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 **5 April 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

To approve as a correct record the minutes of Cabinet held on 8 March 2017.

3   Items of Urgent Business

To receive additional items that the Chair is of the opinion should be considered as a matter of urgency, in accordance with Section 100B (4) (b) of the Local Government Act 1972.

4   Declaration of Interests

5   Statements by the Leader

6   Briefings on Policy, Budget and Other Issues

7   Petitions submitted by Members of the Public

8   Questions from Non-Executive Members

9   Matters Referred to the Cabinet for Consideration by an

Overview and Scrutiny Committee

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.

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: **28 March 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

<u>**Helpful Reminders for Members**</u>

- *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?*

<u>**When should you declare an interest *at a meeting*?**</u>

- **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?**

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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   **Non- 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

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

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

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

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

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 8 March 2017 at 7.00 pm

The deadline for call-ins is Monday 20 March 2017.

Present:	Councillors Robert Gledhill (Chair), Shane Hebb (Deputy Chair), Brian Little, Susan Little, Sue MacPherson and Pauline Tolson
Apologies:	Councillors Mark Coxshall, James Halden and Deborah Huelin
In attendance:	Lyn Carpenter, Chief Executive Sean Clark, Director of Finance & IT Roger Harris, Corporate Director of Adults, Housing and Health Jackie Hinchliffe, Director of HR, OD & Transformation Julie Rogers, Head of Environment and Chair of Thurrock CSP 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.

103. Minutes

The Minutes of Cabinet, held on 08 February 2017, were approved as a correct record.

104. Items of Urgent Business

There were no items of urgent business.

105. Declaration of Interests

There were no declarations of interest.

106. Statements by the Leader

The Leader addressed Cabinet Members and in doing so, explained Councillors Coxshall and Halden were attending the Local Government Chronicle Awards. He further explained that the Council had been shortlisted for two awards:

- Partnership of the Year - with the Royal Opera House for the trailblazers; and
- Driving Growth - for the Purfleet Centre.

Councillor Gledhill commented on the announcement of the Government's budget which highlighted potential increases in funding for Local Authorities for Adult Social Care.

107. Briefings on Policy, Budget and Other Issues

There was no update on Policy or other issues.

108. Petitions submitted by Members of the Public

There were no petitions submitted.

109. Questions from Non-Executive Members

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

110. 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.

111. Extension of the Sexual Health and Children's Health Services Contract arrangements 2017/18 (Decision 01104409)

The Leader presented the report on behalf of the Cabinet Member for Education and Health and in doing so, explained that currently both the Sexual Health and Children's Health Services were delivered by the North East London Foundation Trust (NELFT) in joint contract with the Clinical Commissioning Group (CCG).

He continued by explaining Members were sought to approve the extension of the existing arrangements for 12 months for the sexual health contract and five months for the Children's health services. Cabinet were notified the interim contracts had been negotiated with NELFT and would result in a saving of £77,000 for the sexual health contract.

RESOLVED:

Cabinet approve the award of a one (1) year contract to North East London Foundation Trust for the delivery of Integrated Sexual Health Services.

Reason for Decision - as stated in the report
This decision is not subject to call-in (Chapter 4, Part 3, paragraph 10.14 (d)).

112. **Thurrock Design Guide Supplementary Planning Document (SPD) (Decision 01104410)**

Councillor Gledhill, Leader of the Council addressed Cabinet notifying Members that Thurrock had one of the most ambitious growth programmes in the country. He continued to advise Members that the Council had over £6billion of investment driving the creation of 26,000 new jobs and 20,000 new homes in the borough over the next 20 years.

The Leader stated that the Thurrock Design Guide had been appropriately amended following the consultation, showing that the Council was listening to residents not solely to investors.

Councillor MacPherson commented that she welcomed the report for making a difference and for showing that the Council was listening to not only residents but also local business.

Councillor S.Little echoed the comments made by Councillor MacPherson, stating she was pleased to see feedback from residents had been taken on board.

Councillor Hebb supported the report remarking that he felt it was clear and included contributions from all stakeholders.

The Leader mentioned that it was important to have a document to support not only the self-builder but also large developers who were building thousands of homes across the borough and small or large businesses. He further commented that with the assistance of Officers, the Portfolio Holder, residents and all stakeholders, he felt this had been achieved.

RESOLVED:

1. **To adopt the Thurrock Design Guide (Appendix B) as a Supplementary Planning Document to the adopted Core Strategy and Policies for the Management of Development Local Plan;**

2. **To endorse the Thurrock Design Guide (Appendix B) as a material consideration in the determination of planning applications.**

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

113. **Proposal to Introduce Permitting Scheme within Thurrock (Decision 01104411)**

Councillor B.Little, Cabinet Member for Highways and Transportation, introduced his report advising Cabinet that following the establishment of the Task Force Group, many improvements had been highlighted and one of these were the road works which were taking place in an ad-hoc manner.

He continued to explain by agreeing the report would give the Council adopted control over who completed road works on Thurrock roads, including putting timings and mitigations in place prior to works commencing. It would also allow the Council to issue financial penalties on delayed completions.

The Leader commented he felt the report was long overdue with congestion in the borough getting worse. He further stated that with the logistics of the borough and the high rate of HGVs movements, when roads were congested, it could cause logistical delays over the country.

RESOLVED:

That the Cabinet approves the proposal to introduce Permitting Scheme within Thurrock with effect from June 2017.

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

114. **Procurement of Future Waste Disposal Contracts (Decision 01104412)**

The Cabinet Member for Environment informed her fellow Cabinet Members that over the previous weekend an event called the Great British Spring Clean was held, during which 313 additional bags of rubbish were collected.

She continued by thanking all of the volunteers who took part in the event.

Councillor Tolson then presented the report, which outlined the Councils waste disposal contracts. It was explained that the Council had support from a specialist waste consultant, who had advised on terms in relation to contractor contracts.

The Cabinet Member further commented that it was necessary for contractors to meet their obligations and for a professional and efficient service to be provided.

Councillor Hebb, welcomed the report and thanked the Thurrock Gazette for their coverage of the Great British Spring Clean.

Councillor S.Little thanked all of the volunteers who supported the event, especially those in the rural wards within the borough.

The Leader remarked that the work undertaken by residents over the weekend particularly on the A1089, put Highways England and their contractors to shame. He thanked all residents who took part in the Great British Spring Clean.

Councillor Gledhill continued by stating he was pleased the contracts were being looked at and not just being extended.

RESOLVED:

To delegate authority for the tender and subsequent award of waste disposal contracts as set out in para 2.4 to the Corporate Director of Environment and Place in consultation with the Cabinet Member for Environment for a period of up to 7 years, to the aggregate value of approximately £16-18 million.

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

115.   **Procurement of Environment Vehicles (Decision 01104413)**

Councillor Tolson addressed Members informing them the current waste freighters were now at the end of their life expectancy and becoming unreliable, resulting in the need for the Council to lease seven new vehicles in 2016, as collection rates were suffering. Since the younger vehicles had come into operation collection rates had risen to 99%.

She continued to explain that route optimisation testing was due to conclude, this would enable the Council to purchase the right amount of vehicles required.

Members were notified other environment vehicles were also at end of life and needed to be replaced. It was discussed that the Council had purchased three tractors including cutting equipment, and the following equipment would also require replacing:

- 8 ride on mowers
- Hand tools
- Hedge cutters
- Gritting vehicles

Councillor S.Little queried whether it would be better to lease or purchase new vehicles.

Councillor Tolson commented that when collection rates were falling, the Council needed new vehicles and we now leased 7 vehicles to complete weekly collections. She also commented on preferential borrowing rates for capital purchases.

Councillor Hebb mentioned that the Administration had invested £1million into Clean it, Cut it, Fill it to keep Thurrock clean. He further stated that if a resident had a bad experience they were likely to tell 10 people compared to a good experience.

The Leader remarked the report was to go out for tender, so the conclusion to either purchasing or leasing vehicles would be made. He continued by stating weekly bin collections would remain, with new vehicles having integrated

cameras, Officers would be able to treat pot holes and identify other defects sooner.

RESOLVED:

1. **That Cabinet endorses the approach laid out in this report for procuring the Gritting vehicles, Refuse collection vehicles and general plant sub 5 tonnes.**

2. **That Cabinet approves commencement of the tendering process for Gritting vehicles, Refuse collection vehicles and general plant sub 5 tonnes in accordance with EU procurement procedures.**

3. **That Cabinet approves delegation to the Corporate Director of Environment and Place to enter into and award the necessary contracts following the procurement process, in consultation with the Portfolio Holder for Environment.**

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

116. **Residents Survey Results (Decision 01104414)**

The Leader introduced the report on behalf of the Cabinet Member for Performance and Central Services, he explained 1,000 Thurrock residents were contacted to take part in telephone interviews; the results gave the Council a new insight into what was important to local people.

Cabinet were notified:

- 69% of residents were satisfied with their local area as a place to live;
- 70% felt that they belong to their local area;
- 61% agreed that their local area was a place where people from different backgrounds get on well together;
- 89% felt safe when outside their local area during the day and;
- 70% of residents were satisfied with waste and recycling services.

Councillor Gledhill continued to explain the results of the survey showed that the important issues to residents were being addressed through Clean it, Cut it, Fill it with 9,000 pole holes already being filled across the borough.

It was mentioned the Council were currently below the LGA benchmark for many of the results, however this was to be looked into and targets set to assist with improvement.

Councillor Hebb welcomed the report and commented that by completing the survey allowed the Council to improve the needs of residents. He continued by stating the survey was due to be repeated, which would highlight if residents expectations had been achieved.

During discussions Members commented the report was a good base line for the Council to improve on. It was further commented that those residents who had taken part in the survey were happy to be contacted if they had rated a service or aspect of the Council unsatisfactory, for further information.

The Leader remarked the results of the survey were positive, in that they outlined required improvements from residents. He further commented that results relating to certain aspects such as safety, could be shared with the Council's partners such as the Safety Partnership and the Police to shape all services.

Councillor Gledhill suggested that recommendation 1.5 be reworded, so that all Overview and Scrutiny Committees receive the report and have the opportunity to comment on the results. This was agreed by all Cabinet Members.

RESOLVED:

1. **Cabinet consider the headline results from the Residents Survey as set out in Appendix 1;**

2. **Cabinet agree the immediate high level actions as set out at 3.7 and request that detailed action plans are developed in consultation with the relevant Cabinet Member;**

3. **Cabinet agree that the results are used to inform the key performance indicators (KPIs) for 2017/18;**

4. **Cabinet agree to repeat the Residents Survey in September 2017;**

5. **Cabinet invite all Overview and Scrutiny Committees to consider the headline results in Appendix 1 and actions at 3.7.**

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

The meeting finished at 7.53 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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| 5 April 2017 | ITEM: 10 |
| | (Decision 01104415) |

Cabinet

Revenue Budget Monitoring – January 2017

| Wards and communities affected: | Key Decision: |
| All | Key |

Report of: Councillor Shane Hebb, Cabinet Member for Finance & Legal Services

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 provides an update on the forecast 2016/17 outturn position as at the end of January 2017.

Previous reports have shown that the Council has had to meet considerable financial pressures, most significantly due to demand within Children's Social Care, but that this has been largely mitigated. Whilst this forecast still shows a projected deficit, officers are confident that continuing action will keep the budget within the agreed budget envelope.

1   Recommendations:

1.1   **That Cabinet note the forecast outturn position for 2016/17; and**

1.2   **That Cabinet agree the use of capital receipts to fund transformation spend in line with the capital receipt flexibility policy introduced as part of the Governments multi-year settlement and council's efficiency plan.**

2   Introduction and Background

2.1   In February 2016, Council agreed the General Fund budget for 2016/17 as part of the MTFS. Whilst no additional budget savings to front line services were proposed, the 2016/17 budget does include previously agreed savings of £3.391m (see Appendix 1). In addition to this, income growth of £0.775m was agreed as part of the fees and charges report at February 2016 Cabinet. Progress against these targets are set out in the report and appendix – where these have not been met in full, mitigating action has been put in place and this is demonstrated in the table at 2.5.

2.2   Current projections indicate a reduction in the forecasted over spend since the last report to £0.142m, a variance of 0.12% on the agreed overall budget. The pressures that have led to this variance are set out below and includes the £0.45m investment in Clean It, Cut It, Fill It.

2.3   The most significant pressure remains within Children's Services. In addition, Cabinet should note that there continues to be risks due to ongoing demand pressures within Adults' Social Care and Environment Services. Mitigation includes managing demand, further income generation, improving efficiency and reducing non-essential spend.

2.4   The predicted year end overspend position includes £0.450m to deliver the 'Clean it, Cut it, Fill it' initiative for 2016/17. Officers continue to work to close the gap of £0.142m and, hould it be required, the use of one-off capitalising part of the Minimum Revenue Provision (MRP) budget to meet the costs of the pilot will be considered. Growth of £1m has been included within the budget to mainstream the initiative into 2017/18 within the Environment budget envelope.

2.5   The table below summarises the net position by Directorate:

Directorate	Full Year Budget £000	Forecast £000	Variance From Budget £000	Variance Q2 £000
Adults, Housing & Health	33,583	33,882	**299**	0
Children's Services	31,725	36,696	**4,971**	4,670
Environment & Place	24,283	24,434	**151**	(19)
Clean it, Cut it, Fill it	0	450	**450**	450
Finance & IT	10,395	9,802	**(593)**	(561)
HROD	7,875	7,239	**(636)**	(375)
Legal Services	2,226	2,226	**0**	0
Commercial Services	610	590	**(20)**	(25)
Central Expenses	4,032	2,927	**(1,105)**	(525)
Growth Allocation	3,375	0	**(3,375)**	(3,375)
Total	**118,104**	**118,246**	**142**	**240**

2.6   Whilst the position set out above continues to show an overspend position, this needs to be seen in the context of agreeing £0.450m for the Clean It, Cut

It, Fill It pilot. Officers expect this variance to reduce in the final quarter of the year.

2.7   As part of the Government's introduction of a multi-year settlement and capital receipt flexibility, the council submitted its efficiency plan in October 2016 that was subsequently approved by the Department for Communities and Local Government. As such, the council is now able to use capital receipts to fund transformation costs and it is recommended that this freddom be utilised if deemed prudent to do so.

3   Issues, Options and Analysis of Options

3.1   January 2017 position

3.1.1 Adults, Housing and Health

Full Year Budget £000	Forecast £000	Variance £000
33,583	33,882	299

Adults, Housing and Health is forecasting an overspend of £0.299m. There have been significant pressures particularly in relation to the domiciliary homecare provision and the need to bring a number of care hours back in house. The instability in the local market has resulted in increased costs for the Local Authority and this has been closely monitored and managed within the directorate. To mitigate some of this impact the management team has continued with a number of corrective actions such as a freeze on recruitment of non-essential staff, review of all non-staffing relating costs, reassessment of client contributions and developing closer working relationships with the council's health partners. There are a number of demand led services within this directorate and these remain under close scrutiny with a clear understanding of the financial implications of any placement related panel decisions.

The Housing service continues to forecast to budget. Homelessness presentations are closely monitored and remain an area of risk. There are no major variances to report.

3.1.2 Children's Services

Full Year Budget £000	Forecast £000	Variance £000
31,725	36,696	4,971

The main pressures on budgets are due to the following:

- The cost of placements – external placements for children continue to be a pressure, where the cost of Independent Foster Care Agencies (IFAs) is still the major concern in common with the national position. Mitigating action is being taken to reduce spot purchasing of IFA placements and identify which

children can be moved into lower need / cost placements. The review of in-house foster care, through iMPOWER, considered ways to increase the supply of in-house providers to significantly reduce costs. It is however recognised that this will not be in place for 2016/17;

- The Corporate Director continues to review high cost residential placement costs on a monthly basis and where safe to do so are reduced as the service focuses on achieving better value and more appropriate placements for young people.   There are currently a number of specialist reviews taking place looking at whether a more bespoke service can be provided to larger sibling groups in residential care, to support better value as well as better individual outcomes;

- Pressures in staffing continue with the need to replace higher cost temporary staff with good quality permanent recruits. The service has made significant progress in ensuring all agency staff are on the agreed Eastern region rates to reduce the incentives to move assignments between Local Authorities. Work to reduce other social work agency staff in the directorate continues, and there has been some recent success in permanent recruitment which is bringing numbers down;

- The number of unaccompanied asylum seekers supported in Thurrock has been steadily reducing and now stands at 63 having peaked at 103 earlier this year following the introduction of the Eastern regional protocol. Whilst this has stopped any further pressures on the budget since the last report, this remains a cost pressure against the original budget but should see reductions from 2017/18; and

- Regarding mitigation, whilst the majority of planned reductions have been achieved some of the benefits in 2016/17 have been deferred into the next financial year due to severance costs. Also, work to commission low cost supported accommodation for older UASC has been delayed as the proposed provider has pulled out of negotiations; work continues to find another interested party at the right price.

3.1.3 Environment & Place

Full Year Budget £000	Forecast £000	Variance £000
24,283	24,434	151

Environment and Place is forecasting an overspend of £0.151m. This is primarily due to additional depot security arrangements and pressure on waste budgets due to the continued decline in recycling rates. The service is managing significant pressures in year including changes to recycling contracts, additional town centre clean up

requirements, increasing demands on the highway network and managing the unachieved budget savings associated with the Thameside. The impact of Clean it, Cut it, Fill it is in addition to this and expected to cost £0.450m in 2016/17. Mitigation measures have been put in place to address the forecast overspend by deferring some recruitment and by generating increased income from shared services.

