Council.

Requests for voluntary redundancy (VR) and change of hours requests will be a priority and are likely to achieve some of the savings. The Employment and Skills Review will also continue to explore additional methods of efficiencies including further changes to our curriculum and an accommodation review to explore efficiencies in the venues used to deliver our services. It is anticipated that a further £50,000 saving will be secured in 17/18 through the accommodation review.

This service area is wholly responsive to national policy changes in the employment and skills agenda. As new policies emerge including regional devolution it may be necessary to review the longer term approach.

Further Information:

A number of areas were out of scope of the initial review, but are now being considered as part of our Service Improvement Planning, including:

- Development and implementation of online courses
- Review of delivery venues
- Review wider council service areas offer and potential to deliver against the Ready for work and Life entitlement of CBF
- Rework the budget code format to align with the funding streams that would enable a straightforward view of what course/service area is generating income
- Continue to review courses with low demand taking into account impact on grant funding
- Review terms and conditions and grade structures for delivery staff
- Identify any alternative providers, with a SWOT analysis of each
- Consider what ASC and other council service area customer's access within the Employment and Skills offer
- Ensure maximum benefits from Apprenticeship Reforms, including use of the Apprenticeship Levy from 2017
- Develop our marketing offer to maximise funding.

There are number of constraints on the review including:

- Resource constraints within the team
- Concurrent reviews taking place, which provide conflicting demands on resources
- Limited information on future contract awards (AEB, BBO etc.)
- Lack of intelligence and data on current and future delivery to inform the service offer
- Terms and conditions of staff
- Reduced management capacity from 2016 onwards.

The review has a number of interfaces and dependencies with other projects including:

- Building and Assets Review - a need to assess the venues where courses are currently held to ensure that the review makes informed decisions on building requirements and potential impact of closures and changes of use

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- Locality Model – to assess which employment and skills services could be in scope to fit with the model and the impact of the model on employment and skills
- Devolution – impact of proposals on future funding, as well as requirements for strategic development within staffing proposals
- School budgets – impact of constraints on budgets for our services.

Target Operating Model – alignment to key principles	
1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Grant Contributions and staff savings	01907 /00339 & ALA (Var)		(300)	0	0
Total			(300)	0	0

Financial Analysis 2017/18

Expenditure/Income Line	Value (£000s)
Employees	(204)
Income from schools SLA	(96)
Total	(300)

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4. Staffing Implications

Staffing Implications

The staffing reduction equates to 6 posts overall. This is subject to a finance review of staffing changes.

The Teams and their related functions and projects that are within scope of this business case are:

- Adult Learning Alliance
- Connexions
- Education to Employment

Savings in subsequent years from 2017-18 onwards will be achieved through a restructure of the team, focusing on the management and business support functions of the service. This will in effect bring forward the longer term plan to sustain the employment and skills offer from external funding. An integrated Employment and Skills Team will be established to be in place for April 2017. This will include bringing together the Adult Learning, Education to Employment and Connexions services under one management structure with a slight reduction in the number of posts, but a realignment of management and financial accountability to ensure the service achieves better quality and VFM. In addition, two new posts will be created to support our Business Development (marketing, promotion and employer engagement) and Digital Inclusion functions. Both of these posts have been highlighted by staff and other stakeholders as crucial in developing our offer, securing additional external funding through grants and a growth in Apprenticeship provision and developing ICT and Digital skills amongst our workforce and residents.

In addition, the Business Support functions of the three teams will be brought together into a one team that will have responsibility for project and programme support, financial monitoring, reporting and claims, data requirements and reporting, curriculum planning and support, learner records, examinations, venue assistance, resources and business administration. The data and financial monitoring and reporting requirements for over £4m of external funding and the support required to deliver a curriculum of over 400 courses per year are not to be underestimated and therefore care will be taken in redesigning this element of the service to reduce financial and reputational risks to the Council.

Requests for voluntary redundancy (VR) and change of hours requests will be a priority and are likely to achieve some of the savings. The Employment and Skills Review will also continue to explore additional methods of efficiencies including further changes to our curriculum and an accommodation review to explore efficiencies in the venues used to deliver our services.

Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Management posts	(5)		
Business Development and Digital Inclusion	+2		
Employment Advisors and Coaches	+3		
Business Support posts	(6)		
Total	(6)	0	0

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5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Business Case completed	Angela James	Sep 2016
Consultation with staff and Unions	Angela James	Oct 2016
Proposals agreed or amended	Angela James	Nov 2016
Planning for reduction in council contribution	Angela James	Jan-Mar 2017
Realigning external grants to make a greater contribution, including re-profiling delivery where necessary	Angela James	Jan-Mar 2017
Restructure process implemented for a April to July impact as academic year provision requires consideration	Angela James	Jan-Mar 2017
Ongoing in 2017/18 continued focus upon securing external grants.	Angela James	Jan-Mar 2017
Complete Accommodation Review and implement recommendations	Angela James	Sept 2017

Risks		
Risk	Risk Score	Mitigating Actions
<p>Failure to secure further grants</p> <p>An inability or delay in reducing costs, including management and officer staffing.</p> <p>The Employment and Skills service also receives funding from Schools via the Direct Schools Grant to the tune of £99,912 a contribution via Education Improvement Partnership of £182,000 and Service Level Agreements to the tune of £120k. This funding is also at risk if council staffing resource is reduced as proposed. If wider decisions are made regarding reducing schools contributions to the council via</p>	<p>E4</p> <p>E4</p> <p>E4</p>	<p>This is considered a low risk given the new European funding that is planned to be announced during this period.</p> <p>This is now considered low for 2017-18 as sufficient lead in time has been allowed to ensure a new structure is in place for the 2017-18 financial year. The overall risk is considered low as if the above risks are experienced, the cut in budget would be addressed by reducing service provision. The resultant impact of this would create a reduction in provision to vulnerable residents including the long term unemployed and young people and an increased reliance on external partners.</p> <p>This risk is being mitigated as ongoing discussions with schools have informed our proposals.</p>

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<p>this method service delivery will be required to be reduced further.</p>		
<p>Public complaints about lack of access to adult learning in their locality</p>	D3	Effective communication with key stakeholders

Performance Indicators		
Indicator	Baseline	Target
Adult Learning Overall Achievement	93.3% 2015-16	94.3% 2016-17
16-17 year olds participating in education and training	93.7% July 2016	94.7% July 2017

6. Other Requirements / Dependencies

Technology Requirements
None

Client / Customer Implications
<p>Long term unemployed and learners with low skills and potential to achieve work will be affected if we have to reduce the level of direct support available to help them into employment</p> <p>Schools responsibilities to provide impartial careers advice and pupils career choices might be affected if we need to reduce services further; this impacts upon our ability to track, monitor, intervene and report on young people, including those who come into the Key target groups (NEET, SEND, LAC, etc).</p>

Partner / Stakeholder Implications
<p>If we have to reduce or redesign the council's service offer partner providers will be affected by the resultant increase in demand for their services. We are in the process of working with partners to explore and support any future changes.</p>

Equality and Diversity Implications
See separate Equality Impact Assessment.

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Ian Grayson & Cllr Alison Waggott-Fairley
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Head of Service(s)	Jacqui Old
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Finance Manager	Alison Campbell
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2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Children with Disability Care Packages
Business Case Number	RFW NoT
Service Area(s)	Health Education Care and Safeguarding Services
Member	Cllr Ian Grayson
Project Sponsor	Jacqui Old
Project Lead	Kath Robinson, Principal Manager of the Integrated Disability and Additional Needs Service Scott Woodhouse, Strategic Commissioning Manager, Whole Life Disability
Council Plan Theme	Our people
Creating a Brighter Future Theme	Ready for Work
Saving or Income	Saving
Total 17/18 Savings/Income	£ 350,000
Total 17-20 Savings/Income	£720,000

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2. Business Case

Summary

The Children with Disability Service is responsible for meeting the need of approx 170 children in North Tyneside who have a profound disability. The overall budget associated with this is approx £2.5m and this covers the following service areas:

- Internally provided residential care and respite services
- Children with Disability social work team
- Commissioned services from external providers.

Internal services and commissioned services have a budget of approx £2.1m from this.

This proposal is about:

- Reviewing the internally provided residential care and respite services, and
- Reviewing the commissioned services from external providers.

Review of Internal Services

The current provision includes at Heatherfield Mews, Annitsford and Addison Street, North Shields. These include four long term Looked After Children (LAC) beds and two respite beds at Heatherfield Mews and five respite beds at Addison Street.

The demand for the long term beds is changing and the current provision has been reviewed and an alternative solution needs to be put in place that is more effective and offers a different environmental solution to supporting a small group of children with behaviours that challenge. The plan is therefore to incrementally reduce the number of long term beds as changes to the current client group take place and re-commission the service from a different property.

The service at Addison Street is to focus on those that need a building based service and cannot be supported in other ways, especially where the individual is over 16 years of age. By reviewing the demand and need for the beds there is now capacity and the respite beds at Heatherfield Mews are to be reviewed and moved to Addison Street. Alongside this further work is being undertaken to look for a more effective accommodation solution to the current property at Addison Street.

- Addison Street will provide short breaks up to 16 years of age unless young person meets place based eligibility criteria .Young people will be offered direct payments linked to the whole life disability transformation
- Addison Street – Consideration to take children with health requirements

This will change the overall provision and ensure it is more effectively used and at the same time ensure it provides value for money and better outcomes for individuals, particularly those nearing the point of transition.

We will also review the work of the staff at the respite unit to consider whether trained staff are able to provide outreach interventions currently provided by NEAS at a reduction in costs.

Review of Commissioned Services

Approx £700k is spent on a range of commissioned services to support children continue to live with their families. The short break offer ranges from holiday play clubs to outreach

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support, access to personal assistants and direct payments as well as more expensive services.

As part of social work led reviews we will work with individuals and look at the services in place to support them and families and where possible divert to alternative service provision and the use of personal budgets to support this.

In order to do this we will:

- Maximise prevention and ensure full knowledge of the local offer by identifying a targeted number of young people (based on the Dartington model) a divert them from the Children with Disabilities team and tier 2 services to other areas such as preventative services, early help family partners etc, the target is for 10 children in 2017/18 and 10 children in 2018/19 to be diverted;
- Access information on Safe Families/ resources available within the local offer to consider alternative options for short breaks to families;
- To review care packages in relation to outcomes being met and changes in the needs of the young people;
- To review associated transport costs and use of independent fostering rather than in house fostering;
- Review out of area placements and seek opportunities to work with housing colleagues and others to develop services in North Tyneside and relocate individuals back to the borough.

Target Operating Model – alignment to key principles

1. Deal with the causes not consequences	
2. Get things right first time	
3. Understand and manage demand	✓
4. Enable people to help themselves	
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	
9. Identify and exploit innovation	
10. Use data and knowledge to make intelligent and lawful decisions	
11. Use technology to enable delivery and reduce long term cost	
12. The right people with the right skills in the right place at the right time	

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3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Review of LAC / short break provision at Heatherfield Mews residential service	00536	Full	(210)	(220)	
Review of commissioned short breaks services	04268	Full	(140)	(50)	(100)
Total			(350)	(270)	(100)

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Employees	(210)
Supplies and Services	(140)
Total	(350)

4. Staffing Implications

Staffing Implications			
Review of staffing within our short break and looked after provision. It would be our intention to use the skills expertise of current staff with the transformation process. There will however be a potential reduction in staff overall			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
Reduction in residential staff	(7)	(7)	0
Total	(7)	(7)	0

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Disability Register relaunch	SW/KR	March 2017
Develop housing / accommodation opportunities to allow moves to take place and free up new accommodation for future use, ensure accommodation available when need to move young people / complex	KR /SW	2017/18
Consider young people that are out of area for return to North Tyneside.	KR /SW	September 2017 to April 2018
Review short breaks provision at	KR/AT/AE/SW	October 2016 to March

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Heatherfield Mews and Addison Street, review access arrangements and service provision to meet nursing need.		2017 October 2017
Review care packages and service provision, consideration of personal budgets and alternatives	KR/JS/SW	2017/18

Risks		
Risk	Risk Score	Mitigating Actions
Updated Disability register not in existence long enough to evidence knowledge of the demand	C2	Urgent introduction /Consider Max Cards
Not able to get timely access to housing to support timely planned moves of young people	D3	Commissioners are working with colleagues in Housing to ensure a proactive approach.
Ofsted registration required	D3	Timely communication with Ofsted inspectors
Staff are not fully involved in the transformation project	D2	Develop a design group across the workforce
Not able to recruit an additional group of foster carers	C2	We will link in to the Children's services transformation group to ensure a proactive approach to foster carer recruitment for disabled children.

Performance Indicators		
Indicator	Baseline	Target

6. Other Requirements / Dependencies

Technology Requirements
Assistive technology can be assessed and implemented as part of any review of client's needs and development of the support plan and personal budget. This will be bespoke to the needs of the individuals and the technology that is available to meet those needs. This can lead to an overall reduction in revenue costs to commission services / support to each individual.

Client / Customer Implications
All individuals will be subject to a review before any changes are implemented to the service that is delivered or the overall cost of that service. The review will ensure that assessed and eligible needs continue to be met and that a risk management approach is identified in the

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assessment process and delivery of the service by the provider. This will include the parent / carers as part of the process. The review will also include housing options and support people to make choices about their housing requirements in the future.

It will be necessary to co-produce the short break service offer with parents of disabled children. There may be potential concern from families about the reduction of planned short break places for families

Partner / Stakeholder Implications

All identified stakeholders will be involved in the consultation process and their views considered as part of any changes / proposals.

The main stakeholders include:

- Users
- Family carers
- Service Providers
- North Tyneside Clinical Commissioning Group (CCG)

Equality and Diversity Implications

An Equality Impact Assessment has been completed for this proposal.

Is this project also included as a Capital Bid?

Yes

7. Sign Off

Mayor / Cabinet Member(s)	Cllr Ian Grayson
Head of Service(s)	Jacqui Old
Finance Manager	Alison Campbell

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Support for Schools
Business Case Number	RFW Schools
Service Area(s)	Early Years and School Improvement & Facilities Management
Member	Cllr Ian Grayson
Project Sponsor	Jacqui Old & Mark Longstaff
Project Lead	Angela James & Barbara Patterson
Council Plan Theme	Our People
Creating a Brighter Future Theme	Ready for work
Saving or Income	Saving
Total 17/18 Savings/Income	£426,000
Total 17-20 Savings/Income	£526,000

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2. Business Case

Summary

Re-model and trade our services to schools; responding to changing customer need and national reform, this project aims to review and develop our portfolio of services to schools. As well as our existing successful work in school improvement, catering and capital project management we expect to extend our facilities management offer with the transfer of the Cleaning Service back from Capita and take advantage of the Healthy Child Programme. This work will see a universal offer for schools but also a more bespoke offer to individual schools depending on their needs and the needs of their communities. We also expect to be able to build on our existing work beyond North Tyneside. This links to Government Policy of changing the role of Local authorities in Education.

Early Years and School Improvement

The proposal in this business case is to increase income generation, gain greater efficiencies through embedding the Nexus system, restructure the ICT service and realign senior management costs. Increase in income generation will come through the every child programme by training additional reading recovery teachers and increasing demand for delivery for the six every child counts intervention programmes.

Through embedding the Nexus programme and enabling greater self service by both staff and schools we will bring efficiencies to the admin service. We will also restructure ICT service to consolidate technical services to schools to facilitate a unified service to schools. Remodelling the service is expected to reduce the need to outsource servicing and reduce the staffing team to meet demand.

There are increased opportunities for income generation from schools and early years' settings within and beyond North Tyneside including academies. This will be achieved by high quality marketing, increased Continuing Professional Development (CPD) and conference opportunities and providing additional school development partner services. This will require greater understanding of the changing needs of schools in response to the White and Green papers and the emerging academy agenda within North Tyneside. Support will be required to enable business plans to be produced that demonstrate increasing capacity in demand led areas such as primary literacy and numeracy. This has the potential to increase income. We will also realign senior management costs to reflect diversifying role across education and skills.

Facilities Management

Responding to changing customer need and national reform, this projects aims to review and develop our portfolio of services to schools. As well as our existing successful work in school improvement, catering and capital project management we expect to extend our facilities management offer with the transfer of the Cleaning Service back from Capita and take advantage of the Healthy Child Programme. This Work will see a universal offer for schools but also a more bespoke offer to individual schools depending on their needs and the needs of their communities. We also expect to be able to build on our existing work beyond North Tyneside.

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Income to support Commissioned Early Years provision

The Dedicated Schools Grant (DSG) income is confirmed for 2017-18 and will support our LA statutory duties including:

- working strategically with the sector to deliver the government's statutory childcare programmes such as the targeted 2 year old offer and the universal 3 and 4 year old flexible free entitlement including the targeted Early Years Pupil Premium,
- commissioning new childcare provision to meet the needs of parents,
- agreeing with the Schools Forum the annual funding formula for all providers of early education and childcare provision (the Early Years block of the DSG),
- costs associated with information/ICT systems required to administer the government funded childcare programmes
- issuing grant agreements, making and monitoring payments to providers
- undertaking/supporting MI reporting and financial monitoring requirements

Target Operating Model – alignment to key principles

1. Deal with the causes not consequences	✓
2. Get things right first time	✓
3. Understand and manage demand	✓
4. Enable people to help themselves	✓
5. Target resource at those who need it most	✓
6. Maximise Council income to pay for services	✓
7. Reduce long term financial cost to the taxpayer	✓
8. Maximise the impact partners have on achieving outcomes	✓
9. Identify and exploit innovation	✓
10. Use data and knowledge to make intelligent and lawful decisions	✓
11. Use technology to enable delivery and reduce long term cost	✓
12. The right people with the right skills in the right place at the right time	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? (months)	17/18 (£000s)	18/19 (£000s)	19/20 (£000s)
Every Child programme	00301		(5)		
Income generation	00301		(50)	0	
Nexus	00301		(7)		
ICT service	00995		(94)		

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Realignment of senior management costs	00301		(20)		
Increased business opportunities-Facilities Services.			(50)	0	(100)
Income to support Commissioned Early Years provision.			(200)	0	
Total			(426)	0	(100)

Financial Analysis 2017/18	
Expenditure/Income Line	Value (£000s)
Income	(310)
Supplies & services	11
Staffing	(127)
Total	(426)

4. Staffing Implications

Staffing Implications			
Early Years & School Improvement - Net reduction of 1.5 staff (1fte ICT SIA, 0.5fte admin)			
Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20
SIA ICT	(1)		
Admin	(0.5)		
Total	(1.5)		

5. Delivery Plan, Risks and Outcomes

Key Milestones		
Milestone	Lead Officer	Completion Date
Increased income generation from Every Child programme	Gill Kemp	March 2018
Nexus system implementation	Jonathan Chicken	March 2018
Reorganisation of schools ICT services	Jonathan Chicken	April 2017
Business redesign to secure additional income	Angela James	March 2019
Realignment of senior management salary costs	Angela James	April 2017
Finalise Business Case	Barbara Patterson/Mark Taylor	October 2016
Conclude proposals in line with DSG timetable	Mark Taylor	March 2017

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Risks		
Risk	Risk Score	Mitigating Actions
Reduction in the dedicated school grant	D3	Delivery of high quality services that are valued by schools
Schools perceive reduced capacity to deliver services and withdraw funding	D4	Clear communication to schools and attendance at key events and meetings
Limited staff capacity to meet increased demands of income generating work	D4	Business redesign and streamline services to meet customer needs
Withdrawal of government funding such as the education services grant	D4	Agility to respond and reshape to changing funding programme
Fall in demand for facilities management traded services to schools	D4	Seeking views of stakeholders and monitoring quality of service provided

Performance Indicators		
Indicator	Baseline	Target
% Primary (First and Nursery) Schools judged by OFSTED to be Good or Outstanding	96%	96%
% Secondary (and Middle) Schools judged by OFSTED to be Good or Outstanding	81%	81%
% Childcare judged to be Good or Outstanding	Non Domestic 96.7% Domestic 92% (End Aug 2016)	86.47%

6. Other Requirements / Dependencies

Technology Requirements

Currently developed online purchase system to support traded facilities management services portfolio

Client / Customer Implications

A service that is more closely aligned to the customers changing needs that embraces a greater self-serve model.

