

Thurrock: A place of opportunity, enterprise and excellence, where individuals, communities and businesses flourish

Cabinet

The meeting will be held at **7.00 pm** on **11 January 2017**

Committee Rooms 2 & 3, Civic Offices, New Road, Grays, Essex, RM17 6SL.

Membership:

Councillors Robert Gledhill (Chair), Shane Hebb (Deputy Chair), Mark Coxshall, James Halden, Deborah Huelin, Brian Little, Susan Little, Sue MacPherson and Pauline Tolson

Agenda

Open to Public and Press

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Exclusion of the Public and Press

Members are asked to consider whether the press and public should be excluded from the meeting during consideration of an agenda item on the grounds that it involves the likely disclosure of exempt information as specified in Part I of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act.

In each case, Members are asked to decide whether, in all the circumstances, the public interest in maintaining the exemption (and discussing the matter in private) outweighs the public interest in disclosing the information.

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Queries regarding this Agenda or notification of apologies:

Please contact Kenna-Victoria Martin, Senior Democratic Services Officer by sending an email to Direct.Democracy@thurrock.gov.uk

Agenda published on: **3 January 2017**

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DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

Breaching those parts identified as a pecuniary interest is potentially a criminal offence

Helpful Reminders for Members

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

When should you declare an interest *at a meeting*?

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**



Does the business to be transacted at the meeting

- relate to; or
- likely to affect

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

A detailed description of a disclosable pecuniary interest is included in the Members Code of Conduct at Chapter 7 of the Constitution. **Please seek advice from the Monitoring Officer about disclosable pecuniary interests.**

What is a Non-Pecuniary interest? – this is an interest which is not pecuniary (as defined) but is nonetheless so significant that a member of the public with knowledge of the relevant facts, would reasonably regard to be so significant that it would materially impact upon your judgement of the public interest.

Pecuniary

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

Unless you have received dispensation upon previous application from the Monitoring Officer, you must:

- Not participate or participate further in any discussion of the matter at a meeting;
- Not participate in any vote or further vote taken at the meeting; and
- leave the room while the item is being considered/voted upon

If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps

Non- pecuniary

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature



You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.

Vision: Thurrock: A place of **opportunity, enterprise and excellence**, where **individuals, communities and businesses** flourish.

To achieve our vision, we have identified five strategic priorities:

1. Create a great place for learning and opportunity

- Ensure that every place of learning is rated “Good” or better
- Raise levels of aspiration and attainment so that residents can take advantage of local job opportunities
- Support families to give children the best possible start in life

2. Encourage and promote job creation and economic prosperity

- Promote Thurrock and encourage inward investment to enable and sustain growth
- Support business and develop the local skilled workforce they require
- Work with partners to secure improved infrastructure and built environment

3. Build pride, responsibility and respect

- Create welcoming, safe, and resilient communities which value fairness
- Work in partnership with communities to help them take responsibility for shaping their quality of life
- Empower residents through choice and independence to improve their health and well-being

4. Improve health and well-being

- Ensure people stay healthy longer, adding years to life and life to years
- Reduce inequalities in health and well-being and safeguard the most vulnerable people with timely intervention and care accessed closer to home
- Enhance quality of life through improved housing, employment and opportunity

5. Promote and protect our clean and green environment

- Enhance access to Thurrock's river frontage, cultural assets and leisure opportunities
- Promote Thurrock's natural environment and biodiversity
- Inspire high quality design and standards in our buildings and public space

Minutes of the Meeting of the Cabinet held on 14 December 2016 at 7.00 pm

The deadline for call-in is Thursday 29 December 2016 at 5pm.

Present: Councillors Robert Gledhill (Chair), Shane Hebb (Vice-Chair), Mark Coxshall, James Halden, Brian Little, Susan Little, Sue MacPherson, Deborah Stewart and Pauline Tolson

In attendance: Lyn Carpenter, Chief Executive
Steve Cox, Corporate Director of Environment and Place
Sean Clark, Director of Finance & IT
Roger Harris, Corporate Director of Adults, Housing and Health
Rory Patterson (Corporate Director of Children's Services)
Ian Wake, Director of Public Health
Karen Wheeler, Director of Strategy, Communications and Customer Service
David Lawson, Deputy Head of Legal & Monitoring Officer
Kenna-Victoria Martin, Senior Democratic Services Officer

Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

59. Minutes

The Minutes of Cabinet, held on 9 November 2016, were approved as a correct record.

60. Items of Urgent Business

There were no items of urgent business.

61. Declaration of Interests

There were no declarations of interest.

62. Statements by the Leader

The Leader addressed Cabinet Members informing them he attended the Staff Awards on Thursday 8 December. He thanked Officers for the well organised and fantastic event which sponsored and supported Thurrock Council Staff.

Councillor Gledhill continued by reflecting on the fact that the Council had achieved IIP Gold again for the recognition of investment in staff. He commented that if Thurrock Staff were happy and motivated then residents would notice the improved outcomes.

He continued by notifying those present that Staff had been busy volunteering at Lakeside Shopping centre and at the Civic Offices to collect, wrap and deliver hundreds of presents to children in need across Thurrock.

Lastly the Leader welcomed Julie Rogers the new Head of Environment to the Council.

63. Briefings on Policy, Budget and Other Issues

Councillor S Little informed Cabinet Members that an unaccompanied asylum seeker had been detained at the Thurrock Services. She continued by stating that the protocol had worked and the Child was transferred out of Thurrock within 5 days.

The Cabinet Member for Adult and Children Social Care explained that Thurrock had a high number of unaccompanied asylum seeker children and thanked the Head of Children's Social Care for all his hard work.

64. Mid year Corporate Plan Progress and Performance Report 2016/17

Councillor Stewart, Cabinet Member for Performance and Central Services, presented the report to Members and in doing so notified those present that the Corporate Plan 2016/17 outlined the focus areas for service delivery during this year.

She continued by stating it was important to note although the focus area for complaints which were upheld was under target, there had been an improvement of 4 per cent.

Members were informed that failing indicators were presented to Directors on a monthly basis. Councillor Stewart further informed Members that the first Resident Survey in 6 years had been completed and results would be available in January.

RESOLVED that Cabinet:

- 1. Note and comment upon the performance of the key corporate performance indicators in particular those areas which are IN FOCUS.**
- 2. Note and comment upon the progress in relation to the key corporate priority activities for 2016/17.**
- 3. Identify any areas which require additional consideration.**

65. Petitions submitted by Members of the Public

There were no petitions submitted.

66. Questions from Non-Executive Members

The Leader of the Council advised that no questions had been submitted from Non-Executive Members.

67. Matters Referred to the Cabinet for Consideration by an Overview and Scrutiny Committee

The Leader of the Council informed Members that no matters had been referred to the Cabinet by an Overview and Scrutiny Committee.

68. Air Quality and Health Strategy (Decision 01104390)

The Cabinet Member for Transport & Highways introduced the report and stated that in 2015, a decision was taken by Thurrock Council to develop an integrated Health and Air Quality Strategy through which to tackle the health problems associated with and exacerbated by air pollution within the borough.

He continued by stating the overall strategic aim of the Strategy was to improve air quality in the borough and to reduce the health impacts of air pollution. Members were advised the strategy would be delivered through three main approaches:

- By implementing measures for managing air quality throughout the borough to prevent new Air Quality Management Areas (AQMAs) from arising;
- By implementing measures contained within the action plans for existing AQMAs; and
- By working with external bodies to reduce background pollution from inside and outside the borough.

Councillor B Little further advised that the strategy had been through the Planning, Transport and Regeneration Overview and Scrutiny Committee and their comments had been included.

The Portfolio Holder for Education and Health mentioned that there was only so much the Council could do on their own. He further mentioned that the GP Scorecard was improving provision, along with the health hubs the process in place was robust.

Councillor Hebb commented that the report was responding to need and not just desire and welcomed working with different partnerships. He continued to enquire what the Cabinet Member for Transport & Highways was doing in relation to idle parking and traffic emissions in the borough.

Councillor B Little, Cabinet Member for Transport & Highways, explained that work had been undertaken into looking at no idle parking zones and the use of yellow box junctions.

He continued by commenting that landscaping would also be looked into and that he welcomed comments from his fellow Members.

The Leader mentioned it was good to see that the Council was going the extra mile and not just ticking the boxes.

RESOLVED:

That Cabinet approved the Air Quality & Health Strategy and the associated delivery approaches (Appendix 1)

Reason for Decision - as stated in the report
This decision is subject to call-in

69. School Capital Programme 2017/18 and Lobby Team Update (Decision 01104391)

Councillor Halden, Cabinet Member for Education and Health, presented the report to Members informing them the report sought approval for up to £7 million funding to implement the next schools capital programme. He continued by explaining the programme would include secondary school expansions and possible expansion of a further two primary schools in 2017.

The Cabinet Member for Education and Health commented that the programme would give parents and children more choice of where they want to study. It was hoped it would assist in stopping children being sent across the borough for school.

Members were informed a Lobby Unit had been established to work with schools to lobby the Department for Education (DFE) to help deliver new free schools. Councillor Halden further informed Cabinet Members that Thurrock had national press coverage for its policy position of being pro-grammar schools. He continued that at least one hundred children attended grammar schools outside of the borough and that it was time to give the best choices possible to Thurrock's young people.

Councillor S Little thanked the Cabinet Member for his report and welcomed the idea of grammar schools in the borough.

Councillor Coxshall commented that he had concern if a postcode lottery was used as not all children would be offered the same education. He used the Harris Academy as an example. Councillor Halden stated that the use of a postcode lottery would enable children whose parents might not be able to afford, to send their child to a grammar school would also get the opportunity to the same education.

The Cabinet Member for Education and Health mentioned that schools were under pressure. He continued that St Clere's and the Ockendon Academy were good schools and could accept a greater number of children.

Both Councillors MacPherson and Tolson declared that they had children attending St Clere's Academy and the Harris Academy.

The Leader also declared that his partner volunteered at St Clere's Academy. He further thanked Councillor Halden for his report.

RESOLVED:

- 1. That a provisional School Capital Programme budget of £7 million as set out in this report be approved.**
- 2. That authority subject to the Council's procurement rules delegate to the Director of Children's Services, in consultation with the relevant Portfolio Holder and Head of Legal, to commence, negotiate and award any contracts/agreements or documents incidental to the School Capital Programme within the budget as set out in this report.**
- 3. Cabinet note the work of the lobby unit and endorse the direction of travel.**

Reason for Decision - as stated in the report
This decision is subject to call-in

70. 2016/17 Capital Monitoring Report – Quarter 2 (Decision 01104392)

The Cabinet Member for Finance and Legal introduced the report to Cabinet highlighting the following points:

- Cabinet last considered the 2016/17 Capital Programme at its meeting on 7 September 2016;
- Since the last reported position, additional funding had been added to the programme and budgets had been profiled to realign them with expected spend;
- The report reflected the changes and set out the latest forecasted outturn position.

Councillor Hebb explained that Capital schemes and resources were identified in two specific categories Mainstream schemes and Specific schemes.

He continued to advise Members the forecast underspend was principally due to slippage/budget re-profiling on current schemes this was currently £16.894 million.

The Cabinet Member for Finance and Legal Services mentioned that the Council was 2.9 per cent off of its target for spend at six months.

The Leader of Council commented that Gloriana was a private organisation and Thurrock Council was a shareholder. He further commented that Council was investing in new housing stocks not just fixing existing homes.

RESOLVED That Cabinet:

- 1. Note the General Fund capital programme was projected to have available resources of £16.902 million as at 31 March 2017, with this funding carried forward to 2017/18 to fund schemes currently in progress or under development.**
- 2. Note the Housing Revenue Account capital programme was currently forecasting an overspend of £0.502 million, but work was being undertaken to eliminate this by the 31st March 2017.**

Reason for Decision - as stated in the report
This decision is subject to call-in

71. A13 Widening - Award of Detail Design and Construction Contracts (two contracts) (Decision 01104393)

Councillor Brian Little, Cabinet Member for Highways and Transport presented the report and notified Members that the widening of the A13 from two lanes to three in each direction from the A128 at the Orsett Cock to the A1014 of the Manorway was necessary to improve current flow.

He continued by stating as a part of the July 2014 Growth Deal, the Government provided a £5 million allocation for the development of the scheme, including an additional further £75 million in the scheme programme for delivery, subject to final business case approval.

The Cabinet Member mentioned that working alongside the Director of Environment and Place and the Portfolio Holder for Environment, he hoped works would be completed in the Autumn 2019.

Councillor Coxshall commented that this was another £80 million given to the Council in the way of grants in addition to funding for Growth, Schools and improving Junction 30.