3.1.4 Finance & IT

Full Year Budget £000	Forecast £000	Variance £000
10,395	9,802	(593)

Finance and IT are forecasting to underspend by £0.593m which supports the mitigation of council wide pressures. This is primarily through restructure savings of £0.245m within ICT, additional income within Fraud of £0.217m, an underspend of £0.031m in Revenues and Benefits and £0.100m from other directorate services. Delivery will result in post reductions and is put forward as the first year target towards the 15-20% efficiency challenge. These savings are in addition to a further £0.250m ICT reduction allocated to the £1.200m Organisation Challenge savings target and the £0.150m agreed for Revenues and Benefits. Together, these represent a reduction on the accountable budget circa 9%.

3.1.5 Human Resources and Organisational Development

Full Year Budget £000	Forecast £000	Variance £000
7,875	7,239	(636)

HROD is forecasting to underspend by £0.636m, which supports the mitigation of council wide pressures. This relates primarily to vacancies that existed earlier in the year and managing spend within training and corporate communications. The service is managing a pressure of £0.120m in respect of the Occupational Health service that was previously funded through the Public Health grant. However, reductions to the grant have resulted in a review of its use and the pressure is to be mitigated by increasing income and managing within wider HROD budgets.

Pressure within the Communication budget due to funding an acting up allowance and backfilling through agency staff for sickness absence is being managed within wider service budgets and prioritising spend to remain within budget overall.

The service has an agreed savings target of £0.100m which is expected to be delivered through income generation activity including a roundabout sponsorship scheme and a more proactive approach to filming in the borough.

3.1.6 Legal Services

Full Year Budget £000	Forecast £000	Variance £000
2,226	2,226	0

Legal Services are forecasting to spend to budget by year end though the income target, increased by £0.250m in 2016/17, is becoming increasingly difficult to achieve.

To deliver the income target the shared legal service will need to deliver greater efficiencies and ensure the commercial viability of the shared service is fully utilised in areas of income generating work such as delivering legal services to other Councils and public sector organisations. The shared legal service has a record of delivery on income targets. A commercial review is now required to assess the viability of delivering this new target with consideration of any further efficiencies or enablers within the shared service model.

3.1.7 Commercial Services

Full Year Budget £000	Forecast £000	Variance £000
610	590	(20)

The Commercial Services Directorate is forecasting to underspend by £0.020m that supports the mitigation of council wide pressures. This is through reductions in operational spend and recharging to public health for work carried out on significant contract procurements.

3.1.8 Central Expenses

Full Year Budget £000	Forecast £000	Variance £000
4,032	2,927	(1,105)

This budget covers a number of corporate expenditure items including treasury management costs (interest paid on loans and received from investments), the annual contribution to the Essex Pension Fund to meet the current actuarial deficit and the allocation for the Minimum Revenue Provision.

Projections indicate an underspend of £1.105m. This is primarily from an improved treasury position and return on a joint LA Bond issued to the private sector. Given the uncertainty in the markets following the EU Referendum result, the treasury position continues to be monitored closely.

The Central Expenses budget includes an allocation of £0.050m in respect of the Lower Thames Crossing proposal and £0.365m invest to save funding available to

support initiatives geared towards enabling financial self-sustainability. In addition to this, £3.375m has been allocated towards managing council growth pressures.

3.1.9 Housing Revenue Account

	Full Year Budget	Forecast	Variance
	£000	£000	£000
Repairs and Maintenance	12,602	13,217	615
Housing Operations	11,263	11,076	(187)
Financing and Recharges	24,018	24,093	75
Rent and Income	(48,426)	(48,586)	(160)
Development	543	200	(343)
Total	**0**	**0**	**0**

The Housing Revenue Account budget, agreed by Cabinet in February 2016, is forecasting a breakeven position. .

Repairs & Maintenance

The service is forecasting an over spend of £0.615m. This is largely due to additional pressures for boiler installations as a result of unforeseen boiler failures and additional gas breakdown repairs. The exclusions budget is forecasting an overspend due to an increased call on the budget for external works as the Transforming Homes programme has been re-profiled.

Housing Operations

The service is forecasting an under spend of £0.187m. Budget savings and efficiencies through holding vacancies and managing spend are expected to contribute to mitigating the pressure within Repairs and Maintenance.

Rent & Income

There is a forecast underspend of £0.160m. Leasehold actuals have been billed resulting in additional income over initial estimates. This offsets the loss of income due to delays in letting properties on Seabrooke Rise and Derry Avenue.

Development

The forecast underspend of £0.343m is as a result of New Build schemes moving into more established phases requiring a reduced call on the revenue budget to support them. However, the mitigation is reduced due to delays in letting properties on Seabrooke Rise and Derry Avenue which has resulted in increased costs relating to Council Tax on void dwellings.

4   Reasons for Recommendation

4.1   The Council has a statutory requirement to set a balanced budget annually. This report sets out the budget pressures in 2016/17 along with actions to mitigate these pressures and deliver a breakeven position.

5   Consultation (including Overview and Scrutiny, if applicable)

5.1   This report is based on consultation with the services, Directors' Board and portfolio holders.

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

6.1   The implementation of previous savings proposals has already reduced service delivery levels and the council's ability to meet statutory requirements, impacting on the community and staff. There is a risk that some agreed savings and mitigation may result in increased demand for more costly interventions if needs escalate particularly in social care. 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.

7   Implications

7.1   **Financial**

Implications verified by: **Carl Tomlinson**

                                           Finance Manager

The financial implications are set out in the body of this report and shows that, despite considerable pressures and investment in Clean It, Cut It, Fill It, the council will be able to come within the agreed revenue budget.

Council officers have a legal responsibility to ensure that the Council can contain spend within its available resources. Regular budget monitoring reports continue to come to Cabinet and be considered by the Directors Board and management teams in order to maintain effective controls on expenditure during this period of enhanced risk. Austerity measures in place are continually reinforced across the Council in order to reduce ancillary spend and to ensure that everyone is aware of the importance and value of every pound of the taxpayers money that is spent by the Council.

7.2   **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.

7.3 **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.

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

There are no other implications arising directly from this update report.

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):

There are various working papers retained within the finance and service sections.

9 **Appendices to the report**

- Appendix 1 – 2016/17 Savings Tracker

Report Author:

Carl Tomlinson

Finance Manager

Finance and IT

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Appendix 1 - Savings Tracker 2016/17

Adults, Housing and Health

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Roger Harris	External Placements	Delivered elsewhere. External placements, continues to be a pressure, risk is due to demand led nature of the service	500	500	-	**R**
Roger Harris	Public health – review of contracts	Due to the reductions made to the Public Health Grant, this saving has been attributed to ASC and not Public Health and has been delivered by the cessation of two of the Supporting People contracts	250	250	-	**G**
Roger Harris	Reduction in Voluntary Sector Core Grants	Delivered as part of the review of Supporting People & Voluntary Sector contracts	75	75	-	**G**
Total			**825**	**825**	**-**	

Children's Services

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Rory Patterson	Reduced costs through MASH/Early Offer of Help.	Saving being reviewed as part of wider action plan to address budget pressures	350	350	-	**R**
Rory Patterson	EOH services reduced by 10% through earlier intervention	Expected to be delivered	166	166	-	**A**
Rory Patterson	Commission school effectiveness in partnership with schools	Delivered	150	150	-	**G**
Rory Patterson	Reduce and realign youth provision across Thurrock and related service through internal reorganisation and developing the services as a mutual/ outsourced service	Saving being reviewed as part of wider action plan to address budget pressures	230	230	-	**A**
Total			**896**	**896**	**-**	

Environment & Place

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Steve Cox	Transportation restructure and highways efficiencies	Delivered	50	50	-	G
Steve Cox	Reduce public transport subsidies (bus)	Saving no longer required to be delivered - budget reinstated in MTFS	190	190	-	G
Steve Cox	Planning - increased income and/or efficiencies	Delivered	29	29	-	G
Steve Cox	CEDU Restructure - Regeneration	Delivered	100	100	-	G
Steve Cox	Reduced building maintenance and cleaning contracts	Saving relates to the closure of Thameside. Full delivery of the saving is at risk due to the continuing use of the building. A review of expenditure budgets and actual running costs indicates part delivery of the saving. Further work is ongoing to determine further mitigation through additional income or efficiencies within other corporate buildings.	550	50	500	R
Steve Cox	Restructure and review of all grounds maintenance operations	Delivery would require further post and service reductions.	331	51	280	R
Steve Cox	Reductions in waste disposal	Delivered	270	270	-	G
Total			**1,520**	**740**	**780**	

Legal Services

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Fiona Taylor	Legal traded service income	Expected to be delivered	50	50	-	A
Total			**50**	**50**	**-**	

HR, OD & Transformation

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Jackie Hinchliffe	CEDU - Communications Income Generation	A roundabout sponsorship scheme is expected to start in Autumn 2016/17. This is anticipated to bring in a minimum of approximately £70-80k. A more proactive approach to filming in the borough is also being considered as well as other income generation opportunities.	100	100	-	G
Total			**100**	**100**	**-**	

Total			**3,391**	**2,611**	**780**	

| 5 April 2017 | ITEM: 11 |
| | (Decision 01104416) |

Cabinet

2016/17 Capital Monitoring Report – Quarter 3

| Wards and communities affected: | Key Decision: |
| All | Key |

Report of: Councillor Shane Hebb, Cabinet Member for Finance & Legal Services

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

Cabinet last considered the 2016/17 Capital Programme at its meeting on 14 December 2016 (General Fund and Housing Revenue Account).

Since the last reported position, additional funding has been added to the programme and budgets have been profiled to realign them with expected spend.

This report reflects these changes and sets out the latest forecasted outturn position.

1.   **Recommendation(s)**

        That Cabinet:

1.1   **Note the General Fund capital programme is projected to have unspent capital budgets of £14.897m as at 31 March 2017 being carried forward to 2017/18 to fund schemes currently in progress or under development;**

1.2   **Note the Housing Revenue Account capital programme is currently forecasting an overspend of £0.502m, but work continues to be undertaken to eliminate this by the 31 March 2017; and**

1.3   **Note the Schools Basic Need Government Grant allocation of £5.026m (2017/18) and £6.830m (2018/19) which will be added to the capital programme to fund further school improvements/expansions within the borough.**

2.   **Introduction and Background**

2.1.   This report provides an update to Cabinet on the financial position of the capital programme and highlights significant variances. It is the third

monitoring report for 2016/17 and is based on expenditure to the end of month 9 (the period 1 April 2016 to 31 December 2016) and projected expenditure for the remainder of the year.

2.2.   Capital schemes and resources are identified in two specific categories:

- Mainstream schemes – capital expenditure funded through prudential (unsupported) borrowing, from capital receipts, from the capital contribution from revenue budget or from earmarked capital reserves; and

- Specific schemes – capital expenditure funded through external funding sources, for example, government grants and Section 106 monies which are ring fenced for specific projects.

3.   General Fund Schemes

3.1.   The current position for General Fund schemes in 2016/17 are summarised in Table 1 below.

Table 1: Capital Programme – Projected Outturn as at Month 9

	Latest Agreed Budget	Projected Outturn at 31/03/2017	Variance against budget
	£'000's	£'000's	£'000's
Expenditure:			
Children's Service[1]	10,299	8,728	(1,571)
Adult, Housing & Health	4,556	1,597	(2,959)
Environment and Place	34,330	26,283	(8,047)
Finance and IT	827	627	(200)
HR, OD & Transformation	3,206	1,086	(2,120)
Total Expenditure	**53,218**	**38,321**	**(14,897)**
Resources:			
Prudential Borrowing	(27,869)	(16,117)	11,752
Capital Receipts	(1,828)	(1,830)	(2)
Reserves	(411)	(261)	150
Government & Other Grants	(20,333)	(17,884)	2,449
Developers Contributions (S106)	(2,777)	(2,229)	548
Total Resources	**(53,218)**	**(38,321)**	14,897
Forecast Overspend in Resources	**0**	**0**	**0**

The schools capital budget is designed around academic years and officers expect this to be defrayed in full within the current academic year.

Table 1 illustrates a projected outturn at the end of the financial year of £38.321m, which is £14.897m less than the latest agreed budget for the year. This forecast variance is further analysed in Table 2 below.

Table 2: – Analysis of forecast variance

	Re-profiling of expenditure at Month 9	Capital schemes requiring additional funding	Completed Projects	Forecast variance against budget at Month 6
Expenditure:	**£'000**	**£'000**	**£'000**	**£'000**
Children's Service	(1,569)	0	(2)	**(1,571)**
Adult, Housing & Health	(2,959)	0	0	**(2,959)**
Environment and Place	(8,102)	286	(231)	**(8,047)**
Finance and IT	(200)	0	0	**(200)**
HR, OD & Transformation	(2,120)	0	0	**(2,120)**
Total	**(14,950)**	**286**	**(233)**	**(14,897)**

3.2   Table 2 shows that the forecast underspend is principally due to slippage/budget reprofiling on current schemes (£14.950m). A list of schemes where the variance is greater than £0.25m is shown in Appendix 2. The largest of these relates to the Purfleet development (£4.467m) where the Council has continued to acquire the required residential properties during 2016/17. The purchasing of commercial sites is expected to commence in 2017/18 but will also depend of the land and lease holders. In addition plans for further community hubs are on hold pending the results of the libraries and hubs reviews (£2.491m).

3.3   Table 2 also shows that additional funding (£0.286m) continues to be required in 2016/17, to finance the extra expenditure relating to the Prudential Referral Unit project. Ground issues and issues with the roof design contributed to the additional costs. In total, a further £0.536m will be required for the project, with the remainder of the funding required in 2017/18. The additional expenditure will be financed by an increase to the projects prudential borrowing allocation.

3.4   During January 2017, the Government announced the schools basic need grant allocations for 2017/18 (£5.026m) and 2018/19 (£6.830m). Members are requested to note that the grant funding will be added to the 2017/18 and 2018/19 capital programme to fund school improvements/expansions within the borough. The confirmed projects will be subject to a further Cabinet report at a later date.

4. Housing Revenue Account Schemes

4.1 The current position for Housing Revenue Account schemes in 2016/17 are summarised in Table 3 below.

Table 3: HRA Capital Programme – Projected Outturn

	Latest Agreed Budget	Projected Outturn at 31/03/2017
	£'000's	£'000's
Expenditure:		
Transforming Homes	10,000	10,502
Housing Development	6,831	3,361
Total Expenditure	**16,831**	**13,863**
Resources:		
Prudential Borrowing	(4,265)	(2,053)
Capital Receipts	(637)	(960)
Reserves	(634)	(17)
Government & Other Grants	(1,295)	(331)
Major Repairs Reserve	(10,000)	(10,000)
Total Resources	**(16,831)**	**(13,361)**
Forecast Overspend in Resources	**0**	**502**

4.2 The budget for the Transforming Homes project was set at £10m in 2016/17. This scheme is forecast to deliver 1,238 internal property completions and 689 external property completions across the year.

4.3 The overall Transforming Homes spend is being managed within the annual budget of £10m, however there continues to be a high number of property voids being identified outside of the programme timeframes. In order to bring these properties back to a lettable standard, they require additional capital investment. There have also been a number of properties which require structural intervention over and above the Transforming Homes specification; these are referred to as exceptions. As a result of this, there is a forecast pressure of £0.442m in relation to voids, and £0.060m pertaining to structural works.

4.4 The overall forecast outturn on the transforming homes project is currently £10.502m, which will result in an overspend of £0.502m, against the budget. The actual spend at the end of December 2016 is £7.978m.

4.5   The revised budget in 2016/17 for Development Schemes is currently 6.831m. The actual spend to date is £2.882m, with the forecast outturn currently £3.470m under budget. This is largely due to delays in scheme commencement, which is offset by increased residual spend on Seabrooke Rise, Bracelet Close and Derry Avenue. The overall cost of these schemes is in line with available resources.

4.6   Table 3 shows that the overall position on the HRA capital programme is currently forecasting expenditure which exceeds the total budgeted available resources. Any overspend will need to be financed through additional revenue contributions or the utilisation of reserves. The Head of Housing has been tasked by the Director of Adults, Housing and Health to develop proposals to mitigate and eliminate this forecast pressure by 31 March 2017.

Gloriana Thurrock Ltd.

4.7   The regeneration project at St Chads is the only active capital scheme currently being undertaken by the wholly owned company Gloriana Thurrock Ltd. The project incurred expenditure of £10.5m during 2015/16 and is anticipated to incur a further £19.5m during 2016/17. To date (up to 31 December 16), £15.0m of this has been spent. This is funded by the Council and recovered from the company over the life of the project.

5.   Issues, Options and Analysis of Options

Performance Indicator Target for Month 9:   60%

5.1   The total expenditure to date on the Capital Programme is £28.775m, which equates to 55.14% of the budgeted spend against the performance indicator of 60%. This is based on the actual payments made to suppliers, so when considering the outstanding payments for works completed but not yet billed, the percentage spent is closer to the target level.

6   Reasons for Recommendation

6.1   The recommendations are to ensure that Cabinet and Members are aware of the current status of the Capital Programme.

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

7.1   Officers and Directors' Board have been consulted on this report

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

8.1   The budget provides the finance required to support capital projects that meet the Council's corporate priorities. Changes to the budgets may impact, positively or negatively, on the delivery of these priorities and the Council's performance, which could have a corresponding impact on the community.