Partner / Stakeholder Implications

None expected

2017-2020 Financial Planning and Budget Setting Process Business Case for Change

Equality and Diversity Implications

EIA completed

Is this project also included as a Capital Bid? Yes

7. Sign Off

Mayor / Cabinet Member(s)

Cllr Ian Grayson

Head of Service(s)

Jacqui Old & Mark Longstaff

Finance Manager

Alison Campbell

Project Name	Additional Highways Maintenance	Project Manager	Mark Newlands	Ref No.	EV056
Programme Name (if applicable)		Programme Manager (if applicable)		Report Date	
Service Area	Environment, Housing and Leisure	SRO	Colin MacDonald	Author	Mark Newlands
		Finance Officer		Version No	1
Ward(s)	All	Project Location	Boroughwide		

Gateway 0 submission

Purpose of Document		Role of the Investment Programme Board in Gateway 0 review		
Information contained in this submission should be brief but sufficient to demonstrate that a mandate exists, the project or programme has been prioritised and an outline business case has been developed. There is also a requirement to convey how far the idea has been developed in terms of feasibility.		The submission will be scrutinised by the IPB in terms of strategic fit, corporate priorities, available capital resources and revenue implications		
Guidance	1. Anticipated Start and Completion Dates			
Try to estimate the month or quarter in order to inform resource planning and procurement.	Project Start Up	2019/20	Q1	
	Spending Start (Practical Start)	2019/20	Q1	
	Spending Completion (Practical Completion)	2019/20	Q4	
2. Service Needs and Objectives				
Briefly explain why the capital project or programme is required and how it relates to service improvement plans or wider strategic objective.	<p>This project assists in addressing the Council's backlog of highway repairs and further improving the condition of the highway network by means of an annual rolling programme, in line with North Tyneside's Highway Asset Management Plan (HAMP), subject to decision by Cabinet/IPB on the level of investment required when approval is sought for an updated HAMP. As such it supports the following key priority in Our North Tyneside, the Council Plan 2016 to 2019:</p> <p>"Our places will:</p> <ul style="list-style-type: none"> - have an effective transport and physical infrastructure - including our roads, cycleways, pavements, street lighting, drainage and public transport" <p>A budget of £2.000m is requested for 2019/20</p>			
3. Business Proposals and Costs				
Briefly describe the nature of the project or programme and the associated work including any known or estimated costs and funding sources. Give an estimate of timescale and cost profile by year	<p>The project will involve investment to supplement the Authority's budget allocation of LTP highway maintenance block funding. The project will assist with improving the condition of roads and footways in the borough and to ensuring that the backlog of highway repairs is kept at a manageable level.</p> <p>The Highway Asset Management Plan (HAMP) is due to be considered by Cabinet in spring 2017. This will be developed in consultation with the Cabinet Member for Housing and Transport, IPB and LMB where funding requirement decisions will be made.</p>			

	4. Details of Land and Assets
If the project involves land or property in Council ownership, please enter the outcome of discussions with the Corporate Property Team.	The project involves the maintaining the Council's highway assets, to ensure a serviceable highway network.
	5. Benefits Realisation and Timescales
Summarise anticipated outcomes and associated business benefits referring where appropriate to critical success factors. If fast-tracking is required, please state why.	This programme of work, subject to a decision by Cabinet/IPB on the level of investment required when approval is sought for an updated HAMP, will have the following benefits: <ul style="list-style-type: none"> i. control the backlog of highway maintenance repairs; ii. lead to visible improvements to the streetscape in communities in line with the wishes and priorities of residents and road users, resulting in improved levels of customer satisfaction and an improvement of the Council's reputation; iii. improvements in the condition of the road and footway network will help to minimise insurance claims to the Council (vehicle damage and personal injury), leading to lower premiums and less outlay to lost claims; and iv. a well maintained transport network has additional environmental, economic, safety and health benefits.
	6. Key Stakeholders and Delivery Partners
Identify delivery partners, stakeholders and other key contacts (both within NTC service departments and external organisations) and your engagement with them. Indicate whether any partnership is expected to be formal and legally binding, as this will have VAT implications. Note any dependencies and links to other programmes and projects.	Cabinet Member for Housing and Transport – approves the annual programme and is regularly updated on its progress Capita (Technical Partner) – delivers the programme Stakeholders such as Nexus are updated by officers
	7. Progress to Date
Describe the current status of the project or programme with reference to any option appraisal or feasibility studies, advice on procurement and stakeholder analysis consultation that has been undertaken.	The Additional Highways Maintenance programme, subject to a decision by Cabinet/IPB on the level of investment required when approval is sought for an updated HAMP, is to be developed on an annual basis in consultation with the Cabinet Member for Housing and Transport.
	8. Supporting Information
If necessary refer to or attach any documentation that clarifies the mandate or supports the outline business case	North Tyneside Highway Asset Management Plan (HAMP) http://www.northtyneside.gov.uk/browse-display.shtml?p_ID=527383&p_subjectCategory=380

10. Submission Sign Off			
Insert the name of the senior manager and the date authorised. A signed off hard copy or electronic signature is not required	Senior Responsible Owner	Colin MacDonald	18/10/2016
	Head of Service (Acting)	David Foster	18/10/2016

Outcomes	Gateway Review Group Scrutiny
Decision	Approved, deferred or rejected
Date of Decision	
Observations	
Decision communicated to:	
Further information and advice	➤

Project Name	All Our Histories	Project /Programme Manager	Andrea Stephenson / Yvonne Gorgon	Ref No.	
Programme Name (if applicable)		Service Area Senior Manager (SASM)	Steve Bishop	Investment Plan Ref No	
Service Area	Cultural Services	Finance Officer	Brian Gooding	Author	Andrea Stephenson
Ward (s)	All	Project Location	Libraries across North Tyneside		

Gateway 0 submission (strategic fit)

- **Purpose of Document:** Information contained in this submission should be brief but sufficient to demonstrate that a mandate exists, the project or programme has been prioritised and an outline business case has been developed. There is also a requirement to convey how far the idea has been developed in terms of feasibility.
- **Role of the Investment Programme Board in Gateway 0 review:** The submission will be scrutinised by the IPB in terms of strategic fit, corporate priorities, available capital resources and estimated revenue implications.

	1. Project Description		
	<p>Following extensive consultation over the summer, Cabinet adopted its Library Strategy 2016-21, <i>Words, Well-Being and Wi-fi</i>, in November 2016. Following the publication of the National Libraries Task Force report, <i>Libraries Deliver: Ambition for Public Libraries in England</i>, in December 2016 DCMS made funding available through the <i>Opportunities for Everyone Innovation Fund</i> via Arts Council England. The funding round is competitive but presented the opportunity to support vulnerable communities at no additional cost to the Council, the required match being met in-kind from existing budgets. The bid has been developed following discussion with, and approval by, the Cabinet Member for Leisure, Culture and Tourism.</p> <p>All Our Histories is a programme of engagement and digital co-creation to engage with local communities, including refugees and asylum seekers, to ensure that the local history of North Tyneside is inclusive of all the communities living in the borough. The project aims to improve social cohesion, build understanding and empathy among communities and to help create a shared sense of place.</p>		
Guidance	2. Anticipated Start and Completion Dates		
Try to estimate the month or quarter in order to inform resource planning and procurement.	Project Start Up (this should include the feasibility stage)	2017	April
	Spending Start (Practical Start)	2017	April
	Spending Completion (Practical Completion)	2018	March

3. Service Needs and Objectives	
<p><i>Briefly explain why the capital project or programme is required and how it relates to service improvement plans or wider strategic objective.</i></p>	<p>The All Our Histories project contributes to a number of strands in <i>Words, Well-Being and Wi-fi</i> as well as delivering against the following outcomes of the national <i>Libraries Deliver: Ambition for Public Libraries in England</i> strategy:</p> <p><i>Stronger, more resilient communities</i> - the project will use the library's established role as a community hub to bring together different communities in North Tyneside. Participants will be given the opportunity to gain greater understanding of each other's circumstances and to build empathy with one another to help create greater integration of the community and build a shared sense of place. Creation of new local studies content will enable us to demonstrate the diversity of our local history.</p> <p><i>Improved digital access and literacy</i> – we will support participants who are not digitally literate to use ICT equipment for the first time, and to learn new digital skills, such as how to create digital content.</p> <p><i>Healthier and happier lives</i> – we will help to combat social isolation, particularly for those new to the community, by enabling people to spend time together in a non-threatening environment. Local people will have opportunities to meet and interact with other people in the community while learning new skills.</p>
4. Business Proposals and Costs (Capital and Revenue)	
<p><i>Briefly describe the nature of the project or programme and the associated work including any known or estimated costs and funding sources.</i></p> <p><i>Give an estimate of timescale and cost profile by year</i></p> <p><i>This should provide information from both a capital and revenue perspective.</i></p>	<p>We will engage with local communities, including refugees and asylum seekers, to explore shared histories and current experiences of living in North Tyneside. We will support participants to record and share their stories to enhance understanding of the area's local history. Local people will become co-creators of digital content, which can be used by future generations to explore the rich history of the community.</p> <p>We are seeking a combination of capital and resource funding from Arts Council England's <i>Libraries Opportunities for Everyone Innovation Fund</i>. Capital funding of £53,000 will be used to purchase smart-tables and software to create and display digital content. Revenue funding of £36,624 will fund a project co-ordinator.</p> <p>Matched funding of at least 10% of total project costs is required. £10,695 of in-kind funding and</p>

	revenue funding from existing budgets has been identified. This mainly consists of in-kind staffing support, with some funding for events and activities to support the project and to purchase recording equipment.
5. Details of Land and Assets	
<i>If the project involves land or property in Council ownership, please enter the outcome of discussions with the Corporate Property Team and details of the asset involved.</i>	Capital assets to be purchased using external funding from Arts Council England. Assets purchased will be ICT hardware and software, i.e. 4 x 'smart-tables' and associated software developed as part of the project. This has been discussed with Ben Kaner who has given approval to proceed.
6. Benefits Realisation and Timescales	
<i>Summarise anticipated outcomes and associated business benefits referring where appropriate to critical success factors. If fast-tracking is required, please state why.</i>	<p>The aims of the project are to:</p> <ul style="list-style-type: none"> • Engage with local people of all ages from diverse communities to share their stories. • Support people to create interactive digital content to enhance local studies provision in North Tyneside. <p>The outcomes are anticipated to be:</p> <ul style="list-style-type: none"> • Increased empathy and understanding between communities • Increased understanding of the differences and similarities between cultures • Enhanced and inclusive local history resources • Less social isolation of communities • People feel comfortable to share their stories • People have the skills to use ICT resources and create digital content <p>The project will be started and completed within the financial year 2017 – 18 in line with the Arts Council England grant conditions for this fund. However, ICT assets would be retained by the service for continuing use.</p>
7. Key Stakeholders and Delivery Partners	
<i>Identify delivery partners, stakeholders and other key contacts (both within NTC service departments and external organisations) and your engagement with them. Indicate whether any partnership is expected to be</i>	<p>The Walking With project who works with asylum seekers and refugees will be a key partner. Discussions have been had with this project and they are committed to being involved.</p> <p>We will work with the NTC engagement team to support engagement with other appropriate groups</p>

<i>formal and legally binding, as this will have VAT implications. Note any dependencies and links to other programmes and projects.</i>	<p>– initial advice has been sought from Felicity Shoemith, CVS Liaison Manager.</p> <p>Partnerships are not expected to be legally binding.</p>		
8. Progress to Date			
<i>Describe the current status of the project or programme with reference to any option appraisal or feasibility studies, advice on procurement and stakeholder analysis consultation that has been undertaken.</i>	<p>Project is at application stage as funding is required from Arts Council England. Applications are required to be submitted by 6/1/17. A decision will be given by Arts Council England by 31/3/17.</p> <p>Discussions have been undertaken with the <i>Walking With</i> project that works with asylum seekers and refugees who will take part in the project.</p>		
9. Supporting Information			
<i>If necessary refer to or attach any documentation that clarifies the mandate or supports the outline business case</i>			
10. Submission Sign Off			
<i>Insert the name of the senior manager and the date authorised. A signed off hard copy or electronic signature is not required</i>	Senior Area Service Manager	David Foster	Insert date
	Head of Service	Phil Scott	Insert date

<i>To be completed by Strategic Property and Investment Team only</i>	
Outcomes	Gateway Review Group Scrutiny
Decision	Approved, deferred or rejected
Date of Decision	
Observations	
Decision communicated to:	
Further information and advice	➤

***Please return completed form to the Strategic Investment & Property Team**

Project Name	Asset Planned Maintenance	Project /Programme Manager	Ian Lillie	Ref No.	
Programme Name (if applicable)		Service Area Senior Manager (SASM)	Iain Betham	Investment Plan Ref No	BS026
Service Area	Strategic Investment & Property	Finance Officer	Susan Borthwick	Author	Ian Lillie
Ward (s)	Various	Project Location	Various		
Date of Gateway O Approval					

Gateway 1 bid (Feasibility)

- **Purpose of Document:** This document constitutes a formal bid for capital investment including inclusion in the Investment Plan. It should provide sufficient information to enable effective financial and technical scrutiny ahead of further review at strategic and member level. Figures on cost and funding should be as accurate as possible. At Gateway 1 there is a focus on viability, affordability, procurement and delivery.
- **Role of the Gateway 1 Investment Programme:** The IPB will scrutinise the bid in terms of its financial and technical viability and management of risk. The IPB will be briefed on outcomes and recommended actions and may wish to prioritise, amend or modify the submission in the light of these comments. The IPB provide recommendations to Cabinet to form part of the budget setting and financial management processes, if required.

Guidance	1. Project Description		
<i>Please provide a brief description of the project or programme to clarify the nature of the proposed expenditure. (i.e. what are we spending money on and why?). If grant funding source is known, please identify clearly in additional information (Section 9).</i>	<p>The purpose of the above budget is continue with the current annual programme to maintain and invest in the Council's General fund Asset portfolio, which includes operational and non operational assets for example, Leisure centres, and the Industrial and Commercial Estate.</p> <p>The budget scope also includes the Council maintained public realm including those fixed assets within it e.g. parks, cemeteries and the coastal strip, but excludes adopted highway and HRA owned assets.</p> <p>Inclusion of the Council's General fund building and land portfolio in its entirety will allow the Council to take holistic decisions in the context of the wider estate and organisational priorities; this will align with the CBF and the TOM programmes.</p>		
2. Anticipated Start and Completion Dates			
<i>Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource planning and procurement. For construction projects estimated completion should take account of any likely retention.</i>	Project Start (this should include the feasibility stage)		
	Spending Start (Practical Start)	2019/20	Quarter 1

		Spending Completion (Practical Completion)		2019/20		Quarter 4	
3. Capital Costs							
<p>Annual profiles of indicative costs should be based on the estimated value of work done. Be realistic about delivery timescales taking full account of feasibility, design and procurement aspects. The estimated timing of expenditure is crucial to secure the required level of funding in the correct year.</p> <p>A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be shown separately.</p> <p>Please include all retention costs at date of project completion. Refer to the VAT Contact for advice on VAT.</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year 2019/20	Year One	Year Two	Year Three	Future Years	Total
		£000	£000	£000	£000	£000	£000
	Acquisitions						
	Works	1,500					1,500
	Furniture and Equipment						
	Vehicles/ Plant						
	ICT						
	Fees						
<p>Total (Overall total capital costs of project (Excluding VAT, if VAT can be reclaimed. Including VAT, if VAT cannot be reclaimed)</p>	1,500						1,500
4. Asset lives							
<p>Provide an estimate of the expected useful life of the individual components of the asset. Contact the Corporate Finance Team for assistance if required.</p> <p>Consider whole lifecycle costs associated with the maintenance and replacement of proposed assets and equipment.</p>	Buildings 30 – 40 years*						
5. Funding Profile of Capital Bid Request							
<p>Grant funding is normally recovered as eligible spend is incurred but external financial contributions might</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year 2019/20	Year One	Year Two	Year Three	Future Years	Total
		()					

<i>be received at any time, typically, after completion. Pledge letters should be requested early.</i>		£000	£000	£000	£000	£000	£000
	Council capital resources	1,500					1,500
	Government specific grant						
	European specific grant						
	Funding partner(s) contribution						
	Other capital resources						
	Revenue funding						
Current capital expenditure request (total)	1,500						1,500

6. Revenue Consequences

<i>Identify all charges to revenue costs on income streams created by this bid. For replacement assets (building, landscaping, highway improvements etc), the calculation must include revenue savings arising from the closure as well as the cost of operating the new or replaced asset. The cost of borrowing for Council capital resources should be included. Contact NTC Client team for this calculation.</i>	NOTE: Please enter appropriate financial years in the brackets	Current Year 2019/20	Year One 2020/21	Year Two 2021/21	Full year Effect
		£000	£000	£000	£000
	Employees				
	Running costs				
	Cost of borrowing	23	120	120	120
	Total gross expenditure				
	Gross income				
	Net expenditure				
	Existing revenue budget provision				
	Net revenue budget increase (+) decrease (-)	23	120	120	120
<i>If Full Year Effect (FYE) is not in year 2 explain in Section 9 in which year the FYE first occurs</i>					