RESOLVED:

That Cabinet delegated authority to the Corporate Director of Environment and Place in consultation with the Cabinet Member for Highways and Transport, subject to the Council's procurement rules and terms and conditions being approved by the Section 151 Officer and the Monitoring Officer to:

- Enter into an agreement with the Department for Transport (DfT) with respect to funding provided by the DfT for the A13 Widening scheme.**

- **Award contracts for the detail design and the construction for the A13 Widening.**
- **To award any further contract(s) for the provision of works and services to progress the A13 Widening scheme.**
- **To acquire or accept dedication of any land required for the A13 Widening.**

Reason for Decision - as stated in the report

This decision is not subject to call-in (Chapter 4, Part 3, paragraph 10.14 (d)).

72. Medium Term Financial Plan - Quarter 2 (Decision 01104394)

The Portfolio Holder for Finance and Legal Services delivered the report outlining the update on the forecast 2016/17 outturn position as at the end of September 2016.

He continued by stating current projections indicated an over spend of £0.240 million. Members were informed to achieve this position was dependent on in-year mitigating action being identified to be within budget by the end of the year.

Councillor Hebb informed Cabinet the Housing Revenue Account budget, agreed by Cabinet in February 2016, was forecasting an over spend of £0.491 million for 2016/17. He continued to advise that Officers were reviewing proposals.

The Cabinet Member for Education and Health thanked the Portfolio Holders for Finance & Legal Services, Environment and Transport & Highways for Clean it, Cut it, Fill it. They had driven change and kept on top of the budget.

Councillor Hebb explained that the scheme had not cost a fortune and was best for residents. He continued by thanking the Director of Environment and Place and his team.

Councillor S Little stated that when she took responsibility for her Portfolio there was already a £5 million over spend, she had since reduced that to £4.1 million.

She continued by explaining Children Services had paid for iMPower to look at the service and see where improvements could be made. Since October 2016 changes such as lower case loads for Social Workers and seeking other ways to help children other than to admit them into care.

The Leader commented that the Clean it, Cut it, Fill it scheme had been a success and Officers were going above and beyond to ensure that the streets were kept clean and this was being recognised by residents.

RESOLVED That Cabinet:

- 1. Noted the forecast outturn position for 2016/17 and the mitigation required in order to manage existing pressures; and**
- 2. Agreed the funding of £0.190 million to extend the Clean it, Cut it, Fill it initiative to 31st March 2017.**

Reason for Decision - as stated in the report
This decision is subject to call-in

73. Treasury Management 2016/17 Mid Year Report (Decision 01104395)

Councillor Hebb addressed Cabinet Members highlighting the following:

- The report confirmed that the Council was within the prudential indicators as agreed by Council in February 2016 and continued to contribute, through both reduced costs and increased income, towards the council's objective of financial sustainability;
- As of the end of September 2016 the Council had invested £130.5 million. These included overnight investments, other investments and fund managers; and
- The Council had invested in a further long term opportunity through a loan to a solar energy investment company.

The Cabinet Member for Finance and Legal Services brought Members attention to the finance implications which highlighted in 2016/17 the overall impact to the General Fund was £3.097million which was a favourable position of £0.894million.

RESOLVED:

That Cabinet noted the results of Treasury Management activities undertaken in the first half of 2016/17.

Reason for Decision - as stated in the report
This decision is subject to call-in

74. Annual Report of The Director of Public Health 2016 (Decision 01104396)

The Cabinet Member for Education and Health started by praising the work of the Director of Public Health and his team for all of the hard work they have carried out.

He continued by informing Cabinet that the data produced and collected can be used to look at hospital admittance, to see if primary care given could have or should have been improved. The data could also be used to see if hospital admittance by ambulance was for genuine reasons or as a taxi service for an appointment.

Councillor Halden mentioned that working alongside the local Sustainability Transformation Plan (STP) allowed for transforming the Health Service and the Cabinet Member advised he was working with his counterparts at Southend Borough Council and Essex County Council.

It was mentioned by the Leader that it was important to analyse data, so to ensure that past mistakes were not repeated.

RESOLVED:

- 1. That Members noted and support the contents and recommendations made in the report and support its publication.**
- 2. That Members support political leadership across the local Health and Social Care system and through our local Sustainability and Transformation Plan (STP) to deliver the report's recommendations. These include:**
 - Delivery of a new model of Primary Care to address under-doctoring and capacity issues.**
 - Mechanisms to case find and diagnose patients with long term conditions.**
 - Significant improvement of the management of long term conditions in Primary Care including the implementation a GP Long Term Conditions Management Scorecard.**
 - Recommendations to reduce inappropriate A&E attendances and avoidable A&E admissions.**
 - Recommendations to reduce delayed transferred of care from the NHS to Adult Social Care.**
- 3. That members agreed that the recommendations from the Annual Public Health Report be mixed within a "Principles Document" to form a "Thurrock Ask" from NHS England.**
- 4. That members support the proposed re-procurement of a new Integrated Healthy Lifestyles Service with a stronger focus on young people's health in order to break generational health inequalities.**
- 5. That the Health and Wellbeing Board acts as the Primary Delivery Arm for implementing the recommendations within this report, and the objectives within the Health and Wellbeing Strategy.**

Reason for Decision - as stated in the report
This decision is subject to call-in

75. Environmental Enforcement (Decision 01104397)

Councillor Pauline Tolson, Portfolio Holder for Environment, delivered the report to Members informing them the Environmental Enforcement Team was

a small team consisting of just two Officers and that a private enforcement company (Kingdom) was now operating in the Borough.

She continued by notifying Members that fines for littering were being issued around the borough. At present fines being issued to 18 year olds plus, however should it transpire that more under 18 year olds were littering Officers would relook at the fines issued.

Members were advised that the Council was charging for clearing fly tipping on private land. The Portfolio Holder made it clear that the Council does not have responsibility for clearing alleyways.

Councillor S Little thanked the Portfolio Holder for Environment for her report and commented that she had received 2 new bins for dog fouling for her ward.

Councillor Halden commented that it was reported on social media within the first day of Kingdom working in the Borough that 64 fines were issued. The Portfolio Holder for Environment confirmed this was the case with 15/17 being issued within the first hour.

The Leader mentioned that it was an administration promise which was being delivered by Members and Officers.

RESOLVED that Cabinet:

- 1. Noted the progress made on improving environmental enforcement work since July 2016.**
- 2. Agreed to the development of an environmental enforcement strategy based on the proposals outlined in this report, in paragraphs 3.6 – 3.9.**

Reason for Decision - as stated in the report
This decision is subject to call-in

76. Tilbury Community Led Local Development (Decision 01104398)

The Cabinet Member for Regeneration presented the report to Members and in doing so, highlighted the following:

- Community Led Local Development (CLLD) focused on the areas with high levels of deprivation and the two Tilbury wards. Tilbury St Chads, Tilbury Riverside & Thurrock Park had been identified as having amongst the highest levels of deprivation in the borough; and
- At the same time providing a contiguous area that included significant and emerging employment opportunities through the expansion of Tilbury Port.

Councillor Coxshall commented that the 5 strategic actions of the strategy were:

- Supporting local people to access local jobs.
- Tackling the barriers facing people furthest from the labour market.
- Stimulating local businesses, SME's, micro-enterprises and social enterprises.
- Improving local infrastructure for residents and businesses.
- Encouraging local civic action, pride and volunteering as routes into work.

The Leader commented that volunteering was not an easy option however it could assist with gaining employment.

RESOLVED:

- 1. That Cabinet noted the priorities and strategic actions identified within the CLLD strategy; and**
- 2. Given in principle approval that the Council takes on the role of the Accountable Body in the full applications to the EU funding streams.**

Reason for Decision - as stated in the report
This decision is subject to call-in

The meeting finished at 8.21 pm

Approved as a true and correct record

CHAIR

DATE

Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk

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11 January 2017		ITEM: 10 (Decision 01104399)
Cabinet		
Domiciliary Care - New Service Model and Procurement		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor Sue Little, Portfolio Holder Adult and Children's Social Care		
Accountable Head of Service: Les Billingham, Head of Adult Social Care		
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health		
This report is Public		

Executive Summary

The purpose of this report is to inform Cabinet about the new service model for domiciliary care in Thurrock and agree to commence the procurement of this new service.

It explains the current national and local domiciliary care situation and the impact this is having on the delivery of domiciliary care in Thurrock

The report details the new direction of travel to support people at home highlighting the new approach, Living Well at Home, as an integral part of the second phase of Building Positive Futures. It provides an update on the progress of the Living Well at Home project and how the current difficulties have impacted on the delivery and implementation on our pilot of that new approach.

The report sets out the procurement timetable which is scheduled to begin on the 16th January 2017.

1. Recommendation(s)

Cabinet are asked to:

1.1 Agree the future redesign of the service model to support people to live well at home

- 1.2 **Agree to commence the procurement for domiciliary care services and delegate the award of the contract to the Corporate Director of Adults, Housing and Health in consultation with the relevant portfolio holder.**
- 1.3 **Agree a 6 month extension to the current domiciliary care contract from the 1st April 2017 until the 30th September 2017.**

2. Introduction and Background

- 2.1 In June 2016 and November 2016, reports were presented to Health and Wellbeing Overview and Scrutiny Committee updating members regarding the current domiciliary care market in Thurrock and outlining the new service model and procurement timeline. On both occasions Health and Wellbeing Overview and Scrutiny agreed with the direction of travel and commissioning intentions. They reported the pressures locally and nationally being experienced by domiciliary care providers. Locally the termination of one contract and a failing Care Quality Commission (CQC) inspection of a spot commissioned provider resulted in 1,620 hours being brought back to be delivered internally through the creation of Thurrock Care at Home, Thurrock Council's internal domiciliary care service.
- 2.2 Thurrock Council's declared basic rate is currently set at £13 per hour for domiciliary care (enhancements are paid known as resilience payments to reflect complexity and market pressures). Compared to neighbouring Local Authorities and the Eastern Region Thurrock's rate is considerably less. All Local Authorities are currently reviewing the rate for home care, but many are starting at a much higher point.
- 2.3 The UK Homecare Association (UKHCA) published a report in October 2016 called 'The Homecare Deficit 2016' which updated The Homecare Deficit report published in March 2015. This report highlights the extent of under-funding for domiciliary services for older people across the United Kingdom, with 9 out of 10 Councils failing to pay a "realistic price" for homecare. The UK Home Care Association calculated the minimum price councils should be paying was £16.70 per hour and that anything less than this can cause instability to local markets, resulting in low pay and poor working conditions for the domiciliary care workforce.
- 2.4 The Care Quality Commission (CQC) report: 'The State of Care 2015/16' has stated that Adult Social Care services across the country are approaching a tipping point which is impacting on quality and putting immense pressure on hospitals and other health and community services. This reflects what is happening here in Thurrock. As is evident, domiciliary care providers nationally are in a state of crisis and realise through both the outcomes of the UK Homecare Association Report: 'The Homecare Deficit' (March 2015) and the findings of the Burstow Commission Report: 'Key to Care' (December 2014), that change is required. However, fundamental change is difficult to achieve when providers are in a cycle of trying to provide a service with the challenges of capacity, ability to recruit and retain staff, concerns about

funding levels and working to a contract that we recognise is not fit for purpose due to low level declared rate and large geographical areas. As such, we want to work with providers to move to a better way of delivering care.

- 2.5 Thurrock Council currently commissions on average 4300 hours of care per week. With 1900 of this being provided in house and 2400 hours being provided externally. Like our external providers Thurrock Council is struggling to recruit care staff within the area.
- 2.6 In May 2016 CQC inspected the Joint Reablement Team issuing them with 'Requires Improvement' status and a warning notice to Thurrock Council. An action plan was created and overseen by senior management to ensure that the service was brought back up to standard. During the delivery of the improvement plan it became apparent that inherent problems regarding quality and delivery of support had been transferred to the Council by creating Thurrock Care at Home to deliver the hours transferred from commissioned providers. The concerns resulted in a self-embargo of Thurrock Care at Home in September 2016, this meant that no new care packages would be delivered until the quality of the service had been significantly improved. A follow up inspection of the Joint Reablement Team was completed in November 2016 by CQC who found improvements from the implementation of the action plan and are confident that any breaches in the regulations have been addressed resulting in CQC removing the warning notice.
- 2.7 The self-embargo and decreasing capacity within the system has resulted in a waiting list being created for service users to receive support. This list is risk assessed on a daily basis and care is allocated to those in highest need. The waiting list has resulted in delayed transfers of care from hospital which is a significant concern rarely experienced in Thurrock until the last few months.
- 2.8 The current domiciliary care contract was procured in April 2014 and awarded for three years with the facility for a one year extension, the contract was for the successful providers to deliver services across the whole of Thurrock. It is clear that the current contract pertaining to price and geography is not delivering a sustainable service. This has been evidenced through one provider giving notice on the contract, the over use of spot commissioning and the extensive travel time between visits putting additional strain on providers. Following detailed discussions with other local authorities and the anticipated increase in demand, the 'Living Well at Home' commissioning approach was created to support residents of Thurrock to feel empowered and live well at home.