9. Implications

9.1 Financial

Implications verified by: **Jonathan Wilson**

Chief Accountant

The General Fund Capital Programme is projected to have unspent budgets of £14.897m at the end of the current financial year and these will be carried forward to fund schemes either in development or currently in progress. The majority of this will be met from prudential borrowing with actual borrowing taking place as necessary when the budgets are spent.

Through the active management of the programme the Council continues to maximise the resources at its disposal.

9.2 Legal

Implications verified by: **David Lawson**

Deputy Head of Legal & Monitoring Officer

There are no direct legal implications arising from this report. This report provides an update and allows Members to review the adequacy of existing budgets.

9.3 Diversity and Equality

Implications verified by: **Natalie Warren**

Community Development & Equalities Manager

The report provides an update and allows Members to review the adequacy of existing budgets.

10. 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):

There are various working papers within directorates and accountancy.

11. Appendices to the report

- Appendix 1 – General Fund and Housing Revenue Account Summary
- Appendix 2 – General Fund Reprofiling Variances over £0.25m

Report Author:

Mark Terry

Senior Financial Accountant

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Table 5 – Summary of the 2016/17 General Fund Capital Programme	Approved Budget			Projected Outurn			CY Spend	% Spend against
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19	(Dec-16)	CY Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Childrens Service	10,299	8,336	72	8,728	9,905	72	5,174	**59.28**
Adults, Health and Housing								
Provider Services	167	0	0	31	136	0	6	**19.35**
Better Care	558	0	0	577	0	0	211	**37.00**
Community Development	3,435	0	0	840	2596	0	716	**85.00**
Travellers	14	0	0	14	0	0	14	**100.00**
Private Sector Housing	382	0	0	135	247	0	80	**59.26**
	4,556	**0**	**0**	**1,597**	**2,979**	**0**	**1,027**	**64.31**
Environment and Place								
Transportation and Highways	18,879	4024	0	17214	5613	0	6736	**39.13**
Stategic Planning	20	0	0	20	0	0	0	**0.00**
Resident Services	1,414	1865	0	873	2405	0	392	**44.90**
Environment	2,292	1922	0	2027	2187	0	1024	**50.52**
Regeneration and Assets	11,066	11885	6315	5645	19217	6,440	3061	**54.22**
Corporate Buildings	659	1085	424	504	1085	424	74	**14.68**
	34,330	**20,781**	**6,739**	**26,283**	**30,507**	**6,864**	**11,287**	**42.94**
Finance and I.T.	827	1,226	60	627	1,426	60	90	**14.35**
HR, OD and Transformation	3,206	5,922	0	1,086	8,042	0	337	**31.03**
Total Expenditure - General	**53,218**	**36,265**	**6,871**	**38,321**	**52,859**	**6,996**	**17,915**	**46.75**

Table 6 – Summary of the 2016/17 General Fund Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outurn			CY Spend (Dec-16)	% Spend against CY Forecast
		2016/17	2017/18	2018/19	2016/17	2017/18	2018/19		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	Not yet started	370	2,020	0	350	2,040	0	0	
	Work commenced	7,123	398	72	6,649	578	72	4,852	
	Scheme completed	1,049	0	0	1,047	0	0	14	
	Completed retention o/s	53	0	0	24	0	0	3	
	On hold	0	970	0	0	970	0	0	
	Demand led	1,617	4,948	0	571	6,317	0	218	
	Devolved to schools	87	0	0	87	0	0	87	
Total Childrens Service		**10,299**	**8,336**	**72**	**8,728**	**9,905**	**72**	**5,174**	**59.28**
	Not yet started	91	0	0	23	69	0	0	
	Out to tender	102	0	0	31	71	0	6	
	Work commenced	289	0	0	229	65	0	32	
	Scheme completed	275	0	0	290	0	0	290	
	Demand led	3,799	0	0	1,024	2,774	0	699	
Total Adults, Health and Housing		**4,556**	**0**	**0**	**1,597**	**2,979**	**0**	**1,027**	**64.31**
	Not yet started	790	20	0	406	1,677	125	0	
	Design stage	2,830	3,966	3,499	2,506	4,273	3,499	122	
	Planning decision	400	800	0	50	1,150	0	40	
	Quotations	150	0	0	93	0	0	0	
	Tender preparation	1,340	2,678	0	437	3,708	0	186	
	Tender evaluation	50	0	0	0	50	0	0	
	Contract formation	5,250	215	0	5,250	215	0	2,113	
	Work commenced	19,415	9,173	3,000	14,371	14,794	3,000	7,089	
	Scheme completed	1,247	0	0	1,028	15	0	836	
	Completed retention o/s	376	0	0	376	0	0	240	
	On hold	280	2,187	240	36	2,431	240	5	
	Demand led	2,072	1,742	0	1,701	2,093	0	656	
	Out for Consultation	130	0	0	29	101	0	0	
Total Environment and Place		**34,330**	**20,781**	**6,739**	**26,283**	**30,507**	**6,864**	**11,287**	**42.94**
	Not yet started	200	0	0	0	200	0	0	
	Work commenced	627	646	60	627	646	60	90	
	Demand led	0	580	0	0	580	0	0	
Total Finance and I.T.		**827**	**1,226**	**60**	**627**	**1,426**	**60**	**90**	**14.35**
	Not yet started	500	4,354	0	0	4,854	0	0	
	Work commenced	2,073	1,368	0	910	2,538	0	297	
	Scheme completed	583	0	0	176	400	0	40	
	On hold	50	200	0	0	250	0	0	
Total HR, OD and Transformation		**3,206**	**5,922**	**0**	**1,086**	**8,042**	**0**	**337**	**31.03**
Total Expenditure - General Fund		**53,218**	**36,265**	**6,871**	**38,321**	**52,859**	**6,996**	**17,915**	**46.75**

Table 7 – Summary of the 2016/17 Housing Revenue Account Capital Programme	Approved Budget			Projected Outurn			CY Spend (Dec-16)	% Spend against CY Forecast
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Adults, Health and Housing								
Provider Services	6,831	13500	6500	3361	17680	6500	2882	
Better Care	10,000	0	0	10502	0	0	7978	
Total Expenditure - HRA	**16,831**	**13,500**	**6,500**	**13,863**	**17,680**	**6,500**	**10,860**	**78.34**

Table 8 – Summary of the 2016/17 Housing Revenue Account Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outurn			CY Spend (Dec-16)	% Spend against CY Forecast
		2016/17	2017/18	2018/19	2016/17	2017/18	2018/19		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	Design stage	4,500	9,500	5,000	450	13,380	5,000	284	
	Planning decision	500	4,000	1,500	200	4,300	1,500	113	
	Work commenced	11,500	0	0	12,574	0	0	9,883	
	Scheme completed	331	0	0	613	0	0	554	
	On hold	0	0	0	26	0	0	26	
Total Adults, Health and Housing - HRA		**16,831**	**13,500**	**6,500**	**13,863**	**17,680**	**6,500**	**10,860**	**78.34**

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Table 9 - Scheme Reprofiling	Reprofiling £000's	Reason
Secondary and Primary Schemes (to be identified)	(986)	Funding is earmarked for two primary schools expansions which are likely to commence building works during 2017/18.
Community Hubs	(2,491)	Development of further hubs are on hold pending the library review. Reprofiling of budget into 2017/18 and beyond.
Traffic Signals	(250)	We have a £0.148m commitment with ECC and a number of other schemes are being progressed. Remainder likely to be spent during 2017/18.
Street Lighting LED Replacement	(542)	Work on replacing the lamps commenced September 16. Some reprofiling of expenditure required into 2017/18.
Refurbishment of Belhus Leisure Centre	(350)	Project needs to go out to tender. Likely to start in 2017/18, reprofiling of budget.
Purfleet Centre	(4,467)	Anticipated to continue buying residential properties this financial year. The purchasing of commercial premises is likely to commence during 2017/18 and will depend on negotiation with landowners and leaseholders. The timing of purchases is not entirely within the gift of the Council.
Riverside Business Centre	(630)	Scheme is currently at tender preparation stage, Reprofiling of expected spend into 2017/18 and beyond.
Aveley Community Hub	(400)	Planning permission was granted in November 2016. The project is currently waiting for the forum to finalise their business plan, before detailed design and work can commence.
Oracle Improvement	(430)	Project is progressing well. Reprofiling of expenditure into 2017/18 for possible acquistion of third party applications to support the system and business processes.
Civic Offices - Space Optimisation	(400)	Reprofiling of remaining budget into 2017/18 for future floor space optimisation.
Civic Offices - Ground Floor Refurbishment	(500)	Plans for the redesign of the ground floor are progressing, but are still subject to a further business case. Reprofiling of budget into 2017/18.
Transformation Programme Management Support	(400)	Funding for a new recruitment system (phase 1) has been approved, with phase 2 linking this to the Oracle system. Remaining funding requires reprofiling into 2017/18, which will continue to support the service reviews being undertaken.

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| 5 April 2017 | ITEM: 12 |
| | (Decision 01104417) |

Cabinet

Customer Services Strategy

| Wards and communities affected: | Key Decision: |
| All | Key |

Report of:

Councillor Deborah Huelin, Cabinet Member for Performance & Central Services

Accountable Head of Service:

Karen Wheeler, Director of Strategy, Communications & Customer Services

Accountable Director:

Karen Wheeler, Director of Strategy, Communications & Customer Services

This report is public

Executive Summary

Customer expectations are rising, the local population is growing and changing, and in response, we are increasingly required to strengthen our customer focus and build integrated service delivery models.

The council's approach must be based on meeting customer needs more efficiently and effectively. This means keeping their needs at the heart of what we do to provide the right customer journey, enabling self-service wherever possible.

The Customer Services Strategy sets out where the council wants to be and how it will get there. It is intended to provide a strategic overview that will lead the direction of travel through service plans and other council documents and procedures.

The strategy is part of a wider programme of projects and links closely to the Digital and People Strategies. It creates a comprehensive plan of how we will improve service to our customers across all access channels.

To succeed it will be necessary to create a culture, supported by the right operational procedures and infrastructure that will enable us to get it right first time. A review of service communication with residents will take place. The council will publish service standards and targets in a Charter so that residents know what to expect. If the council does not get it right, then an apology and quick and appropriate resolution will be found wherever possible.

Throughout the strategy, there is a strong emphasis on digital and self-service for customers that are able to utilise this method but recognition that support must still be available for the customers that cannot.

1.   Recommendation(s)

1.1   That Cabinet approve the Customer Services Strategy document at Appendix 1.

1.2   That Cabinet approve the proposals as demonstrated in the Pen Portrait examples (Appendix 2) for dealing with customer enquiries

2.   Introduction and Background

2.1   The Customer Services Department (contact centre, reception, face-to-face, cashiers, careline and out of hours) returned to the council from Serco in December 2015. This provided a new opportunity to consider the strategic direction for the service itself as well as the council's overall approach to customer services. The Customer Services Strategy, set out at Appendix 1, aims to address the following challenges:

- Inconsistent customer service standards across services
- Clarity and communication of what customers can expect including self-service options
- Customers mainly using more expensive channels such as face to face even for simple transactions available online
- Self-service not available for some high volume transactions
- Better understanding and use of digital methods
- Reduce avoidable contacts and promote proactive contact with residents
- Need to refresh contact centre telephony and implement other technology/ digital solutions i.e. web chat
- No single view of the customer for all contact channels i.e. web, email, face to face, telephone
- Opportunities for cross-council working, further service calls through the contact centre to deliver efficiencies and explore as a potential growth area and for income generation.

2.2   Approximately 38,000 telephone calls are handled in the contact centre each month with an additional 8,000 face-to-face visits to the civic offices. Residents are mainly contacting the council regarding:

- Housing benefits
- Council Tax
- Rents
- Environmental issues e.g. flytipping

- Waste e.g. missed bins

In addition, face-to-face enquiries are also commonly about parking permits and bus passes.

2.3 Many, although not all, of these services, or elements of them, are available online. My Account was introduced in October 2013 providing access to services and transactions online. This led to a reduction of 11% for calls between April 2014 and March 2016. In December 2015, there were 27,000 My Account users, which has now risen to 50,000 – over 70% of households. The latest services to become available are bulky waste collections, registrar's services and Council Tax ebilling.

2.4 At present each time a customer enquiry is handled within Customer Services the resource cost alone is approximately £5 for face-to-face, £1.50 per telephone call and 15p online. The full benchmarked industry average costs per contact are £8.62 per face-to-face visit, £2.83 per call and 15p online. This means that the 38,000 calls per month cost the council approximately £57,000 and supporting 8,000 face-to-face visitors, approximately £40,000.

2.5 Thurrock residents, in the main, have the skills to access services online and utilise our existing self-service options. The recent Residents Survey shows that over 90% of residents have access to the internet at home or via a mobile device. Although currently preferring to contact the council by phone, 61% would be willing to access services online in future.

2.6 The council already encourages and supports customers to use the internet for straightforward transactions and housing benefits and housing applications are 100% online. This does not mean that by improving the digital access options providing services through traditional methods such as telephone or face-to-face will stop, but that these channels will be reduced and freed up for those that need to use them – often residents with complex and sensitive needs. Vulnerable residents who need support will be assisted in person or over the phone to go online or directly access services if required. The support available also includes through the Community Hubs in the borough.

2.7 The aim is to minimise the need for our customers to contact the council but if they do, provide them with an excellent self-service experience that is quick and convenient and ensure other available contact channels are publicised.

2.8 It is recognised that the reception and face-to-face areas of the Civic Offices are in need of modernisation. A project to improve the ground floor, including this area, is ongoing with a capital budget allocated to implementation once agreed.

3. Issues, Options and Analysis of Options

3.1 The vision for customer services in the strategy is set out below.

The council will:
- Meet your needs first time whichever way we serve you
- Deliver what we say we will and keep you informed of actions being taken
- Enable you to self-serve, ensuring we provide high quality specialist and targeted support where self-service is not possible or appropriate

3.2   Delivering the vision and adhering to the principles within this strategy will help transform customer experiences. Getting it right first time will be achieved by improving service delivery through better systems, processes and communication. A review of service communication with residents will take place. The council will publish service standards and targets in a Charter so that residents know what to expect. If the council does not get it right, then an apology and quick and appropriate resolution will be found wherever possible. Residents will have greater access to services, will receive regular updates on service areas that are of interest to them and proactive contact to avoid them having to contact the council.

3.3   The council's workforce will have the right skills for the future and the ability to guide our customers to the right services for them. The council will continue to work closely with communities to increase access and support to our services and will have strong partnerships in place that allow local ambassadors to support local people.

3.4   The key recommendations and actions in the strategy are summarised below:

1. Review of customer contact within services including methods and quality of communication – work with all areas to identify customer service issues, training requirements and review quality of communication i.e. letters and ensure learning plans and actions are in place for complaint areas with follow up on progress and actions – from **April 2017** and ongoing - linked to service reviews.

2. Develop a **customer services charter** by reviewing existing service standards and targets, ensuring that customers are aware of the process and timeframes they can expect as well as the council's commitment to get it right first time and if not, to say sorry and resolve the issue quickly - **July 2017**

3. Channel migration – digital only services – approve recommended services as digital only from **April 2017,** removing other channels to maximise the use of resources for customers that really need support or where there is no online solution. This will allow appropriate support for vulnerable residents to ensure they are not excluded and assisted self-service via telephone or face-to-face where needed. Residents will be encouraged and supported wherever possible to go online. See **Appendix 2** – pen portraits giving examples of how enquiries would be handled for different customers.

4. Channel migration - face to face – remove specific face-to-face service desks to allow for an increase in self-service facilities and appointment service only for vulnerable service users - phased in from **May 2017** to January 2018. Provide a self-service scanning solution for documentation, a meet and greet floorwalker and business visitor self- service check-in solution instead of a reception desk and all customer services advisors multi-skilled. This will enable flexibility of resource and appointments for vulnerable customers.

5. Technology - implement a new contact centre telephony solution, along with new customer satisfaction, call recording and scheduling. Ensure new solution will link effectively for potential technology enhancements i.e. advanced voice recognition (IVR) capability and potential omni- channel (single view of the customer) technology solutions, to be explored in 2017/18.

6. Organisational design – review the best fit for customer interaction across all departments, completing a review of customer demand and call volumes directed to specific service areas. Determine the best fit within the organisation as part of all service reviews from 2017 through to 2019. This is an opportunity to review existing call volumes across all services and identify transactions not currently digital that would be better placed within the contact centre initially.

7. First time resolution and avoidable contact - reduce the need for customers to contact the council by reducing bureaucracy, learning from mistakes and complaints, continuing to automate processes, process reengineering and working with partners to provide joined up services and manage demand e.g. failure demand, avoidable demand, value demand. Link to Customer and Demand Management Board and service reviews from 2017 to 2019.

8. Growth - there is an opportunity to explore joining forces with other local authorities for customer services delivery. This should be pursued in 2018/19 as a potential growth area with a view to Thurrock's customer services department providing services on behalf of other local authorities and generating income.