7. Financial Appraisal

<i>Additional information in relation to external funding.</i>	Has Government/European/other funding been sought and agreed in principle? If no give reason below	N/A
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	Is availability of funding sources time limited? If yes please give details below	N/A
	The VAT link officer must identify the VAT consequences arising from this bid and summarise these below referring in particular to any impact on the de-minimis in order to provide early warning to the Chief Finance Officer.	
8. Technical Appraisal		
<i>This section is presented as a checklist to assist appraisal. Please provide further clarification in Section 9 as necessary.</i>	Technical checklist.	Y / N or N/A
	a) Has a feasibility study / option appraisal been undertaken?	Y
	b) Has procurement advice been sought?	N/A – KNT JV
	c) Has legal advice on contracts, liability and insurance been sought?	N/A - KNT JV
	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.	Various
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?	Y – Part of design development
	f) Does the project lead to an asset disposal?	N
	g) Are there any known planning and building control restrictions or issues?	N
	h) Have the Highways Section been consulted regarding highways and transport implications?	N/A
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N/A
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	Y
	k) Have sustainable development team been consulted? (Y/N)	Y
	l) Has a high-level risk assessment or risk workshop been undertaken?	N
	m) What is the expected carbon impact of the project?	TBC
n) Has an exit strategy been developed?	N/A	
o) Other resource requirements (staffing, technology etc.)?	N/A	
p) Has an Equality Impact Assessment been completed?	N	

	q) Communications and engagement proposals.	TBC
	r) Where relevant details of stakeholder approvals sighted <i>Please provide information.</i>	TBC
	s) Has assessment of any VAT implications been undertaken?	N/A
9. Known key risks and mitigating actions		
<i>This section should highlight any risks associated with this bid. A risk analysis or risk log should be kept and updated regularly. Please detail any mitigating actions that will be put in place in order to manage the risk.</i>	<ol style="list-style-type: none"> 1. Asset Intelligence – Informed position may require greater investment particularly in regard to H&S compliance and fabric issues - Mitigation – all investment considered in line with TOM and CBF / property decisions in terms of rationalisation etc. 2. Partnerships – Capita and Kier NT working relationship – Mitigation – partner workshops and clear R&Rs being facilitated through Council. 3. Capacity and Staff Changes – key personal staff changes in both organisations – Mitigation – robust working protocols and procedures and comprehensive induction of new staff 4. Programme Changes – Potential changes to Council priorities – Mitigation - early engagement with NTC Governance and key stakeholders 5. Changing / reduced operational portfolio – now that we are considering the entire Council General Fund asset in this project the impact of a reduced operational portfolio on expected expenditure is minimised as we have a significant number of non operational and land assets in need of investment. – Mitigation - Timely and sensible investment required in line with Council priorities. 6. KNT JV – current 10 year contract March 2019 – Mitigation – NTC currently considering options associated with options around delivery model from April 2019 	
10. Additional Information and Dependencies		
<i>Attach or refer to any further documentation that clarifies or supports the bid. If this project is linked to or dependent on the delivery of another project within the Investment Plan, please state details, this may include any direct links to revenue budget savings.</i>		
11. Submission Sign Off		

<i>Insert the relevant name and the date of their sign off. A signed off hard copy or electronic signature is not required.</i>	Client Finance Manager	Susan Borthwick	17.10.16
	Service Area Senior Manager	Iain Betham	17.10.16
	Head of Service	Mark Longstaff	17.10.16
	Head of Finance	Janice Gillespie	

To be completed by Strategic Property and Investment Team only

Outcomes		Gateway Review Group Scrutiny	
Decision	Approved, deferred or rejected		
Date of Decision			
Observations			
Decision communicated to:			
Further information and advice	➤		

***Please return completed form to the Strategic Investment & Property Team**

Project Name	Coastal Properties	Project Manager	Richard Brook	Ref No.	DV063
Programme Name (if applicable)		Programme Manager (if applicable)		Report Date	
Service Area	Environment, Housing and Leisure	SRO	Phil Scott	Author	Richard Brook / Vicki Dixon
Service		Finance Officer	Vicki Dixon	Version No.	
Ward(s)	Tynemouth	Project Location	Quadrant		

Gateway 1 bid

Purpose of Document	Role of the Gateway 1 Investment Programme Scrutiny Panel
<p>This document constitutes a formal bid for capital investment including inclusion in the Investment Plan. It should provide sufficient information to enable effective financial and technical scrutiny ahead of further review at strategic and member level. Figures on cost and funding should be as accurate as possible. At Gateway 1 there is a focus on viability, procurement and delivery with consideration of any major VAT issues that might constrain affordability.</p>	<p>The Panel will scrutinise the bid in terms of its financial and technical viability and management of risk. The IPB will be briefed on outcomes and recommended actions and may wish to prioritise, amend or modify the submission in the light of these comments. The IPB provide recommendations to Cabinet to form part of the budget setting and financial management processes.</p>
Guidance	1. Project Description
<p>Please provide a brief description of the project or programme to clarify the nature of the proposed expenditure. (i.e. what are we spending money on and why?). If grant funding source is known, please identify clearly in additional information (Section 9).</p>	<p>The Avenue and Whisky Bends public houses were purchased by the Council in February 2014 along with the High Point Hotel in order to address the blight caused by these derelict buildings and to support the regeneration of Whitley Bay. The site of the former High Point Hotel is scheduled to be redeveloped with 14 high quality homes for sale on a partnership arrangement, with the Council receiving a share of the profits along with a repayment of the land value and interest on the commercial loan provided to the developer.</p> <p>The Avenue has been demolished by the Council and is now a cleared site with outline planning approval for residential homes. Like the High Point, the Avenue and Whisky Bends sites are prime locations overlooking the sea front, close to the town centre in Whitley Bay and adjacent to large Victorian terraced housing. It is proposed that the sites lend themselves to residential use. This proposal clearly meets the Elected Mayor and Cabinet's policy intention to make 'places that people like living in and will attract others to visit or work'.</p> <p>A high level viability assessment shows that the use of the sites for affordable housing would not be viable. However, building high quality homes for sale is viable and would potentially return a profit.</p>

There is therefore an opportunity for the commercial subsidiary of North Tyneside Trading Company to develop homes for sale on the open market as agreed by Cabinet on 14 November 2016.

The Avenue is now a cleared site with Outline Planning Permission for residential development. The current proposals are for 11 three bed town houses to be built on the site. The development could be undertaken as a single site or in conjunction with other sites. This development would be through a subsidiary of the North Tyneside Council Trading Company and the completed properties sold on the open market.

The Avenue is currently in the ownership of the General Fund. The land value of the Avenue is £0.600m with associated costs, including demolition, of £0.206m.

Whisky Bends is a derelict former hotel building, later used as a bar, which is yet to be demolished. The site is currently in the ownership of the General Fund and has a market value of circa £0.256m.

The estimated combined build cost for the development of the 2 sites is £3.650m however it is important to note that this is an indicative figure and further financial modelling will need to be undertaken once concept designs are agreed, surveys have been completed and detailed costings provided.

The financial modelling assumes that the initial investment required for the development would be borrowed by the Council and then used to fund the Trading Company through a combination of equity and loan funding. North Tyneside Council will buy shares in North Tyneside Trading Company and also provide loan finance. The amount provided as a loan will be on-lent to the North Tyneside Trading Company at a commercial rate. The money will be used to carry out design work, secure planning and develop the sites.

Following development, the receipt from the sale of the homes will be used to re-pay the borrowing from the Authority and the associated interest. Indicative modelling suggests that the combined sites scheme would be viable for the Company and would result in net interest income to the Authority of approximately £0.100m. The Authority would also re-coup the land and associated costs, including demolition costs, of £1.062m. In addition, once the

development is complete, the Authority, as sole shareholder, would benefit from any dividend declared by the Company. On the basis of the initial modelling, it is estimated that the dividend could be in the region of £1.450m which would recoup the initial equity investment of £1.200m and result in additional income to the Authority of £0.250m.

Therefore the initial modelling demonstrates that the scheme is financially viable and will result in a return for the Council in the region of £0.350m.

It is proposed that in order for the Trading Company to be able to deliver this project the following will need to be considered by Investment Programme Board ahead of formal approval by Cabinet:

- 1) The Council will need to sell the sites to the Trading Company at market value, this will be phased in line with the programmed development of the sites;
- 2) In order to pay for the cost of developing the sites and constructing the homes, the Council will need to provide funding of approximately £2.800m to the Trading Company. This will be part funded by equity and part funded by a loan (at a commercial rate of interest which for modelling purposes is assumed to be 6.5%);
- 3) In order to ensure the timescales for the project can be met, £0.220m of funding is included in the 2016/17 Investment Plan in order to fund initial design work and costs of making the Whisky Bends building safe;
- 4) Therefore, £2.580m (this number will be refined as more detailed information is available) will need to be included in the 2017-2020 Investment Plan in 2017/18;
- 5) This investment will be funded by borrowing in the first instance. It is the intention that this borrowing will then be repaid when sales / capital receipts are realised.
- 6) A Capital receipt would be generated for the Council on the sale of the sites.

The financial modelling for the project assumes the required funding will be borrowed by the Authority and then used to fund the Company through a combination of equity investment and a loan to the Trading Company which will be provided at a commercial rate of interest. The amount provided as a loan will generate income for the Authority over the life of the project, estimated at £0.100m – this interest income figure is not included in the capital figures above. In addition, once the development is complete, the Authority, as sole shareholder, would benefit from any dividend declared by the Company. On the basis of the initial modelling it is

estimated that the dividend could be in the region of £1.450m which would recoup the initial equity investment of £1.200m and result in additional income to the Authority of £0.250m.

In order to establish the commercial trading company, initial funding for the company of up to £0.150m is required over 2016/17 and 2017/18. This funding will be via a loan at a commercial rate to the company from the Council.

2. Anticipated Start and Completion Dates

Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource planning and procurement. For construction projects estimated completion should take account of any likely retention.	Spending Start (Practical Start)	December 2016	
	Spending Completion (Practical Completion)	March 2020	

3. Capital Costs

Annual profiles of indicative costs should be based on the estimated value of work done and agreed with the Finance link Officer. Be realistic about delivery timescales taking full account of feasibility, design and procurement aspects. The estimated timing of expenditure is crucial to secure the required level of funding in the correct year. A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be shown separately. Refer to the VAT Contact for advice on VAT.	NOTE: Please enter appropriate financial years in the brackets	Current Year	Year One	Year Two	Year Three	Future Years	Total
		2016/17	2017/18	2018/19	2019/20		
	Acquisitions						
	Debt and Equity funding to Trading Company - (current year is a proposed virement from the existing Northumberland Square capital budget)	220	2,580				2,580
	Furniture and Equipment						
	Vehicles/ Plant						
	ICT						
	Repayment of loan						
	Potential Dividend						

	Total (Overall total capital costs of project (Excluding VAT, if VAT can be reclaimed. Including VAT, if VAT cannot be reclaimed)	220	2,580				2,800	
4. Asset lives								
Provide an estimate of the expected useful life of the individual components of the asset. Contact the Corporate Finance Team for assistance if required. Consider whole lifecycle costs associated with the maintenance and replacement of proposed assets and equipment.	Buildings – 50 years Fixtures and fittings Furniture and Equipment Vehicles/Plant ICT N/A - the Trading Company will sell the assets and return an estimated profit to the Authority – the buildings are not the Authority's assets.							
5. Funding Profile of Capital Bid Request								
Grant funding is normally recovered as eligible spend is incurred but external financial contributions might be received at any time, typically, after completion. Pledge letters should be requested early to secure funding in advance of spending approval	NOTE: Please enter appropriate financial years in the brackets	Current Year 2016/17	Year One 2017/18	Year Two 2018/19	Year Three 2019/20	Future Years	Total	
	Council capital resources (borrowing)	220	2,580				2,800	
	Government specific grant							
	European specific grant							
	Funding partner(s) contribution							
	Other capital resources							
	Revenue funding							
	Current capital expenditure request (total)	220	2,580				2,800	
6. Revenue Consequences								
Identify all charges to revenue costs on income streams created by this bid. For replacement assets (building, landscaping, highway improvements etc), the calculation must include revenue savings arising from the closure as well as the cost of operating the new or replaced asset. The cost of borrowing for Council capital resources should be included. Contact NTC Client team for this calculation.	NOTE: Please enter appropriate financial years in the brackets	Current Year	Year One 2017/18	Year Two 2018/19	Year Three 2019/20			
		£000	£000	£000	£000			
	Employees							
	Running costs							
	Cost of borrowing			16	23	15		
	Total gross expenditure			16	23	15		
	Gross income			(133)	(145)	(250)		

If Full Year Effect (FYE) is not in year 2 explain in Section 9 in which year the FYE first occurs	Net expenditure		(117)	(122)	(235)
	Existing revenue budget provision				
	Net revenue budget increase (+) decrease (-)				
	<p>Comment The financial modelling for the project assumes the required funding will be borrowed by the Authority and then used to fund the Company through a combination of equity investment and a loan to the Trading Company which will be provided at a commercial rate of interest. The amount provided as a loan will generate income for the Authority over the life of the project, estimated at £0.100m. In addition, once the development is complete, the Authority, as sole shareholder, would benefit from any dividend declared by the Company. On the basis of the initial modelling it is estimated that the dividend could be in the region of £1.450m which would recoup the initial equity investment of £1.200m and result in additional income to the Authority of £0.250m.</p> <p>In order to establish the commercial trading company, initial funding for the company for set up and running costs of up to £0.150m is required over 2016/17 and 2017/18. This funding will be via a loan at a commercial rate to the company from the Council.</p>				

7. Financial Appraisal			
Additional information in relation to external funding. Although the life expectancy of any asset being created for purchase may be less than 10 years, if it is over £250k then it is subject to the rules of the Capital Goods Scheme and VAT has to be accounted for accordingly. The threshold for single items of IT equipment is £50k	Has Government/European/other funding been sought and agreed in principle? If no give reason below		No
	Not appropriate as for Commercial purposes therefore borrowing is required to invest / on lend to the Trading Company.		
	Is availability of funding sources time limited? If yes please give details below		N/A
	The VAT link officer must identify the VAT consequences arising from this bid and summarise these below referring in particular to any impact on the de-minimis in order to provide early warning to the Chief Finance Officer.		
	This will be considered as the full business case is developed which will be considered by Cabinet. The Company will be structured to be as tax efficient as possible while achieving its objectives.		
8. Technical Appraisal			
This section is presented as a checklist to assist appraisal by the CPMFG. Please provide further clarification in Section 9 as necessary.	Technical checklist.	Y / N or N/A	Officer / Member contacted for advice
	a) Has a feasibility study / option appraisal been undertaken?	Y	Richard Brook
	b) Has procurement advice been sought?	N	Richard Brook - early stages as project still being developed
	c) Has legal advice on contracts, liability and insurance been sought?	Y	Sarah Heslop – early stages as project still being developed
	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.	Y	The Avenue – 000047069073 Whisky Bends - 000047072886
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?	Y	Richard Brook
	f) Does the project lead to an asset disposal?	Y	Richard Brook

	g) Are there any known planning and building control restrictions or issues?	Y	The Avenue has been through Outline Planning and conditions have been agreed. The Whisky Bends site is in a poor state of disrepair and will require work to make it safe to allow for further work to be carried out
	h) Have the Highways Section been consulted regarding highways and transport implications?	Y	Initial discussions regarding transport and refuse have been undertaken and no significant implications have been identified at present
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N	Richard Brook – early stages of project
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	Y	Richard Brook – endorsed by Senior Officers and Members and Strategic Property Group
	k) Have sustainable development team been consulted? (Y/N)	N	Richard Brook – early stages of project
	l) Has a high-level risk assessment or risk workshop been undertaken?	Y	Richard Brook
	m) What is the expected carbon impact of the project?	N	Richard Brook – early stages of project
	n) Has an exit strategy been developed?	N	Richard Brook – early stages of project
	o) Other resource requirements (staffing, technology etc.)?	Y	Resourcing of the proposed Commercial Subsidiary has been considered – loan of up to £0.150m is anticipated to be required.
	p) Has an Equality Impact Assessment been completed?	N	Richard Brook – early stages of project
	q) Communications and engagement proposals.	Y	Richard Brook
	r) Where relevant copies of stakeholder approval sighted	Y	Richard Brook
9. known key risks and mitigating actions			
This section should highlight any risks associated with this bid. A risk analysis or risk log should be kept and updated regularly. Please detail any mitigating actions that will be put in place in order to manage the risk.	A full project risk register is being used by the core team to monitor and control risks. The key risks at this stage are around the inputs within the financial model. These will continue to be firmed up as the project develops		

10. Additional Information and Dependencies			
<p>Attach or refer to any further documentation that clarifies or supports the bid. If this project is linked to or dependent on the delivery of another project within the Investment Plan, please state details.</p>	<p>The financial modelling for the project assumes the required funding will be borrowed by the Authority and then used to fund the Company through a combination of debt and equity funding which will be provided to the Company at a market rate. The amount provided as a loan will generate income for the Authority over the life of the project, estimated at £0.100m (net) – this interest income figure is not included in the capital figures above. In addition, once the development is complete, the Authority, as sole shareholder, would benefit from any dividend declared by the Company. On the basis of the initial modelling it is estimated that the dividend could be in the region of £1.450m which would recoup the initial equity investment of £1.200m and result in additional income to the Authority of £0.250m.</p> <p>In order to establish the commercial trading company, initial funding for the company of up to £0.150m is required over 2016/17 and 2017/18. This funding will be via a loan at a commercial rate to the company from the Council.</p>		
	11. Submission Sign Off		
<p>Insert the relevant name and the date of their sign off. A signed off hard copy or electronic signature is not required.</p>	Client Finance Manager	Vicki Dixon	15 November 2016
	Senior Responsible Owner	Phil Scott	
	Head of Service	Insert Name	
	Deputy Chief Executive	Insert Name	Insert Date

Project Name	Coastal Regeneration	Project /Programme Manager	Julie Bews	Ref No.	
Programme Name (if applicable)		Service Area Senior Manager (SASM)	Graham Sword	Investment Plan Ref No	DV054
Service Area	Business and Economic Development	Finance Officer	Nicola Ellis	Author	Julie Bews
Ward (s)	Whitley Bay, Monkseaton North, St Marys	Project Location			
Date of Gateway O Approval					

Gateway 1 bid (Feasibility)

- **Purpose of Document:** This document constitutes a formal bid for capital investment including inclusion in the Investment Plan. It should provide sufficient information to enable effective financial and technical scrutiny ahead of further review at strategic and member level. Figures on cost and funding should be as accurate as possible. At Gateway 1 there is a focus on viability, affordability, procurement and delivery.
- **Role of the Gateway 1 Investment Programme:** The IPB will scrutinise the bid in terms of its financial and technical viability and management of risk. The IPB will be briefed on outcomes and recommended actions and may wish to prioritise, amend or modify the submission in the light of these comments. The IPB provide recommendations to Cabinet to form part of the budget setting and financial management processes, if required.