3. Issues, Options and Analysis of Options

- 3.1 The 'Living Well at Home' vision followed much research into approaches by other local authorities; in particular Suffolk, Wiltshire, Torbay and Calderdale. It also incorporates the lessons that have been learnt from the successful Building Positive Futures transformation agenda in creating communities that support health and wellbeing, creating homes and neighbourhoods that

support independence and creating the social care and health infrastructure to manage demand.

3.2 Living Well at Home is incorporated within the vision of the next phase of Transforming Adult Social Care, Living Well in Thurrock. Living Well In Thurrock compliments Thurrock's CCG 'For Thurrock in Thurrock' approach and has four key principles :

- Reducing inequality in health and wellbeing
- Prevention is better than cure
- Empowering people and communities and
- Connected services.

Living Well in Thurrock is concerned with providing good quality services and providing Thurrock's residents with the best opportunities to remain well and achieve a good life. The three key elements include:

- Creating stronger communities
- Building for Health and Housing
- Services that enable people to achieve a good life.

Living Well at Home's aim is to enable people to achieve a good life by the development of a new approach to domiciliary care and creating neighbourhood based solutions which include a mixture of formal and informal responses to the outcomes an individual wishes to achieve.

3.3 More people than ever require care and yet there is difficulty both nationally and locally recruiting and retaining staff. There are also capacity issues which are worsened by staff having to travel to different parts of the borough to deliver support. This means that they don't get to know the people of the local area or the alternative services as well as they could. As such, the Council wants to redesign how care and support is delivered, moving away from traditional services and anchoring it in the local community.

3.4 There will be a lead provider in each area who will be expected to engage and collaborate with other organisations and support the development of local resources/solutions where there is a gap. The provider is also expected to work with people in the area who do not currently meet the Council's eligibility criteria for domiciliary care but whom are considered vulnerable and may require adult social care in the future without some form of intervention now (they may be in receipt of a lower level intervention e.g. equipment, assistive technology, meals on wheels) to prevent the need for formal services in the future.

3.5 By changing the way care is organised and looking for solutions for people in their local community, the Council encourages the improvement of services people receive, ensuring that people feel part of their community and are as independent as possible. The support will enable a range of outcomes that are important to the person to be met, this may include, leisure, meeting

nutritional needs, social contact (including reducing social isolation and loneliness), enabling religious belief together with many other aspects of community life.

3.6 As part of this redesign, we will be achieving :

- less reliance on formal services thereby containing demand,
- increased access to the local community for socially isolated people,
- reduced travel for staff and thereby cost,
- increased independence for service users
- providers who are part of the community they work in, who are aware of the resources available locally
- staff who are able to signpost and support service users to access a wide range of organisations and groups. Also an increase in recruitment and retention of staff as providers and the caring role will take a more central role in the local community.
- an increase in the number of micro enterprises.

3.7 To support the development of the redesign of the service, a pilot is being implemented in partnership with the community, the voluntary sector, housing and health. The evaluation of this pilot will influence the commissioning intentions and will be testing our initial ideas about the redesign of the service.

3.8 In June 2016, Health and Overview and Scrutiny Committee report it was noted that a pilot would commence within the South Ockendon area. A short procurement exercise was completed in early August 2016 and was evaluated by the voluntary sector which awarded the pilot to Thurrock Care at Home. Due to the self-embargo imposed on Thurrock Care at Home it was considered inappropriate for the pilot to be awarded to them. The decision was taken to award the pilot to the two other providers who put forward a bid. This has allowed close working between the voluntary sector and private providers.

3.9 Due to the time frame for procurement and existing provider and service user relationship, two areas have been identified to undertake the pilot. The areas are Stifford Clays and Corringham. The pilot commenced in early November 2016 and we will be evaluating the outcomes which are meeting individual needs and connecting people with their local community.

3.10 To ensure that the pilot informs the commissioning intentions, an extension to the current contract is required so that a comprehensive evaluation can be reflected within the specification. Additionally this will provide some stability to current internal services. The extension will be required from the 1st April 2017 until the 30th September 2017.

The redesign of domiciliary services focuses on delivering care and support in a different way to how it is delivered currently. As noted a Thurrock wide service with the current declared hourly rate means the market is not

sustainable. The proposal is to create a specification that details the successful providers are lead providers in each locality and that they coordinate the domiciliary support and community support within each locality.

There will be three level of need and support identified :

- a. high support needs where bespoke packages of care will be developed;
- b. standard support needs where the more traditional domiciliary services will be delivered and
- c. moderate / community support needs which will focus on community connections and early intervention and prevention.

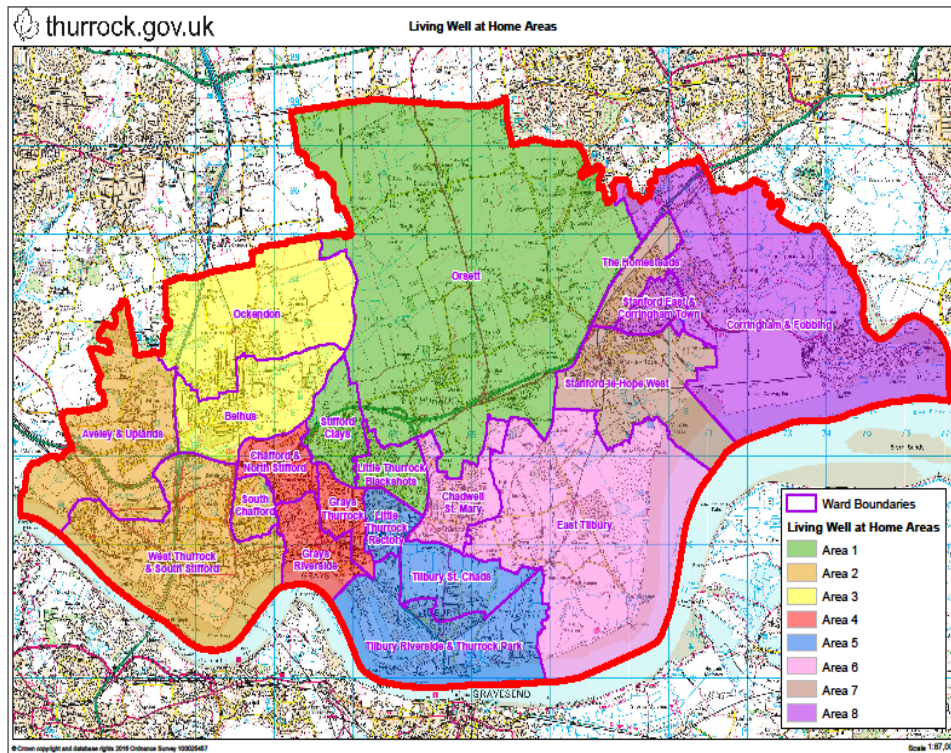
We considered whether to have a declared rate or a tendered rate. The option for a tendered rate is considered the most appropriate choice both locally and regionally. This allows potential providers to set a competitive rate. The tendered rate will apply to the higher and standard rate while an alternate funding method will be required for the moderate / community level – we will be looking for innovative solutions from the tenderers. However, there will be consistency of charging across Thurrock.

As regards our own in-house service we will take a decision based on the tenders received as to whether this is maintained. It is the current officer view that this allows us the flexibility to respond to emergencies and should be focussed on the area least popular with tenders received.

The proposed localities for the delivery of domiciliary care under the new contract are detailed below based on the wards and health super output areas which mean that services will be delivered more locally reducing travel time and ensuring more community focus.

In order to ensure that we don't end up with a situation where one provider totally dominates the market we will also be restricting the number of lots that a provider can be awarded, so providers will be asked to express an interest in the geographical areas they have a preference for. The existing out of hours contract operates on a Borough wide basis. In order to ensure that there is consistency and because of economies of scale we will be going out to tender for this as a single borough wide lot.

The proposed geographical boundaries are detailed below :



Area 1		Area 5	
Ward	CCG Locality	Ward	CCG Locality
Stifford Clays	Grays	Little Thurrock Rectory	Grays/ Tilbury
Little Thurrock Blackshots	Grays Tilbury	Tilbury St Chads	Tilbury
Orsett	Grays / Corringham	Tilbury Riverside and Thurrock Park	Tilbury
Area 2		Area 6	
Ward	CCG Locality	Ward	CCG Locality
South Chafford	Grays	Chadwell St Marys	Tilbury
West Thurrock and South Stifford	South Ockendon / Grays	East Tilbury	Tilbury
Aveley and uplands	South Ockendon		
Area 3		Area 7	
Ward	CCG Locality	Ward	CCG Locality
Belhus	South Ockendon	Stanford Le Hope West	Corringham
Ockendon	South Ockendon	The Homesteads	Corringham
Area 4		Area 8	
Ward	CCG Locality	Ward	CCG Locality
Chafford and North Stifford	Grays	Stanford East and Corringham Town	Corringham
Grays Riverside	Grays	Corringham and Fobbing	Corringham
Grays Thurrock	Grays		

3.12 The procurement timeline for Living Well at Home is as follows:

Selection Questionnaire Published	16 Jan 2017
Selection Questionnaire Closing	17 Feb 2017
Selection Questionnaire Evaluation	To 13 Mar 2017
Invitation To Tender Issued	13 Mar 2017
Invitation To Tender	21 Apr 2017

Closing	
Invitation To Tender Evaluation	To 22 May 2017
Notification of result	24 May 2017
Final award	7 June 2017
Contract starts	1 st October 2017

4. Reasons for Recommendations

- 4.1 For Cabinet to agree the future redesign of the service model to support people to live well at home
- 4.2 Agree the procurement for domiciliary care services.
- 4.3 To agree a 6 month extension to the current domiciliary care contract from the 1st April 2017 until the 30th September 2017

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 Two successful soft market testing events have been held to stimulate the market. Our current providers and other potential providers within the market attended and participated in a workshop style forum. A further market engagement event was held on the 1st December 2016, potential providers attended and engaged in discussions about the proposed model, levels of support and price development. This is a collaborative approach to achieve the living well at home vision which has been very much appreciated by providers.
- 5.2 The Engagement Group which has been formed across Social Care, the CCG and the voluntary sector to guide consultation will support the design of further engagement with service users and the wider community to ensure that what is important for people who receive care at home is included within the project.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 Although this could impact on all five strategic priorities, it mainly focuses upon priority four 'Improve health and wellbeing'.

7. Implications

7.1 Financial

Implications verified by: **Jo Freeman**
Management Accountant (Social Care & Commissioning)

There are significant pressures facing Adult Social Care. The 2016-17 budgets already reflect the Thurrock Care at Home function being carried out in-house and increase in National Living Wage. Pressures in Adult Social Care have been included in budget monitoring reports presented to Directors Board on a monthly basis. More long-term financial implications of further transformation within the service will be provided as the procurement process progresses.

7.2 Legal

Implications verified by: **Paul O' Reilly**
Projects Lawyer

The Legal Services Officer has discussed the issues and potential service model options as may arise from the pilot with the authors of the report and the Living Well team and can advise that all options are feasible and achievable under legal and procurement procedures and good practice. Legal Services will support the Living Well team throughout the pilot stage and the further procurement exercise as required to ensure the success of the project and reduction of risk to the Council.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Community Development and Equalities Manager

Community support provided through domiciliary care enables some of our borough's most vulnerable residents to remain independent, including older people, and people with disabilities. As highlighted by the pilot planned for Living Well at Home, it is essential that the voice of the resident drives the principles for how we transform the service in the future. A review will aim to improve efficiency whilst ensuring that the new offer remains person centred.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

Not applicable

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Health & Wellbeing Overview and Scrutiny Committee Report: '*Domiciliary Care Update*' 9 June 2016 and November 2016

9. Appendices to the report

- Appendix 1 – Procurement Report for Domiciliary Care

Report Author:

Michelle Taylor

Commissioning Officer

Adults, Housing and Health

PROCUREMENT STAGE 1 – APPROVAL TO PROCEED TO TENDER

This form must be completed for all procurements above the tender threshold (£75,000 - Services and Supplies and £500,000 – Works)

If contract value is over Cabinet approval threshold (£750,000) this form shall be attached with the request to tender report to Cabinet. This form will be “Open” for Publication.