9. People and Culture - embed the vision and principles in customer service delivery, and a set of service standards, throughout the organisation from 2017. A holistic approach to customer services with customer care training available to all staff via the classroom or e-learning **by December 2017**. This should include the vision and principles with clear standards of performance that are visible and transparent to customers through the customer charter. The aim is to create a culture that supports the delivery of high quality customer services. Robust leadership and governance arrangements will be in place to drive the strategy from the top and provide a shared vision that everyone can work towards. There will be a focus on digital and innovation to empower our employees using the right tools and technology. The change management programme will support this along with a refresh of our current behaviour frameworks. Customer services should be part of staff objectives

and included in all job descriptions and service plans - links to People and Digital Strategies.

10. Social media - utilise information received via existing social media to its full potential to proactively reduce contact i.e. if made aware of a general issue or trend via social media, respond to proactively reduce the need for other customers to contact the council – ongoing from 2017.

11. Community Options – ongoing support for the development of community hubs and consider additional community access points alongside service reviews so that solutions can be explored collectively to manage demand and reshape services – links to Customer and Demand Management Board, Community Hub Board, Property Board and Service reviews.

4.   Reasons for Recommendation

4.1   That Cabinet approve the Customer Services Strategy at Appendix 1 and proposals for customer service delivery as set out in Appendix 2 pen portraits.

4.2   Budget savings of £120k in 2017/18 and £100k in 2018/19 are proposed as part of the Council Spending Review and budget setting process against a total budget of £1.2m. The delivery of these savings is dependent on the strategy being agreed by Cabinet in April 2017 in order to implement changes to the resources within Customer Services by the end of May 2017.

4.3   Further savings, both within customer services and other back office areas across the council, could be realised in future years.

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

5.1   Consultation, and development of the strategy, has taken place through the cross-council Customer and Demand Management Board, Digital Board and other internal customers including ICT and Directors Board. Feedback has been obtained via Managers and Staff Conferences and Resident Survey feedback has been incorporated.

5.2   The draft strategy was presented to Corporate Overview and Scrutiny Committee in November 2016. The final strategy is significantly shorter than that presented to the committee but the overall approach and proposals remain the same. A summary of the feedback is set out below and has been considered in preparing the final version of the strategy:

- Web-chat would be beneficial to assist customers online
- Importance of links with community hubs and promotion of services and support available there
- Importance of service areas following up on actions and service requests logged online
- Ensure all customer needs are met including vulnerable residents

- Ensure customers are aware of timescales for completion of service requests – this will be addressed specifically in the Customer Charter
- Ensuring consistency across all departments not just the Customer Services Department

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

6.1   Delivering the vision and adhering to the principles within this strategy will help transform customer experiences. Customers will have improved access to services; receive regular updates on service areas that are of interest to them and proactive contact to avoid them having to contact the council at all. The workforce will have the right skills and ability to guide customers to the right services for them. The council will continue to work closely with communities to increase access and support, and have strong partnerships in place that allow local ambassadors to support local people.

7.   Implications

7.1   **Financial**

Implications verified by: **Carl Tomlinson**

Finance Manager

Budget savings of £120k in 2017/18 and £100k in 2018/19 are proposed as part of the Council Spending Review and budget setting process. The delivery of these savings is dependent on the strategy being agreed by Cabinet in April 2017 to enable implementation May 2017.

Capital investment may be required in technological solutions to address some of the proposals set out in the strategy. Many of the proposals within the strategy already form part of the capital programme and digital board work programme.

7.2   **Legal**

Implications verified by: **David Lawson**
Monitoring officer

There are no legal implications.

7.3   **Diversity and Equality**

Implications verified by: **Natalie Warren**

Community Development and Equalities Manager

An equality impact assessment has been undertaken. Whilst digital channels for accessing services and transacting with the council will be a primary focus going forward, assisted self-service, support at community hubs and existing channels such as face-to-face and telephone via the contact centre will remain, albeit reduced, for those most in need and unable to go online.

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

- None

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):

- None

9.   **Appendices to the report**

- Appendix 1- Customer Services Strategy
- Appendix 2 - Pen portraits for customer journey

Report Author:

Tracie Heiser
Operational Services Lead
Customer Services

Customer Services Strategy
2017-20

Convenient – Consistent
Cost Effective – Customer Care

1. Introduction

Customer expectations are rising, the local population is growing and changing, and in response we are increasingly required to strengthen our customer focus and build integrated service delivery models.

Our approach must be based on meeting customer needs more efficiently and effectively. This means keeping their needs at the heart of what we do to provide the right customer journey enabling the customer to self-serve wherever possible.

The Customer Services Strategy sets out where the council wants to be and how it will get there. It is intended to provide a strategic overview that will lead the direction of travel through service plans and other council documents and procedures.
The strategy is part of a wider programme of projects and links closely to the digital and people strategies. It creates a comprehensive plan of how we will improve service to our customers across all access channels.

To succeed it will be necessary to create a culture, supported by the right operational procedures and infrastructure that will enable us to get it right first time.

Throughout the strategy there is a strong emphasis on digital and self-service for the customers that are able to utilise this method but recognition that must still be available for the customers that cannot.

The council's relationship with the community and partners is changing and we want to empower groups and individuals. We want to support independent, active residents who can benefit from local assets and neighbourhood networks including through the community hubs. This will create a place that better supports community well-being and healthy lifestyles.

The document will support a set of standards within a customer services charter to embed and support our drive to provide:
Convenient – Consistent - Cost effective - Customer care

Who are our Customers ?

Residents

Businesses and other partners

Visitors

Customer service is about doing the right thing. It's about treating a customer as they would expect, and as you yourself would want to be treated. Every customer wants to feel like they are important.
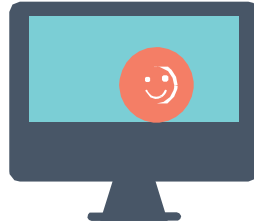
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Where are we now?

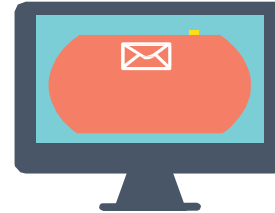**Every month the council receives on average:**

38,000 calls to the contact centre

8,000 visits to civic offices

Over 1 million hits to the website including:
100% benefit claims and housing applications online
70% bulky waste collections online
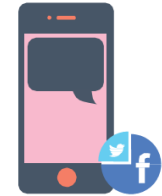**25% of households manage their council tax online**

Over 1,000 emails to the general enquiries inbox

And we have:

50,000 registered customers on My Account

10,000 followers on Twitter

The costs (benchmark average) per contact are:

15p per transaction

2.83 per transaction

£8.62 per transaction

The Residents Survey 2016 told us that:

Over 90% of residents in Thurrock have access to the Internet at home or on a mobile device

81% would prefer to contact the council by phone, 27% via online methods and 10% in person at present

61% would be willing to contact us online in the future
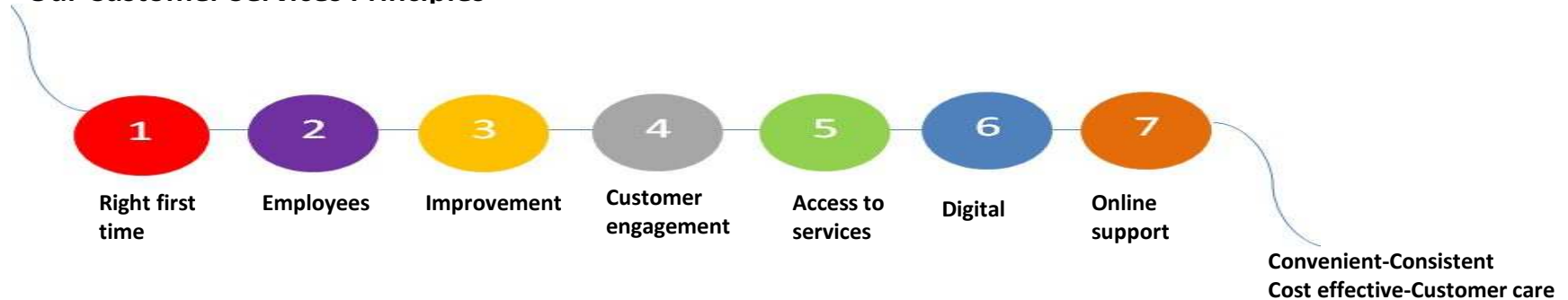
72% think council employees are friendly and polite

48% think we respond quickly and efficiently to queries

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Our Vision for Customer Services

The council will:
- ꝟ Meet your needs first time whichever way we serve you
- ꝟ Deliver what we say we will and keep you informed of actions being taken
- ꝟ Enable you to self-serve, ensuring we provide high quality specialist and targeted support where self-service is not possible or appropriate

Our Customer Services Principles

1	2	3	4	5	6	7
Right first time	Employees	Improvement	Customer engagement	Access to services	Digital	Online support

Convenient-Consistent
Cost effective-Customer care

What do these mean?

1. **Right first time** - To deliver services consistently with integrity – reducing the need for our customers to repeatedly contact us about the same issue
2. **Employees -** To go above and beyond for our customers by encouraging and empowering our employees to take ownership and deliver positive outcomes
3. **Improvement -** To provide up to date information and efficient processes, continually striving for improvement and innovative solutions
4. **Customer engagement -** To proactively engage our customers in developing services that respond to their needs and seek feedback on the delivery of those services
5. **Access to services -** To provide quality, cost effective choices that do not exclude members of the community and offer easy access to our services
6. **Digital -**To enable our customers to transact with the council when it suits them without having to phone and visit
7. **Online support -** To offer support to help people get online and work with our partners and the community to improve access to services

Key recommendations / actions to deliver our customer services principle 1

Right first time — Employees — Improvement — Customer engagement — Access to services — Digital — Online support

Convenient-Consistent
Cost effective-Customer care

Principle 1 - Right first time

To deliver consistent customer services with integrity – reducing the need for our customers to repeatedly contact us about the same issue

Key recommendations / actions

v **Review of customer contact within services** including methods and quality of communication – work with all areas to identify customer service issues, potential process re-engineering, training requirements and review quality of communication i.e. letters and ensure learning plans and actions are in place for complaint areas with follow up on progress and actions – from **April 2017** and ongoing - linked to service reviews.

v Develop a **customer service charter** by reviewing existing service standards and targets, ensuring that customers are aware of the process and timeframes they can expect as well as the council's commitment to get it right first time and if not, to say sorry and resolve the issue quickly - **July 2017**

v **Customer care training programme** to be widened to all service areas. Principles included in employee and members induction. Develop customer care eLearning course by **December 2017**. Encourage more customer service apprenticeships.

v **First time resolution and avoidable contact -** reduce the need for customers to contact the council by reducing bureaucracy, learning from mistakes and complaints, continuing to automate processes, process reengineering and working with partners to provide joined up services and manage demand e.g. failure demand, avoidable demand, value demand. Link to Customer and Demand Management Board and service reviews from 2017 to 2019.

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Key recommendations / actions to deliver our customer services principle 2

1. Right first time
2. Employees
3. Improvement
4. Customer engagement
5. Access to services
6. Digital
7. Online support

Convenient-Consistent
Cost effective-Customer care

Principle 2 - Employees

To go above and beyond for our customers by encouraging and empowering our employees to take ownership and deliver positive outcomes

Key recommendations / actions

ν **Empower and engage** our employees and customers in the design and provision of services, ensuring effective feedback mechanisms are in place for employees via employee forums, surveys and appropriate representation at Customer and Demand Management Board **May 2017 and ongoing**

ν **All employees who are residents in the borough encouraged to sign up for My Account and promote online services** – organise employee sign up activities and encourage employees to give feedback about the services to inform improvements. **July 2017 and ongoing**

ν **People and Culture -** embed the vision and principles in customer service delivery, and a set of service standards, throughout the organisation from 2017. A holistic approach to customer services with customer care training available to all staff via the classroom or e-learning **by December 2017**. This should include the vision and principles with clear standards of performance that are visible and transparent to customers through the customer charter. The aim is to create a culture that supports the delivery of high quality customer services. Robust leadership and governance arrangements will be in place to drive the strategy from the top and provide a shared vision that everyone can work towards. There will be a focus on digital and innovation to empower our employees using the right tools and technology. The change management programme will support this along with a refresh of our current behaviour frameworks. Customer services should be part of staff objectives and included in all job descriptions and service plans - links to People and Digital Strategies.

Key recommendations / actions to deliver our customer services principle 3

1 — Right first time
2 — Employees
3 — Improvement
4 — Customer engagement
5 — Access to services
6 — Digital
7 — Online support

Convenient-Consistent
Cost effective-Customer care

3

Principle 3 - Improvement

To provide up to date information and efficient processes, continually striving for improvement and innovative solutions

Key recommendations /actions

v **Continued monitoring and review of incoming channels** and action plan for all channels including post/paper. Review letters across services to ensure these are not creating unnecessary demand - commencing May **2017 and ongoing**

v **Maintain Customer Contact Association v6 industry standard accreditation** to maintain existing high standards within the Customer Services Department and identify any further areas for improvement – annual, **June 2017**

v **Create a framework for monitoring the charter and improving performance**. With effective feedback mechanism to all services - link to Performance Board , Service Reviews and Customer and Demand Management Board **Sept 2017 and ongoing**

v **Technology -** implement a new contact centre telephony solution, along with new customer satisfaction, call recording and scheduling. Ensure new solution will link effectively for potential technology enhancements i.e. advanced voice recognition (IVR) capability and potential omni- channel (single view of the customer) technology solutions, to be explored in 2017/18.

v **Organisational design –** review the best fit for customer interaction across all departments, completing a review of customer demand and call volumes directed to specific service areas. Determine the best fit within the organisation as part of all service reviews from 2017 through to 2019. This is an opportunity to review existing call volumes across all services and identify transactions not currently digital that would be better placed within the contact centre initially.

v **Growth –** there is an opportunity to explore joining forces with other local authorities for customer services delivery. This should be pursued in 2018/19 as a potential growth area with a view to Thurrock's customer services department providing services on behalf of other local authorities and generating income.

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Key recommendations / actions to deliver our customer services principle 4

1 Right first time
2 Employees
3 Improvement
4 Customer engagement
5 Access to services
6 Digital
7 Online support

Convenient-Consistent
Cost effective-Customer care

4

Principle 4 - Customer engagement

To proactively engage our customers in developing services that respond to their needs and seek feedback on the delivery of those services

Key recommendations / actions

ν **Maintain customer satisfaction surveys** and quality measurement and implement a feedback mechanism for digital services. Ensure appropriate actions in place for any identified issues and complaints. Feedback issues to all service areas. Monthly communication of results and complaint reporting. **Ongoing**

ν **Continue to promote the benefits of online services to customers,** targeting future changes to meet the needs of customers .

ν **Review Residents' Survey results** and put in place appropriate action plan for customer services i.e. to improve the speed and efficiency of responses. **May 2017** – follow up survey in September 2017

ν Share and promote **positive customer feedback and compliments** across all services **– June 2017 and ongoing**

ν Utilise information received via existing **social media** to its full potential to proactively reduce contact i.e. if made aware of a general issue or trend via social media, respond to proactively reduce the need for other customers to contact the council – **ongoing**

ν **Ensure residents are involved in the service design process** – involvement of customers in process design or through effective consultation on service changes. Utilise digital tools and techniques to engage and consult **September 2017 and ongoing as part of service reviews**

ν **Establish a Customer Services residents group** to identify issues and implement appropriate actions relating to customer services across all council departments based on customer feedback. **September 2017 and ongoing**

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Key recommendations / actions to deliver our customer services principle 5

1 Right first time
2 Employees
3 Improvement
4 Customer engagement
5 Access to services
6 Digital
7 Online support

Convenient-Consistent
Cost effective-Customer care

Principle 5 - Access to services

To provide quality, cost effective choices that do not exclude members of the community and offer easy access to our services

Key recommendations / actions

ν **Channel Migration - digital only services –** approve recommended services as digital only from **April 2017,** removing other channels to maximise the use of resources for customers that really need support or where there is no online solution. This will allow appropriate support for vulnerable residents to ensure they are not excluded and assisted self-service via telephone or face-to-face where needed. Residents will be encouraged and supported wherever possible to go online. Ongoing and via service reviews 2017-2019.

ν **Channel Migration - Face to face –** remove specific face-to-face service desks to allow for an increase in self-service facilities and appointment service only for vulnerable service users - phased in from **May 2017** to January 2018. Provide a self-service scanning solution for documentation, a meet and greet floorwalker and business visitor self- service check-in solution instead of a reception desk and all customer services advisors multi-skilled. This will enable flexibility of resource and appointments for vulnerable customers.