Guidance	1. Project Description		
<i>Please provide a brief description of the project or programme to clarify the nature of the proposed expenditure. (i.e. what are we spending money on and why?). If grant funding source is known, please identify clearly in additional information (Section 9).</i>	<p>The funding requested is for the Coastal Regeneration Budget incorporating the restoration of the Spanish City Dome. Funding is required to:</p> <ol style="list-style-type: none"> 1. To replace funding removed from the budget to cover the redevelopment of the former High Point hotel site in 2016/17 (£0.940m for the Dome and £0.610m for Northern Promenade) 2. To meet additional costs to the Spanish City Island public realm and link to the town centre (£1.500m). 3. Bringing forward £1.000m spend for Northern Promenade from 2018/19 into 2017/18 (no net increase). This, along with the amount at point 1 will be used to refurbish the toilets at the Rendezvous Café and continue the Northern Prom works to its full length. 4. Additional works to the Dome such as lead paint and buried asbestos removal and also to fit-out the building for the end-user (£1.900m). 		
2. Anticipated Start and Completion Dates			
<i>Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource planning and procurement. For</i>	Project Start (this should include the feasibility stage)		

construction projects estimated completion should take account of any likely retention.	Spending Start (Practical Start)	Enter Financial Year 2017/18	Enter Month or Financial Quarter Qtr 1
	Spending Completion (Practical Completion)	Enter Financial Year 2018/19	Enter Month or Financial Quarter Qtr 4

3. Capital Costs

Annual profiles of indicative costs should be based on the estimated value of work done. Be realistic about delivery timescales taking full account of feasibility, design and procurement aspects. The estimated timing of expenditure is crucial to secure the required level of funding in the correct year. A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be shown separately. Please include all retention costs at date of project completion. Refer to the VAT Contact for advice on VAT.	NOTE: Please enter appropriate financial years in the brackets	Current Year 2017/18	Year One 2018/19	Year Two ()	Year Three ()	Future Years ()	Total
		£000	£000	£000	£000	£000	£000
	Northern prom reprofiling	1,610	-1,000				610
	Acquisitions						
	Works	1,690	750				2,440
	Furniture and Equipment (Kitchen equipment , dumb waiters etc)	1,900					1,900
	Vehicles/ Plant						
	ICT						
	Fees						
	Total (Overall total capital costs of project (Excluding VAT, if VAT can be reclaimed. Including VAT, if VAT cannot be reclaimed)		5,200	-250			

4. Asset lives

Provide an estimate of the expected useful life of the individual components of the asset. Contact the Corporate Finance Team for assistance if required. Consider whole lifecycle costs associated with the maintenance and replacement of proposed assets and equipment.	Buildings * Fixtures and fittings * 10 years plus Furniture and Equipment * 10 years plus Vehicles/Plant * ICT * *Delete as applicable
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5. Funding Profile of Capital Bid Request								
<p>Grant funding is normally recovered as eligible spend is incurred but external financial contributions might be received at any time, typically, after completion. Pledge letters should be requested early.</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year 2017/18	Year One 2018/19	Year Two ()	Year Three ()	Future Years ()	Total	
		£000	£000	£000	£000	£000	£000	
	Council capital resources	5,200	-250					4,950
	Government specific grant							
	European specific grant							
	Funding partner(s) contribution							
	Other capital resources							
	Revenue funding							
Current capital expenditure request (total)	5,200	-250					4,950	
6. Revenue Consequences								
<p>Identify all charges to revenue costs on income streams created by this bid. For replacement assets (building, landscaping, highway improvements etc), the calculation must include revenue savings arising from the closure as well as the cost of operating the new or replaced asset. The cost of borrowing for Council capital resources should be included. Contact NTC Client team for this calculation.</p> <p>If Full Year Effect (FYE) is not in year 2 explain in Section 9 in which year the FYE first occurs</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year 2017/18	Year One 2018/19	Year Two 2019/20	Full year Effect			
		£000	£000	£000	£000			
	Employees							
	Running costs							
	Cost of borrowing		38	105	129	129		
	Total gross expenditure							
	Gross income							
	Net expenditure							
	Existing revenue budget provision							
	Net revenue budget increase (+) decrease (-)							
Comment	No revenue running costs							
7. Financial Appraisal								
Additional information in relation to external funding.	Has Government/European/other funding been sought and agreed in principle? If no give reason below						No	

	We applied for Coastal Communities funding towards Northern Promenade/Rendezvous but were unsuccessful due to the fund being vastly over subscribed; Heritage Lottery Funding and Coastal Communities funding has already been awarded to Spanish City Dome.	
	Is availability of funding sources time limited? If yes please give details below	Not applicable
	The VAT link officer must identify the VAT consequences arising from this bid and summarise these below referring in particular to any impact on the de-minimis in order to provide early warning to the Chief Finance Officer.	
8. Technical Appraisal		
<i>This section is presented as a checklist to assist appraisal. Please provide further clarification in Section 9 as necessary.</i>	Technical checklist.	Y / N or N/A
	a) Has a feasibility study / option appraisal been undertaken?	Completed
	b) Has procurement advice been sought?	completed
	c) Has legal advice on contracts, liability and insurance been sought?	N/A
	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.	Yes
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?	Yes
	f) Does the project lead to an asset disposal?	No
	g) Are there any known planning and building control restrictions or issues?	No
	h) Have the Highways Section been consulted regarding highways and transport implications?	N/A
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N/A
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	N/A
	k) Have sustainable development team been consulted? (Y/N)	?
	l) Has a high-level risk assessment or risk workshop been undertaken?	Yes
	m) What is the expected carbon impact of the project?	N/A
n) Has an exit strategy been developed?	Yes	
o) Other resource requirements (staffing, technology etc.)?	N/A	
p) Has an Equality Impact Assessment been completed?	Ongoing	
q) Communications and engagement proposals.	Completed	

	r) Where relevant details of stakeholder approvals sighted <i>Please provide information.</i>	N/A	
	s) Has assessment of any VAT implications been undertaken?		
9. Known key risks and mitigating actions			
<i>This section should highlight any risks associated with this bid. A risk analysis or risk log should be kept and updated regularly. Please detail any mitigating actions that will be put in place in order to manage the risk.</i>	<p>Public perception of the projects not being completed – all of the projects are all very much under public scrutiny and therefore subject to negative publicity should they not be completed or are not completed in the way the public anticipate (standard of finish etc).</p> <p>Through the negotiations with the preferred operator, they have made it very clear that they expect the Spanish City Dome to be finished and furnished to a particular standard, and that the Authority must pay for this to be achieved. In order to meet the expectations of the operator and to ensure they do not walk away from the project, additional funding (as agreed at Cabinet on 18th November through the appointment of the Preferred Operator) will need to be provided to fulfil this requirement. There is therefore a significant risk that if the funding is not made available that the Preferred Operator will walk away from Spanish City which would result in negative publicity, it would also put the Heritage Lottery Grant at risk as one of the conditions insisted on by HLF was that we had an operator signed up.</p>		
10. Additional Information and Dependencies			
<i>Attach or refer to any further documentation that clarifies or supports the bid. If this project is linked to or dependent on the delivery of another project within the Investment Plan, please state details, this may include any direct links to revenue budget savings.</i>			
11. Submission Sign Off			
<i>Insert the relevant name and the date of their sign off. A signed off hard copy or electronic signature is not required.</i>	Client Finance Manager	Insert Name	Insert Date
	Service Area Senior Manager	Insert Name	Insert Date
	Head of Service	Insert Name	Insert Date
	Head of Finance	Insert Name	Insert Date
<i>To be completed by Strategic Property and Investment Team only</i>			
Outcomes		Gateway Review Group Scrutiny	
Decision	Approved, deferred or rejected		

Date of Decision	
Observations	
Decision communicated to:	
Further information and advice	➤

***Please return completed form to the Strategic Investment & Property Team**

Project Name	Contingency provision	Project /Programme Manager	Janice Gillespie	Ref No.	
Programme Name (if applicable)		Service Area Senior Manager (SASM)		Investment Plan Ref No	GEN03
Service Area	Finance	Finance Officer	Janice Gillespie	Author	Cathy Davison
Ward (s)		Project Location	Cathy Davison		
Date of Gateway O Approval					

Gateway 1 bid (Feasibility)

- **Purpose of Document:** This document constitutes a formal bid for capital investment including inclusion in the Investment Plan. It should provide sufficient information to enable effective financial and technical scrutiny ahead of further review at strategic and member level. Figures on cost and funding should be as accurate as possible. At Gateway 1 there is a focus on viability, affordability, procurement and delivery.
- **Role of the Gateway 1 Investment Programme:** The IPB will scrutinise the bid in terms of its financial and technical viability and management of risk. The IPB will be briefed on outcomes and recommended actions and may wish to prioritise, amend or modify the submission in the light of these comments. The IPB provide recommendations to Cabinet to form part of the budget setting and financial management processes, if required.

Guidance	1. Project Description		
<i>Please provide a brief description of the project or programme to clarify the nature of the proposed expenditure. (i.e. what are we spending money on and why?). If grant funding source is known, please identify clearly in additional information (Section 9).</i>	Contingency Provision to allow the Authority to deliver it's Investment Plan and have the flexibility to deal with unforeseen or emergency circumstances.		
2. Anticipated Start and Completion Dates			
<i>Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource planning and procurement. For construction projects estimated completion should take account of any likely retention.</i>	Project Start (this should include the feasibility stage)		
	Spending Start (Practical Start)	2017/18	Between April and March
	Spending Completion (Practical Completion)	2019/20	Between April and March

3. Capital Costs							
<p>Annual profiles of indicative costs should be based on the estimated value of work done. Be realistic about delivery timescales taking full account of feasibility, design and procurement aspects. The estimated timing of expenditure is crucial to secure the required level of funding in the correct year.</p> <p>A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be shown separately.</p> <p>Please include all retention costs at date of project completion. Refer to the VAT Contact for advice on VAT.</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year ()	Year One 2017/18	Year Two 2018/19	Year Three 2019/20	Future Years ()	Total
		£000	£000	£000	£000	£000	£000
	Not known until allocation of contingency is required		500	500	1,000		2,000
	Acquisitions						
	Works						
	Furniture and Equipment						
	Vehicles/ Plant						
	ICT						
	Fees						
	Total (Overall total capital costs of project (Excluding VAT, if VAT can be reclaimed. Including VAT, if VAT cannot be reclaimed)		500	500	1,000		2,000
4. Asset lives							
<p>Provide an estimate of the expected useful life of the individual components of the asset. Contact the Corporate Finance Team for assistance if required.</p> <p>Consider whole lifecycle costs associated with the maintenance and replacement of proposed assets and equipment.</p>	Buildings *						
	Fixtures and fittings *						
	Furniture and Equipment *						
	Vehicles/Plant *						
	ICT *						
	*Delete as applicable						
	Not known until allocation of contingency is required						

5. Funding Profile of Capital Bid Request							
<p>Grant funding is normally recovered as eligible spend is incurred but external financial contributions might be received at any time, typically, after completion. Pledge letters should be requested early.</p>	NOTE: Please enter appropriate financial years in the brackets	Current Year ()	Year One 2017/18	Year Two 2018/19	Year Three 2019/20	Future Years ()	Total
		£000	£000	£000	£000	£000	£000
	Council capital resources		500	500	1,000		2,000
	Government specific grant						
	European specific grant						
	Funding partner(s) contribution						
	Other capital resources						
	Revenue funding						
	Current capital expenditure request (total)		500	500	1,000		2,000
6. Revenue Consequences							
<p>Identify all charges to revenue costs on income streams created by this bid. For replacement assets (building, landscaping, highway improvements etc), the calculation must include revenue savings arising from the closure as well as the cost of operating the new or replaced asset. The cost of borrowing for Council capital resources should be included. Contact NTC Client team for this calculation.</p> <p>If Full Year Effect (FYE) is not in year 2 explain in Section 9 in which year the FYE first occurs</p>	NOTE: Please enter appropriate financial years in the brackets		Year One 2017/18	Year Two 2018/19	Year Three 2019/20	Full year Effect	
			£000	£000	£000	£000	
	Employees						
	Running costs						
	Cost of borrowing		8	43	85	140	
	Total gross expenditure						
	Gross income						
	Net expenditure						
	Existing revenue budget provision						
	Net revenue budget increase (+) decrease (-)		8	43	85	140	
	Comment	Assumed 25 year life but will depend upon use of contingencies.					
7. Financial Appraisal							
<p>Additional information in relation to external funding.</p>	Has Government/European/other funding been sought and agreed in principle? If no give reason below						No

	Is availability of funding sources time limited? If yes please give details below	No
	The VAT link officer must identify the VAT consequences arising from this bid and summarise these below referring in particular to any impact on the de-minimis in order to provide early warning to the Chief Finance Officer.	
8. Technical Appraisal		
<i>This section is presented as a checklist to assist appraisal. Please provide further clarification in Section 9 as necessary.</i>	Technical checklist.	Y / N or N/A
	a) Has a feasibility study / option appraisal been undertaken?	N/A
	b) Has procurement advice been sought?	N/A
	c) Has legal advice on contracts, liability and insurance been sought?	N/A
	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.	N/A
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?	N/A
	f) Does the project lead to an asset disposal?	N/A
	g) Are there any known planning and building control restrictions or issues?	N/A
	h) Have the Highways Section been consulted regarding highways and transport implications?	N/A
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N/A
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	N/A
	k) Have sustainable development team been consulted? (Y/N)	N/A
	l) Has a high-level risk assessment or risk workshop been undertaken?	N/A
	m) What is the expected carbon impact of the project?	N/A
	n) Has an exit strategy been developed?	N/A
	o) Other resource requirements (staffing, technology etc.)?	N/A
	p) Has an Equality Impact Assessment been completed?	N/A
q) Communications and engagement proposals.	N/A	
r) Where relevant details of stakeholder approvals sighted <i>Please provide information.</i>	N/A	
s) Has assessment of any VAT implications been undertaken?	N/A	
9. Known key risks and mitigating actions		
<i>This section should highlight any risks associated with this bid. A risk analysis or risk log should be kept</i>	None known at present. Contingency is held in the event of unknown or increased costs arising from projects included in the plan.	

<i>and updated regularly. Please detail any mitigating actions that will be put in place in order to manage the risk.</i>			
10. Additional Information and Dependencies			
<i>Attach or refer to any further documentation that clarifies or supports the bid. If this project is linked to or dependent on the delivery of another project within the Investment Plan, please state details, this may include any direct links to revenue budget savings.</i>			
11. Submission Sign Off			
<i>Insert the relevant name and the date of their sign off. A signed off hard copy or electronic signature is not required.</i>	Client Finance Manager	Janice Gillespie	20/10/16
	Service Area Senior Manager	Janice Gillespie	20/10/16
	Head of Service	Janice Gillespie	20/10/16
	Head of Finance	Janice Gillespie	20/10/16
<i>To be completed by Strategic Property and Investment Team only</i>			
Outcomes		Gateway Review Group Scrutiny	
Decision	Approved, deferred or rejected		
Date of Decision			
Observations			
Decision communicated to:			
Further information and advice	➤		

***Please return completed form to the Strategic Investment & Property Team**

Project Name	EVO## – NELEP Growth Deal – A187/A193 North Bank of the Tyne	Project Manager	Andrew Flynn	Ref No.	
Programme Name (if applicable)		Programme Manager (if applicable)		Report Date	
Service Area	Environment, Housing and Leisure	SRO	Colin MacDonald	Author	Andrew Flynn
		Finance Officer		Version No.	1
Ward(s)	Chirton, Howdon, Riverside, Wallsend	Project Location	North Bank of the Tyne		

Gateway 1 bid

Purpose of Document		Role of the Gateway 1 Investment Programme	
This document constitutes a formal bid for capital investment including inclusion in the Investment Plan. It should provide sufficient information to enable effective financial and technical scrutiny ahead of further review at strategic and member level. Figures on cost and funding should be as accurate as possible. At Gateway 1 there is a focus on viability, procurement and delivery with consideration of any major VAT issues that might constrain affordability.		The Panel will scrutinise the bid in terms of its financial and technical viability and management of risk. The IPB will be briefed on outcomes and recommended actions and may wish to prioritise, amend or modify the submission in the light of these comments. The IPB provide recommendations to Cabinet to form part of the budget setting and financial management processes.	
Guidance	1. Project Description		
Please provide a brief description of the project or programme to clarify the nature of the proposed expenditure. (i.e. what are we spending money on and why?). If grant funding source is known, please identify clearly in additional information (Section 9).	Highway improvement scheme for the A187/A193 North Bank of the Tyne area. This will support economic growth by improving links between the national road network (A19) and the growing employment destinations on the North Bank of the Tyne. It will comprise improvements to junctions in the A193 Tynemouth Road and A187 Hadrian Road corridor and to cycling and walking routes in the corridor, contributing to improved traffic flows and cycling and walking accessibility.		
2. Anticipated Start and Completion Dates			
Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource	Spending Start (Practical Start)	2016/17	Q4

<p>planning and procurement. For construction projects estimated completion should take account of any likely retention.</p>	<p>Spending Completion (Practical Completion)</p>	<p>to be confirmed as detailed programme developed: approx 2-3 year scheme</p>					
3. Capital Costs							
<p>Annual profiles of indicative costs should be based on the estimated value of work done and agreed with the Finance link Officer. Be realistic about delivery timescales taking full account of feasibility, design and procurement aspects. The estimated timing of expenditure is crucial to secure the required level of funding in the correct year.</p> <p>A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be shown separately. Refer to the VAT Contact for advice on VAT.</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	<p>Current Year (16/17)</p>	<p>Year One (17/18)</p>	<p>Year Two (18/19)</p>	<p>Year Three ()</p>	<p>Future Years ()</p>	<p>Total</p>
	<ul style="list-style-type: none"> ▪ NB. Profile may be revised as project development proceeds. ▪ In addition to figures shown, costs for options appraisal and outline business case will be met from Local Transport Plan (EV034) 	<p>£000</p>	<p>£000</p>	<p>£000</p>	<p>£000</p>	<p>£000</p>	<p>£000</p>
	<p>Acquisitions</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>
	<p>Works</p>	<p>0</p>	<p>2600</p>	<p>1925</p>	<p>0</p>	<p>0</p>	<p>4525</p>
	<p>Furniture and Equipment</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>
	<p>Vehicles/ Plant</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>
	<p>ICT</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>
	<p>Fees (detailed design)</p>	<p>175</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>175</p>
	<p>Total (Overall total capital costs of project (Excluding VAT, if VAT can be reclaimed. Including VAT, if VAT cannot be reclaimed)</p>	<p>175</p>	<p>2600</p>	<p>1925</p>	<p>0</p>	<p>0</p>	<p>4700</p>
4. Asset lives							
<p>Provide an estimate of the expected useful life of the individual components of the asset. Contact the Corporate Finance Team for assistance if required.</p>	<p>North Tyneside's Highway Asset Management Plan (HAMP) sets the framework for how the Authority, as highway authority, will maintain and improve the condition of the highway asset. The ongoing maintenance of the highway asset and associated costs are managed through the HAMP.</p>						