Section A: ABOUT THIS PROCUREMENT	
Title	Living Well at Home
Directorate	Adults, Health and Housing
Procurement Reference Number	PS/2015/051
Contract Cost (Maximum Spend)	estimated maximum cost (whole life) for the initial term - £14.9 M plus two years extensions - £10.4 M
Budget code(s)	SE200, SM200, SL200, SP200, SE499
Introduction and Background	<p>Thurrock Council would like to commission a Living Well at Home Service that is focussed on increasing independence and on deliver better outcomes for service users.</p> <p>Living Well at Home is the development of a new approach to domiciliary care by creating neighbourhood based solutions which include a mixture of formal and informal responses to the outcomes an individual wishes to achieve.</p> <p>The Living Well at Home will provide support to vulnerable adults to remain living in their own home by providing personal care and practical support ensuring home care services throught the borough will ve covered 365 days of the year 24 hours a day.</p> <p>Living Well at Home will deliver a flexiable model of support, where the service provider works with other organisations and groups in the local community to ensure people get the right support in the right place at the right time</p>
Proposed Contract Term	3 years with the option to extend for up to an additional 2 years
Political Sensitivity	N/A

Section B: COMMISSIONING REPORT

Business Case	Please see attached Cabinet Report
Key Deliverables (Draft Specification)	Draft specification is currently under development this will include deliverables outcomes and performance measures to meet Adult Social Care's requirements of the Care Act 2014 and Thurrock Councils Market Position Statement.
Quality v Price evaluation	60:40
Social Value	Social value will be explored as part of the quality criteria.
Current / Previous Contract details	PS/2010/032 – Homecare Tender Lot 1, 2 and 3

FINANCIAL IMPLICATIONS

Current / Previous Contract Cost	Thurrock Council's declared basic rate is currently set at £13 per hour for domiciliary care (enhancements are paid, known as resilience payments to reflect complexity and market pressures)					
Cost Breakdown	Breakdown of Estimated Cost	16/17 £000's	17/18 £000's	18/19 £000's	Later £000's	Total £000's
	Total Spend	£	£	£	£	£
Confirm Funding Breakdown Identified	Revenue Budget	£	£4,758	£4,966	£ 5,173	£14,897
	Capital Budget	£	£	£	£	£
	Other (Please State)	£	£	£	£	£
	Other (Please State)	£	£	£	£	£
	Total Funding	£	£ 4,758	£ 4,966	£ 5,173	£14,897
Budget Code(s)	SE200, SM200, SL200, SP200, SE499					
Unsupported borrowing?	N/A					
Other Financial Implications	The overall budget for the delivery of Domicillary Homecare is 4.3m in 2016-17 with identified pressures of 350k (total estimated spend for 16-17 4.6m). This includes the externally commissioned service and the delivery of our in-house service Thurrock Care at Home. There are additional pressures in forthcoming years relating to the implementation of the National Living Wage. It is not envisioned that savings will be made through the tendering of this contract as it is a complete service remodel – savings may be realised elsewhere in ASC as a result of this tendering process and updates will be provided as the process progresses. The above figures do not include any assumptions around demographic growth.					

PROCUREMENT ROUTE ABOVE TENDER THRESHOLD (Choose 1(of A, B, C or D) only)	
A. COMPETITIVE PROCUREMENT (complete B if a Framework)	
Procurement Route	EU Restricted Tender
Procurement Justification	This route has been chosen because the services is classified as ‘Social and Other Specific Services’ under CPV codes 79622000 and 85000000. The procurement process will follow the Restricted Procedure due to the expected high level of interest in the contract.
B. FRAMEWORK (Waiver in accordance with Rule 13.1 (c))	
Framework?	Is this a procurement from a Framework? No
Title & Reference of Framework	N/A
Framework Rationale	N/A
C. REQUEST FOR QUOTE FROM RESTRICTED MARKET (Waiver in accordance with Rule 13.1 (d))	
Restricted Market?	Is this a request for quotes from a restricted market? No
Rationale (only permitted below the EU threshold)	N/A
D. SINGLE SOURCE REASON (Waiver in accordance with Rule 13.1 (a, b or d))	
Single Source	Is this Procurement a Single Source – One Quote/Tender <i>(Exceptional circumstances only and select reason below)</i> No
Single Source justification below EU Threshold	<i>Select reason and explain your rationale</i> N/A
Single Source justification above EU Threshold	If you are seeking a single tender above the EU threshold – using the “Negotiated Procedure without Prior Publication” route, this is only available in very exceptional circumstances. You must select the reason below and explain your rationale. N/A
Single Source Rationale	N/A.

PROCUREMENT TIMETABLE, RISK, CONSULTATION AND MANAGEMENT						
Milestones and target dates <i>(Draft)</i>	Key Event					Date
	Publication of Contract Notice or Advert					16 January 2017
	Return of PQQs (omit if not applicable)					17 February 2017
	Issue of Invitation to Tender					13 March 2017
	Return of Tenders					21 April 2017
	Notification of Results					24 May 2017
	Standstill Period (omit if not applicable)					10 Days
	Leaseholder Consultation (omit if not applicable)					N/A
	Expected date of Award					07 June 2017
	Contract Commencement					01 October 2018
Risk Management – Set out Main Risks and Mitigating Actions						
	Risk	Likelihood (A – E)¹	Impact (I – IV)²	Level of Risk (High to Lower)³	Potential Negative Impact	Management / Mitigation of Risk
Tender Process Risks						
	Non – adherence to procurement timetable	C	III	CIII	Contract does not commence on time	Commissioning Lead will ensure timelines are adhered to. Procurement timetable has been developed to allow for any delays
	Non compliance with procurement and legal and legal regulations	D	II	DII	Council is open to challenge	Commissioning Lead will involve colleagues in Legal and Procurement to ensure compliance with Procurement regulations and the Councils Consitution
	Enter Risk	L	I	Level	Impact	Mitigation
Contract Performance Management Risks						
	Contract is not appropriately managed	D	III	DIII	Provider fails to deliver against contract	There will be key measurements, outcomes and timescales detailed within the contract, with robust contract management arrangements. There will be designated staff within the Commissioning and Contract management teams with responsibility for full oversight of this contract.
	Financial viability of provider	D	II	DII	Provider is unable to operate	Financial viability of the provider will be tested through the procurement stage including a business plan for the full term of the contract
	Enter Risk	L	I	Level	Impact	Mitigation
Contingency Arrangements	Enter your contingency arrangements (including requirements under the Civil Contingencies Act 2004) for any delays or problems with the procurement process or when the contract is in place.					

¹ **Risk Likelihood:** A = Very High, B = High, C = Significant, D = Low, E = Very Low

² **Risk Impact:** I = Critical, II = Significant, III = Marginal, IV = Negligible

³ **Risk Level:** High = AI, BI, All, BII, CI, CII, all others lower

Consultation	<p>Two successful soft market testing events have been held to stimulate the market to the idea of living well at home with current and potential providers. A further engagement event was held in December to discuss the proposed model, level of support and price development. Service user will be consulted as part of the finalisation</p>
Project and Contract Management Proposals	<p>A project plan has been created by the commissioning lead with timetabled working groups, deliverables and milestones to ensure both the procurement and operational phases are managed and adhere to the timeframe. Key Stakeholders attend the project board and are including within appropriate working group.</p>
Procurement Comments	<p>This contract will exceed the EU threshold for services that fall under the Light Touch Regime, therefore a full tender process will be carried out and advertised in the OJEU. The restricted procedure has been chosen due to the expected high level of interest in the contract and the need to shortlist tenderers. In following this process the Council will be adhering to EU regulations and the Council's own Contract Procedure Rules.</p>

Section C: LEGAL, FINANCE AND PROCUREMENT APPROVAL

Procurement Services	Name	Kiri Mason
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	22/12/2016
Legal Services <i>(Insofar as it relates to Legal implications)</i>	Name	Paul O'Reilly
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	22/12/2016
Finance <i>(Insofar as it relates to Finance implications)</i>	Name	Jo Freeman
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	22/12/2016

Section D: APPROVAL TO PROCEED VALUE

The Responsible Officer must sign the form, together with the Head of Service as a minimum. Delegated Authority Limits below.

Approval Level	Over £750,000 - Cabinet
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Section E: SIGN OFF APPROVAL TO PROCEED

Confirmation by the Responsible Officer of Compliance with Contract Procedure Rules	The Responsible Officer Michelle Taylor confirms that the procurement of Living Well at Home and PS/2015/051 has been carried out in accordance with Rule 5 of the Council's Contract Procedure Rules (Chapter 9, Part 2 of the Constitution) and in particular the following duties have been met by the Responsible Officer: <ul style="list-style-type: none"> • Compliance will occur with all regulatory or statutory provisions and the Council's decision making requirements • The Contract will be included on the Council's Contract Register • Value for Money will be achieved • Advice has or will be sought from the Director of Finance and Corporate governance as to an appropriate security bond or guarantee • Document Retention Policy has and will be complied with • Financial Evaluation will be made of all the proposed tenders including the recommended bidder • Advice has been and will be sought and followed from Procurement, Legal and Finance as necessary 	
	Signed	
	Date	Click here to enter a date.
Approval to Proceed	In accordance with the Contract Procedure Rules, I/we confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13	
Head of Service	Name	Les Billingham
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Corporate Director <i>I confirm that the Portfolio Holder has been consulted as required</i>	Name	Roger Harris
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Director of Finance and IT <i>If waiver required</i>	Name	Sean Clarke
	Signed <i>(Or obtain email of confirmation)</i>	
	Date	Click here to enter a date.
Cabinet	Approval Minute Number	Enter minute reference
	Date	Click here to enter a date.
<i>Now send complete form to Procurement Services signed and scanned (with emails if used)</i>		

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11 January 2017	ITEM: 11 (Decision 01104400)
Cabinet	
Local Council Tax Scheme	
Wards and communities affected: All	Key Decision: Key
Report of: Councillor Shane Hebb, Cabinet Member for Finance	
Accountable Head of Service: Sean Clark, Director of Finance and IT	
Accountable Director: Lyn Carpenter, Chief Executive	
This report is Public	

Executive Summary

Since 1 April 2013, the Council has maintained a local Council Tax Reduction scheme. This replaced the national Council Tax Benefit scheme, which ended on 31 March 2013. Council Tax Reduction helps provide support to council taxpayers who have a low income. It supports the taxpayers by providing a reduction in the actual amount in Council Tax payable.

The current Local Council Tax Support (LCTS) scheme was implemented on 1 April 2016. Thurrock Council agreed its current scheme through a public consultation exercise informed by cross party Members working groups. The resulting scheme was agreed by both Cabinet and the Council.

The proposed design of the scheme for 2017/18 builds on the existing scheme and the proposed changes align with central government changes to the Housing Benefit and Universal Credit regulations. These changes are reflective of incentivisation to seek employment which meets personal spending requirements while also simplifying the administration of the scheme. We have considered the proposed changes in consultation with other Essex authorities. We have also considered that the proposals balance cost savings with maintaining a scheme that is reasonable and fit for purpose.

There are six proposed changes to the existing scheme which are outlined in section 3.4. The proposed changes numbered 1, 2, 3 and 5 are likely to reduce the amount of support available to individual claimants under the scheme and hence Cabinet are asked to decide whether to implement these proposed changes.

The proposed changes numbered 4 and 6 are not expected to impact on the support available to claimants, hence Cabinet are asked to approve these proposed changes.

A consultation on the proposed scheme has been completed. This was open to all residents and was promoted via Council channels including social media. It is noted the response rate has been low but the findings are included with each of the proposed changes.

The proposed scheme was considered by the Corporate Overview and Scrutiny Committee on 22 November 2016. The Committee agreed to support options 2, 4 and 6 but not options 1, 3 and 5 due to the financial impact on claimants. Cabinet are asked to note this response in their considerations.

The Committee also expressed concerns over the response rate to the consultation and requested a further report to consider the overall effectiveness of Council consultations.

It is also noted that the proposed changes 4 and 6 if approved will align to the equivalent Housing Benefit regulations at the point they are approved by Central Government. Members are advised that in the unlikely event that these changes are not effected by Central Government by 1 April 2017, that the Council's Council Tax Reduction scheme will not be amended for 2017 but will be amended from 2018.

1. Recommendations for the proposed scheme for 2017/18:

1.1 Cabinet are asked to consider if they support proposed change 1;

1.2 Cabinet are asked to consider if they support proposed change 2;

1.3 Cabinet are asked to consider if they support proposed change 3;

1.4 Cabinet are asked to consider if they support proposed change 4;

1.5 Cabinet are asked to consider if they support proposed change 5; and

1.6 Cabinet are asked to consider if they support proposed change 6.

2. Introduction and Background

2.1 The design of each LCTS scheme must be finalised by 31 January ahead of the relevant year to which it relates. Failure to provide a scheme by this date will trigger the implementation of a default Government scheme. The default scheme would require the Council to revert back to the level of support that would have been provided under the national Council Tax Benefit arrangements.

2.2 Local authorities will take on the risk that liabilities under LCTS exceed the amount projected for at the start of the relevant financial year. This risk is shared between billing and major precepting authorities with circa 15% of the

council tax collected by the Council being paid over to the Essex County Fire and Rescue Service and Essex Police.