ν **Cashiers project (phase 2) to identify further cashless/cheque-less options** to enable efficiencies and make payment more convenient for customers - **June 2017 -** in progress

ν **Implement self-check in system for business visitors at civic offices -** enhancement to existing Qmatic system **- July 2017**

ν Explore video /skype solution at community hubs to enable face to face communication with customer services advisors for complex enquiries and other potential community options / locations - **December 2017**

ν **Ensure channel migration actions are implemented** relating to eforms, ensuring digital principles are embedded i.e. replacing PDF and downloadable forms with eforms, replacing leaflets with online information etc. **Ongoing**

ν **Ensure translation service is available across all channels - August 17**

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Key recommendations / actions to deliver our customer services principle 6

1 Right first time

2 Employees

3 Improvement

4 Customer engagement

5 Access to services

6 Digital

7 Online support

Convenient-Consistent
Cost effective-Customer care

Principle 6 - Digital

To enable our customers to transact with the council when it suits them without having to phone and visit

6

Key recommendations / actions

ᴠ **Digital principles -** embed the digital strategy principles within all services and a focus in all service reviews. We should be digital by default - link to people and digital strategies **2017/18**

ᴠ **Complete business process reengineering** project for all customer touch points initially within the contact centre and customer service areas to reduce unnecessary contact and explore further digital solutions. Review high call volumes outside of the contact centre. **May 2017 and ongoing via service reviews**

ᴠ **Continued development of online services and web content** with a clear implementation plan so we are building high quality customer focused digital services - ongoing monitoring of high volume transactions and tracker. **May 2017 and ongoing**

ᴠ **Explore further opportunities for automated messages and artificial intelligence.** Complete appropriate business case and cost/benefit analysis **2017/18**

ᴠ **Investigate voice recognition solution for switchboard enquiries** where callers are ringing to contact an employee direct. Complete appropriate business case and cost/benefit analysis **June 2017**

ᴠ In addition to web chat, **implement a proactive process to contact customers who have had difficulty registering for My Account** to assist them in setting up their account. Sending auto email when abandoned with support details - **Sept 2017**

ᴠ **Explore marketing techniques, behavioural insight and incentive opportunities to increase digital engagement** i.e. those who utilise digital for other activities, and engagement with businesses who may be able to provide offers to My Account users. Consider iPad pal volunteer programme. **October 2017**

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Key recommendations / actions to deliver our customer services principle 7

Principle 7 - Online support

To offer support to help people be online and work with our partners and the community to improve access to services

Key recommendations / actions

ν **Channel Migration - Assisted digital support –** for residents that cannot use online services at first on their own. The support can be guiding a customer through the digital service, entering a user's information on their behalf initially and setting up their account so that they can continue to use this channel going forward. This can be provided via face to face, telephone or web chat. We should continue to provide this support via the contact centre, within the community hubs and within our face to face area at civic offices, always encouraging and supporting our customers to be able to use the easiest contact channels for the services where online is available and implement web chat to assist   - **Ongoing**

ν **Community options -** ongoing support for the development of community hubs and consider additional community access points alongside service reviews so that solutions can be explored collectively to manage demand and reshape services – links to Customer and Demand Management Board, Community Hub Board, Property Board and Service reviews.

ν **Change appropriate transactions to digital only** i.e. discounts; this will enable an enhanced service to customers that need our support. Customers will realise the benefits, convenience and accessibility of these services. **May 2017**

ν **Implement a plan to enable proactive contact to residents with dropped searches, registration issues and transactions** via My Account to assist and encourage future self-service **- August 2017**

ν **Implement web chat** to support customers having difficulty setting up their My Account or finding information - **September 2017**

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Final thoughts…….

1	2	3	4	5	6	7
Right first time	Employees	Improvement	Customer engagement	Access to services	Digital	Online support

Convenient-Consistent
Cost effective-Customer care

Delivering the vision and adhering to the principles within this strategy will help us transform our customers' experience.

Our customers will have greater access to our services, will receive regular updates on service areas that are of interest to them and proactive contact to avoid them having to contact us.

We will have a workforce with the right skills for the future and with the ability to guide our customers to the right services for them.

We will be working closely with our communities to increase access and support to our services and will have strong partnerships in place that allow us to have local ambassadors to support local people.

Success is **convenient, consistent, cost effective, customer care** for the residents of Thurrock.

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Pen Portraits - Scenarios for handling customer enquiries

Pen Portrait	
Introducing Judith	
Judith's Situation	**Customer Journey**
• Judith is 70 years old and lives alone in a council property within the borough. • Judith finds it difficult to get about. • Judith has never used a PC and has no idea where to start. • Judith contacts the council weekly to pay her rent via telephone.	• During the recent telephone conversation Judith mentions that she is struggling financially. • The Customer Service Advisor reviews Judith's account and notices that she is not claiming Housing Benefit and explains that this may help. • Understanding that Judith has no access to a PC and struggles to get out, the advisor asks if there is a family member or friend that could help her apply. Unfortunately Judith is not due to see anyone for a few weeks. • The advisor tells Judith not to worry and that we can help with this now and will complete the Housing Benefit application with her over the phone.

Pen Portrait	
Introducing Sam	
Sam's Situation	**Customer Journey**
• Sam is 30 years old and has recently moved into his first home in Thurrock. • Sam is single and lives alone. • Sam knows how to use a PC, uses a variety of devices on a daily basis and is happy to transact online. • Sam works night shifts and sleeps during the day so finding time for paperwork is difficult. • Sam realises that when he moved he didn't apply for a Single Person Discount for his Council Tax and telephones the Council.	• The Customer Service Advisor explains that applying for this discount can only be completed online through our My Account service which can be accessed at any time from home. • The Customer Service Advisor provides the website address for Thurrock Council, which Sam accesses during the call and registers immediately for My Account. • Sam doesn't have his Council Tax reference number or bill to hand, so the Customer Service Advisor accesses his My Account and links this to his Council Tax Account following a few simple security questions. • Sam is now able to complete the online Single Person Discount form from home and can review his account at a time that suits him.

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Pen Portrait	
Introducing Archie	

Sam's Situation	Customer Journey
• Archie is 69 retired and lives in Thurrock. • He lives in a council provided flat with his wife. • He has a mobile phone but it is not a smart phone. Archie does not have access to a tablet or personal computer. • Archie does have a car and can get out and about. • Archie and his wife are having some financial difficulties and are finding it hard to pay Council Tax so he decides to visit the Council for help.	• Archie is greeted as he arrives at Civic Offices and asked by a Customer Service Advisor floorwalker, how we can help him today. • Archie explains that he would like to apply for Council Tax Support. • The Advisor explains that we can help him apply for this at our self service area. • Archie becomes very upset as he has never used a PC before and moves towards the exit. • The Advisor reassures Archie and decides that a one to one meeting with an advisor may be the best approach and offers Archie a seat. • Archie is seen by a Customer Service Advisor who explains the process and applies for Council Tax Support on his behalf. Archie is also reassured that in future if he would like to use the PCs we are here to help and can teach him how to access our My Account services.

Pen Portrait	
Introducing Michelle	

Sam's Situation	Customer Journey
• Michelle is a 33 year old single mother of two children and lives in Thurrock. • Michelle is an avid online shopper and knows how to use a PC, has a smart phone and uses a tablet. • Michelle has been a single parent for 8 years and has claimed Housing Benefit to help support her family. • Michelle has recently returned to work now that her children are both in full time education and has a very busy life. • Michelle is aware that this will impact her Housing Benefit claim and decides to stop by at Civic Offices before she collects the children from school.	• Michelle arrives at Civic Offices and sees the electronic machine which displays 'Welcome to Thurrock Council'. • Michelle chooses the services that she is here for 'Housing Benefits – Change Of Circumstances' and is advised that this is a self-service function and is directed to the area. • Michelle sits at a self-service PC and follows the on screen instructions to report the changes. • A Customer Service Advisor checks that Michelle is ok and if she needs any help to just ask. • Michelle explains that she is fine using a PC but didn't realise that she could do this herself. • Michelle completes her transaction using My Account and scans her documents using the self-scanning booth.

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| 5 April 2017 | ITEM: 13 |
| | (Decision 01104418) |

Cabinet

Transforming and Securing the Council's Youth and Skills offering – Inspire

| **Wards and communities affected:** | **Key Decision:** |
| All | Key |

Report of: Councillor James Halden, Cabinet Member for Education and Health

Accountable Head of Service: Michele Lucas, Strategic Lead, Learning and Skills

Accountable Director: Rory Patterson, Corporate Director, Children's Services

This report is Public

Executive Summary

The Cabinet is determined to ensure that we have a robust youth and skills offer, so we can show leadership to ensure we work with education partners to enable our young people to raise their expectations and reach their potential. This paper seeks to end the ongoing uncertainly with the structure of the youth offer and position of Grangewaters, while putting both on a firm commercial footing to meet its objectives while becoming self-sufficient.

The purpose of this report is to update the Council on the most appropriate delivery vehicle for Inspire Youth Offer that incorporates consideration of Inspire being spun out.

During this review, the Inspire youth offer has continued to broaden its scope and increase its impact as an in-house managed service, developing new income streams, recovering costs and raising standards. In addition, the council has secured a £2.4m grant in European funding and taken on the management of the Council's Grangewaters Outdoor Education Centre recovering a further £330k in the current year to leave the site cost neutral. With Grangewaters and a number of other elements of the service now recovering a significant amount of its current operating costs, over and above its core funding of £1.3m in 2016/17.

Based on the continuing improved efficiency and growing effectiveness of the service the review identified that there would be no immediate financial or service benefit for externalising the service further, the costs incurred in setting up the mutual whether as a charity or a community interest company, are estimated at over £100k.

Working closely with the Commercial Director, under the transformational and preventative agendas, the Inspire youth offer is looking to further incubate its trading activities over the next three years, setting a model of good practice for other departments delivering continued savings of 15% over three years across a broader range of preventative young people's services designed to reduce the demand on the high cost social care services as identified the work undertaken by iMPOWER in 2016.

The Cabinet is invited to note the report and approve the principle that the Inspire service, including the operation of Grangewaters outdoor education centre, remain an in-house service and is supported in incubating and growing its commercial approach as part of an ongoing service review over the next three years. Subject to a sound business plan, continued improvements will be made to the Grangewaters site. This approach also ensures that the strengths of the Inspire youth hub team remain within the Council and the Council's commitment to young people's services is maintained

1. **Recommendations that the Cabinet:**

1.1 **Approve the principle that the service, including the operation of Grangewaters outdoor education centre, remain an in-house service and is supported in incubating its commercial principles.**

2.2 **Approve more autonomy for Inspire to meet its objective to form a cost neutral and self-sustaining service, while meeting our goals and principles to improve outcomes for young people.**

2. **Background**

2.1 The purpose of Inspire youth offer is to provide a range of services to all 13-19 young people (up to 25 for those with disabilities) in Thurrock and surrounding areas so as to improve their opportunities for education employment and training. The service has a successful track record of securing good outcomes for young people. For example, the level of young people not in education employment and training has been reduced to 2.3% from 3.1% with the ambition for 2017/18 being a further reduction to 2%.

2.2 The Inspire youth offer is a key strand in the council's ambition to: link high quality education to good employment and training opportunities; raise student expectations and ambition; and tackle the inter-generational family issues of low expectation and aspiration.

2.3 In August 2014 the Council undertook consultation to seek views from staff and service users ahead of the proposed spin out of the Inspire youth offer to a mutual.

2.4 In February 2015 the outcome of the consultation was presented to the Children's Overview and Scrutiny Committee confirming that service users and staff alike were in favour of the proposal to spin out the youth offer although no

detailed business case analysis of the consequences for its employees had been undertaken at the time.

2.5 The Children's Overview and Scrutiny Committee in September 2015, supported the principle that it was open to the delivery of the youth and community related activities via a mutual. However, this was subject to the necessary due diligence being undertaken. In February 2016, Officers reported on a number of risks it felt required further consideration prior to the execution of any mutual and these have been taken into account in this assessment.

2.6 In August 2016, a further thorough review including financial implications as to whether the service should operate as a mutual and the most appropriate legal structure for that mutual was undertaken.

2.7 Officers appointed independent consultants Benesse (UK) Ltd in December 2016 to provide an independent assessment of the mutual option as part of the Council's Service Review Process into how the service is provided.

2.8 The Service Review Principles that have been implemented as part of the Council's transformation programme provides a methodology against which Council officers can look to deliver significant improvements in the commercial, financial and operational performance of the services offered.

3. Service Objectives

3.1 Over the next three years Inspire will be working to develop services that aim to achieve the following:-

- NEETs to go below 1.5%
- Care Leavers into EET 75%
- Every 16 year old has access to impartial careers advice
- Grangewaters – a 5% increase in bookings for the site
- Youth Employment Initiative to deliver to the contract specification
- To continue to seek commercial opportunities to increase our market
- share of youth related activities across the Opportunity South Essex College
- High Achieving students have access to programmes that can support them into Russell Group Universities and grammar schools
- Unknowns re continue to remain in the top 5% of the country
- To support schools and other partners shape their working based on the demands we see in the employment market
- To lead on the work with partners to support pathways into employment e.g. work undertaken with the Local Enterprise Partnership
- Raising the aspiration of students to not just settle for easily accessed employment opportunities, but stretch to fulfil their potential
- To work with our alternative provision market to ensure we support the reintegration of young people into the mainstream education / employment system

4.   Youth Services in Thurrock

4.1   Over the past three years the Council's Inspire youth offer has worked hard to implement commercial systems and processes to reduce costs. In parallel, the service has continued to reduce the number of young people not in education, employment or training

4.2   The current cost to Thurrock Council for the provision of the Inspire youth offer was £1.5m for 2015/16 and is budgeted to cost Thurrock £1.324m in 2016/17. This is despite an increase in the level of service increasing to a forecast value of £2.583m with the difference in revenue found from commercial and grant funded activities.

4.3   Through this combination of changing the way things are done, reducing costs and introducing new programmes funded externally, the Inspire youth offer has continued to improve its financial position in recent years saving £600k since 2013/14 and a further £300k in 2016/17 from running Grangewaters.

4.4   Looking ahead the youth offer needs to identify ways to generate a further 15-20% income to become financially cost neutral. Further to this review it is looking to achieve this by continuing its current process of challenging methods of delivery and packaging of services.

4.5   The Inspire youth offer team includes over 45 employees across the five aspects of service with the majority based at the Inspire Hub building in Grays and Grangewaters, South Ockendon. Its services impacts on every 13 to 19 year-old in Thurrock and anyone with special educational needs up to the age of 25. As a way of generating additional income they have also been commissioned to deliver a number of services for neighboring council's (e.g. Basildon) and attracted funding to deliver national programmes (Youth employment Initiative).

4.6   In 2016 the Inspire Youth Service provided a range of services for young people including the following:

- Accommodated 336 enrolments on the Duke of Edinburgh course delivering 2,416 hours of Volunteering
- The Careers team supported over 4,000 young people to find employment, training or education opportunities
- The Princess Trust Team supported 45 young people with 90% completing level 1 or 2 Certificate in Employment, Teamwork and Community Skills (ECT).
- 85% of the young people who complete moved on to a positive outcome within 3 month. The programme also delivered 540 hours of volunteering and social action programmes
- The team's Youth Work supported the 35 young members of the Thurrock Youth Cabinet, 4,331 young people who voted in Make Your Mark, 100 young people attending Youth Con (an event run by our youth cabinet members), 220 young members of Tilbury Youth Club, the 90 young people who took part in the Thurrock street football project, 13 young people who achieved the FA Junior Football Leaders Course, over 5,000

young people viewing 'Only Human' (film raising awareness about mental health), set up a music recording studio and provided over 1,300 hours of Face to Face Youth Work;

- The Youth and Outdoor Education team worked with 5,280 young people;
- Grangewaters accommodated over 3,000 Young people, providing the opportunity for 293 hours of volunteer support work.
- Finally, the Employability and Skills team hosted 2,600 visitors to its Opportunity Thurrock exhibition, supported 4,500 young people with over 1400 work placements, 40 Apprenticeships supported and 1,782 Voluntary hours delivered.

4.7   By retaining the service in house and supporting or incubating the business using the Service Review Principles below it is anticipated that the Council can preserve the strengths of the service including key personnel.

5.   Assessment of the youth offer using Thurrock's Service Review Principles (SRP)

5.1   In May 2016 a Transformation Board was implanted with. The aim to use a set of Key Design Principles (below) that each service area is to consider when designing or reviewing its service offer.

The Principle	The objective
Customer (Demand Management)	• What is current customer demand • How much can we/should we reduce it by through change in behaviour/partnership engagement etc • Investigates how customers feel about and interact with the service and how might this data be used to improve service delivery
Commercial (incorporating associated delivery vehicles	• How can services grow external income and reduce cost to serve • What alternatives delivery vehicles might be in place for better outcomes
ICT/Digital	• How can we reduce cost to serve through creating channel shift to self serve options • Stimulate and enable innovation and new ways of working • Make smarter use of data and improve comms and partnerhsip working across public services (share & re-use)
People	• Exploration of skills/capacity/cultural/leadership development that need to be addressed now to ensure success for the future
Procurement	• Considers contracts that a service has in place • Explores possible efficiencies from re-procurement,joint,PAN procurement
Property & Assets	• How can we use the public realm asset portfolio to maximum effect • Rather than simply selling assets is there an opportunity to act as developes (thus creating an on-going revenue stream)

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5.2   The first Principle of "demand and customer experience" within Thurrock and in surrounding areas has been well documented here and in previous reports to the Council. The Inspire Team has shown its application to this by delivering improved impact, managing customer forums and a youth council as a means to identifying and meeting demand and maintaining relevant services.

5.3   Under the second, Commercial Principle, over the past three years, the Council has developed within the Inspire youth service, a commercially focused leadership team that has successfully identified and explored a number of commercial opportunities to reduce council costs whilst continuing to improve and expand on the youth offer.

5.4   The investment in ICT and digital platforms, as the third Principle, requires further attention as highlighted in the Council's recent digital strategy. The introduction of virtual learning programmes and a wifi service at Grangewaters shows how the service is starting to align with the needs of the young people using the service.

5.5   The ongoing review of people and processes within the Inspire youth offer has successfully generated enough income to offset budget reductions over the past three years and has managed to retain the knowledge base, and a highly skilled, flexible and motivated workforce. A fact recognised through the Council's recent employee awards, which highlighted their involvement across services and their willingness to take on new challenges.