Consider whole lifecycle costs associated with the maintenance and replacement of proposed assets and equipment.							
5. Funding Profile of Capital Bid Request							
Grant funding is normally recovered as eligible spend is incurred but external financial contributions might be received at any time, typically, after completion. Pledge letters should be requested early to secure funding in advance of spending approval (Gateway 2).	NOTE: Please enter appropriate financial years in the brackets	Current Year (16/17)	Year One (17/18)	Year Two (18/19)	Year Three ()	Future Years ()	Total
	<ul style="list-style-type: none"> ▪ NB. Profile may be revised as project development proceeds. ▪ In addition to figures shown, costs for options appraisal and outline business case will be met from Local Transport Plan (EV034) 	£000	£000	£000	£000	£000	£000
	Council capital resources	0	0	0	0	0	0
	Government specific grant	0	0	0	0	0	0
	European specific grant	0	0	0	0	0	0
	Funding partner(s) contribution [Local Growth Fund]	175	2600	1925	0	0	4700
	Other capital resources	0	0	0	0	0	0
	Revenue funding	0	0	0	0	0	0
	Current capital expenditure request (total)	175	2600	1925	0	0	4700
	6. Revenue Consequences						
Identify all charges to revenue costs on income streams created by this bid. For replacement assets (building, landscaping, highway improvements etc), the calculation must include revenue savings arising from the closure as well as the cost of operating the new or replaced asset. The cost of borrowing for Council capital resources should be included. Contact NTC Client team for this calculation. If Full Year Effect (FYE) is not in year 2 explain in Section 9 in which year the FYE first occurs	NOTE: Please enter appropriate financial years in the brackets	Current Year ()	Year One ()	Year Two ()	Full year Effect		
		£000	£000	£000	£000		
	Employees						
	Running costs						
	Cost of borrowing						
	Total gross expenditure						
	Gross income						
	Net expenditure						
	Existing revenue budget provision						
	Net revenue budget increase (+) decrease (-)						

	Comment					
7. Financial Appraisal						
<p>Additional information in relation to external funding.</p> <p>Although the life expectancy of any asset being created for purchase may be less than 10 years, if it is over £250k then it is subject to the rules of the Capital Goods Scheme and VAT has to be accounted for accordingly. The threshold for single items of IT equipment is £50k</p>	Has Government/European/other funding been sought and agreed in principle? If no give reason below				Yes	
	Is availability of funding sources time limited? If yes please give details below					Yes
	Funding subject to stage-based approval process involving outline and full business cases.					
	The VAT link officer must identify the VAT consequences arising from this bid and summarise these below referring in particular to any impact on the de-minimis in order to provide early warning to the Chief Finance Officer.					
8. Technical Appraisal						
<p>This section is presented as a checklist to assist appraisal. Please provide further clarification in Section 9 as necessary.</p>	Technical checklist.		Y / N or N/A	Officer / Member contacted for advice		
	a) Has a feasibility study / option appraisal been undertaken?		Y	As part of Outline Business Case		
	b) Has procurement advice been sought?		N/A			
	c) Has legal advice on contracts, liability and insurance been sought?		Y	Sarah Heslop		
	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.		N/A			
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?		N	Capita to seek as part of detailed design		
	f) Does the project lead to an asset disposal?		N			

	g) Are there any known planning and building control restrictions or issues?	N	
	h) Have the Highways Section been consulted regarding highways and transport implications?	Y	
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N/A	
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	Y	
	k) Have sustainable development team been consulted? (Y/N)	N	
	l) Has a high-level risk assessment or risk workshop been undertaken?	Y	
	m) What is the expected carbon impact of the project?	N	Capita to determine as part of detailed design
	n) Has an exit strategy been developed?	N	
	o) Other resource requirements (staffing, technology etc.)?	Y	Client resource for oversight
	p) Has an Equality Impact Assessment been completed?	N	Capita to arrange as part of detailed design
	q) Communications and engagement proposals.	Y	Engagement strategy to be developed
	r) Where relevant copies of stakeholder approval sighted	N/A	
9. Known key risks and mitigating actions			
This section should highlight any risks associated with this bid. A risk analysis or risk log should be kept and updated regularly. Please detail any mitigating actions that will be put in place in order to manage the risk.	1. Development of full business case and detailed design within funding timescales. Mitigating actions: Development of robust programme and agreement with NECA transport team.		
10. Additional Information and Dependencies			
Attach or refer to any further documentation that clarifies or supports the bid. If this project is linked to or dependent on the delivery of another project within the Investment Plan, please state details.	In the Strategic Economic Plan for the North East (SEP – Transport and Digital Connectivity chapter), the scheme is identified as one of the Future Year Priorities for 2016/17 and 2017/18. http://nelep.co.uk/whatwedo/strategic-economic-plan/		

	11. Submission Sign Off		
Insert the relevant name and the date of their sign off. A signed off hard copy or electronic signature is not required.	Client Finance Manager	Alison Campbell	Insert Date
	Senior Responsible Owner	Colin MacDonald	Insert Date
	Head of Service	David Foster	Insert Date
	Head of Finance	Janice Gillespie	Insert Date

2017/18			2018/19			2019/20		
Project	Amount	Narrative	Project	Amount	Narrative	Project	Amount	Narrative
Agile / Desktop refresh	£ 313,000	Continued refresh of aging kit Assume 800 devices (600*£330 normal devices & 200*£500 power/ultra agile devices) Additional £15,000 for in year demands (Projectors, Monitors, Printers, Upgrades etc)	Agile / Desktop refresh	£ 313,000	Complete refresh of aging kit Assume 800 devices (600*£330 normal devices & 200*£500 power/ultra agile devices) Additional £15,000 for in year demands (Projectors, Monitors, Printers, Upgrades etc)	Desktop refresh	£ 100,000	Planned refresh of Printers, Monitors Fund for in year demands
PSN Contingency	£ 80,000	PSN compliance is mandatory and usually requires considerable upgrades of security capability. As this cannot be defined given PSN requirements change, as do cybersecurity technologies, this is a nominal contingency pot at this stage	PSN Contingency	£ 80,000	PSN compliance is mandatory and usually requires considerable upgrades of security capability. As this cannot be defined given PSN requirements change, as do cybersecurity technologies, this is a nominal contingency pot at this stage	PSN Contingency	£ 80,000	PSN compliance is mandatory and usually requires considerable upgrades of security capability. As this cannot be defined given PSN requirements change, as do cybersecurity technologies, this is a nominal contingency pot at this stage
TSM replacement (Unix)	£ 110,000	Implementation of a new backup solution to replace the current IBM Tivoli storage manager. The current software is outdated and the hardware (database server and 2 storage servers – Sun thumpers) is past end of life. The storage servers are now a bottleneck due to limited network bandwidth	UCS/SAN replacement	£ 300,000	UCS/SAN purchased Jun 2013 for 5 years. Phased Replacement costs This will include migration of workloads to Cloud where appropriate and cost feasible. However, it is included here as a capital assumption as Cloud is a revenue, not capital item.	BMS review	£ 400,000	Resources to review system. Internal and external costs
Application Upgrades	£ 50,000	Supplier support for application upgrades and technology change	Citrix replacement	£ 200,000	Citrix Hardware purchased Jun 2013 for 5 years. Whilst there will be a reduced reliance on Citrix, this will remain in place for some time. Cloud/Azure approaches will be explored, but this budget should be allocated.			
ITSM Replacement	£ 200,000	Upgrade to Heat, purchase of additional modules and implementation service. (Application resource 1 FTE (£30k), Project Management 100 days(£26k))	BMS replacement	£ 200,000	Business analysis and project management resource to specify replacement for BMS			
UCS expansion	£ 250,000	Chassis + 6 blades and Associated software licences 4 disk trays Professional services						
Unix/Oracle Infrastructure	£ 120,000	Implementation of a new backup solution to replace the current IBM Tivoli storage manager which is past EoL. This will be reviewed for use of off-site Cloud based systems						
Avaya Aura Contact Centre	£ 6,000	The secondary Avaya Contact Centre Server is on a physical server now 8 years old and at risk of failure and therefore needs replacement						
Axis Income Management	£ 12,000	Cost of supplier support, training to ensure appropriate reliable delivery						
BACS Faster Payment/Risk	£ 57,000	Bacs Faster Payment/Risk Management are constantly evolving and require keeping up to date. Risk Management is particularly important for maintaining the Council's financial management						

2017/18			2018/19			2019/20		
Project	Amount	Narrative	Project	Amount	Narrative	Project	Amount	Narrative
Uniform Infrastructure Co	£ 10,000	Uniform is used by Council (CAPITA) to deliver planning and regulation services. The infrastructure to support it requires significant upgrade to maintain support and compliance This is an allowance for the replacement of the full Leisure system which requires both compliance and functional upgrades to comply with Council needs. Please note that this may be via purchase of commercial software, or re-building the system within the Customer Journey environment. It may be affected by Council TOM plans.						
Horizon XL Replacement	£ 100,000							
TOTALS	£ 1,308,000			£ 1,093,000			£ 580,000	

Project Name	ICT Strategy	Project Manager		Ref No.	IT020
Programme Name (if applicable)		Programme Manager (if applicable)		Report Date	20 Oct 2016
Service Area	ICT (Commercial and Business Redesign)	SRO	Lisa Clark	Author	Ben Kaner
Directorate		Finance Officer		Version No	
Ward(s)		Project Location			

Gateway 0 submission

Purpose of Document		Role of the Investment Programme Board in Gateway 0 review	
Information contained in this submission should be brief but sufficient to demonstrate that a mandate exists, the project or programme has been prioritised and an outline business case has been developed. There is also a requirement to convey how far the idea has been developed in terms of feasibility. A Rapid Risk Check must accompany this submission.		The submission will be scrutinised by the IPB in terms of strategic fit, corporate priorities, available capital resources and revenue implications	
Guidance		1. Anticipated Start and Completion Dates	
Try to estimate the month or quarter in order to inform resource planning and procurement.	Project Start Up	2017-18	April 2017
	Spending Start (Practical Start)	2017-18	Q1
	Spending Completion (Practical Completion)	2019-20	Q4
		2. Service Needs and Objectives	
Briefly explain why the capital project or programme is required and how it relates to service improvement plans or wider strategic objective.	<p>Delivery of all council services is underpinned by ICT. The ICT Foundation Refresh fund has been established since 2005-06 and has funded the refresh of core ICT capability as the older technology ages out and new technology becomes available.</p> <p>The council has retained ownership of the ICT assets which are operated and supported by Engie in partnership. Keeping up to date with technology is essential for the efficient operation of the Council and appropriate selection of technologies can ensure that technology is deployed and exploited fully by Authority and partner staff.</p> <p>Although previous budgets had been set at an expected level of £1m annually, this proposal is to allocate sufficient capital budget to:</p> <ul style="list-style-type: none"> • Ensure ICT services remain available ('Keeping the lights on') • That ICT services perform at a usable level (maintaining efficient operation) • That ICT is deployed to improve the ability of the Authority to deliver services to North Tyneside residents <p>A schedule of the investment required can be found in the attached spreadsheet.</p>		

3. Business Proposals and Costs							
Briefly describe the nature of the project or programme and the associated work including any known or estimated costs and funding sources. Give an estimate of timescale and cost profile by year	<p>Proposal is for a 3 year (2017-20) ICT refresh program. However, the level of refinement is heavily dependent on timescales and the changing needs of the Council – therefore only major items are included in the later years.</p> <p>The proposal is split by year. In-year priorities may be traded to optimise the outcome for the Council.</p> <table> <tr> <td>2017/18:</td> <td>£1,308,000</td> </tr> <tr> <td>2018/19</td> <td>£1,093,000</td> </tr> <tr> <td>2019/20</td> <td>£ 580,000</td> </tr> </table> <p>Details for individual project streams contained in accompanying spreadsheet.</p>	2017/18:	£1,308,000	2018/19	£1,093,000	2019/20	£ 580,000
2017/18:	£1,308,000						
2018/19	£1,093,000						
2019/20	£ 580,000						
4. Details of Land and Assets							
If the project involves land or property in Council ownership, please enter the outcome of discussions with the Strategic Property Team.	N/A						
5. Benefits Realisation and Timescales							
Summarise anticipated outcomes and associated business benefits referring where appropriate to critical success factors. If fast-tracking is required, please state why.	<p>Continuity of ICT service. Improved performance of ICT services and users of IT systems Improved means of access and ease of engagement for North Tyneside residents Reduction of risks around the delivery of the IC service and front line services supported by IT systems Continued support for partnership delivery More agile workforce</p> <p>Delivery will be within each financial year. Details for individual project streams contained in accompanying spreadsheet</p>						
6. Key Stakeholders and Delivery Partners							
Identify delivery partners, stakeholders and other key contacts (both within NTC service departments and external organisations) and your engagement with them. Indicate whether any partnership is expected to be formal and legally binding, as this will have VAT implications. Note any dependencies and links to other programmes and projects.	<p>Engie ICT Services Head of Digital Strategy (Ben Kaner) Head of Commerical & Business Redesign (Lisa Clark)</p>						
7. Progress to Date							
Describe the current status of the project or programme with reference to any option appraisal or feasibility	Significant progress has been made in improving the infrastructure based around upgrades of core servers and high-speed infrastructure, improving networks. Progress still being made in this financial year includes						

studies, advice on procurement and stakeholder analysis consultation that has been undertaken.	rollout of agile environments as part of the replacement of the older TCD's, completion of core network infrastructure upgrades, tripling the internet capacity and improving resilience, and replacing certain core systems.		
	8. Supporting Information		
If necessary refer to or attach any documentation that clarifies the mandate or supports the outline business case	Details for individual project streams contained in accompanying spreadsheet.		
	10. Submission Sign Off		
Insert the name of the senior manager and the date authorised. A signed off hard copy or electronic signature is not required	Senior Responsible Owner	Ben Kaner/Lisa Clark	20 October 2016
	Head of Service	Ben Kaner/Lisa Clark	20 October 2016

Outcomes	Gateway Review Group Scrutiny
Decision	
Date of Decision	
Observations	
Decision communicated to:	
Further information and advice	

Project Name	Local Infrastructure Projects	Project /Programme Manager	Ian Lillie	Ref No.	
Programme Name (if applicable)		Service Area Senior Manager (SASM)	Iain Betham	Investment Plan Ref No	GEN 12
Service Area	Strategic Investment & Property	Finance Officer	Susan Borthwick	Author	Ian Lillie
Ward (s)	Various	Project Location	Various		
Date of Gateway O Approval					

Gateway 1 bid (Feasibility)

- **Purpose of Document:** This document constitutes a formal bid for capital investment including inclusion in the Investment Plan. It should provide sufficient information to enable effective financial and technical scrutiny ahead of further review at strategic and member level. Figures on cost and funding should be as accurate as possible. At Gateway 1 there is a focus on viability, affordability, procurement and delivery.
- **Role of the Gateway 1 Investment Programme:** The IPB will scrutinise the bid in terms of its financial and technical viability and management of risk. The IPB will be briefed on outcomes and recommended actions and may wish to prioritise, amend or modify the submission in the light of these comments. The IPB provide recommendations to Cabinet to form part of the budget setting and financial management processes, if required.

Guidance	1. Project Description
<p><i>Please provide a brief description of the project or programme to clarify the nature of the proposed expenditure. (i.e. what are we spending money on and why?). If grant funding source is known, please identify clearly in additional information (Section 9).</i></p>	<p>The purpose of this budget is to continue with the Local Infrastructure Projects initiative which was introduced by the Investment Programme Board in 2015.</p> <p>The investment enables local ward members to support and sponsor small to medium improvement works within their wards. The land or building identified by the local ward members must be owned or be the responsibility of the Council.</p> <p>Example works include:</p> <ul style="list-style-type: none"> • Fencing Works • Footpath Improvements • New signage • Additional car parking in residential areas • Environmental Improvements.

2. Anticipated Start and Completion Dates							
<p>Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource planning and procurement. For construction projects estimated completion should take account of any likely retention.</p>	Project Start (this should include the feasibility stage)						
	Spending Start (Practical Start)	2019/20				Quarter 1	
	Spending Completion (Practical Completion)	2019/20				Quarter 4	
3. Capital Costs							
<p>Annual profiles of indicative costs should be based on the estimated value of work done. Be realistic about delivery timescales taking full account of feasibility, design and procurement aspects. The estimated timing of expenditure is crucial to secure the required level of funding in the correct year. A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be shown separately. Please include all retention costs at date of project completion. Refer to the VAT Contact for advice on VAT.</p>	NOTE: Please enter appropriate financial years in the brackets	Current Year 2019/20	Year One	Year Two	Year Three	Future Years ()	Total
		£000	£000	£000	£000	£000	£000
	Acquisitions						
	Works	100					100
	Furniture and Equipment						
	Vehicles/ Plant						
	ICT						
	Fees						
	Total (Overall total capital costs of project (Excluding VAT, if VAT can be reclaimed. Including VAT, if VAT cannot be reclaimed)	100					
4. Asset lives							
Provide an estimate of the expected useful life of the individual components of the asset. Contact the Corporate Finance Team for assistance if required.	Assumed average 25 years						

<p>Consider whole lifecycle costs associated with the maintenance and replacement of proposed assets and equipment.</p>							
5. Funding Profile of Capital Bid Request							
<p>Grant funding is normally recovered as eligible spend is incurred but external financial contributions might be received at any time, typically, after completion. Pledge letters should be requested early.</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year 2019/20	Year One	Year Two	Year Three	Future Years ()	Total
		£000	£000	£000	£000	£000	£000
	Council capital resources	100					100
	Government specific grant						
	European specific grant						
	Funding partner(s) contribution						
	Other capital resources						
	Revenue funding						
	Current capital expenditure request (total)	100					100
6. Revenue Consequences							
<p>Identify all charges to revenue costs on income streams created by this bid. For replacement assets (building, landscaping, highway improvements etc), the calculation must include revenue savings arising from the closure as well as the cost of operating the new or replaced asset. The cost of borrowing for Council capital resources should be included. Contact NTC Client team for this calculation.</p> <p>If Full Year Effect (FYE) is not in year 2 explain in Section 9 in which year the FYE first occurs</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year ()	Year One 2019/20	Year Two 2020/21	Full year Effect		
		£000	£000	£000	£000		
	Employees						
	Running costs						
	Cost of borrowing			2	13	13	
	Total gross expenditure						
	Gross income						
	Net expenditure						
	Existing revenue budget provision						
	Net revenue budget increase (+) decrease (-)						
7. Financial Appraisal							