2.3 The existing Scheme now contains the following elements:

- The first £25 per week of earned income will be disregarded when calculating levels of council tax support;
- The maximum capital limit is to be set at £6,000. This means anyone who has savings over £6,000 may not receive support with their council tax;
- For working age claimants, the maximum support that will be allowed will be 75% of their full council tax bill;
- Child benefit and child maintenance received will not be included as income in the calculation of council tax support;
- The maximum period a claim can be backdated under the scheme is 1 calendar month. A good reason for not claiming earlier has to be provided; and
- There is a full disregard of military compensation payments, including War Disablement Pensions, War Widow's Pension and Armed Forces Compensation Scheme payments.

2.4 We now have to consider the LCTS scheme for 2017/18. We recommend continuing with the existing 2016/17 scheme amended for some changes which will align the scheme with the requirements of Housing Benefit and the Universal Credit system. Members will need to decide if each proposed change should be adopted.

3. Issues, Options and Analysis of Options

3.1 From 2014/15, any specific funding for the LCTS scheme is rolled up into the main Revenue Support Grant (RSG) as provided to local authorities by the Government. It will be entirely for local authorities to decide how much they are prepared to spend on their LCTS scheme. Officers have considered the findings from the consultation undertaken recently which supported the proposed scheme for 2017/18. Officers have also reviewed the structure of the scheme and noted the cost of the scheme has reduced from £8.5m to approximately £8.0m since 1 April 2013. This has increased the Council Tax Base and reduced the cost of the scheme since inception. Given these findings officers recommend continuing the scheme based on the same principles with adjustments as recommended below.

3.2 Officers have had to consider changes to Housing Benefit Regulations and the ease of administration by having corresponding regulations for both schemes as far as possible. As the roll out of Universal Credit has slowed nationally, with the completion date of the project now extended to 2022. New

Housing Benefit legislation is now forming part of the Welfare Reform agenda, as this benefit will now continue until at least 2022. When Local Council Tax Support began in 2013 it was expected the Universal Credit would be rolled out by 2017 replacing Housing Benefit for Working Age customers.

- 3.3 Officers have maintained a close working relationship with other Essex authorities and have continued to work on the same principles that were originally agreed at the start of the LCTS schemes.
- 3.4 Some components of the LCTS scheme have been directed by Government such as:
- All low income pensioners will be protected under the national framework as defined by DCLG;
 - Consideration for protection for vulnerable working age groups will be allowed for; and
 - Each authority’s scheme will maintain work incentives wherever possible. The Government continues to stress the importance of this principle given the current economic climate and their welfare reform agenda.
- 3.5 We have undertaken a public consultation on possible changes to the scheme for 2017/18, which began on 15 August 2016 and closed on 26 September 2016. The survey attracted 254 “hits” but just 37 responses were received. These results largely support how the scheme has been structured and delivered to date. But officers are aware that the number of respondents is low.
- 3.6 Officers have considered that some of the options driven by changes to Housing Benefit legislation will reduce entitlement to support for some recipients. Members will need to decide if these changes are to be adopted. These are the proposed changes that were consulted on.

Proposed Change 1- Should the scheme be amended to align with Housing Benefit, namely that the Family Premium will not be granted for all new claims and for any ‘new’ families?

Under this change existing recipients will continue to receive this premium as long as they continue to be entitled to LCTS. The removal of the family premium applies to new claims only by working age claimants. The family premium for new pension age claims was removed in May 2016 as part of the national scheme for pensioners administered by DCLG. If this change is implemented then new working age claimants will receive a maximum reduction in entitlement of £3.49 weekly.

Consultation response in favour of change		Option 1
Yes	11	37%

No	9	30%
Don't know	10	33%
Total responses	30	

Proposed Change 2- Should the scheme change the temporary absence rules in line with Housing Benefit, to limit the timescale for Local Council Tax Reduction to be applied where an applicant leaves Great Britain for a period of greater than 4 weeks? Certain exceptions would be applied for armed forces personnel, mariners, continental shelf workers and for certain cases where an applicant is receiving care.

This change would mean that, if the Council is informed that a customer is traveling out of Great Britain for more than 4 weeks, entitlement to LCTS would end. When they return to the country the claimant could submit a new claim. This aligns with Housing Benefit legislation and is supported by the consultation response.

Consultation response in favour of change		Option 2
Yes	21	75%
No	3	11%
Don't know	4	14%
Total responses	28	

Proposed Change 3- Should the scheme set a minimum level of income for all Self Employed claimants (after a start-up period for newly self-employed of one year)? This could be equivalent to National Minimum (Living) Wage multiplied by 35 hours per week. This is line with the assessment of Self Employed income in the calculation of Universal Credit.

This change would apply an income equal to 35 hours work at minimum wage for all self-employed customers. This would currently mean using an income before tax of £252.00 weekly for all self-employed customers. This will be used if the income declared is less than this amount. This option is proposed to address the difficulty in verifying the declared self-employed income of claimants. It would also align our scheme with the assessment of self-employed customers receiving Universal Credit. It is possible that by using this level of income that support under the scheme would significantly reduce or end for a high number of self-employed customers.

Consultation response in favour of change		Option 3
Yes	10	38%
No	10	38%
Don't know	6	24%
Total responses	26	

Proposed Change 4- Should the scheme be amended in line with the regulations for claiming Housing Benefit and Employment and Support Allowance whereby the Work Related Activity Component will not be granted when calculating Local Council Tax Reduction for all new claims to Employment and Support Allowance on or after 1 April 2017? This amendment will not alter the amount of support awarded and is a change in line with Housing Benefit regulation amendments from April 2017.

Comment: This change will not affect the amount of the award. Customers who claim Employment and Support Allowance will lose their entitlement to the Work Related Activity Component. We will also take this component from the assessment of their needs when assessing their claim for LCTS. As both income and needs reduce by the same amount the resulting calculation will not change the amount of the award under the LCTS.

Consultation response in favour of change		Option 4
Yes	17	71%
No	1	4%
Don't know	6	25%
Total responses	24	

Proposed Change 5- Should the scheme be amended in line with Housing Benefit to restrict the number of dependants assessed in the calculation of claimants needs to a maximum of two? This change will have specific exceptions and will only affect new claims and those applicants who have a third or subsequent child on or after 1 April 2017. This change is in line with Housing Benefit regulation changes from April 2017.

This change restricts the number of child dependants to a maximum of 2 (with the exception of claimants who have multiple births such as twins or triplets that then mean they exceed 2 dependants) when assessing the needs of the claimant. Currently the needs assessment for claimants is increased by £66.90 per child, with no limit to the number of children. A customer's income is calculated and offset against the family's assessed needs. Hence the claimant will not receive increased support under the scheme if they have more than 2 children. This doesn't affect current claimants with more than 2 children and would only apply to new claims from 1 April 2017.

Consultation response in favour of change		Option 5
Yes	16	66%
No	4	17%
Don't know	4	17%
Total responses	24	

Proposed Change 6- Remove the entitlement to the Severe Disability premium where another person is paid Universal Credit carers' element to look after them. This would treat the Universal Credit carers' element the

same way as if there was an award of Carers Allowance. This amendment will not alter the amount of support awarded it is a change in line with Housing Benefit regulation amendments from April 2017.

Comment: Currently the Council award a Severe Disability Premium to customers who are currently living alone and have entitlement established by the DWP to a benefit to pay for medium to high rate care. This premium increases the needs used to assess an award of LCTS. We cannot award this premium if someone is claiming Carers Allowance to provide care for them. This change means if the claimant's carer has transferred to receiving the Carers Element of Universal Credit rather than Carers Allowance this will also mean that the Severe Disability Premium cannot be awarded. This change will mean that those customers who have previously qualified for the Severe Disability premium will continue to do so and is just aligning the system with the Universal Credit system.

Consultation response in favour of change		Option 6
Yes	17	71%
No	1	4%
Don't know	6	25%
Total responses	24	

4. Reasons for Recommendation

- 4.1 The changes proposed ensure the scheme remains affordable and easy to administer. They are not considered to impact significantly on collection rates. The collection rate for 2016/17 for council tax from those in the scheme was 96.26 percent. The design of the scheme, which builds in various protections and incentives, supports a high collection rate. In order to maintain collection rates many key elements of the scheme are unchanged in 2017/18.
- 4.2 The LCTS expenditure for 2015/16 was £7.9m. The expenditure for 2016/17 is estimated to be circa £7.9m of which circa £3.75m relates to claimants of pensionable age. The expected cost of the scheme for 2017/18 is proposed at £8.5m to allow for any potential additional cost to the scheme.
- 4.3 We have benefited in past years from an improving economy, with the movement of customers into work. The economic growth forecast has improved for the coming year but the impact of Brexit will need to be closely monitored.
- 4.4 The introduction of Universal Credit in the Authority for single unemployed people has not made any significant change to the amount of LCTS awarded to claimants.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 The LCTS is subject to an annual public consultation to seek views on the design and operation of the proposed scheme.
- 5.2 Appendix 1 contains highlights the 7 questions asked as part of the LCTS consultation and the answers received.
- 5.3 Appendix 2 contains comments received as part of the consultation.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 The Council is required to have a LCTS scheme and hence the proposed scheme meets this requirement. The scheme supports claimants in the community and ensures the revenue raised is collectible supporting the medium-term financial strategy.
- 6.2 The Council also has a fair debt policy and this is reflected in the collection of council tax from claimants in the scheme.

7. Implications

7.1 Financial

Implications verified by: **Jonathan Wilson**
Chief Accountant

The financial implications are set out in the body of the report. Any increases to the amounts billed to residents need to be balanced against likely collection rates. The overall amount to be provided by Government towards 2017/18 is now absorbed into the RSG. Consequently the scheme is funded within the overall grant funding but also needs to consider the fairness of individual measures and the financial needs of the Council. The MTFs is based on the current scheme. Should the proposed changes be adopted, there is an estimated increase in income due of £190k that, when discounted for uncollected amounts and contributions to both the Police and Fire & Rescue authorities, could contribute a further £100k to the Council's resources.

7.2 Legal

Implications verified by: **David Lawson**
Deputy Head of Law and Governance

The Council Tax Benefit system was abolished by Section 33 of the Welfare Reform Act 2012. The Local Government finance bill prescribed certain steps in the design of a local scheme, such as consultation and publication, and

enables the Secretary of State to introduce both regulations and guidance relating to local schemes. The Government has included regulations to ensure that pensioners will not lose or gain relative to the previous system.

The LCTS scheme must be ratified by full Council by the 31 January 2016 at the latest to enable the authority to implement the scheme from 1 April 2016.

7.3 **Diversity and Equality**

Implications verified by: **Natalie Warren**
Community Development and Equalities Officer

The Council has a duty as set out in the Equality Act 2010 to consider the equality impact of its policies and decisions. The LCTS can be claimed by anyone in the Borough meeting the eligibility criteria.

It is also noted a consultation on the proposed scheme has been available for all residents to respond to and these comments have been considered within the body of this report.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

N/A

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Working Papers held by Corporate Finance

9. **Appendices to the report**

- Appendix 1 - Local Council Tax Scheme Survey Results October 2016

Report Author:

Sean Clark

Director of Finance and IT

Corporate Finance

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Thurrock LCTS consultation 2017/18

Respondents: 254 displayed, 254 total

Status: Open

Launched Date: N/A

Closed Date: 26/09/2016

1. The Council is very keen that you have all the information you need to provide informed answers to this consultation. Details of the current scheme, how it is funded, and the proposed changes which are subject to this consultation can be reviewed here. Please confirm whether you have reviewed this information before completing this form: I have reviewed the background information about the Local Council Tax Support scheme

	Response Total	Response Percent	Points	Avg
Yes	33	89%	n/a	n/a
No	4	11%	n/a	n/a
Total Respondents		37		
(skipped this question)		217		

2. Should the Council keep the current Local Council Tax Support scheme? (Should it continue to administer the scheme and have the same level of support as it does at the moment?)

	Response Total	Response Percent	Points	Avg
Yes	14	38%	n/a	n/a
No	8	22%	n/a	n/a
Don't know	15	41%	n/a	n/a
Total Respondents		37	100%	
(skipped this question)		217		

3. Please use the space below to make any comments you have on protecting the Local Council Tax Support scheme from these changes:

1. could this form part of universal credit?

2. Consultation time too short

The changes need to be explained so we can meaningful express our views

3. It's important that the council tax remains affordable but it shouldn't be at the cost of reducing the reserves to fund it. The council should have a policy where it increase the tax year on year by the permissible 1.99%.