5.6   Under the (fifth) Procurement Principle this report confirms that the service and contracts in place cannot be provided more efficiently or effectively under different forms of procurement within the next budget period (Appendix 1).

5.7   A review of the Grangewaters outdoor education centre (Appendix 2) similarly confirmed that this facility would also be better retained within the Inspire youth offer over the next three years whilst the site is properly reviewed and where appropriate, services developed and capital deployed to deliver a return to the Council.

5.8   In summary, the Inspire youth offer remains focused on delivering services on commercial principles and growing a sustainable high quality service for young people.

6.   **Alternative Delivery Vehicles issues, Options and Analysis of Options**

6.1   As part of this report, significant work has been undertaken in considering the different options available to the Council for the Inspire youth offering via a mutual and this is set out in appendix 1. This included a review of other externalised providers such as the charities CXK (youth services, Kent), Advizor (Berkshire), Careers Connect (Liverpool), Catch 22 (young person charity) and the community interest companies Epic (Kensington and Chelsea), Achieving for Children (Richmond and Kingston) and Thurrock Lifestyle Solutions (Disabled services, Thurrock).

6.2   The decision to retain in its current form revolves around the fact that the service is currently demonstrating significant improvements year on year to its financial performance, the service has continued to realise new sources of revenue, the Council retains title on key assets, the Council would be disadvantaged through a loss in skilled and competent employees who are able to support

improvements in this service as well as assisting more widely across the Council and that the costs (approx. £100-150k) and legal processes that would be required in delivering a mutual could be both significant and complex requiring significant time from senior officers without demonstrating the return on investment the Council might require at this time.

6.3   Continuing to support and nurture this service under the service review principles continues to support the Council's core ethos for delivering award winning child centric youth services

6.4   To ensure that the council does not become complacent as to this situation it is felt that a similar review be undertaken in three years' time when the service can be re-benchmarked and the service delivery model challenged once more.

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

7.1   There has been ongoing consultation with:

- Young people
- Staff
- Elected members

These have been reported on in a number of earlier reports to Cabinet and Children's Overview and Scrutiny

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

8.1   None

9.   Implications

9.1   **Financial**

Implications verified by: **Shaj Sivadasan**
                                        Management Accountant

Over the past three years youth related activities have seen a significant budget reduction. Looking ahead as part of the current budget review process, the youth offer will need to deliver a further 15-20% saving.

9.2   **Legal**

Implications verified by: **David Lawson**
                                        Monitoring Officer

No legal implications

9.3   **Diversity and Equality**

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

Although there are no direct implications as a result of this report, the ongoing work to strengthen the youth offer has a positive impact on equalities as explained at section 4.

10.   Commercial

- The proposal is in line with the Council's Service Review Principles

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

- None

12.   Background papers used in preparing the report

Connected Thurrock – A Digital Strategy for Thurrock (21/2/17)
Making prevention work report – Thurrock's Prevention Model iMPOWER (Jan 2017)

13.   Appendices to the report

-     Appendix 1   Evaluation of delivery models for the Council's youth offer
-     Appendix 2   Grangewaters options analysis

Report Author:

Michele Lucas, Strategic Lead –Learning and Skills - Children's Services

Rory Patterson, Corporate Director Children's Service

An overview of the delivery options for a sustainable young person's services accessible to all.

Matthew Roberts

Benesse (UK) Ltd.

February 2017

Contents

Acknowledgements

Acknowledgements

1. Executive Summary

Through a process of evaluation and analysis, this report details the Council's options for retaining a vibrant, proactive youth offer against a backdrop of funding cuts and increased demand on the Council's resources from statutory services.

This is intended to be a light touch review which sets out the key issues and anticipated financial forecasts. The report is based on the information made available at the time of the review. Further analysis may be required to further interrogate the full legal consequences and detailed costings.

The evaluation between a spun out service and in-house service was undertaken using a cost: quality scoring matrix. Based on the dynamic approach taken by its current leadership team, the in-house service was scored at an aggregate 75 (30:45) against 61.5 (26:35.5) for the best fit spun-out mutual model, demonstrating that during the three year period of review the major financial and service benefits anticipated by spinning out under a different legal framework i.e. access to new markets and tax benefits, would not be realised. In addition, the likely start-up costs, estimated at around £135k for a mutual, would not be returned within this period.

The report also highlights that, to avoid the challenges faced by many new mutuals' in finance and governance, a mutual based on the current framework of service, with a lack of assets or broad source of funding, would be at risk during the early stages of its formation without further support from the Council.

Finally, the wider impacts to the quality of the Council's services of trying to create such a model may distract from the Council's wider preventative, demand management strategies.

The paper concludes that under the Council's Transformational Programme the Inspire youth offer remains an in-house service and that it continues to incubate the business principles it has been adopting. Further, that a detailed business plan is drawn up to demonstrate how the service should align itself to take advantage of the next round of opportunities that might be realised.

2.   Introduction

In accordance with its Service Review Principles, Thurrock Council has been reviewing its delivery model for youth services and invited external consultants Benesse (UK) Ltd to provide a consolidated review of the options and make recommendations accordingly.

3.   Background

The report starts from a presumption that the benefits of a Youth Offer delivered by local people must be preserved for the foreseeable future either directly via an in-house delivery model or through some form of spun out service run by the community and service users for the benefit of the local community as a whole - a mutual.

The Council has a proud heritage for delivering high quality, innovative, high performing Youth Offer and accepts that youth services can act to reduce unemployment, crime, health and socio economic inequalities.

Against this background the Council has ever more reducing resources available to support non-statutory services in the long-term and under its Service Review Principles requires that Service Managers look at alternative delivery vehicles which might produce better (Cost and quality) outcomes.

There have been numerous case studies recently to suggest that Council youth services can be spun out into various forms of mutual these include organisations such as the charities of CXK (Kent), Advizor (Berkshire) and Careers Connect (Liverpool) and the community interest companies such as Epic (Kensington and Chelsea) and Achieving for Children (Richmond and Kingston). More recently, the London Borough of Sutton transferred its education services into a community interest company structure and many other authorities are also considering the value of such delivery models.

In contrast, the author identified a number of examples of organisations considered less successful or having failed for the combination of reasons encapsulated by the closure of the charity Kids Company. In parallel, the report recognised the short term risks to the Council, identified by Officers at the Children's Overview and Scrutiny Committee in February 2016.

The purpose of the Inspire young person offer is to provide services to all 13 – 19 young people (up to 25 for those with disabilities) in Thurrock and surrounding areas so as to improve their opportunities. However, with the pressures of diminishing resources and increasing demand the priority is to focus on those with greatest need and those against which the council's wider performance is judged e.g. education, unemployment, crime, disorder and the health and wellbeing of communities.

Delivered well, an effective youth offer can help reduce demand for these high cost statutory services.

During its review of services over several days, Benesse (UK) met senior managers from each of the four services, the Deputy of Children's Service, the Director of Public Health and the Portfolio holder for Children's services. The Author also visited the Inspire Youth Hub at Grays and toured the Grangewaters Outdoor Activity Centre with both managers and activity leaders observing a range of the activities and programmes provided at each. The author was highly impressed with the level of knowledge of the service being provided at all levels of the organisation and the skill and commitment of both the delivery teams and the leadership team.

Informal discussions were also held with experienced legal advisors at Winkworth Sherwood Law and Bates Wells Braithwaite's. Both parties having considerable experience in assisting Council's in the spinning out of a range of services. The author also has direct experience at Board level of mutuals' delivering health, leisure and youth services and met with the Chief Executive of Thurrock Lifestyle Services, a community interest company spun out from Thurrock Council in 2014.

The Council is forecast to subsidise the current youth service, including the operation of Grangewaters Outdoor Activity Centre, to the effect of £1.3m. This represents a reduction of £530,000 on 2015/16, adding to the reduction over the past four years of £600,000. Despite the level of subsidy reducing it is evident that the range of services has expanded to include self-funded programmes such as the National Careers Service the Princes Trust Programmes and the Youth Employment Initiative. As a consequence the actual value of the service will have risen to over £2.5m in 2016/17 with around £1.2m funding realised from these self-funded programmes. This is a fantastic achievement and demonstrates the commitment, innovation and self-challenge of the current leadership team.

Despite this achievement to date, the leadership team have committed themselves to a further 15% reduction in costs over the next three years through the service review process by continuing to focus on the six principle of customer, commercial, ITC/Digital, people, procurement, property and assets. The £600k saving in 2014/15 came from the review of

the management structures and "people" aspects of the service, the recent growth has demonstrated the ability to realise improved effectiveness through adopting a proactive commercial approach, winning new funding contracts and grants. This paper prioritises on the procurement aspect and seeing whether short term benefits can be created by delivering the service in a different way i.e. via a mutual.

Faced with this the Council has taken the opportunity to explore whether the greater autonomy and different legal standing gained by spinning out the service will result in financial gains or service improvements.

4.   Options for spinning out

This section of the report considers the nature of the different options available to the Council were the youth offer to be spun out. The evaluation section sets out the benefit, costs and risks associated with a spun out service compared to the in-house service.

4.1   Incorporation versus un-incorporation

Incorporation is the recommended format for any youth offer mutual, creating a separate legal entity where the entity is liable for debts or liabilities rather than an individual or single person. This provides reassurance to grant and commission awarding bodies, Board members and the Council and is essential for securing future business. On this basis the formation of a Trust (an unincorporated body) is rejected as an option for mutualisation.

4.2   Charities

The public, generally have confidence in charities and their ability to deliver better outcomes when working collaboratively in a local community. Charities are exempt from corporation tax, business rates and can invest 100% of surpluses back into the charity in furtherance of its objects. To take advantage of these benefits successful charities usually operate a wide range of trading activities and own or operate from significant number or large premises. This is not the case in respect of the current Inspire Youth Offer.

As implied, charities can be "tax attractive" and provide opportunities to maximise tax free giving through gift aid, corporate donation, sponsorship, philanthropic investments and legacy payments. A review of accounts from a range of similar charities suggests that in the first instance the level of voluntary donations to this type of public service spin out is usually low (less than 5%) and the infrastructure required to grow this fundraising activity

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(fundraiser, fundraising materials etc.) reduces down any direct subsidy from donations to less than 1%.

In the event of the winding up of a charity, any assets remaining must be transferred to another "similar" charity - not necessarily in the locality. Although this preserves the asset for the cause, it does not necessarily preserve the asset for the local community. Should an Inspire Trust be wound up, then any financial or physical assets have been accrued they would not automatically be returned for the benefit of Thurrock Council.

The Kids Company collapse in 2015 identified the need for charities to properly record and manage its risks, to demonstrate a broad range of sources of revenue avoiding reliance on one or two major funders; the ability to raise funds by charitable means (I.e. public donations); establish strong lines of governance; maintain robust financial reporting and demonstrate an asset base or reserves capable of withstanding significant pressures (i.e. 4-6months revenue)

The collapse of the Kids Company in 2016, also resulted in the Charities Commission enhancing the conditions to register, operate and report as a charity, constraining services which were fundamentally based around one or two core contracts. As a registered charity, the mutual would not only have to comply with the requirements of the Companies Ac creating additional levels of bureaucracy and cost.

A review of Inspire and other youth charities demonstrates that despite their good intentions to deliver valuable community based services there is very low levels of funds generated from charitable giving. Inspire currently relies upon one core funding source (i.e. Thurrock's youth offer) and delvers limited trading activities from a small property base.

On the basis of the lack of financial benefit, the loss of control over the asset ownership, the lead time to generate charitable funding income streams and the arduous reporting and governance spinning out as a charity would not see any real benefits until further down the line when the charitable purpose is better understood and service realigned to take advantage of the wider benefits identified.

4.3 Company Limited by Guarantee (Ltd.), Community Interest Company (CIC) or Community Benefit Society (formally Industrial and Provident Society)

A commercially run Limited Company model does not meet the Council's requirements in that it does not easily allow for any local or community lock in of assets or surpluses for use or to benefit the local community and its delivery is often not flexible to the requirements of the local community.

The Community Benefit Society is formed around similar principles but usually formed around social housing models where there are a limited number of members who each hold shares and where the focus is on preserving the core asset rather than a flexible service.

In contrast Community Interest Company tends to be focused on the benefit via ownership of the wider community. Any assets created or maintained by the CIC are usually locked in to the local community ownership model which ensures any gains or benefits are retained within the community it serves both whilst it operates or should it subsequently cease to trade.

The CIC model does appear to have received support from central and local government recently, as it does not carry the baggage or problems associated with becoming a charity or pseudo charity listed above.

One final, supporting factor in favour of the CIC model is the fact that Thurrock has recently created a CIC to deliver its disability services and this provides a good working model which can be monitored during its early stages when its financial sustainability is considered most vulnerable.

Following discussions with the Chief Executive of TLS, it was considered a possibility that a memorandum of support could be put in place similar to that seen between federated schools, which would allow the parties to mutually benefit from the complimentary services they each delver or provide. For example, procurement arrangements, management expertise, shared training, use of facilities (e.g. Grangewaters, the Hub etc.) and community networks. Again this would further strengthen a mutualised youth offer when conditions are right.

In light of the above it is proposed that the Community Interest Model may be a more advantageous model for mutualisation in due course, however the financial implications and timescales require further consideration.

4.4   Other considerations

The process for setting up a mutual from conception to legal entity to service transfer can take from 12 to 36 months based on the due diligence required before any service transfer and the experience of other mutuals'.

The costs required to set-up a mutual of any form, based on early discussion with other providers, the various government advisors and consultants are also likely to be an important consideration. In particular whether these resources are to be funded directly by the new organisation out of existing resources or form part of a loan and the period over which they are to be recovered or written off.

The formation of a mutual require Council approval and would involve the setting up of a shell company, the scoping of services to be included and a business plan to demonstrate the sustainability of the new mutual, its resource base and governance structures.

5. Evaluation between an In-House and Mutualised service

To evaluate the opportunity presented by continuing with an in-house service over the next three years to setting up a best fit mutual, ten measures of evaluation were used against each category of cost and quality. Maximum score was achieved where it delivered least cost to the Council or where higher standards or quality might be realised.

The summary scores shown in table 1 below indicate that during the three year window of this review the in-house model delivers a slightly higher rating than its mutual counterpart. However, this is based on the current scope of services, three year timescale and mix of revenue/services. Over a longer timeline and against a wider mix of income streams the evaluation may move more towards a mutualisation model.

Detail	Option Weighting %	In House	Mutual
Cost	50%	30.00	26.00
Quality	50%	45.00	35.50
Overall Score		75.00	61.50
Rank	100%	1	2

The more detailed evaluation of these two options is broken down in the assessments and narrative below

5.1 Financial implications

Criteria Financial	Option Weighting %	Detail In House	In House Score	Detail Mutual	Mutual Score
Start up costs and short term senior officer support	10%	No impact	1.0	£85-135k estimated support costs. Secondment of lead officer to coordinate setting up of mutual and business plan.	0.0
Tax and financial efficiency	10%	No impact	0.0	A mutual may access financial benefits but these will take time to realise	0.5
Revenue flow during period	10%	Reduced funding targetted at 15%	1.0	Costs to secure longer term savings with no guarnetee of new funding sources created by mutualisation in period	0.8
Support cost overhead savings	10%	Reduced funding targetted at 15%	0.5	HR, Finance, insurance, corporate service savings. Proportional benefits cannot be realised due fixed cost structure of central overhead function	0.8
Asset and liability risk	10%	Reduced funding targetted at 15%	0.5	Historical costs underwritten with future cost responsibilities transferring to new provider beyond current period of review	0.5
Weighted score	**50%**		**30.00**		**26.00**
Non Financial					

The financial benefits of mutualisation would revolve around three areas

- Tax benefits (e.g. VAT exemption), reduced support costs and liabilities
- Ability to access or generate wider funding streams
- Freedom from local authority operating constraints with freedom to adopt commercial principles

Over a three year timeline, due to the size and scope of current service being considered and anticipated start-up costs, it has not been possible to clearly identify any significant financial benefits from mutualisation. This is shown in the table below and explained more fully in the notes

In House delivery targetting 15% saving					
	2016/17	2017/18	2018/19	2019/20	
Costs	2,583	3,517	3,251	3,184	
Rates exemption (Grangewaters)					
Mutual start up rebate					
Start up costs					
Costs	2,583	3,517	3,251	3,184	
Income	- 1,259	- 2,259	- 2,059	- 2,059	
Income	- 1,259	- 2,259	- 2,059	- 2,059	
Target Deficit/(Surplus)	1,324	1,258	1,192	1,125	4,899

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Mutual delivery model					
	2016/17	2017/18	2018/19	2019/20	
Costs	2,583	3,517	3,251	3,184	
Rates exemption (Grangewaters)		- 10	- 10	- 10	
Mutual start up rebate		- 68			
Start up costs		135			
Costs	2,583	3,575	3,241	3,174	
Income	- 1,259	- 2,259	- 2,059	- 2,059	
VAT exempt income (Grangewaters)		- 10	- 10	- 10	
New contracts					
Charitable donations					
Income	- 1,259	- 2,269	- 2,069	- 2,069	
Corporation Tax					
Transfer of asset liabilities					
Reduced central overhead					
Target Deficit/(Surplus)	1,324	1,306	1,172	1,105	4,907

The in-house delivery model would deliver a marginal benefit (£8K) over the mutualisation option based on a number of assumptions. Should it not be possible to obtain some government relief or rebate toward start-up costs this increases to £76k over the period

5.1.1   Tax benefits and reduced costs

VAT

Grants and commissions	These are typically exempt of VAT and therefore as the major source of revenue on the current mix of services unlikely to provide any tax break to a mutualised service
Voluntary donations	Only charities are able to realise income from this source and typically this takes a significant amount of time (3-5yrs) and resource (fundraising department) to translate into substantive positive revenues
Commercial revenue	All organisations, including charities, are required to pay VAT on commercial revenues (The income taken at Grangewaters is currently VAT exempt due to its educational status). At this time the Inspire youth offer do not have any commercial income streams and it would take 3-5yrs to generate any significant new revenue streams.
Fees and charges	A VAT benefit can be realised in this area as a charity, however, the service does not have any significant

Rates

Charities can receive up to 100% exemption on rates. Currently the service operates limited premises on which it has a responsibility for the payment of rates. The rates charged at Grangewaters are £9,900 p.a. providing a potential saving of £29,700 over the three year timeline. Since 2014 recovery of rates moved from central to local government, consequently any saving realised through the mutualisation would be offset by the reduction in recoverable rates by the Council.