Additional information in relation to external funding.	Has Government/European/other funding been sought and agreed in principle? If no give reason below	N/A
	Is availability of funding sources time limited? If yes please give details below	N/A
	The VAT link officer must identify the VAT consequences arising from this bid and summarise these below referring in particular to any impact on the de-minimis in order to provide early warning to the Chief Finance Officer.	
8. Technical Appraisal		
This section is presented as a checklist to assist appraisal. Please provide further clarification in Section 9 as necessary.	Technical checklist.	Y / N or N/A
	a) Has a feasibility study / option appraisal been undertaken?	Y
	b) Has procurement advice been sought?	N/A – KNT JV
	c) Has legal advice on contracts, liability and insurance been sought?	N/A - KNT JV
	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.	Various
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?	Y – Part of design development
	f) Does the project lead to an asset disposal?	N
	g) Are there any known planning and building control restrictions or issues?	N
	h) Have the Highways Section been consulted regarding highways and transport implications?	TBC
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N/A
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	TBC
	k) Have sustainable development team been consulted? (Y/N)	TBC
	l) Has a high-level risk assessment or risk workshop been undertaken?	N
	m) What is the expected carbon impact of the project?	TBC
n) Has an exit strategy been developed?	N/A	

	o) Other resource requirements (staffing, technology etc.)?	N/A
	p) Has an Equality Impact Assessment been completed?	N
	q) Communications and engagement proposals.	TBC
	r) Where relevant details of stakeholder approvals sighted <i>Please provide information.</i>	TBC
	s) Has assessment of any VAT implications been undertaken?	N/A
9. Known key risks and mitigating actions		
<i>This section should highlight any risks associated with this bid. A risk analysis or risk log should be kept and updated regularly. Please detail any mitigating actions that will be put in place in order to manage the risk.</i>	<ol style="list-style-type: none"> 1. Partnerships – Capita and Kier NT working relationship – Mitigation – partner workshops being facilitated through Council. 2. Capacity and Staff Changes – key personal staff changes in both organisations – Mitigation – robust working protocols and procedures and comprehensive induction of new staff 3. Programme Changes – Potential changes to Council priorities – Mitigation - early engagement with NTC Governance and key stakeholders 4. KNT JV – current 10 year contract March 2019 – Mitigation – NTC currently considering options associated with options around delivery model from April 2019 	
10. Additional Information and Dependencies		
<i>Attach or refer to any further documentation that clarifies or supports the bid. If this project is linked to or dependent on the delivery of another project within the Investment Plan, please state details, this may include any direct links to revenue budget savings.</i>		
11. Submission Sign Off		
<i>Insert the relevant name and the</i>	Client Finance Manager	Susan Borthwick
		18.10.16

date of their sign off. A signed off hard copy or electronic signature is not required.	Service Area Senior Manager	Iain Betham	18.10.16
	Head of Service	Mark Longstaff	18.10.16
	Head of Finance	Janice Gillespie	

To be completed by Strategic Property and Investment Team only

Outcomes		Gateway Review Group Scrutiny	
Decision	Approved, deferred or rejected		
Date of Decision			
Observations			
Decision communicated to:			
Further information and advice	➤		

***Please return completed form to the Strategic Investment & Property Team**

Project Name	North Shields Fishermen's Heritage Project	Project /Programme Manager	Jane Allison	Ref No.	
Programme Name (if applicable)		Service Area Senior Manager (SASM)	Graham Sword	Investment Plan Ref No	
Service Area	Business and Economic Development	Finance Officer	Nichola Ellis	Author	Julie Bews
Ward (s)	Tynemouth	Project Location			
Date of Gateway 0 Approval	22 nd June 2016	Date of Gateway 1 Approval			

Gateway 2 (Project Approval)

- **Purpose of Document:** Spending approval at Gateway 2 must be secured before any capital expenditure is incurred on a programme / project. This template brings together all the information needed for an appraisal and approval to be given. If the request varies from the budget either in terms of expenditure, funding or both you must explain this variance in Section A8. Part A is normally completed by the Programme / Project Manager in consultation with the Finance Link Officer. Part B should be completed by the Programme / Project Manager
- **Role of Gateway 2 Investment Programme Board:** Officers in both the Strategic Investment & Property Team and the Client Finance Team will complete final checks to confirm that relevant information has been submitted correctly in Part A and relevant sections of Part C.

PART A			
Guidance	A.1 Project Description		
<p><i>Please provide a brief description of the project / programme to clarify the nature of the proposed expenditure (i.e. what are we spending money on and why?). In most cases, the narrative supplied in the Gateway 1 submission will suffice. Provide grant funding source information in Section A8</i></p>	<p>The funding request is to support the North Shields Fishermen's Heritage Project (NSFHP) who wish to commission a memorial to the fishermen lost at sea from the North Shields port. The NSFHP have undertaken some fundraising through private donations, local businesses and crowd funding and are approaching their target of £37.5k with the balance of up to £37.5k to be sought from the Authority. The total cost of providing the memorial is estimated to be £75,000 (£90,000 including VAT). An area of land (owned by the Authority) has been identified at North Shields Fish Quay, adjacent to the Low Lights car park, is the location of the memorial. The NSFHP have undertaken a public engagement event where they showcased a number of options for the proposed memorial and gave those who took part, the opportunity to choose their preferred memorial.</p>		
A2. Anticipated Start and Completion Dates			
<p><i>Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource planning and procurement. For construction projects estimated completion should take account of any likely retention.</i></p>	Project Start up (this should include the feasibility stage)		
	Spending Start (Practical Start)	Enter Financial Year 2017/18	Enter month or financial quarter QTR 1
	Spending Completion (Practical Completion)	Enter Financial Year 2017/18	Enter month or financial quarter Qtr 3

A3. Financial Overview/ Checklist									
<p><i>Reasons for a negative response should be explained in section A8 together with any other financial observations that are considered necessary for the appraisal of the capital expenditure approval request. At this stage the business case must be finalised. The key areas of information required for scrutiny at Gateway 2 are project definition and scope, the approach to project delivery (procurement and project organisation) and the business case (updated from Gateway 1 as appropriate). Please ensure that a PID has been drawn up as you may be required to supply it at a later stage.</i></p>	Current capital expenditure request (total)						£37,500		
	Is there full capital budget provision for whole of project/ programme?						Yes / No / NA		
	Is there full capital budget provision for amount requested?						Yes / No / NA		
	Is the expenditure profile in each year equal to or less than the Capital Budget profile? Within year						NA		
	Have Government/ other funding approvals been secured with proof attached? Fund raising is continuing, £23k raised and £4k works agreed in principle.						No		
	Have the effects of revenue consequences been included in revenue budgets?						NA		
Has a Business Case been completed and signed off?						NA			
A4. Capital Expenditure Approval Request									
<p><i>Please review the figures submitted at Gateway 1 and revise them as necessary.</i></p> <p><i>The Client Finance Team will need to be satisfied that any revised spend profile does not represent an unapproved acceleration or increase to the planned Capital Budget. Any spending proposal that requires an increase in the overall Capital Budget will need to be approved by Cabinet and/or full Council.</i></p> <p><i>If there is full capital provision for the amount requested indicate the GL cost centre code for the spend and confirm the profile over the years.</i></p>	NOTE: Please enter appropriate financial years in the brackets								
		Previous ()	Current Year (2017/18)	Year One ()	Year Two ()	Year Three ()	Future Years ()	Total	
		£000	£000	£000	£000	£000	£000	£000	£000
	Total of previous approvals		0						
	Current expenditure request		37500						37500
	Overall total costs of programme / project		75000						75000
	Total capital budget for project / programme		75000						75000
		Previous ()	Current Year ()	Year One ()	Year Two ()	Year Three ()	Future Years ()	Total	
	Budget provision displayed on GL cost centre (please add more lines if more than one cost centre). Please enter GL cost centre code(s) below:	£000	£000	£000	£000	£000	£000	£000	£000

	Total							
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A5. Capital Costs

<p><i>Please review the figures submitted at Gateway 1 and revise them as necessary.</i></p> <p><i>A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be separately. Advice should be sought from the Corporate Finance team on the requirement to split works costs over component items.</i></p>	NOTE: Please enter appropriate financial years in the brackets Previous Year () Current Year (2017/18) Year One () Year Two () Year Three () Future Years () Total							
		£000	£000	£000	£000	£000	£000	£000
	Acquisitions (lands and buildings)							
	Works (split into component parts)		75000					75000
	Furniture							
	Vehicles / Plant							
	ICT							
	Fees							
	Total		75000					75000

A6. Funding Profile

<p><i>Programme / project managers must ensure that reprogramming (slippage) does not create loss of external funding. Proof of application and approval are required in respect of any grants or external funding and should be attached to this submission.</i></p>	NOTE: Please enter appropriate financial years in the brackets Add rows if required Current Year (2017/18) Year One () Year Two () Year Three () Future Years () Total							
		£000	£000	£000	£000	£000	£000	
	Council capital resources	37500						37500
	- Borrowing							
	- Capital receipts							
	Government specific grant secured							
	European specific grant secured							
	Funding partner(s) contribution							
	Other capital resources – NSFHP contribution	37500						37500
Revenue funding								

	Current capital expenditure request (Total)	37500					37500
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A7. Revenue Consequences

<p>Please review the figures submitted at Gateway 1 and revise them as necessary. The intention is to confirm consequential changes to the revenue budget arising from the capital spending proposal. Revenue consequences include longer term costs such as renewal of licences and replacement of equipment. If Full Year Effect (FYE) is not in year 2 explain in section A8 in which year the FYE occurs</p>	NOTE: Please enter appropriate financial years in the brackets	Current Year ()	Year One ()	Year Two ()	Full Year Effect
		£000	£000	£000	£000
	Employees				
	Running costs				
	Cost of borrowing				
	Total gross expenditure				
	Gross income				
	Net expenditure				
	Existing revenue budget provision				
	Net revenue budget increase (+) decrease (-)	0	0	0	0

A8. Explanation of Funding / Revenue Consequences

<p>Use this section to offer further explanation on funding and expenditure profiles. For example, will funding be provided under Invest to Save? Include a statement to confirm whether adequate revenue budget provision or savings will be sufficient to meet revenue consequences and, if not, how the revenue budget will be brought into balance. If the request varies from the budget either in terms of expenditure, funding or both, you must explain the variance in this section.</p>	<p>The project proposal does not have any revenue implications for the Authority. The Authority is requested to provide up to 50% funding contribution to enable an appropriate memorial to be commissioned and located at North Shields Fish Quay in memory of fishermen lost from this port. The North Shields Fishermen's Heritage Project (NSFHP) have undertaken a series of events and submitted bids for funding and have raised to date £23,000 and have secured in principle support from Urban Splash who have indicated that they would provide support in kind to the project to the value of £4,000. This would involve the construction of an appropriate foundation for the memorial at the identified location adjacent to the Low Lights car park. The NSFHP are aiming to raise £37,500 to match the funding requested from the Authority and have a number of events organised from December 2016 to March 2017 to raise the balance of funding required.</p>
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PART B

	B1. Technical Appraisal		
<p>This section is presented as a checklist to assist appraisal by the Investment Programme Board (IPB). It is important to note that at this stage, the Project</p>	Technical checklist.	Y / N or N/A	Officer / Member contacted for advice
	a) Has a feasibility study / option appraisal been undertaken?	Yes	Chris Bishop

<p><i>Initiation Document (PID) should be signed off by the Senior Responsible Owner but not sent with this document unless requested by the IPB.</i></p> <p><i>Much of the information may already be contained on the Gateway 1 form and you may simply need to update the information</i></p> <p><i>Please provide any relevant changes since submission approval in Gateway 1.</i></p>	b) Has procurement advice been sought?	N/A	
	c) Has legal advice on contracts, liability and insurance been sought?	TBC	Sarah Heslop to be contacted
	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.	Yes	Land at Fish Quay
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?	N/A	
	f) Does the project lead to an asset disposal?	No	
	g) Are there any known planning and building control restrictions or issues?	No	Aidan Dobinson Booth
	h) Have the Highways Section been consulted regarding highways and transport implications?	No	
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N/A	
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	Yes	NSFHP
	k) Have sustainable development team been consulted? (Y/N)	N/A	
	l) Has a high-level risk assessment or risk workshop been undertaken?	N/A	
	m) What is the expected carbon impact of the project?	N/A	
	n) Has an exit strategy been developed?	N/A	
	o) Other resource requirements (staffing, technology etc.)?	N/A	
	p) Has an Equality Impact Assessment been completed?	N/A	
	q) Communications and engagement proposals.	Yes	
r) Where relevant details of stakeholder approvals sighted <i>Please provide information.</i>			
s) Has assessment of any VAT implications been undertaken?	N/A		

Submission Sign Off for Parts A and B.			
<p><i>Insert the relevant name and the date of their sign off.</i></p> <p>Please note:</p> <p><i>A signed off hard copy of this submission must also be provided to the Client Finance Manager for sign off by the Head of Finance.</i></p> <p><i>If there are any changes to this electronic submission a</i></p>	Client Finance Manager	Insert Name	Insert Date
	Service Area Senior Manager	Insert Name	Insert Date
	Head of Service	Insert Name	Insert Date

<i>revised submission with a new version number must be provided. The hard copy must be the same as the latest version of the electronic copy</i>	Head of Finance	Insert Name	Insert Date
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Outcomes	Gateway Review Group Scrutiny
Decision	<i>Approved, deferred or rejected</i>
Date of Decision	
Observations	
Decision communicated to:	
Further information and advice	➤

***Please return completed form to the Strategic Investment & Property Team**

Project Name	Northumberland Square	Project Manager	Richard Brook	Ref No.	HS049
Programme Name (if applicable)		Programme Manager (if applicable)		Report Date	15th November 2016
Service Area	Environment, Housing and Leisure	SRO	Phil Scott	Author	Richard Brook / Vicki Dixon
Directorate		Finance Officer	Vicki Dixon	Version No.	
Ward(s)	Tynemouth	Project Location	Quadrant		

Gateway 1 bid

Purpose of Document	Role of the Gateway 1 Investment Programme Scrutiny Panel
This document constitutes a formal bid for capital investment including inclusion in the Investment Plan. It should provide sufficient information to enable effective financial and technical scrutiny ahead of further review at strategic and member level. Figures on cost and funding should be as accurate as possible. At Gateway 1 there is a focus on viability, procurement and delivery with consideration of any major VAT issues that might constrain affordability.	The Panel will scrutinise the bid in terms of its financial and technical viability and management of risk. The IPB will be briefed on outcomes and recommended actions and may wish to prioritise, amend or modify the submission in the light of these comments. The IPB provide recommendations to Cabinet to form part of the budget setting and financial management processes.
Guidance	1. Project Description
Please provide a brief description of the project or programme to clarify the nature of the proposed expenditure. (i.e. what are we spending money on and why?). If grant funding source is known, please identify clearly in additional information (Section 9).	<p>Approval is being sought for additional finance to bring forward the development of 13-16 Northumberland Square and also develop the land to the rear of the site.</p> <p>Cabinet, on 14 November 2016, approved a report to set-up 2 wholly owned subsidiaries of the North Tyneside Trading Company (a Commercial Sale Company and a Commercial Rental Company). It is the intention that the Commercial Sale Company will be used to develop the Council owned site at Northumberland Square for new build homes for sale on the open market.</p> <p>The current proposal is to refurbish 13-16 Northumberland Square into 10 apartments and 2 town houses. The rear of the site will provide 14, 3-bed townhouses and 3, 2-bed apartments. The 2016-2019 Investment Plan includes funding of £2.500m (£1.000m in 2016/17 and £1.500m in 2017/18) to deliver some of the refurbishment of 13-16 Northumberland Square. As additional survey works have been required to be undertaken on the site, the planning phase of the project has taken longer than expected and therefore a £0.500m of the funding has been reprogrammed into the 2017/18 financial year (and £0.220m virement to fund the Coastal Properties (Avenue and Whisky Bends project)). In addition, this further work has</p>

firmed up the costs associated with the scheme and identified that additional funding of £0.650m is required to complete the refurbishment to the appropriate standard. In addition, work has now taken place to assess the funding requirement to develop the rear of the site. Indicative costs that have been prepared suggest funding of £3.000m is required for the construction of the homes to the rear of the site. Further work to finalise the costs and prepare detailed financial modelling will need to be undertaken prior to the commencement of the project.

It is the intention that this scheme is delivered by the new Commercial Sale subsidiary of the North Tyneside Trading Company. The required amount will be borrowed by the Council and used to fund the Company through a mixture of debt and equity funding. The funding of the Company will be on commercial terms and therefore the Authority will receive a return on its investment.

This investment will support regeneration work in the historic square, reduce the liability and running costs of a vacant council owned building, provide new homes that will attract inward migration and investment into the centre of North Shields and provide a return on capital for the Council through lending arrangements and potentially a receipt of a dividend if one is declared by the Company.

The Northumberland Square site is currently in the ownership of the General Fund and will need to be formally valued. The estimated build cost of the proposed development is £5.000m (excluding land and project development costs) (this is an indicative figure - further financial modelling will need to be undertaken once surveys have been completed and detailed costings provided). These monies would be provided to the North Tyneside Trading Company through a combination of debt and equity funding at market rates. The money would be used to carry out design work, secure planning and return the buildings back into habitable use in-line with the heritage guidance that has been received.

Following development, the sale of the homes will be-used to re-pay the borrowing from the Authority and associated interest. If appropriate, the Company may also declare a dividend which the Authority, as ultimately the sole shareholder, would benefit from.

It is proposed that in order for the Trading Company to be able to deliver this project the

following will need to be endorsed by Investment Programme Board ahead of being reported to Cabinet for a decision:

- 1) The Council will need to sell Northumberland Square to the Trading Company at market value;
- 2) In order to fund the entire development at Northumberland Square (front and rear of the site), the Authority will need to provide funding to the Company (a combination of debt and equity funding) on market terms. Indicative modelling suggests the Trading Company would require £5.650m of funding (of which £2.000 is already included in the 2016-2019 Investment Plan) in the following years: 2017/18 - £3.650m (of which £2.000 is already in Investment Plan), 2018/18 - £1.000m and 2019/20 - £1.000m
- 3) Financial modelling assumes this investment will be funded by borrowing by the Council in the first instance which will then be repaid, along with associated interest, when sales / capital receipts are realised and any potential dividend is declared. As the detailed business plan is still being developed, the receipts from sale have not yet been built into this appraisal but it is expected to be from the 2020/21 financial year.
- 4) A Capital receipt would be generated for the Council on the sale of Northumberland Square site to the Trading Company

2. Anticipated Start and Completion Dates

Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource planning and procurement. For construction projects estimated completion should take account of any likely retention.