4. I am not working at the moment lost my job on 5th of august

Total Respondents	4
(skipped this question)	250

4. Do you agree with the option 1? Removing the Family Premium for all new working age applicants

	Response Total	Response Percent	Points	Avg
Yes	11	37%	n/a	n/a
No	9	30%	n/a	n/a
Don't know	10	33%	n/a	n/a
Total Respondents		30	100%	
(skipped this question)		224		

5. If you disagree what alternative would you propose?

1. A scheme which recognises the cost of raising children

2. Working families on low incomes should not pay more council tax whilst those on benefits pay less. Work should pay and that philosophy should be supported

Total Respondents	2
(skipped this question)	252

6. Do you agree with the option 2? Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to 4 weeks

	Response Total	Response Percent	Points	Avg
Yes	21	75%	n/a	n/a
No	3	11%	n/a	n/a
Don't know	4	14%	n/a	n/a
Total Respondents	28	100%		
(skipped this question)		226		

7. If you disagree what alternative would you propose?

No responses were entered for this question.	
Total Respondents	0
(skipped this question)	254

8. Do you agree with the option 3 Using a set income for self-employed earners after 1 year's self-employment .

	Response Total	Response Percent	Points	Avg
Yes	10	38%	n/a	n/a
No	10	38%	n/a	n/a
Don't know	6	23%	n/a	n/a
Total Respondents	26	100%		
(skipped this question)		228		

9. If you disagree what alternative would you propose?

1. Income based on audited accounts as some self-employed people earn less than the living wage

2. This seems unfair and not encouraging of enterprise

Total Respondents	2
(skipped this question)	252

10. Do you agree with the option 4? To remove the element of a Work Related Activity Component in the calculation of the current scheme for new Employment and Support Allowance applicants.

	Response Total	Response Percent	Points	Avg
Yes	17	71%	n/a	n/a
No	1	4%	n/a	n/a
Don't know	6	25%	n/a	n/a

Total Respondents		24	100%		
(skipped this question)				230	

11. If you disagree what alternative would you propose?

No responses were entered for this question.					
Total Respondents				0	
(skipped this question)				254	

12. Do you agree with the option 5? To limit the number of dependent children within the calculation for Council Tax Reduction to a maximum of two.

	Response Total	Response Percent	Points	Avg	
Yes	16	67%	n/a	n/a	
No	4	17%	n/a	n/a	
Don't know	4	17%	n/a	n/a	
Total Respondents		24	100%		
(skipped this question)				230	

13. If you disagree what alternative would you propose?

1. I think 4 children would be a more reasonable number.

Total Respondents				1	
(skipped this question)				253	

14. Do you agree with the option 6? To remove entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them

	Response Total	Response Percent	Points	Avg	
Yes	17	71%	n/a	n/a	
No	1	4%	n/a	n/a	
Don't know	6	25%	n/a	n/a	
Total Respondents		24	100%		
(skipped this question)				230	

15. If you disagree what alternative would you propose?

No responses were entered for this question.					
Total Respondents				0	
(skipped this question)				254	

16. Do you think we should choose any of the following alternative options rather than the proposed changes to the Local Council Tax Support scheme? Please select one answer for each source of funding

	Yes	No	Don't know	Response Total	Points	Avg
Increase the level of Council Tax	23.81% (5)	66.67% (14)	9.52% (2)	21	n/a	n/a
Find savings from cutting other Council Services	28.57% (6)	57.14% (12)	14.29% (3)	21	n/a	n/a
Total Respondents				21		
(skipped this question)						233

17. If the Council were to choose these other options to make savings, what would be your order of preference? Please rank in order of preference by selecting a number from 1 to 3 in the boxes below, where 1 is the option that you would most prefer and 3 is the least.

	1	2	3	Response Total	Points	Avg
Increase the level of Council Tax	23.81% (5)	14.29% (3)	61.9% (13)	21	n/a	n/a

Reduce funding available for other Council Services	23.81% (5)	52.38% (11)	23.81% (5)	21	n/a	n/a
				Total Respondents	21	
				(skipped this question)	233	

18. Please use the space below to make any other comments on the scheme:

No responses were entered for this question.	
Total Respondents	0
(skipped this question)	254

19. Please use the space below if you would like the Council to consider any other options (please state)

1. Scrap council tax support

Total Respondents	1
(skipped this question)	253

20. If you have any further comments or questions to make regarding the Local Council Tax Support scheme that you haven't had opportunity to raise elsewhere, please use the space below.

1. This survey is somewhat convoluted, and poorly phrased at best. The council currently provides poor local services in Chafford Hundred. The removal of our local library and the complete absence of local services, as well as infrequent maintenance and scruffy parks and paths makes the idea of increased taxes highly unappealing.

2. How many voters/local residents know of this consultation

Total Respondents	2
(skipped this question)	252

21. Are you, or someone in your household, getting Local Council Tax Support at this time?

	Response Total	Response Percent	Points	Avg
Yes	1	5%	n/a	n/a
No	18	90%	n/a	n/a
Don't know	1	5%	n/a	n/a
Total Respondents	20	100%		
(skipped this question)	234			

22. Are you...?

	Response Total	Response Percent	Points	Avg
Male	11	55%	n/a	n/a
Female	8	40%	n/a	n/a
Prefer not to say	1	5%	n/a	n/a
Total Respondents	20	100%		
(skipped this question)	234			

23. Age

	Response Total	Response Percent	Points	Avg
18 - 24	1	5%	n/a	n/a
25 - 34	2	10%	n/a	n/a
35 - 44	6	30%	n/a	n/a
45 - 54	3	15%	n/a	n/a
55 - 64	5	25%	n/a	n/a

65 - 74		2	10%	n/a	n/a
75 - 84		1	5%	n/a	n/a
85+		0	0%	n/a	n/a
Prefer not to say		0	0%	n/a	n/a
Total Respondents		20	100%		
(skipped this question)				234	

24. Disability: Are your day to day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

		Response Total	Response Percent	Points	Avg
Yes		0	0%	n/a	n/a
No		18	90%	n/a	n/a
Don't know		0	0%	n/a	n/a
Prefer not to say		2	10%	n/a	n/a
Total Respondents		20	100%		
(skipped this question)				234	

25. Ethnic Origin: What is your ethnic group?

		Response Total	Response Percent	Points	Avg
White British		15	75%	n/a	n/a
Other White		3	15%	n/a	n/a
White Irish		1	5%	n/a	n/a
White & Black Caribbean		0	0%	n/a	n/a
White & Black African		1	5%	n/a	n/a
White & Asian		0	0%	n/a	n/a
Any Other Mixed background		0	0%	n/a	n/a
Indian		0	0%	n/a	n/a
Pakistani		0	0%	n/a	n/a
Bangladeshi		0	0%	n/a	n/a
Any Other Asian background		0	0%	n/a	n/a
Caribbean		0	0%	n/a	n/a
African		0	0%	n/a	n/a
Any Other Black background		0	0%	n/a	n/a
Chinese		0	0%	n/a	n/a
Arab		0	0%	n/a	n/a
Prefer not to say		0	0%	n/a	n/a
Other, please specify		0	0%	n/a	n/a
Total Respondents		20	100%		
(skipped this question)				234	

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11 January 2017	ITEM: 12 (Decision 01104401)
Cabinet	
Draft General Fund Budget 2017/18	
Wards and communities affected: All	Key Decision: Key
Report of: Councillor Shane Hebb, Portfolio Holder for Finance & Legal	
Accountable Head of Service: Sean Clark, Director of Finance and IT	
Accountable Director: Sean Clark, Director of Finance and IT	
This report is public	

Executive Summary

This report sets out the draft budget proposals for a balanced budget for the financial year 2017/18.

Cabinet considered a report on 7 September 2016 that amended the Medium Term Financial Strategy (MTFS) in light of changes to business rates and inflation assumptions. This demonstrated a base budget pressure of circa £10m and this increased by a further £0.420m through recommending a phased increase to the General Fund balance.

Cabinet has also agreed a pilot in 2016 of the Clean It, Cut It, Fill It initiative and, at their meeting on 14 December 2016, agreed an extension to the end of this financial year. The draft report includes £1m to mainstream this initiative into the base budget from 1 April 2017.

The September 2016 report also set out the Council Spending Review (CSR) approach – a move towards commercialism and greater efficiencies through four main streams: income generation; more or same for less; reducing the MTFS growth through greater demand management; and a comprehensive service review over a two to three year time period of all council services.

This approach has been managed through a number of Boards and the proposals, set out in this report, have been considered by the relevant Overview and Scrutiny Committees over recent weeks.

This report demonstrates that, subject to a number of assumptions set out in the report, a balanced budget has been achieved.

Finally, the report makes recommendations regarding the Adult Social Care Precept and Support Grant.

1 Recommendation(s)

- 1.1 That Cabinet agree to a further £1m investment to include Clean It, Cut It, Fill It into the Base Budget;**
- 1.2 That Cabinet agree to a 1.98% increase to the Council Tax to support the General Fund budget;**
- 1.3 That Corporate Overview and Scrutiny be asked to comment on the Adult Social Care precept options as set out in 3.6 of this report; and**
- 1.4 That Cabinet agree to the proposals set out in this report to achieve a balanced budget.**

2 Introduction and Background

- 2.1 The approach to achieving a balanced budget for 2017/18 and the medium term was first presented to Cabinet on 7 September 2016 and has subsequently been reported to the various Overview and Scrutiny Committees.
- 2.2 In summary, the approach has been, and continues to be, a focus on:
 - Income generation – including increasing the Council’s commercial trading base. Council Tax increases also fall under this category;
 - Achieving more / same for less – including further transformational projects, contract reviews, spend to save initiatives and alternative delivery models; and
 - Demand management / early intervention. Examples include the Local Area Co-ordinators and Community Hubs.
- 2.3 This has been delivered through the following Boards, each chaired by a member of the Directors’ Board, with each Board consisting of a cross section of service representatives:

Customer Service & Demand Management	Commercial
ICT / Digital	People
Procurement	Property

- 2.4 In addition, there is a comprehensive programme of service reviews that are underpinned by the following principles.
 - Becoming financially self-sustainable;
 - Maximise efficiency in each service;

- A review of all services by March 2019 using common design principles (customer / demand management, commercial, ICT / digital, people, procurement, property and process);
- Non-statutory income generating services should be cost neutral; and
- Outcome focused including consideration of prevention and early intervention.

3 Provisional Grant Announcement and Council Tax

- 3.1 Thurrock Council signed up to the four year grant settlement that was announced in December 2015. Whilst not guaranteeing exact amounts, the settlement did give some greater indication of the likely Revenue Support Grant for the period 2017/18 through to 2019/20. However, there are a number of other specific grants that impact on the General Fund, including the Education Support Grant and Housing Benefit Administration Grant, totalling some £1.62m in 2016/17, that have been reducing in recent years.
- 3.2 Changes have been made to the New Homes Bonus to support Adult Social Care financial pressures. Although this was expected over the medium term, a transfer of resources was not expected in 2017/18. However, the government has redirected £241m from the NHB national pot in 2017/18 and this has been distributed to top tier authorities in line with the adult social care relative needs formula in way of an Adult Social Care Support Grant. Cabinet should note that this grant is for 2017/18 only.
- 3.3 Further reductions have been proposed to the NHB for future years as the government looks to transfer further funding into the Better Care Fund (BCF) to support Adult Social Care pressures. Whilst the council will gain funding for ASC through this change, the funding will be ring-fenced for this purpose and non-specific grant will be reduced adding pressures to the council's wider general fund budget.
- 3.4 The general council tax increase has, as expected, been capped at 2% and the Cabinet are asked to support the maximum increase allowed that, when rounded, equates to a 1.98% increase.
- 3.5 The ability to raise an Adult Social Care precept was introduced for the 2016/17 financial year. At the time, the increase was limited to 2% in any one year and only the four years 2016/17 to 2019/20.
- 3.6 For the remaining three years, councils have now been given further options. Whilst there can be no increase greater than the 6% over the remaining three years, councils have been given the option of bringing forward increases from the final year to both 2017/18 and 2018/19 although there is a cap of 3% on both of these years. As such, the following are the most likely options:
- 3.6.1 A 3% increase in both 2017/18 and 2018/19 and no increase in 2019/20; or
- 3.6.2 A 3% increase in 2017/18, 2% in 2018/19 and 1% in 2019/20; or

3.6.3 A 2% increase for each of the three years.

3.7 It is recommended that Corporate Overview and Scrutiny Committee consider these options in a more detailed paper in advance of the February Cabinet and Council meetings.

4 Adult Social Care

4.1 Previous budget reports justified the 2016/17 Adult Social Care precept in 2016/17 through the impact of the national minimum wage and increase in complex demand such as autism and dementia. Despite this additional funding, budget update reports in 2016/17 have highlighted increased pressures during this financial year, including market failure and the subsequent need to bring some service provision back in-house.