Corporation Tax

Corporation Tax is only paid on profits a company or association makes from trading, investments or selling assets at a profit. Whilst this might be an ambition of any mutual, the short term likelihood is that the services under the current scope would not realise profits in the way defined. Consequently, the protection offered by being a charity, where profits can be reinvested through an exemption from corporation tax is no longer relevant.

Reduced Bureaucracy and central costs

Although the mutual may have low direct overhead costs the Council would inevitably have to underwrite any pension liabilities and the new mutual would be obliged to retain core salary costs under TUPE for a full business cycle.

Based on experience the anticipated reduced workload for the Council's support services following the spinning out of the mutual would not result in any material reduction in the cost of those central support services despite this being recognised as one of the benefits of mutualisation. This is often because services are already rationalised down and the demand on the services from discretionary services is often quite low.

Assets and liabilities

With the transfer of some assets to the new mutual the Council will realise some financial gain through the transference of long term or future risks. However, the Council will inevitably need to recognise its role in transferring these risks and underwrite certain elements of the risks inherent at the time of the transfer (e.g. Pensions, loans, debts, inventory, contracts or arising from previous underinvestment etc.) or provide some protection for a period of time through the transfer of assets or underwriting of working capital so as to allow the newly created service to bed in and raise its own capital assets.

Once again this emphasises the fact that the long term sustainability of any new mutual will require the Council to allocate time and resource to scope out the mix of services whereby the long term

liabilities and asset values are recognised within a transfer and time should therefore be set aside to scope these assets and liabilities and the process for transfer.

5.1.2 Additional funding sources

An independent mutual acting independently from the authority may, as either a charity or social enterprise, bid independently or as consortium bid for a wider range of contracts. However, experience shows that the success rate for independent organisations can be as low as one in 30. As a consequence additional resource may be required in the form of a business development team and lead time from soft market testing to contract go live can be between 6 months and three years. Many start-up spin outs often get into trouble during the first three years as they attempt to ride this negative cash flow.

5.1.3 Increased operational freedom

The ability to increase revenues, flex costs and respond to market opportunities requires a focus on quality matters and benchmarking across and within services. This can and is difficult to achieve or quantify as there is limited information available from within the Council or across other providers. Consequently, this is something that should be further investigated and where possible improved and more transparent benchmarking reported.

5.2 Quality

Ten quality measures have been identified for the service based on the consultation with stakeholders and reports available to the author. These have been scored with 1 representing the best value to the Council and zero least value.

The scores show a slightly higher weighting being given to the in-house service during the forthcoming budget review period, primarily, as the changes to any systems would not be realised until the end of the period.

Should the period be extended and/or the process of change be commenced during the next budget phase then quality benefits may be seen further down the line.

Table to show measures of quality assessment between in-house and mutualised service over three year budget period

Criteria	Option Weighting %	Detail In House	In House	Detail Mutual	Mutual
Quality					
Ability to contribute to strategic objectives of Council	5%	Full compliance	1.0	To continue to obtain council funding the mutual will remain in tune with the Council's strategic objectives but reliance changes over time	0.5
Level of control by the council	5%	Full control	1.0	representatives and setting the terms for the articles and Objects a mutual can retain close links with the council's objectives	0.5
Level of control by young people	5%	Youth representation at a cabinet/Board level	0.5	Youth representation at a cabinet/Board level can be built into governnace structures	0.5
Freedom to innovate and expand service provision beyond current levels	5%	Service Review Principles provide increased flexibiliites for serviceleaders.	1.0	The externalised services may not be able to adopt an expansionist service until stability and sustainability established.	0.5
Opportunity for staff development and engagement	5%	Recent changes combined with a new proactive approach under the service review principles and transformational agenda allows staff to become more directly involved in service development	1.0	The externalised services may not be able to support and develop teams until the governance and financial stability of the mutual is established	0.5
Ability to proactively engage communities through targetted outreach	5%	Improvements in digital and CRM capabilities focused on young people services form part fo the service review priciples	1.0	Improvements in digital and CRM capabilities focused on young people services require infrastructure and resources which may not be avialable within the period	0.8
Ability to demonstrate wider impacts on outcomes linked to young person employment	5%	Under the service review process there is a remit to develop services outside of core funded service where positive revenues can be generated	1.0	Remit to develop services outside of core funded service will be developed once mutual framework established	0.8
Long term commitment to service delivery	5%	Non Statutory service under long term threat of delivery unless continued improved commercial performance can be demonstrated	0.5	Opportunity to establish mutual free from constraints of government and local council funding	1.0
Quality assurance and compliance	5%	Quality remains at the top of the agenda for service providers	1.0	Quality remains at the top of the agenda for service providers.	1.0
Ability to invest in, develop and grow services	5%	Remit based budget period/3yr vision for the service under transformational agenda	1.0	Remit based on long term vision for the service based on mutualisation vision, requiring business plan and new governance	0.5
Weighted Score Total	50%		45.00		35.50

5.2.1   Governance

To ensure the widest stakeholder input and maintain young person and staff input at the highest level a Governance structure should be established which would see a youth board

and a staff board having representation onto the Main Board. This main Board would then have further representation from local stakeholder groups including the Council and other youth service providers. It is anticipated that this governance structure will require funding through the start-up costs and time to establish its Articles and legal status and to recruit and manage its members - A process that could take between 6 and 12 months.

6. The case for Grangewaters Outdoor Activity Centre and the Inspire Hub, Grays

A further assessment of the Grangewaters outdoor education centre has also been undertaken by Benesse under separate cover and included in Appendix A. The report identifies that the potential of this asset should form part of a three year business plan within the Inspire Youth Offer under whichever operating model is adopted.

As has been found in the case of other spun-out models, the inclusion of facilities at the point of the transfer of services can provide further opportunity to realise financial gains for both the Council and the mutual whilst allowing the Council to "lock in" the benefits of the assets for the long term. Something which either a wholly in-house service or a fully externalised service could do.

By "locking in" to the spun out mutual the Council will reduce its liabilities for maintenance investment and development, whilst the mutual can take advantage of the asset to realise both social value through free or discounted use alongside the ability to generate income and surpluses to reinvest or support the core youth service. A model seen at Epic's kayaking centre on the River Thames, which now sells kayaking trips to the general public with profits reinvested back into Epic's core youth services.

The leasing or licencing of Grangewaters and the Hub may also generate other financial savings through tax efficiencies, business rate relief and match funding opportunities.

The exiting team have demonstrated they have the capability to do this (as seen in recording studio, the youth hub and now the resurgence of services at Grangewaters both in the form of direct services to the benefit of young people in Thurrock but also through traded services which can help to maintain and improve the infrastructure of this excellent council facility whilst also providing funds to subsidise wider young person's services.

7.   Conclusion and Recommendations

The report concludes that based on the current scale, scope and mix of service and facilities, and the current three year timeline of review, retaining the service in-house would provide the best focus of quality and cost for the Council. The key assumptions that support this conclusion rest on the fact that a significant amount of time, resource and consideration has yet to be given to the setting up and scoping of a mutual and many of the benefits of mutualisation would be realised over a longer 5 to 10 year period.

During the next three year period the Council should continue to explore the six Service Review Principles enabling the service to be expanded, widening the customer base with new income sources to be delivered and promoted. During the period to develop more effective use of digital platforms and identify new commercial, surplus generating income streams through the provision of professional services in careers, training, recruitment, health and wellbeing. In parallel, looking at how better use of the assets at Grangewaters and the Hub can serve to widen service and reduce costs.

The report recommends

7.1   that the Council revisit and redraft the Inspire Youth Offer Business Plan including the operations of Grangewaters to take into account the fuller service review principles and transformational agenda to deliver as a minimum a 15% reduction in the cost of the service over the three year period.

7.2   Using the three year window created by the current business plan, for the Council to explore as part of its service review principles the long term opportunities that delivering the service under a mutualised model might present.

8.   References

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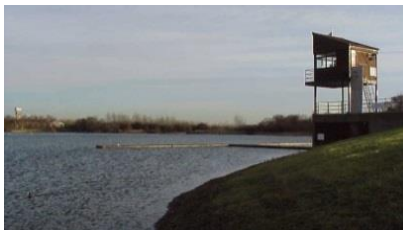Charity Commission. Choosing a charity type. On line resource. Updated 4 November 2014

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9. Appendices

A   Review of Grangewaters Outdoor Education Centre

STAGE 1: Options Analysis Grangewaters Outdoor Education Centre and Park

Buckles Lane, South Ockendon, RM15 6RS

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Contents

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1   Introduction

Benesse (UK) Ltd. was approached to undertake a review of the facilities and management arrangements at Grangewaters Outdoor Education Centre and Park and the core options available to the Council in respect of the future management of the site.

Benesse (UK) are a consultancy that provide analysis and management support across a range of health, leisure, education and cultural services. The author has experience in the commercial operation of outdoor facilities and business transformational projects.

The author met with existing management and staff at Grangewaters to discuss the current challenges and opportunities at the Centre. A review was undertaken of business plans and any financial and activity data for 2014-15 and 2015-2016.

The site was visited on a number of occasions to help understand its current management and operational arrangements.

A review of the competition was undertaken by visiting sites such as Stubbers in Essex and Rock UK in Tonbridge, Kent. By identifying scouting locations and RYA centres in the South East, from on-line research and analysis of sites such as the Herts Young Mariners' Base, Cheshunt and taking soundings from a commercial operator and owner of activity centres.

This document represents the first stage of the process to regenerate Grangewaters and any recommendations are based solely on the information and priorities presented and identified at the time and have been put forward in good faith.

The results of the report were presented to a Commercial Board of Council Officer's.

2. Executive Summary

The Grangewaters Outdoor Education Centre 75 acre site has a prime location on the outskirts of London, well serviced by the M25 and the A13 with a population in excess of two and a half million people within a 1hr drive time with associated schools, colleges and youth groups.

Engaging with the outdoors is now recognised by the government[4] and host of public bodies as the best way of improving physical and mental wellbeing and for developing social cohesion, healthy, safe and happy communities.

Grangewaters represents a high valued asset that should be maintained for future generations. However, with significant financial pressures and need to reduce expenditure, the current model of service delivery is not sustainable and changes are required. Consequently, a review of options is now underway.

The site turns over approximately £200,000 and over the past two years has moved from a position of losing £330,000 in 2014/15 to £130,000 in 2015/2016 with a projected break even in 2016/17. An ambitious plan has been put forward to suggest the site may deliver a surplus of £41,000 by 2019/2020 if supported under its current management arrangements.

The centre's infrastructure, facilities, pricing, marketing and programming are all adequate but in need of investment and development against a well thought through business plan. The site is not maximising its potential, largely due to the fact that in the current vibrant, growing market place for outdoor activities being adequate is not sufficient, to survive facilities must be vibrant and innovative in their service delivery models. Similarly, the added social and environmental value that outdoor activities and open spaces are known to deliver in terms of healthy, happy communities are not being fully realised.

In recent months the current management team has started to openly engage with stakeholders within and outside the council to help promote, identify and share these values and the Council, through this report, has sought to clarify whether it should continue along this road or look at alternatives for the site. Alternatives which the Council feels may realise greater value in the short, medium or long term.

The report identified five options. To close, continue with an in house delivery model, soft test with a view to delivering through a management contract or let the site under long term lease or freehold sale.

Closure is not seen as pragmatic or affordable. Freehold sale is possible but advice suggests limited interest and low value due to current condition and restrictive planning status of the land. It would also threaten the potential accessibility of the land for wider community use in the future. A long term external management contract is an option but there are a number of pre-requisites to successfully marketing the site in a viable condition that would discount this option or result in the Council losing out financially in the short term.

The report recommends that a proactive approach is taken in supporting the management team that deliver Thurrock's youth offering under the Inspire identity over the next three to five years to help them create a business plan and an infrastructure, including some flexibility around Council Policy (e.g. marketing) and some capital investment (where commercial return can be demonstrated) for creating a positive trading environment. During this period the Council would firstly look to address the issues which are currently reducing the value that might be realised through a sale or long term lease/management whilst assessing the site in terms of its overall value to the strategic needs of the Community.

3. Background

Grangewaters Outdoor Education Centre and Park has been run by Thurrock Council having inherited the facility from Essex County Council in the early 1980s. Over the past five years it has undergone a number of changes in management with various proposals put forward to improve the performance of the site through investment. In 2015, following an external review by consultants TPPE, the leadership was changed, being transferred into the Inspire youth offering and a short term action plan put in place to reduce the sites annual £330,000 deficit.

The team has set about reforming the way the site has been run, proactively delivering stage one of the action plan to reduce fixed costs and invest in basic infrastructure.

There is some evidence that this new focus is having a positive impact on the site financially. Going forward the management is starting to engage wider stakeholders, the local business community, community groups etc. to ensure that the full financial, social and environmental value of this Council asset is understood.

The opportunity exists to create a place the community is proud of and want to look after as part of their neighbourhood. To make the Grangewaters activity centre, park and open space a valued cultural resource. To create a place where people feel safe and are safe. To improve the physical and mental health and wellbeing across all local communities.

4. Current Arrangements

4.1   Use and participation

Although the financial performance of the site has improved significantly over the past twelve months, this has been driven by cost management rather than growing use. In 2016, the site accommodated approximately 3,844 customers, down 1,470 (33%) on 2015. These figures exclude anglers, walkers and other recreational users of park. 80-90% of current use comes from young people through schools and youth groups. Details of the current usage and regular visitors to the centre are listed in Appendix E.

The status of the two fishing clubs is unclear and requires clarification for the purpose of understanding where responsibilities lie for health and safety and rights of access. Access by anglers and their vehicles is via a private farm to the north west of the site. The arrangements for this access and responsibility for angler's property and vehicles whilst on site requires clarification. No other formal groups occupy or are regularly based out of the site.

This drop in attendance is considered to be the consequence of four factors

1. Poor quality of facilities and surrounds
2. Strengthening competition
3. Rationalisation of programme to remove loss making low social value activities.
4. Lack of marketing and promotion

The management information on use, customer satisfaction and demand at site is limited and demonstrates a major weakness if the site is to develop a broader customer base. Systems are now being put in place to collate this management insight so that future services and priorities can be determined.

4.2   Staffing

Staff costs represents the largest element of the sites expenditure at 65% all costs. This is an area where the site has focused in recent months to improve finances. The core staffing has been reduced to three F/T staff on site with additional support from the Inspire youth offer team and casual coaching staff. This has generated significant savings and also ensures future programmes and activities are commercially justified.

Going forward, the site will need a pool of casual staff that carries the necessary qualifications to deliver the programme and it is likely that the senior team will need to developed wider skills and capabilities to deliver across the whole programme.

4.3   Programme

The current programme of use is limited to pre-booked enquiries for use of facilities rather than around a structured programme allowing both booked and had hoc use to maximise use of qualified staff and facilities.

The TPPE report identified a list of over 40 activities from sailing to orienteering that take place at the site and an additional number were put forward for consideration as part of the improvement plan for the site e.g. paintballing, craft making, caving, subletting.

The new management team is in the process of developing a more proactive approach to programming, arranging events and activities that might attract new customers e.g. Halloween, Beatrix and Harry Potter weekends and night walks. Subject to the management arrangements this public access could be increased. The centre does not offer a turn up pay and play option and a strategy to address issues of safeguarding, supervision and marketing should be developed to facilitate this.

Exploratory discussions have also taken place with the local Public Health department, the National Citizen Service Trust and Thurrock Lifestyle Services to identify new customers.

The success of any programme will be dependent on whether, where and how it is promoted and marketed and the quality of facilities and service on site.

4.4   Fees and charges

Published prices are in line with competitors. Core prices are reviewed annually and discounts are available to encourage disadvantaged groups or those in need. In view of the quality of the current experience it is likely that, compared to its competitors, the maximum price allowable may not represent good value for money. In the wider market, the nature of overnight visit and group prices tend to be by negotiation dependent on the mix of facilities and activities to be offered. Consequently, to remain competitive this requires good knowledge of the market and keen negotiating skills by the site management. The traditional annual pricing approach and rigid pricing and authorisation process of the Council may result in the site missing out on commercial opportunities.