Spending Start (Practical Start)	2016/17	April
Spending Completion (Practical Completion)	2019/20	Quarter 4

3. Capital Costs							
<p>Annual profiles of indicative costs should be based on the estimated value of work done and agreed with the Finance link Officer. Be realistic about delivery timescales taking full account of feasibility, design and procurement aspects. The estimated timing of expenditure is crucial to secure the required level of funding in the correct year.</p> <p>A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be shown separately.</p> <p>Refer to the VAT Contact for advice on VAT.</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year 2016/17	Year One 2017/18	Year Two 2017/18	Year Three 2018/19	Future Years ()	Total
		£000	£000	£000	£000	£000	£000
	Acquisitions						
	Debt and equity funding to the Trading Company		1,650	1,000	1,000		3,650
	Furniture and Equipment						
	Vehicles/ Plant						
	ICT						
	Fees						
	<p>Total (Overall total capital costs of project (Excluding VAT, if VAT can be reclaimed. Including VAT, if VAT cannot be reclaimed)</p>		1,650	1,000	1,000		3,650
4. Asset lives							
<p>Provide an estimate of the expected useful life of the individual components of the asset.</p> <p>Contact the Corporate Finance Team for assistance if required.</p> <p>Consider whole lifecycle costs associated with the maintenance and replacement of proposed assets and equipment.</p>	<p>Buildings – 50 years</p> <p>Fixtures and fittings</p> <p>Furniture and Equipment</p> <p>Vehicles/Plant</p> <p>ICT</p>						
5. Funding Profile of Capital Bid Request							
<p>Grant funding is normally recovered as eligible spend is incurred but external financial contributions might be received at any time, typically, after completion. Pledge letters should be requested early to secure funding in advance of spending approval</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year 2016/17	Year One 2017/18	Year Two 2017/18	Year Three 2018/19	Future Years ()	Total
		£000	£000	£000	£000	£000	£000
	Council capital resources (borrowing)		1,650	1,000	1,000		3,650
	Government specific grant						
	European specific grant						
	Funding partner(s) contribution						
	Other capital resources						

	Revenue funding					
	Current capital expenditure request (total) EXTRA FUNDING REQUIRED OVER AND ABOVE EXISTING PLAN		1,650	1,000	1,000	3,650

6. Revenue Consequences

<p>Identify all charges to revenue costs on income streams created by this bid. For replacement assets (building, landscaping, highway improvements etc), the calculation must include revenue savings arising from the closure as well as the cost of operating the new or replaced asset.</p> <p>The cost of borrowing for Council capital resources should be included. Contact NTC Client team for this calculation.</p> <p>If Full Year Effect (FYE) is not in year 2 explain in Section 9 in which year the FYE first occurs</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year ()	Year One 2017/18	Year Two 2018/19	Year Three 2019/20
		£000	£000	£000	£000
	Employees				
	Running costs				
	Cost of borrowing		11	22	16
	Total gross expenditure		11	22	16
	Gross income		(68)	(96)	(62)
	Net expenditure		(57)	(74)	(46)
	Existing revenue budget provision				
	Net revenue budget increase (+) decrease (-)				
	<p>Comment</p> <p>The financial modelling for the project assumes the required funding will be borrowed by the Authority and then used to fund the Company through a combination of equity investment and a loan to the Trading Company which will be provided at a commercial rate of interest. The amount provided as a loan will generate income for the Authority over the life of the project, estimated at £0.137m. In addition, once the development is complete, the Authority, as sole shareholder, would benefit from any dividend declared by the Company. On the basis of the initial modelling it is estimated that the dividend could be in the region of £1.000m which would recoup the initial equity investment.</p>				

7. Financial Appraisal				
<p>Additional information in relation to external funding.</p> <p>Although the life expectancy of any asset being created for purchase may be less than 10 years, if it is over £250k then it is subject to the rules of the Capital Goods Scheme and VAT has to be accounted for accordingly. The threshold for single items of IT equipment is £50k</p>	Has Government/European/other funding been sought and agreed in principle? If no give reason below		No	
	Not appropriate as for Commercial purposes therefore borrowing is required.			
	Is availability of funding sources time limited? If yes please give details below		N/A	
	The VAT link officer must identify the VAT consequences arising from this bid and summarise these below referring in particular to any impact on the de-minimis in order to provide early warning to the Chief Finance Officer.			
	This will be considered as the full business case is developed which will be considered by Cabinet. The structure of the Company will be established to be as tax efficient as possible while enabling the objectives of the project to be achieved.			
8. Technical Appraisal				
<p>This section is presented as a checklist to assist appraisal by the CPMFG. Please provide further clarification in Section 9 as necessary.</p>	Technical checklist.		Y / N or N/A	Officer / Member contacted for advice
	a) Has a feasibility study / option appraisal been undertaken?		Y	Richard Brook
	b) Has procurement advice been sought?		N	Richard Brook - early stages as project still being developed
	c) Has legal advice on contracts, liability and insurance been sought?		Y	Sarah Heslop – early stages as project still being developed
	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.		Y	UPRN - 000047066494
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?		Y	Richard Brook
	f) Does the project lead to an asset disposal?		Y	Richard Brook

	g) Are there any known planning and building control restrictions or issues?	Y	Richard Brook
	h) Have the Highways Section been consulted regarding highways and transport implications?	N	Richard Brook – early stages of project
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N	Richard Brook – early stages of project
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	Y	Richard Brook
	k) Have sustainable development team been consulted? (Y/N)	N	Richard Brook – early stages of project
	l) Has a high-level risk assessment or risk workshop been undertaken?	N	Richard Brook – early stages of project
	m) What is the expected carbon impact of the project?	N	Richard Brook – early stages of project
	n) Has an exit strategy been developed?	N	Richard Brook – early stages of project
	o) Other resource requirements (staffing, technology etc.)?	N	Richard Brook – early stages of project
	p) Has an Equality Impact Assessment been completed?	N	Richard Brook – early stages of project
	q) Communications and engagement proposals.	Y	Richard Brook
	r) Where relevant copies of stakeholder approval sighted	Y	Richard Brook
9. known key risks and mitigating actions			
This section should highlight any risks associated with this bid. A risk analysis or risk log should be kept and updated regularly. Please detail any mitigating actions that will be put in place in order to manage the risk.	Key risks are that until the detail cost information is provided, the cost of the scheme is an estimate only and may change. In addition, the viability of the project is dependant on sales of the homes once they are built.		
10. Additional Information and Dependencies			
Attach or refer to any further documentation that clarifies or supports the bid. If this project is linked to or dependent on the delivery of another project within the Investment Plan, please state details.			

	11. Submission Sign Off		
Insert the relevant name and the date of their sign off. A signed off hard copy or electronic signature is not required.	Client Finance Manager	Vicki Dixon	15 November 2016
	Senior Responsible Owner	Insert Name	Insert Date
	Head of Service	Insert Name	Insert Date
	Deputy Chief Executive	Insert Name	Insert Date

Project Name	Property Development	Project Manager	Richard Brook	Ref No.	
Programme Name (if applicable)		Programme Manager (if applicable)		Report Date	15th November 2016
Service Area	Environment, Housing and Leisure	SRO	Phil Scott	Author	Richard Brook / Vicki Dixon
Directorate		Finance Officer	Vicki Dixon	Version No.	
Ward(s)	All	Project Location	Quadrant		

Gateway 1 bid

Purpose of Document	Role of the Gateway 1 Investment Programme Scrutiny Panel
This document constitutes a formal bid for capital investment including inclusion in the Investment Plan. It should provide sufficient information to enable effective financial and technical scrutiny ahead of further review at strategic and member level. Figures on cost and funding should be as accurate as possible. At Gateway 1 there is a focus on viability, procurement and delivery with consideration of any major VAT issues that might constrain affordability.	The Panel will scrutinise the bid in terms of its financial and technical viability and management of risk. The IPB will be briefed on outcomes and recommended actions and may wish to prioritise, amend or modify the submission in the light of these comments. The IPB provide recommendations to Cabinet to form part of the budget setting and financial management processes.
Guidance	1. Project Description
Please provide a brief description of the project or programme to clarify the nature of the proposed expenditure. (i.e. what are we spending money on and why?). If grant funding source is known, please identify clearly in additional information (Section 9).	<p>Approval is being sought for finance to bring forward the additional property development set out in the Property development revenue business case.</p> <p>The housing and property market in North Tyneside has remained relatively buoyant through a difficult decade. In parallel to the Mayor and Cabinet's Affordable Homes Programme and in line with the Draft Local Plan this project aims to use a range of commercial models to exploit current and acquired assets to build for profit. We expect this to happen both at scale and at a property by property basis beginning with initial work in North Shields (Northumberland Square) and Whitley Bay (The High Point, Whiskey Bends and The Avenue). This links to the Government ambition to deliver more homes.</p> <p>In addition, a proportion of this funding will be utilised for the purchase of homes, on the open market, for affordable and market rental. Each decision to purchase a home will be made based on a business case demonstrating the value for money of the proposal.</p> <p>The revenue business case proposal is to generate income for the Council through new trading opportunities. It is proposed that these will deliver income of £0.330m in 2017/18 and a total of</p>

£2.000m over the next three years. Details of the proposals are being developed with approximately £0.130m of the 2017/18 income being delivered through the “Delivering Housing Growth through the North Tyneside Trading Company” project which was approved at Cabinet on the 14 November 2016. Further income will be generated from this project during 2018/19 and 2019/20. The remaining income will be delivered through additional trading and commercial opportunities that are currently being explored.

This capital gateway form sets out the capital investment required to deliver this revenue income.

2. Anticipated Start and Completion Dates

Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource planning and procurement. For construction projects estimated completion should take account of any likely retention.	Spending Start (Practical Start)	2017/18	April
	Spending Completion (Practical Completion)	2020/21	Quarter 4

3. Capital Costs

Annual profiles of indicative costs should be based on the estimated value of work done and agreed with the Finance link Officer. Be realistic about delivery timescales taking full account of feasibility, design and procurement aspects. The estimated timing of expenditure is crucial to secure the required level of funding in the correct year. A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be shown separately.	NOTE: Please enter appropriate financial years in the brackets	Current Year	Year One	Year Two	Year Three	Future Years	Total
		2015/16	2016/17	2017/18	2018/19	2019/20	
		£000	£000	£000	£000	£000	£000
	Acquisitions						
	Investment in Trading Company			3,000	900		3,900
	Furniture and Equipment						
	Vehicles/ Plant						
	ICT						
Fees							

Refer to the VAT Contact for advice on VAT.	Total (Overall total capital costs of project (Excluding VAT, if VAT can be reclaimed. Including VAT, if VAT cannot be reclaimed)			3,000	900		3,900
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4. Asset lives

Provide an estimate of the expected useful life of the individual components of the asset. Contact the Corporate Finance Team for assistance if required. Consider whole lifecycle costs associated with the maintenance and replacement of proposed assets and equipment.	Buildings – 50 years Fixtures and fittings Furniture and Equipment Vehicles/Plant ICT
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5. Funding Profile of Capital Bid Request

Grant funding is normally recovered as eligible spend is incurred but external financial contributions might be received at any time, typically, after completion. Pledge letters should be requested early to secure funding in advance of spending approval	NOTE: Please enter appropriate financial years in the brackets	Current Year 2015/16	Year One 2016/17	Year Two 2017/18	Year Three 2018/19	Future Years	Total
		£000	£000	£000	£000	£000	£000
	Council capital resources (borrowing)			3,000	900		3,900
	Government specific grant						
	European specific grant						
	Funding partner(s) contribution						
	Other capital resources						
	Revenue funding						
Current capital expenditure request (total)			3,000	900		3,900	

6. Revenue Consequences

Identify all charges to revenue costs on income streams created by this bid. For replacement assets (building, landscaping, highway improvements etc), the calculation must include revenue savings arising from the closure as well as the cost of operating the new or replaced asset. The cost of borrowing for Council capital resources should be included. Contact NTC Client team for this	NOTE: Please enter appropriate financial years in the brackets	Current Year ()	Year One 2017/18	Year Two 2018/19	Year Three 2019/20
		£000	£000	£000	£000
	Employees				
	Running costs				
	Cost of borrowing		12	20	37
Total gross expenditure		12	20	37	

calculation. If Full Year Effect (FYE) is not in year 2 explain in Section 9 in which year the FYE first occurs	Gross income		(175)	(355)	(888)
	Net expenditure		(163)	(335)	(851)
	Existing revenue budget provision				
	Net revenue budget increase (+) decrease (-)				
	Comment				
7. Financial Appraisal					
Additional information in relation to external funding. Although the life expectancy of any asset being created for purchase may be less than 10 years, if it is over £250k then it is subject to the rules of the Capital Goods Scheme and VAT has to be accounted for accordingly. The threshold for single items of IT equipment is £50k	Has Government/European/other funding been sought and agreed in principle? If no give reason below				No
	Not appropriate as for Commercial purposes therefore borrowing is required.				
	Is availability of funding sources time limited? If yes please give details below				N/A
	The VAT link officer must identify the VAT consequences arising from this bid and summarise these below referring in particular to any impact on the de-minimis in order to provide early warning to the Chief Finance Officer.				
	This will be considered as the full business case is developed which will be considered by Cabinet. The structure of the Company will be established to be as tax efficient as possible while enabling the objectives of the project to be achieved.				
8. Technical Appraisal					
This section is presented as a checklist to assist appraisal by the CPMFG. Please provide further clarification in Section 9 as necessary.	Technical checklist.	Y / N or N/A	Officer / Member contacted for advice		
	a) Has a feasibility study / option appraisal been undertaken?	Y	Richard Brook		
	b) Has procurement advice been sought?	N	Richard Brook - early stages as project still being developed		
	c) Has legal advice on contracts, liability and insurance been sought?	Y	Sarah Heslop – early stages as project still being developed		

	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.	Y	Yes – UPRN will vary depending on the sites
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?	Y	Richard Brook
	f) Does the project lead to an asset disposal?	Y	Richard Brook
	g) Are there any known planning and building control restrictions or issues?	Y	Richard Brook
	h) Have the Highways Section been consulted regarding highways and transport implications?	N	Richard Brook – early stages of project
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N	Richard Brook – early stages of project
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	N	Richard Brook – early stages of project
	k) Have sustainable development team been consulted? (Y/N)	N	Richard Brook – early stages of project
	l) Has a high-level risk assessment or risk workshop been undertaken?	N	Richard Brook – early stages of project
	m) What is the expected carbon impact of the project?	N	Richard Brook – early stages of project
	n) Has an exit strategy been developed?	N	Richard Brook – early stages of project
	o) Other resource requirements (staffing, technology etc.)?	N	Richard Brook – early stages of project
	p) Has an Equality Impact Assessment been completed?	N	Richard Brook – early stages of project
	q) Communications and engagement proposals.	Y	Richard Brook
	r) Where relevant copies of stakeholder approval sighted	Y	Richard Brook
	9. known key risks and mitigating actions		
This section should highlight any risks associated with this bid. A risk analysis or risk log should be kept and updated regularly. Please detail any mitigating actions that will be put in place in order to manage the risk.	Key risks are that until the detailed cost and site information is available, the costs and income associated with the scheme are an estimate only and may change. In addition, the viability of the project is dependant on sales of the homes once they are built. Further detailed work on the proposals needs to be undertaken.		

10. Additional Information and Dependencies			
Attach or refer to any further documentation that clarifies or supports the bid. If this project is linked to or dependent on the delivery of another project within the Investment Plan, please state details.			
11. Submission Sign Off			
Insert the relevant name and the date of their sign off. A signed off hard copy or electronic signature is not required.	Client Finance Manager	Vicki Dixon	15 November 2016
	Senior Responsible Owner	Roy Marston	15 November 2016
	Head of Service	Phil Scott	15 November 2016
	Deputy Chief Executive	Insert Name	Insert Date

Project Name	Street Lighting LED	Project /Programme Manager	Paul Nelson	Ref No.	
Programme Name (if applicable)		Service Area Senior Manager (SASM)	Colin MacDonald	Investment Plan Ref No	
Service Area	Environment, Housing & Leisure	Finance Officer	Claire Henderson	Author	Paul Nelson
Ward (s)	All	Project Location	Multiple locations across the Borough		

Gateway 0 submission (strategic fit)

- **Purpose of Document:** Information contained in this submission should be brief but sufficient to demonstrate that a mandate exists, the project or programme has been prioritised and an outline business case has been developed. There is also a requirement to convey how far the idea has been developed in terms of feasibility.
- **Role of the Investment Programme Board in Gateway 0 review:** The submission will be scrutinised by the IPB in terms of strategic fit, corporate priorities, available capital resources and estimated revenue implications.

	1. Project Description		
	<p>Recent changes to the street lighting portfolio, including 'trimming & dimming' and part night switch off have resulted in a reduction in energy and carbon emission costs of circa £300k per annum.</p> <p>There is further scope to reduce the cost of the service through upgrading circa 7,300 street lights to modern, energy efficient LED models.</p> <p>The business case includes 3 distinct areas; Traffic routes – 4995 no. Residential estates – 2322 no. High Masts – 15 no. Total 7332 no.</p> <p>SSE has conducted a market testing exercise with 4 major LED suppliers and Thorn Lighting is providing the best return on investment. The LEDs are supplied with a 17 year warranty on all parts.</p> <p>This business case is supported by the Environment Board (including Phil Scott and Councillor Stirling).</p>		
Guidance	2. Anticipated Start and Completion Dates		
<i>Try to estimate the month or quarter in order to inform resource planning and procurement.</i>	Project Start Up (this should include the feasibility stage)	17/18	Q1
	Spending Start (Practical Start)	17/18	Q2

	Spending Completion (Practical Completion)	18/19	Q2
3. Service Needs and Objectives			
<i>Briefly explain why the capital project or programme is required and how it relates to service improvement plans or wider strategic objective.</i>	<p>Although the street lighting portfolio has reduced electricity consumption by a third since 2013/14, it is still is a significant user of electricity, using approximately the same as all of the Council's operational buildings (ex schools) combined.</p> <p>Implementing an LED replacement programme will have a significant impact on the electricity consumption / cost and carbon emission output of the service.</p>		
4. Business Proposals and Costs			
<i>Briefly describe the nature of the project or programme and the associated work including any known or estimated costs and funding sources. Give an estimate of timescale and cost profile by year</i>	<p>The Council has been working with SSE for a number of years to develop the business case for LED and has agreed with lead member and Environment Board, a set of key parameters for the business case, including;</p> <ul style="list-style-type: none"> • The new lighting schemes should be designed to current British standards. This represents a reduction in lighting class compared to the output specification agreed at the start of the contract, however is in line with all new schemes in North Tyneside and elsewhere and also in line with North Tyneside's 'dimmed' lamps output. • The lamps will burn at 100% from switch on, rather than being immediately dimmed. This means that a saving is achieved on the capital cost of equipment. No dimming is required because the units are appropriately sized for the desired lighting standards. • The business case does not include provision for the mayflower central management system which is used on the Council's part night and trimming and dimming schemes. Provision of mayflower units would add an additional circa £450k in capital costs. • Only well established lighting companies were included in the market test carried out by SSE. <p>The business case developed shows that circa 7,300 street lights are economically viable for an upgrade to LED. The solutions offered by Thorn Lighting (Spennymoor, Durham) is providing the best return on investment.</p> <p>In summary; Capital cost - £1.954m Avoided electricity, carbon and maintenance costs - £0.466m Payback period – 4 years.</p> <p>The LEDs are supplied with a 17 year warranty on all parts. This would take them to 5 years beyond the end of the PFI.</p>		