4.2 As set out above, the ability to raise council tax by 3% and the Adult Social Care Support Grant will increase the resources available to meet these pressures. The Corporate Director of Adults, Housing and Health has set out the following as the justification for the ASC precept increase of 3% (2.99% when rounded) that, together with the ASC Support Grant, will go towards meeting the immediate pressures:

Original 3 year MTFS savings	£ 750k
Procurement / demand management	£ 100k
Demographic pressures – older people, learning disabilities, mental health and transitions	£ 1,032 – this is based on detailed analysis of trends, transition and population assumptions. I have made assumptions that 50% can be managed through our demand management programme (Shared Lives, LACs etc)
Cost pressures – National Living Wage principally within external providers and domiciliary care basic rate.	£ 745k – based on estimated 5% uplift that providers will face with NLW increase next year and an allowance for increase in basic rate for domiciliary care (NB only half year)
Total	£2,627k

Proposed Funding Sources

Adult Social Care precept (assumes 3% at this stage)	£ 1,700k
Adult Social Care Support Grant	£ 657k
Total	£2,357k
Shortfall	£ 270k
Further options being explored:	
<ul style="list-style-type: none"> • Further demand management • Including Higher level of DLA / PIP /AA in the income assessment of service users 	

5 Draft 2017/18 Balanced Budget and Assumptions

5.1 The following table summarises the proposals that are recommended to meet the original budget gap of circa £10m but also the increased budget requirements of increasing the General Fund Balance and including the Clean It, Cut It, Fill It initiative within the base budget.

5.2 Points to note include:

5.2.1 That there will be a general increase in council tax of 1.99%;

5.2.2 That there will be an increase in the ASC precept of 2.99% with the income raised of £1.7m, along with the ASC Support Grant, being allocated to the ASC budget; and

5.2.3 That the original assumptions on government grant remain correct – at the time of writing, not all grants have been announced but indications are that the MTFS assumptions are broadly correct.

	2017/18	
	£000s	
Opening Estimated Deficit	9,976	
Base budget pressure 2016/17	206	
Future savings agreed during 2014/15	(2,484)	
Children's full year savings from 2016/17 mitigation	(1,200)	
Council Tax base adjustment	(590)	This relates to the increase in Band D properties – a council tax increase of 3.99% is included in the opening balance
Reduction to employment budget growth	(200)	A reduction in the provision for the pay award and increments post review
Income generation (Commercial)	(1,030)	See appendix
Property/asset rationalisation (Property)	(835)	See appendix
Procurement/contracts (Procurement)	(940)	See appendix
Efficiencies/transformation (Digital & ICT)	(130)	See appendix
Efficiencies/transformation (Customer)	(100)	See appendix
Efficiencies/transformation (People)	(700)	See appendix
Sub-total	1,973	
Target reduction in growth allocation (currently £3.5m)	(1,700)	The remaining £1.8m allocated to ASC £1.1m in line with 2% precept and £0.7m allocated to Children's Social care in line with iMPower recommendation
Efficiencies/transformation (Service Reviews)	(577)	See appendix
Contribution to increased GF Balance	420	
Working Balance deficit/(surplus)	116	

	2017/18	
	£000s	
Environmental investment	1,000	Clean It, Cut It, Fill It
Revised deficit/(surplus)	1,116	
Capitalise part of MRP budget to meet GF balances contribution	(420)	This meets the principle of only budgeting for the approach of capitalising MRP for items that are not ongoing base budget pressures
Revised Treasury projections	(500)	Ongoing low interest rates, investment returns and a reduction in the MRP budget
Reduction to Transformation Budget	(200)	A reduction to the provision made to meet ongoing costs – licenses etc – of transformation projects
Total deficit/(surplus)	(4)	

5.3 The budget also assumes that all services' base budgets are amended to reflect the variances reported to Cabinet in recent months. This includes a further budget allocation, in addition to the £0.7m set out in the table above, to Children's Services to meet the circa £4m pressures. This is funded from permanent budget transfers from the other service areas that have delivered surpluses throughout the year to meet this pressure.

5.4 In addition to the above, it is proposed to allocate a further £1.25m of growth to meet Adult Social Care pressures through the additional increase to the ASC precept to 2.99% and the ASC Support Grant.

6 Issues, Options and Analysis of Options

6.1 Options include whether to continue with the Clean It, Cut It, Fill It initiative or whether to allocate some or all of the £1m identified to another service and/or to offset savings proposals.

6.2 Cabinet will also have to consider the level of council tax to recommend to Full Council. The recommendation from Directors' Board is for the 1.99% general increase and the full 3% ASC precept to help meet ongoing pressures.

7 Reasons for Recommendation

7.1 The Council has a statutory requirement to set a balanced budget annually. This report sets out the approach to achieve that balanced budget whilst also providing additional resources for both Adults' and Children's Social Care and the Environment Service.

8 Consultation (including Overview and Scrutiny, if applicable)

8.1 The budget planning governance structure includes involvement and consultation with Officers, Portfolio Holders and Members and the various

Overview and Scrutiny committees considered proposals during October to December.

- 8.2 The CSR approach also involved monthly meetings to which all Group Leaders and Deputy Leaders were invited. These sessions provided an opportunity to discuss the latest budget position as well as consider specific ideas and savings proposals. These meetings will continue and work is underway to progress other areas where efficiencies could be made, identified through the meetings, including becoming cashless and reducing spend on subscriptions.

9 Impact on corporate policies, priorities, performance and community impact

- 9.1 The implementation of previous savings proposals has already reduced service delivery levels and our ability to meet statutory requirements, impacting on the community and staff. The potential impact on the Council's ability to safeguard children and adults will be kept carefully under review and mitigating actions taken where required.

10 Implications

10.1 Financial

Implications verified by: **Sean Clark**
Director of Finance and IT

Council officers have a legal responsibility to ensure that the Council can contain spend within its available resources. With the need to become financially self-sustainable the approach taken this year to concentrate on a more commercial attitude is set out in this report.

The proposals also include growth for the demand led services of Adults' and Children's social care whilst also including an additional £1m to enhance the cleanliness of the borough.

The General Fund Balance has been maintained at £8m over recent years. The target level has been revised to £9.26m and these proposals include a new budgeted contribution of £0.420m per annum for three years to meet this level.

10.2 Legal

Implications verified by: **David Lawson**
Deputy Head of Law & Governance

There are no direct legal implications arising from this report.

There are statutory requirements of the Council's Section 151 Officer in relation to setting a balanced budget. The Local Government Finance Act

1988 (Section 114) prescribes that the responsible financial officer “must make a report if he considers that a decision has been made or is about to be made involving expenditure which is unlawful or which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency to the authority”. This includes an unbalanced budget.

10.3 **Diversity and Equality**

Implications verified by: **Becky Price**
Community Development and Equalities

There are no specific diversity and equalities implications as part of this report. Equality and Community Impact Assessments have been completed for specific proposals where required e.g. implications of the new approach in the Customer Services Strategy subject to agreement.

10.4 **Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)**

Any other significant implications will be identified in any business cases for a proposal and consultation where required.

11 **Background papers used in preparing the report** (including their location on the Council’s website or identification whether any are exempt or protected by copyright):

- Various working papers within Finance and relevant services
- DCLG announcements on various grants and council tax principles

12 **Appendices to the report**

- Appendix 1 – Schedule of proposals

Report Author:

Sean Clark
Director of Finance and IT
Finance and IT

SAVINGS PROPOSALS

Reference	Board	Proposal	2017/18	Comments
PROC-2017-01	Procurement	Adult Care Placements (18-65 age group) – Review of placement costs against care plans.	100	Review of placement costs (MH, PD, LD) against care plans. This is in addition to the existing savings target underway for Placements.
PROC-2017-02	Procurement	Parking – service brought in house. There will be initial set up costs in 2016/17 but new service should realise savings from 2017/18	75	End of Serco Parking Processing contract – service brought in-house. There will be set up costs initially (in 16/17) will realise savings from 17/18
PROC-2017-03	Procurement	Home to School Transport (Education budget)	25	Savings from rationalising demand and sharing vehicles.
PROC-2017-04	Procurement	Waste disposal contract negotiations	25	Savings from contract extension will be sought.
PROC-2017-05	Procurement	ICT Category – Achievable savings on main contracts and rationalisation of smaller ones	110	Achievable savings on main contracts and rationalisation of smaller ones
PROC-2017-06	Procurement	Insurance – modest savings secured through renegotiation of existing contract	30	Modest savings to be secured through renegotiation at extension or through re-procurement.
PROC-2017-07	Procurement	Creative use of Purchase Cards – savings from a reduction of 2 FTE plus rebate from supplier	55	Savings from reduction of 2 FTE from Creditors Team 17/18 plus £10K annual estimated rebate from RBS (£5K in year 1). Additional savings will be secured by better low value contract management and less maverick spend.
PROC-2017-08	Procurement	Overpayment Review – use of specialist no-win, no fee consultants to identify overpayments to contracts	100	One off saving in 2017/18 through use of consultants to identify overpayments on contracts. Payment by results. Successful with other Councils and on CCS Framework.
PROC-2017-09	Procurement	Review of Translation and Interpretation Services – procurement exercise to improve consistency via a framework agreement at an agreed price	20	Procurement of formal contract and some reduction in spend (keeping interpretation and statutory translation requirements)

SAVINGS PROPOSALS

Reference	Board	Proposal	2017/18	Comments
PROC-2017-10	Procurement	Reduction of Consultancy Spend	300	Reduce consultancy spend across the organisation
PROC-2017-11	Procurement	Contract Management	100	Savings delivered through more effective contract management
COMM-2017-01	Commercial	WiFi/Small Cell & Rooftop Concession contract – Tender documents issued 23/9 target date for contract award Jan 2017	75	As per soft market test £750k over 10 years
COMM-2017-02	Commercial	Counter Fraud & Investigation – expansion of traded services	150	Creation of a commercial vehicle
COMM-2017-03	Commercial	Trade Waste Year on Year Growth	75	Development of the trade waste service
COMM-2017-05	Commercial	Maximise use of external funding opportunities	40	Make more effective use of external funding opportunities
COMM-2017-06	Commercial	Further income from advertising/ sponsorship/ filming including roundabouts	20	Further Income opportunities from advertising / sponsorship & filming
COMM-2017-07	Commercial	Trading grounds maintenance services	40	This is a separate item to traded services to schools to reflect the fact that other services could also be traded
COMM-2017-08	Commercial	IT – expansion of traded services	30	Exploring market to identify non-school prospects for broadband. First school telephony pilot almost complete – now reviewing and prioritising other schools (targeting 5 sign ups in 2017/18).

SAVINGS PROPOSALS

Reference	Board	Proposal	2017/18	Comments
COMM-2017-09	Commercial	Fees & Charges	250	No further growth due to £750k being realised since 16/17
COMM-2017-10	Commercial	Treasury Vehicles – full year effect of the solar farm investment	350	Full year effect of existing investments
CUST-2017-01	Customer & Demand Management	Customer Services Strategy	100	Savings from channel migration and digital enabling a reduction in resources required for face-to-face contact.
DIGI-2017-02	ICT / Digital	Citizen Journeys - Enable citizens and customers to do business with the council digitally	30	Productivity savings across all services £30k in 2017/18 through Thurrock Online - Revs and Bens. Remainder to be allocated
DIGI-2017-03	ICT / Digital	Legacy Digital Programmes - Ongoing benefits realisation from completed projects	100	Property Rationalisation and Productivity Savings across Services in 17/18 Productivity Savings across Services from 18/19
PEOP-2017-01	People	Agency staff – reduce use of high cost agency staff through recruitment and retention initiatives and service/workforce re-engineering	400	Reduce the use of high cost agency staff through recruitment and retention initiatives and service/workforce re-engineering
PEOP-2017-02	People	Sickness Absence – reduce overtime and agency costs through effective attendance management	100	Reduce overtime and agency costs through effective attendance management
PEOP-2017-04	People	Review of overtime spend – currently at £1.5m	200	Manage overtime spend across the council
PROP-2017-01	Property	Rental income stretch target - Annual 5% increase in rent roll (excluding Purfleet Centre)	50	Annual 5% increase in rent roll (excluding Purfleet Centre)
PROP-2017-02	Property	Further letting income – from Civic Offices 1 (rent and service charge)	50	Allow for slow build up of occupation. Figure shown includes rent and s/c.