	<p>Over the 17 year period the Council would avoid costs of £7.9m at current rates. Naturally we expect these to increase over time.</p> <p>The business case has been developed using a sample size of circa 50% traffic route columns and 33% residential columns. Should we proceed with the scheme a full detailed design would be required however SSE advise that they would expect any variations to be minimal.</p> <p>A full scheme would be delivered within approximately 15 months. A draft delivery programme is in place detailing design and material lead in from April 2017 to June 2017, with construction from July 2017 to June 2018.</p> <p>The street lighting budget is currently reporting a pressure of £555k. The avoided costs from this LED business case would significantly alleviate that pressure.</p> <p>This LED business case would reduce the Council's carbon emissions by 1,500 tonnes per year. This represents a 7% saving against the Council's overall 2015/16 carbon footprint and 24% of the street lighting carbon footprint.</p>
5. Details of Land and Assets	
<p><i>If the project involves land or property in Council ownership, please enter the outcome of discussions with the Corporate Property Team and details of the asset involved.</i></p>	<p>All of the assets affected are adopted lighting columns and are included within the PFI with SSE. These are situated across the Borough. Full list available on request.</p>
6. Benefits Realisation and Timescales	
<p><i>Summarise anticipated outcomes and associated business benefits referring where appropriate to critical success factors. If fast-tracking is required, please state why.</i></p>	<p>A full scheme would be delivered within approximately 15 months. A draft delivery programme is in place detailing design and material lead in from April 2017 to June 2017, with construction from July 2017 to June 2018.</p>
7. Key Stakeholders and Delivery Partners	
<p><i>Identify delivery partners, stakeholders and other key contacts (both within NTC service departments and external organisations) and your engagement with them. Indicate whether any partnership is expected to be formal and legally binding, as this will have</i></p>	<p>SSE is the key delivery partner within the PFI arrangements. We would also work closely with Capita to ensure that any traffic management required was carefully planned in line with other highways works.</p>

<p>VAT implications. Note any dependencies and links to other programmes and projects.</p>			
8. Progress to Date			
<p>Describe the current status of the project or programme with reference to any option appraisal or feasibility studies, advice on procurement and stakeholder analysis consultation that has been undertaken.</p>	<p>A business case with supporting figures has been provided to the Council by SSE. This is approved by the Environment Board for progression through IPB and the Gateway process.</p>		
9. Supporting Information			
<p>If necessary refer to or attach any documentation that clarifies the mandate or supports the outline business case</p>	<p>This business case represents 23% of the street lighting portfolio. Other areas of the portfolio were briefly considered but found to be highly unlikely to be economically viable at this time and not within the Cabinet members preferred 5 year payback period, so were not fully explored. Resources were directed towards producing this business case within the timeframe required.</p> <p>Portfolio breakdown;</p> <p>Street Lights – 29200 10,700 recent upgrades to GE street wise lamp – trimmed and dimmed (low energy consumption, reduced hours, unlikely to be economically viable) 5,000 on traffic routes (LED business case presented) 2,300 residential (LED business case presented) 3,000 part night switch off (initial business case showing circa 11 year payback) 8,200 “other” such as back lanes, footpaths (low energy, unlikely to be economically viable). Also includes conservation areas, heritage columns, etc... which should be considered separately.</p> <p>High Masts – 15 (LED business case presented) Belisha Beacons – 96 (low energy, unlikely to be economically viable) Wall Mounted – 32 (low energy, unlikely to be economically viable) Illuminated signs – 968 (already LED. Currently considering new DfT guidance to de-illuminate) Subways – 243 (low energy, unlikely to be economically viable) Feeder Pillars – 149 these aren't lights.</p>		
10. Submission Sign Off			
<p>Insert the name of the senior manager and the date authorised. A signed off hard copy</p>	<p>Senior Area Service Manager</p>	<p>Colin MacDonald</p>	<p>19/10/16</p>

<i>or electronic signature is not required</i>	Head of Service	Phil Scott	19/10/16
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<i>To be completed by Strategic Property and Investment Team only</i>	
Outcomes	Gateway Review Group Scrutiny
Decision	Approved, deferred or rejected
Date of Decision	
Observations	
Decision communicated to:	
Further information and advice	➤

***Please return completed form to the Strategic Investment & Property Team**

Project Name	Vehicle Replacement Programme	Project /Programme Manager	Steve Whitworth	Ref No.	EV069
Programme Name (if applicable)		Service Area Senior Manager (SASM)	Samantha Dand	Investment Plan Ref No	
Service Area	Local Environmental Services	Finance Officer	Brian Gooding	Author	
Ward (s)	All Wards	Project Location			
Date of Gateway O Approval					

Gateway 1 bid (Feasibility)

- **Purpose of Document:** This document constitutes a formal bid for capital investment including inclusion in the Investment Plan. It should provide sufficient information to enable effective financial and technical scrutiny ahead of further review at strategic and member level. Figures on cost and funding should be as accurate as possible. At Gateway 1 there is a focus on viability, affordability, procurement and delivery.
- **Role of the Gateway 1 Investment Programme:** The IPB will scrutinise the bid in terms of its financial and technical viability and management of risk. The IPB will be briefed on outcomes and recommended actions and may wish to prioritise, amend or modify the submission in the light of these comments. The IPB provide recommendations to Cabinet to form part of the budget setting and financial management processes, if required.

Guidance	1. Project Description		
<i>Please provide a brief description of the project or programme to clarify the nature of the proposed expenditure. (i.e. what are we spending money on and why?). If grant funding source is known, please identify clearly in additional information (Section 9).</i>	Vehicle replacement programme		
2. Anticipated Start and Completion Dates			
<i>Try to estimate the month or quarter (in financial year) when spending will begin in order to inform resource planning and procurement. For construction projects estimated completion should take account of any likely retention.</i>	Project Start (this should include the feasibility stage)		
	Spending Start (Practical Start)	2017	April
	Spending Completion (Practical Completion)	2020	March

3. Capital Costs							
<p>Annual profiles of indicative costs should be based on the estimated value of work done. Be realistic about delivery timescales taking full account of feasibility, design and procurement aspects. The estimated timing of expenditure is crucial to secure the required level of funding in the correct year.</p> <p>A breakdown of indicative cost is required to ensure that an estimate of the revenue cost of any borrowing can be calculated and fee levels are reasonable. ICT costs must be shown separately.</p> <p>Please include all retention costs at date of project completion. Refer to the VAT Contact for advice on VAT.</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year 2017/18	Year One 2018/19	Year Two 2019/20	Year Three ()	Future Years ()	Total
		£000	£000	£000	£000	£000	£000
	Acquisitions						
	Works						
	Furniture and Equipment						
	Vehicles/ Plant	259	1,399	962			2,620
	ICT						
	Fees						
Total	(Overall total capital costs of project (Excluding VAT, if VAT can be reclaimed. Including VAT, if VAT cannot be reclaimed)	259	1,399	962			2,620
4. Asset lives							
<p>Provide an estimate of the expected useful life of the individual components of the asset. Contact the Corporate Finance Team for assistance if required.</p> <p>Consider whole lifecycle costs associated with the maintenance and replacement of proposed assets and equipment.</p>	<p>Vehicles/Plant – 7 years for each vehicle and plant procured</p> <p><i>*Delete as applicable</i></p>						
5. Funding Profile of Capital Bid Request							
<p>Grant funding is normally recovered as eligible spend is incurred but external financial contributions might be received at any time, typically, after completion. Pledge letters</p>	<p>NOTE: Please enter appropriate financial years in the brackets</p>	Current Year 2017/18	Year One 2018/19	Year Two 2019/20	Year Three ()	Future Years ()	Total
		£000	£000	£000	£000	£000	£000
	Council capital resources	259	1,399	962			2,620

<i>should be requested early.</i>	Government specific grant						
	European specific grant						
	Funding partner(s) contribution						
	Other capital resources						
	Revenue funding						
	Current capital expenditure request (total)	259	1,399	962			2,620

6. Revenue Consequences

<i>Identify all charges to revenue costs on income streams created by this bid. For replacement assets (building, landscaping, highway improvements etc), the calculation must include revenue savings arising from the closure as well as the cost of operating the new or replaced asset. The cost of borrowing for Council capital resources should be included. Contact NTC Client team for this calculation.</i>	NOTE: Please enter appropriate financial years in the brackets	Current Year 2017/18	Year One 2018/19	Year Two 2019/20	Full year Effect
		£000	£000	£000	£000
	Employees				
	Running costs				
	Cost of borrowing	4	66	301	453
	Total gross expenditure				
	Gross income – recharge to transport account	-4	-66	-301	-453
	Net expenditure				
	Existing revenue budget provision				
	Net revenue budget increase (+) decrease (-)	0	0	0	0
	Comment				

If Full Year Effect (FYE) is not in year 2 explain in Section 9 in which year the FYE first occurs

7. Financial Appraisal

<i>Additional information in relation to external funding.</i>	Has Government/European/other funding been sought and agreed in principle? If no give reason below	No
	Is availability of funding sources time limited? If yes please give details below	No

	The VAT link officer must identify the VAT consequences arising from this bid and summarise these below referring in particular to any impact on the de-minimis in order to provide early warning to the Chief Finance Officer.	
	8. Technical Appraisal	
<i>This section is presented as a checklist to assist appraisal. Please provide further clarification in Section 9 as necessary.</i>	Technical checklist.	Y / N or N/A
	a) Has a feasibility study / option appraisal been undertaken?	N
	b) Has procurement advice been sought?	Y
	c) Has legal advice on contracts, liability and insurance been sought?	N/A
	d) Does the proposal affect an existing Council asset? If yes please provide UPRN.	N/A
	e) Has advice been sought on access design under the Disability Discrimination Act (DDA) and Designing for Access (DfA2)?	N/A
	f) Does the project lead to an asset disposal?	Y
	g) Are there any known planning and building control restrictions or issues?	N
	h) Have the Highways Section been consulted regarding highways and transport implications?	N/A
	i) Have ICT been consulted re ICT Strategy and data security aspects?	N/A
	j) Have key stakeholders / delivery partners confirmed their agreement in principle?	Y
	k) Have sustainable development team been consulted? (Y/N)	N
	l) Has a high-level risk assessment or risk workshop been undertaken?	N
	m) What is the expected carbon impact of the project?	Reduced
	n) Has an exit strategy been developed?	N
	o) Other resource requirements (staffing, technology etc.)?	N
p) Has an Equality Impact Assessment been completed?	N/A	
q) Communications and engagement proposals.	N/A	
r) Where relevant details of stakeholder approvals sighted <i>Please provide information.</i>	N/A	
s) Has assessment of any VAT implications been undertaken?	N	
	9. Known key risks and mitigating actions	
<i>This section should highlight any risks associated with this bid. A risk analysis or risk log should be kept and updated regularly. Please detail</i>	The only possible risk is if the Council decide to cease services, however, the fleet could be moved around to accommodate this and amend the future replacement programme.	

<i>any mitigating actions that will be put in place in order to manage the risk.</i>			
10. Additional Information and Dependencies			
<i>Attach or refer to any further documentation that clarifies or supports the bid. If this project is linked to or dependent on the delivery of another project within the Investment Plan, please state details, this may include any direct links to revenue budget savings.</i>	Attached are the replacement programme		
11. Submission Sign Off			
<i>Insert the relevant name and the date of their sign off. A signed off hard copy or electronic signature is not required.</i>	Client Finance Manager	Insert Name	Insert Date
	Service Area Senior Manager	Insert Name	Insert Date
	Head of Service	Insert Name	Insert Date
	Head of Finance	Insert Name	Insert Date

To be completed by Strategic Property and Investment Team only

Outcomes		Gateway Review Group Scrutiny	
Decision	Approved, deferred or rejected		
Date of Decision			
Observations			
Decision communicated to:			
Further information and advice	➤		

***Please return completed form to the Strategic Investment & Property Team**

Project Name	Warm Zone	Project /Programme Manager	Paul Nelson	Ref No.	
Programme Name (if applicable)		Service Area Senior Manager (SASM)	Colin MacDonald	Investment Plan Ref No	DV 051
Service Area	Environment, Housing & Leisure	Finance Officer	Claire Henderson	Author	Paul Nelson
Ward (s)	All	Project Location	Multiple locations across the Borough		

Gateway 0 submission (strategic fit)

- **Purpose of Document:** Information contained in this submission should be brief but sufficient to demonstrate that a mandate exists, the project or programme has been prioritised and an outline business case has been developed. There is also a requirement to convey how far the idea has been developed in terms of feasibility.
- **Role of the Investment Programme Board in Gateway 0 review:** The submission will be scrutinised by the IPB in terms of strategic fit, corporate priorities, available capital resources and estimated revenue implications.

	1. Project Description		
	<p>The scheme utilises a number of external funding frameworks, such as Energy Company Obligation (ECO), to deliver energy efficiency measures in often the most vulnerable households in the Borough. Council capital is used as match funding against the external funding sources in order to attract the funders, who in effect achieve extra value for their investment through the match funding provided. In theory there is no realistic upper limit to the level of funding that can be drawn down from the ECO funding framework by the Council; the challenge is identifying households / residents matching the eligibility criteria and securing the match funding where required.</p> <p>The Council has worked with Warm Zone Community Interest Company since 2008, installing energy efficiency measures in cross tenure homes across the Borough.</p> <p>Since 2008 the Warm Zone scheme has delivered over £6m investment in energy efficiency works in cross tenure homes;</p> <ul style="list-style-type: none"> • £4.800m Energy Company contribution • £0.570m Council Capital contribution • £0.700m SHIP Grant contribution (Single Housing Investment Pot) • £0.200m Household contribution <p>The original contract with Warm Zone ended in 2012 and following a procurement exercise, the Council once again contracted with Warm Zone to continue delivering energy efficiency measures under the newly introduced Energy Company Obligation (ECO) framework, for a period of up to 5 years, starting in September 2013.</p> <p>Under the contract, the Council makes a capital contribution of £0.100m per year to the scheme and this runs to the end of August 2017; 2016/17 - £0.100m 2017/18 - £0.042m (pro rata to end of August)</p> <p>There is the option for a further 1 year extension to the contract September 2017 to August 2018, however currently there is no budget allocation in the capital plan.</p>		
Guidance	2. Anticipated Start and Completion Dates		
<i>Try to estimate the month or quarter in order to inform resource planning and procurement.</i>	Project Start Up (this should include the feasibility stage)	2017	September
	Spending Start (Practical Start)	2017	September

		Spending Completion (Practical Completion)	2018	August
3. Service Needs and Objectives				
<i>Briefly explain why the capital project or programme is required and how it relates to service improvement plans or wider strategic objective.</i>	<p>Government estimates show that almost 10,000 households in North Tyneside suffer from fuel poverty. The Warm Zone scheme helps to make homes more energy efficient through the installation of new heating systems and insulation, and also offers a free benefit entitlement check to help vulnerable households maximise their income.</p> <p>The North Tyneside Warm Zone scheme assists the Council in the delivery of the EU Covenant of Mayors Action Plan 2010-2020 (approved by August 2010 Cabinet), the Low Carbon Plan 2016-2027 (approved by March Cabinet 2016) and the Home Energy Conservation Act Report 2015-2017 which was submitted to Department for Energy and Climate Change in March 2015. It also supports the objectives in the emerging Fuel Poverty Plan.</p>			
4. Business Proposals and Costs				
<i>Briefly describe the nature of the project or programme and the associated work including any known or estimated costs and funding sources. Give an estimate of timescale and cost profile by year</i>	<p>Existing Council funding for the scheme runs to August 2017. The current contract also runs to August 2017 but can be extended for a further one year before a new contract would need to be considered and procured.</p> <p>Therefore the proposal is to assign a further £100k to the Warm Zone scheme and extend the contract to August 2018 (2017/18 £0.058m, 208/19 £0.042m).</p> <p>The Energy Company Obligation round 2 is coming to an end in March 2017 and the Government has consulted on a one year “transition” scheme, with the publication of results expected imminently. This scheme would run throughout 2017/18.</p> <p>Energy Company Obligation round 3 (ECO3) is to be consulted upon in early 2017 for an April 2018 start and it is likely that it will have a greater focus on delivering measures in low income and high cost households (those in fuel poverty as per current definition) and increased flexibility for Local Authorities to set wider eligibility criteria locally, which should provide the opportunity to secure additional external funding.</p> <p>Extending the contract by one further year until August 2018 will mean that the Council and Warm Zone can continue to deliver energy efficiency measures throughout the transition year and into the start of ECO 3. Throughout that time it will become clearer on what the ECO 3 scheme will entail and the potential for delivery in North Tyneside, which will enable the Council to make an informed decision on any future scheme it may wish to procure.</p>			

	5. Details of Land and Assets
<i>If the project involves land or property in Council ownership, please enter the outcome of discussions with the Corporate Property Team and details of the asset involved.</i>	N/A
	6. Benefits Realisation and Timescales
<i>Summarise anticipated outcomes and associated business benefits referring where appropriate to critical success factors. If fast-tracking is required, please state why.</i>	<p>In the three years of the current contract with Warm Zone (September 2013 to August 2016), the scheme has delivered;</p> <p>Energy efficiency; Total number of energy efficiency measures – 979 Total value - £2.000m Council capital funding - £0.331m Ratio of external to Council capital - £5 to every £1 Annual fuel bill savings - £0.458m</p> <p>Benefits assistance; Annual value - £1.000m Back Payment - £0.293m Total value - £1.293m</p> <p>Overall, the scheme has delivered £3.750m in capital investment, additional benefits and annual fuel bill savings to residents of North Tyneside.</p> <p>Since 2008, Warm Zone has installed 20,000 energy efficiency measures in cross tenure homes.</p> <p>Extending the contract would continue the good work.</p>
	7. Key Stakeholders and Delivery Partners
<i>Identify delivery partners, stakeholders and other key contacts (both within NTC service departments and external organisations) and your engagement with them. Indicate whether any partnership is expected to be formal and legally binding, as this will have</i>	The main delivery partner for the project is Warm Zone who delivers the contract on behalf of the Council. The Warm Zone management team works closely with a range of stakeholders to increase referrals to the scheme and therefore investment opportunities and benefits assistance, for example, Clinical Commissioning Group, Age UK, and key Council teams such as Safe and Healthy Homes.

VAT implications. Note any dependencies and links to other programmes and projects.			
8. Progress to Date			
Describe the current status of the project or programme with reference to any option appraisal or feasibility studies, advice on procurement and stakeholder analysis consultation that has been undertaken.	Performance of the current contract is included in section 6. The project is contracted and funded to August 2017. A further one year extension can be given if funding is available, as per section 4.		
9. Supporting Information			
If necessary refer to or attach any documentation that clarifies the mandate or supports the outline business case	Cllr Stirling has confirmed support for this proposal. I am arranging a meeting with Cllr Harrison to go through the business case.		
10. Submission Sign Off			
Insert the name of the senior manager and the date authorised. A signed off hard copy or electronic signature is not required	Senior Area Service Manager	Colin MacDonald	19/10/16
	Head of Service	Phil Scott	19/10/16

<i>To be completed by Strategic Property and Investment Team only</i>	
Outcomes	Gateway Review Group Scrutiny
Decision	Approved, deferred or rejected
Date of Decision	
Observations	
Decision communicated to:	
Further information and advice	➤

***Please return completed form to the Strategic Investment & Property Team**