SAVINGS PROPOSALS

Reference	Board	Proposal	2017/18	Comments
PROP-2017-03	Property	Further letting income – Thameside Centre (rent and service charge)	30	Building likely to close in following year. Letting income potentially limited by nature of space.
PROP-2017-04	Property	Relocation of YOS from Corringham Police Station	50	Saving will fall in first year and not be repeated. Likely to be accrued within Children's Services
PROP-2017-05	Property	Corporate Landlord ie centralised maintenance and management of all corporate assets – 10% reduction in running costs through economies of scale	25	Corporate Landlord programme is underway. Libraries have transferred already and Children's estate now being audited. Savings and income opportunities highly likely but cannot be accurately quantified until estate is better understood.
PROP-2017-06	Property	Corporate Landlord – Additional income target	25	Additional income target through the Corporate Landlord model
PROP-2017-07	Property	Facilities Review	175	Review the impact of the running of operational properties under the Corporate Landlord model
PROP-2017-08	Property	Street Lighting efficiencies – LED replacement programme – savings through energy efficiency and maintenance	430	LED replacement programme - savings through energy efficiency and maintenance
SERV-2017-01	Service Review	Libraries	80	The service review will examine options for a comprehensive library service as part of an integrated approach to the provision of community facilities in the Borough.
SERV-2017-02	Service Review	Children's Service business admin - reorganisation of service offer	130	The current business support does not currently meet the requirements of a more integrated children's service so the changes will deliver a more bespoke model of support and bring further efficiencies.
SERV-2017-03	Service Review	Adult Social Care - Fieldwork Services	100	We are maintaining the austerity measures we introduced during 2016/17 pending the full review of the fieldwork service. This includes only recruiting to essential posts and the centralisation of non-staffing

SAVINGS PROPOSALS

Reference	Board	Proposal	2017/18	Comments
				budgets.
SERV-2017-04	Service Review	ASC Commissioning (voluntary sector)	97	We are reviewing our entire voluntary sector grants and contracts budget to identify savings on those groups / projects that were either time limited or have a lower priority.
SERV-2017-05	Service Review	Private Rented Sector - HMOs, condition etc	45	In line with the report that was submitted to Housing Scrutiny in December 2016 the definition of an HMO has been extended and so this gives the Council a potential increased income stream.
SERV-2017-06	Service Review	Debt collection	55	Debt collection is currently carried out in a number of sections throughout the authority. The service review is likely to recommend an integrated approach that will save on FTE but, more importantly, create a more cohesive approach to working with our residents on managing debt issues and pressures.
SERV-2017-07	Service Review	HR & Payroll & OD	30	HR, Payroll and OD services are currently focused on delivering mainly internal services, with some schools buying payroll. The service review has identified opportunities to realign resources, and increasing the use of digital systems to provide the capacity to offer a range of services externally – this will include HR advice and support, training programmes and payroll services.
SERV-2017-08	Service Review	Corporate Programme Team	20	The service review will identify current FTE vacancies in conjunction with similar skilled employees that may be currently deployed within other Services to eradicate duplication of roles. Plus, evaluate the potential for the cross-selling of existing project/programme delivery skills externally and develop plans to maximise this opportunity.
SERV-2017-09	Service Review	Customer Services	20	Additional savings from the implementation of the Customer Service Strategy above and focus on channel shift/digital reducing resources required overall.

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11 January 2017	ITEM: 13 (Decision 01104402)
Cabinet	
East Tilbury Primary Care Intervention Plan	
Wards and communities affected: East Tilbury and neighbouring wards	Key Decision: Key
Report of: Councillor James Halden, Portfolio Holder for Education and Health	
Accountable Head of Service: Ian Wake, Director of Public Health	
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health.	
This report is Public	

Executive Summary

Members will be aware that a serious situation arose in October last year which could have resulted in the closure of the East Tilbury Medical Centre in Coronation Avenue, East Tilbury. This would have had a massive impact on under doctored areas such as East Tilbury, Corringham and Stanford-le-Hope. Following pressure from the Council, the Clinical Commissioning Group (CCG), Healthwatch and the Patients Participation Group at the surgery, NHS England (NHSE) withdrew its decision to disperse the list to allow for further time to consider the future of the practice and in particular ownership of the building.

The Council has played a leading role in trying to resolve the situation and after discussions with the receiver and NHSE over the future for the practice it is proposed that the Council enters into discussions with the receiver with a view to buy the property to secure essential primary care services in this part of Thurrock.

- 1. Recommendation that Cabinet approves :**
 - 1.1 The purchase of the freehold interest of the East Tilbury Medical Centre at 85, Coronation Avenue, East Tilbury on the terms and conditions as outline in the confidential report and with the final terms and conditions being delegated for agreement by the Corporate Director of Environment and Place and the Section 151 officer in consultation with the relevant Portfolio Holder.**
 - 1.2 That the Director of Law and Governance be authorised to complete any legal documentation to give effect thereto.**

1.3 That the property be leased to an appropriate primary care provider on terms to be agreed.

2. Introduction and Background

- 2.1 18 months ago the then GP at the practice, Dr Gorai, had his medical contract terminated because he was not registered with the Care Quality Commission and so was not allowed to practice. College Health were awarded the primary care contract by NHS England to act as a caretaker practice until the long term future of the practice could be resolved. However, the previous GP owned the building and so remained the landlord. It should be noted at this point that it is NHS England who commission primary care and determines primary care contracts not the Thurrock Clinical Commissioning Group (CCG). Also it is important to note that neither the CCG nor NHSE are permitted to own premises of this nature.
- 2.2 In June of 2016 the landlord was declared bankrupt, triggering the current crisis, and the building has been in the hands of the receiver since that time. NHS England took some time to decide on next steps and in September they decided to “disperse the list”. That means ending the primary care contract and the patients are required to find another practice to register with. East Tilbury practice operates out of two sites – Coronation Avenue (approx. 2,500 patients) and Corringham (approx. 1,500 patients).
- 2.3 The letters went out very late in October and patients were given less than three weeks to find a new GP. This caused a great deal of disquiet and meetings were held at the practice on 12th October when over 300 patients turned up to express their frustration at what had happened. Also Thurrock Healthwatch had been flooded with complaints.
- 2.4 College Health has been a good practice and patients wanted to remain with them but because the building was in the hands of the receiver they had potentially no-where to operate from. The alternative practices that NHS England were suggesting were considered un-satisfactory by patients– a. three practices in Corringham / Stanford that were not ideal for patients from East Tilbury; b. A branch practice from Tilbury Town; c. a practice actually in East Tilbury itself but where a lot of patients had left and until recently was full up and didn’t have capacity.
- 2.5 Following a public meeting attended by the Portfolio Holder and the Corporate Director, NHS England accepted (after pressure from the Council, patient groups and the local MP) that it was wrong to disperse the list and agreed to pause the dispersal. They issued an extension to the contract held by College Health for a further 9 months.
- 2.6 As regards the long term future for primary care, NHS England at their Commissioning Board on 28th November agreed an extension to the primary care contract that makes the purchase of the building a viable proposition.

Rental terms will need to be confirmed with the primary care provider but on the basis of the current arrangements these again make it a viable proposition for the Council.

- 2.7 The Council has been in constant contact with the receiver throughout this process and they have listed the premises for auction in February next year. They have indicated that they are prepared to withdraw the building from auction if an agreed price can be reached with the Council.
- 2.8 A full building condition survey has been undertaken. The report notes that this is a purpose built property built in 1983 and has always been used as a Dr's surgery. It comprises a hallway, three surgery rooms, waiting area, filling area, reception, store, office area and disabled toilet – all on the ground floor. On the first floor is a further office, kitchen and two toilets. The total site coverage is 2,363 sq ft.
- 2.9 In the opinion of the surveyor that with usual planned maintenance the property should have an economic life of at least 25 years. The property is as shown edged on the attached plan at Appendix 1.

3. Issues, Options and Analysis of Options

- 3.1 The issues identified for the Council are as follows:
- There is a dire shortage of GPs in the Borough and this is particularly acute in East Tilbury and Tilbury Town – see Director of Public Health's Annual Health Report 2016.
 - We are working with the CCG and NHS England to develop a joined up approach to solving this problem with the long term intention of developing four Integrated Healthy Living Centres across the Borough.
 - Improving primary care has been identified as one of the top priorities for the new administration.
 - We are also looking to rationalise our estate and make better use of existing buildings, rather than take on new ones, through multi-use. However, East Tilbury is one area where the Council owns very few properties.
 - The Medical Centre in East Tilbury was purpose built in a good location and had full disability access.
 - East Tilbury has a very significant series of housing developments underway (or about to be built) on the Bata estate.
 - NHS England must agree to continue to commission primary care services from that building.
 - A full financial assessment has been undertaken.
- 3.2 The locality area of Tilbury and East Tilbury experiences a number of inequalities relating to healthcare provision and management. Data published

in the Annual Public Health Report 2016 indicates that patients in this area are likely to have reduced access to primary care compared with other parts of the borough. The mean number of patients per full time equivalent GP in England is 1,321; in the Tilbury locality, this is 2,497 – nearly double the national average. This reduced workforce capacity has other impacts - perceived availability of GP appointments was found to be a significant positive predictor of emergency hospital admissions for Coronary Heart Disease (CHD) and Heart Failure (HF), and for Respiratory conditions in modelling work undertaken by the Public Health team.

- 3.3 The quality of long term condition care in the locality of Tilbury and East Tilbury is varied, with a large number of patients estimated to not receive appropriate care processes for conditions such as Coronary Heart Disease and Diabetes. Of the 12 GP practices identified in the 2016 Annual Public Health Report as priorities for further review of their cross-condition management of long term conditions, five were located in the Tilbury locality area.
- 3.4 There is also estimated to be large numbers of patients with long term health conditions who have not yet been diagnosed. For example, modelled estimates produced by Public Health England estimate that the East Tilbury Medical Centre had diagnosed 45.43% of the estimated number of patients with Depression – which equates to a 283 additional patients for that practice alone who are potentially experiencing Depression but not receiving any treatment. Whilst this practice does not have the lowest ratio of diagnosed: undiagnosed patients in Thurrock, similar ratios in some of the surrounding practices mean that a number of patients in this area are at risk of later diagnoses of chronic conditions and therefore potentially poorer health outcomes.

4. Reasons for Recommendation

- 4.1 As the APHR states, there is a dire shortage of GPs in Thurrock and in East Tilbury and Tilbury in particular. The loss of this service would only exacerbate that problem. The proposal as outlined has a sound business case in that the return on the property is sufficient to justify the capital outlay but it also secure a valuable primary care presence in the area for at least 10 years.

5. Consultation (including Overview and Scrutiny, if applicable)

This matter has been discussed with Thurrock Healthwatch, ward Councillors, the Thurrock Clinical Commissioning Group and the Patient Participation Group. All support the Council's proposed action in this matter.

6. Impact on corporate policies, priorities, performance and community impact

6.1 Tackling the shortage of GPs in Thurrock has been highlighted as a key priority for the new administration.

7. Implications

7.1 Financial

Implications verified by: **Sean Clark**
Director of Finance and IT

Cabinet has the authority to approve the purchase of this property where income meets or exceeds the annual cost of capital repayment. The exempt appendix shows the likely range of the purchase cost and the possible rental income, term and responsibility for maintenance, business rates, etc. I can confirm that, based on these figures and lease terms, the purchase of this property is financially viable.

7.2 Legal

Implications verified by: **David Lawson**
Deputy Head of Law & Governance

This Cabinet report recommends the acquisition of the freehold for the East Tilbury Medical Centre at 85, Coronation Avenue, East Tilbury in order to avoid the closure of the premises as a primary care centre given the known shortage of GP practices in the area and that such shortage cannot be adequately addressed by a list dispersal exercise to other medical practices.

Neither the Clinical Commissioning Group nor NHS England are permitted to own such premises, which is currently held by the landlord' receiver in bankruptcy. The receiver has indicated that they are prepared to withdraw the building from auction if an agreed price can be reached with the Council and NHS England have agreed an extension to the primary care contract that makes the purchase of the building a viable proposition for the Authority to purchase and lease to an appropriate primary practice provider on terms to be agreed.

The acquisition of land and property are executive functions unless contrary to the Budget Policy framework. Therefore under the general power of competence pursuant to section 1 of the Localism Act or pursuant to powers under Local Government Act 1972 the Council could decide to purchase to premises preferably, given the timeline, through an appropriate delegation to the relevant director in consultation with portfolio holder to continue negotiations subject to contract and to purchase on being satisfied as to an appropriate survey and valuation, financial and feasibility appraisal by Chief Finance Officer and requisite advice from legal services and further to lease the premises to a primary care provider on terms to be agreed.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
**Community Development and Equalities
Manager**

As clearly identified in the Annual Public Health Report (2016) Thurrock and East Tilbury suffers from a lack of GPs. This has contributed to poor health outcomes and high levels of hospital admissions. Addressing these shortfalls and improving the quality of Primary care is a key Council priority and any loss of Primary Care capacity will only make matters worse.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

N/A

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- N/A

9. Appendices

- **Appendix 1 - East Tilbury Primary Care Intervention Plan – Site Plan**
- **Appendix 2 – EXEMPT - Terms for any purchase of the freehold**

Report Author:

Roger Harris
Corporate Director of Adults, Housing and Health
Adults, Housing and Health

Appendix 1 - East Tilbury Medical Centre at 85, Coronation Avenue, East Tilbury



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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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