The opportunity to promote around price packages and price flexibility to drive up yield and sales will need to be something explored in the sites business plan. The recent reduction in overhead costs should mean that the site can introduce price competitive programmes without undermining any margin that it needs to cover its overheads and generate surpluses to reinvest in the basic upkeep of facilities.

4.5   Facilities

The core facilities include what is believed to be the third longest zip wire in the UK at 200m, high wires and 50m climbing tower, six accommodation and three mess lodges, training and meeting rooms, outdoor fire pit and sensory wood. In addition to the fixed lodges there is a large training room with capacity for 50 and jamboree field with camping capacity for up to 50 tent pitches. Other plots could easily be created in other areas if required. The team building facilities include a septic pool challenge, a bridge building task and a radioactive core game. Around the lakes there are a number of graded walking, cycling and orienteering routes. To the south of the main lake there is a 25m three bay archery range cut into the terrace.

The site has over 50 car parking spaces in the main car park with some additional hard standing areas from an old car park area and the fisherman stations around the north west and east side of the lakes. There are currently around eight disused mobile caravans on site and a collection of disused fixed animal pens.

There are three main built structures at the core of the facility. These include a mixed changing facility for showering etc.; a boat house and viewing tower over the main lake and a one floor house providing a reception, staff area and meeting room.

A number of facilities including the main changing facilities and the accommodation huts have recently undergone some basic refurbishment. Further works, under a programme of maintenance and asset replacement needs to be drawn up as part of the business plan to address any dilapidations and ensure investment is targeted in a managed way to maximise revenue or efficiency savings. Use of the Inspire youth offer teams, through the in custody teams, the probationary service and other volunteer groups can be used to add value to any redecoration or maintenance programme.

The site would benefit from a full health and safety audit and clarification as to the roles and responsibilities of the landlord, tenant and any user groups. No documents were available for review at the time.

The main entrance from Buckles Lane through to the inner security gate should be a focus for maintenance as the image and first impression conveyed is one of a closed site in disrepair. The management is aware of this and planning addressing in early spring as a priority as they also seek support from other Council teams to address the issues that are legitimately matters for highways, environmental services and other relevant departments.

4.6   Promotions and marketing

Promotion of the site is limited to basic listings on the Council web site. There is a Facebook site which doesn't appear to have been active for the past two years and there is no presence on other social media or link sites such as trip advisor, mumsnet, parkrun was evident. Signage around and leading up to the site is poorly maintained or out dated.

The Inspire youth offer team has developed a digital brochure to help promote the site and this is available on request. This needs to be made more freely available in digital and hard copy to help promote the site and demonstrate its more dynamic, commercial nature.

The team that deliver the Inspire youth offer are looking to explore their extensive links with schools and colleges and a basic customer relations management database is being established based on current usage. Whether for marketing or demand analysis high quality insight is essential to understand markets and to ensure organisations make informed decisions about where to apply and focus resources so that their outcomes can be achieved.

Much of the underutilisation of the centre, whilst put down to the poor access to the site and presentation of facilities lies in the limited effectiveness and impact of any marketing currently carried out. As a consequence there has been a negative cycle of decline, as fewer users' results in less maintenance and fewer users.

The impact of promoting through other Council based organisations and departments should also be pursued as has been proven successful in the case of the Hertfordshire Connexions Service who run a mix of outdoor facilities as part of their youth offering.

4.7   Customers

The opportunity to develop relationships with customers has been limited in the past, consequently information on where customers have come from, their demographic and contact details have not been stored. Neither has there been any formal, consistent or regular form of customer satisfaction measure put in place.

The add-hoc feedback from instructors is that groups do enjoy their time at the facilities. The opportunity to follow up on this and develop a loyal and growing customer base has been missed in the past and now provides a quick and simple mechanism to be built into the marketing plan.

4.8 Planning and access

Initial investigations suggest that any substantial development may be hindered by three key factors. Environmental, location and access and ability to change planning use of land.

4.8.1 Environmental Factors

The whole site falls within the Green Belt (GB) with over 70% of the site also within the Environmental Agency high risk flood zone boundary (Appendix B). The Council's Strategic Risk Assessment (2015) identified the Mardyke Sluice which runs along the Eastern edge of the sites, an important feature of the Council's flood defense network.

Due to the GB status of the land, any development opportunities would be restricted to leisure related activities. A significant restriction, as often returns are low and often slow to be realised. As a consequence investment in infrastructure and development if at all possible, may have to come from the authority.

Further considerations around the environmental value of the site in respect of the wildlife habitat, forna and flora and woodland require that a detailed environmental assessment is carried out. No environmental assessment or tree assessment was available at the time of the visit and would take a minimum of 14 month to complete to accommodate seasonality and migration patterns. Dependent on these surveys further consideration may then be required under the protected sites and species legislation.

Although the site isn't covered by any group tree protection order, its undisturbed nature, overall scale and proximity to an area of designated Ancient Woodland would mean that if externalised, under advice from Natural England and the Forestry Commission, the Council or its operator would require a detailed tree survey to assess the value of trees and if necessary introduce some form of tree management plan. This cost and consequence may deter, restrict or delay any potential development.

Although Grange Farm to the north of the property is a Grade 2 listed building no listed properties have been identified on the site. Although a beautiful location, no evidence was

available to suggest this is an area of outstanding natural beauty but checks should be undertaken prior to any development.

4.8.2   Location and Access

The main access to the site is from the South West along Buckles Lane and through a showground workers caravan and mobile home estate. At the time of visiting, this lane was unkempt and seen as a significant distraction for those attending. Active management of this route by the site and highways is important for the sites success.

There is limited and poor signage anticipating arrival at the site and there are the remnants of a previous, poorly fitted designer gate before a single bar, metal gate with tired entrance sign. These should be removed or maintained with improved signage provided to clarify how access to the site is achieved and that customers are welcome.

After a further 100m a 2.5m high, locked palisade gate and fence stretch around the perimeter of an inner park area defined as the accommodation and activity areas.

Although maintaining this access route in a manner whereby it does not deter use or undermine the customer experience would be resource heavy. The alternative would be a costly, time consuming process as attendances fall to try and create an alternative route into the site with no guarantee of success.

Informal discussions have taken place with the respective landlords to the north, east and South. Indeed the landlord to the north does provide some degree of controlled access to the angling club members (agreement with the Council for this arrangement, as the party responsible for maintaining the boundary was not available). However, he has remained closed to discussions on more general access.

To the East and South East, there does appear to be a good link to major transport networks from the A13. However the site is controlled and occupied by Veolia and it has heavy use by large lorries as part of a land fill site. Informal discussions have been held unsuccessfully to try and create a new entrance from this Medebridge Road access on the South East corner. A more detailed discussion with highways, planning, procurement, landscape and commercial departments is required to understand the different considerations, priorities and restrictions. Alternatively, a more subtle approach via the Veolia Trust appealing to the company's corporate, social and environmental responsibilities may soften their view.

Efforts to develop an access from the South East and the Grays junction of the A13 should be pursued as this would significantly enhance the attractiveness and value of the site for an operator and the council.

There is one footpath that travels from the south west corner to the north of the site before turning east between the two lakes then emerging out. It has not been established as to whether this is a designated Public Footpath or Bridleway but residents currently believe it to be the case. Consultation to change or close this would probably be met with a negative reaction and take some time to address.

4.8.3   Change of use

Although there is little evidence of the matter being tested (Appendix D), the ability to add new development or to change use of the existing arrangement to more commercially favorable ones would be difficult, costly and time consuming and high risk.

A final factor of consideration ahead of any further development at site is the likelihood of the site offering up evidence that the site is of archeological interest or contamination. Being in close proximity to London there may be a heightened risk of finding archeological remains and the adjacent land fill site may create some form of associated contamination. A survey or assessment may be required to clarify the history of the site and avoid delay at a later stage.

Informal advice from planners and agents is that this site does at first offer up some interest but fair reflection and experience across similar GB sites suggests that development would be hard come by and therefore reduce interest and value.

5   **Financial Implications**

Table 1 shows how the financial performance of the facility has improved significantly in the past year under the management of the Inspire youth offering leadership Team and sets out a stretch target for the next three years.

Operating Revenue	2015/16 Actual	2016/17 Fcast	2017/18 Fcast	2018/19 Fcast	2019/20 Fcast
4514 - Fees And Charges Exempt	122,610	127,361	222,750	248,750	290,489
4537 - Fees VAT Exempt	1,175	756	756	794	907
4800 - Rent Premises	17,466	15,974	15,974	16,772	17,192
4539 - Miscellaneous Income	520	50,000		750	
Sub Total	141,771	194,091	239,480	267,066	308,588
Growth			23%	12%	16%
Operating Expenditure					
Staff salaries/NI/Pension/Development	209,116	90,365	124,395	149,219	172,190
Transport	3,604	6,651	6,651	6,850	7,022
Supplies & services	55,909	51,245	51,246	39,169	39,699
Premises	37,596	41,172	41,172	42,721	43,789
Contractors/3rd party payments	60	4,446	4,446	4,580	4,694
Sub total	306,285	193,879	227,910	242,539	267,394
Total operating subsidy/(surplus)	- 164,514	212	11,569	24,527	41,194
Growth				112%	68%

Table 1 – Financial performance - Grangewaters

The improved financial performance has been driven through restructuring the management team and rationalising the programme to reduce loss making activities. In the future the management team propose to build on this improved position through an extension of the programme of courses and sessions available for paid use, driving profitable income such as leasing space to organisations and businesses that promote or sell complimentary services (e.g. craft shops, outdoor equipment hire shops, fishing accessories, catering), expand the programme of profitable courses and training courses, engage the local education authorities from neighboring authorities, an expanded National Citizen Service, Princes Trust and Duke of Edinburgh programmes and a range of turn up, hire and use activities.

The profitability of all aspects of the programme should be properly understood and the most profitable activities identified alongside those where improved profitability is required. Activities that do not directly generate a surplus should be considered and curtailed if the indirect benefits cannot be fully quantified and monitored. For example a free course must lead to a sales conversion into a paid activity or referral.

All programmes should be booked out knowing that a surplus of approximately 15% will be generated to cover overhead and infrastructure costs.

The new management team are also exploring new sources of income through various grants. Public Health, The Heritage Lottery Fund, the Forestry Commission to improve the

woodland habitat and other grant giving bodies such as the [Veolia trust](#) looking to improve or enhance the environment or community life.

6   Social and Environmental Value

Having considered the direct financial implications of the site it is important to understand the sites potential impact and social value to the wider community. The Public Services (Social Value) Act 2012 places a requirement on the Council to consider the economic, environmental and social benefits of its approaches to procurement before the process starts. This report has helped to identify some of the work to be done by the Council if it is to fully assess how any procurement might improve the social, environmental and economic wellbeing of the area, how it might secure any such improvement and whether it needs to consult.

To date the focus has been on understanding the social value associated with delivering outdoor educational programmes to a narrow band of visitors, namely those attending the programme of courses and events traditionally delivered at site. It is a demand led model rather than a needs led model underpinned by sound financial principles.

Under a needs led model being developed by the Thurrock's Inspire, youth offering, the social value of the facility is extended beyond the narrow context of simply providing a traditional range of courses to a more inclusive community approach. In this way everyone in the community from 0 to 90 is considered a potential customer or beneficiary.

The approach recognises that with poor air quality, high obesity levels, a growth in cardiovascular disease and hypertension, Thurrock has a need for green open, publicly accessible, well managed spaces; a need for outdoor facilities which facilitate social integration and social intercourse as a means of breaking down social barriers and creating social cohesion; a location which can be developed to provide opportunities for arts and crafts. The public health value of Grangewaters, if realised might also provide access to other resources to help develop the site.

Existing courses develop skills which enable participants to take part in new activities developing qualification and work related skills that improve employment opportunities.

The environmental value of the site also remains unexploited and the current management team is looking to help make Grangewaters a cornerstone to the Council's environmental strategy. Grangewaters also provides many opportunities to link with the Council's physical activity and Open Spaces strategies providing a range of additional programmes and serving

as a key part of the open space network in Thurrock opening out the park to the wider public.

The limited detailed insight into historical usage makes it difficult to explain or value the social impact the site has had on the thousands of young people who currently attend from areas of deprivation, with disabilities or low self-esteem and personal confidence. Thurrock's Inspire team is now collating this insight.

Organisations such as StreetGames have been working hard on trying to establish a recognised analysis and methodology for calculating the social value of a programme or service and this is something to be incorporated into future management arrangements.

The experience for young people in terms of team building, developing self-confidence, experiencing nature and the environment in a natural setting is considered important in child development. Many schools now adopting a forest school model which is built on the basic principles of what is on offer at Grangewaters.

The site attracts a number of Volunteers, who help deliver the programme. Volunteering is often a path to full time employment. In addition, volunteering is now recognised by many companies who actively promote volunteering within their workforces as it is proven to improve employer engagement and reduce absenteeism.

Other agencies such as Public Health England, Diabetes UK, Age UK, Dementia UK openly recognise the contribution exercising or meeting in outdoor locations has on improving the physical and mental health of the young and old.

By recognising this growing awareness, support and understanding seen in the wider community the current management team is looking to access additional resources to help improve and upgrade the facilities.

7.   Demand and Competition Analysis

In 2014, Sport England reported that 8.9m people are active outdoors. Of these 2.8m want to do more. 18.2m not currently active outdoors want to re-engage and participate in the next 12 month. The National Citizen Service is targeting 330,000 young people for its courses by 2020, the outward bound society are reporting growth in numbers as are the Duke of Edinburg and Princess Trust programme Directors. 40% of the population is reported to prefer to take their exercise outdoors, primarily for the fresh air and the

Government has recognised in its Sporting Futures Strategy the importance of outdoor activity in attracting a wider audience to exercise.

Across the whole sector of outdoor activities there are 9,000 providers nationally. The location of the relatively small number of outdoor education centres in the South East is shown in Appendix C. and highlights the market opportunity; annually the industry is reporting a 3% growth in participation year on year as people switch from more traditional indoor based sports and leisure activities.

As well as competing for the leisure pound or leisure in the general leisure market, Grangewaters also competes across four specific market areas

- Overnight accommodation – usually targeting visitors from outside of the area. Often groups
- Day visitors – Within a travel time of an hour. More likely to be individuals or small groups, couples or families
- Single activities –rambler, climbing wall, high wires, sailing, canoeing
- Multiple activities – where there is a chance to experience a variety of activities wet and dry or covering various experiences challenging different senses (e.g. high wires, canoeing)

Many outdoor centres are able to draw on their unique location as being part of the attraction (the Lakes, the Welsh Mountains, the Peak District). Grangewater cannot compete with a market that takes people away to these places but it has the advantage of being within 1hr drive of London and the Home-Counties. It also has a range of features capable of competing with other centres (water, forest and woodland, climbing and high wires). The business plan should draw out the special features such as the zip wire and quality services which will differentiate Grangewaters from its competitors.

Thurrock has a population of around 137,000 and Southend 174,900. These markets combined with a market which includes 50% of greater London and much of Kent within 1hr drive time suggests that there is plenty of opportunity to increase the core customer base.

With over 120 secondary schools in Essex alone. The opportunity to grow the number of core schools using the facilities is significant looking at the relatively small number of schools currently using the site.

A detailed analysis of the local catchment and market will better identify the latent and active demand for outdoor facilities and activities. Sport England provides a market analysis

service of local health profiles free on line and Public Health England also provide health profiling information by location. This information will inform any marketing plan going forward.

The demand for activities where overnight accommodation is required is high but competitive. It covers youth visits (Princes Trust, Duke of Edinburgh, National Citizen Service etc.), festivals (e.g. scouts, cadets, religious groups, concerts etc.) corporate events and training courses. The expectations for health and safety, safeguarding and the general customer experience are high.

With this market opportunity competition amongst providers has increased and is high with success in attracting customers coming from high impact, personalized, real time marketing and in particular through their use of social and digital media. This can easily be seen from the default outdoor activity centre web sites for Essex Outdoor, Kent Education Centres, Redbridge Centre, Rock and Stubbers as well as other relevant providers such as go-ape.

In addition, competition for those wanting to get close to nature comes from caravan parks, country halls, hotels and golf complexes as they have sought to grow their own markets creating high wire features, trim trails, boating lakes and leisure facilities. Again, these organisations have well-tuned, agile marketing channels and targeted offerings.

Opportunities to participate as an individual or an informal group, at any time of the day or week, frequently or infrequently, have all contributed to this growth in interest. Environmental and educational trends support families getting active outdoors and the 'Stay-cation' phenomena enjoyed by the UK since the 2008 financial crisis began has helped boost tourism numbers to rural outdoor locations. Broader social trends toward online communities, informal 'sports', 'flash- fitness' and 'natural fitness' have all helped the sector - military fitness, parkrun, barefoot running, trail running, indoor climbing are all growth sports that encourage an 'outdoor lifestyle'.

The Outdoors sector is comprised of thousands of small and medium-sized enterprises, charities and government agencies. It is also serviced by a large number of supporting industries such as leisure wear, equipment, food, catering and hospitality. In 2014 there was a reported growth in canoe/Kayak sales of 39% and these new owners are looking for new and local locations to take advantage of their equipment.

The demand for day visits is often driven by those wanting to take part in outdoor activities on an ad hoc or organised basis. Customers are either thrill seeking (e.g. high wires, motor boats, mountain biking, inflatables etc.). With 80% of the population now urbanised, others

are driven to find an outlet for their desire to engage with the outdoors or looking for the chance to get closer to nature and environment to improve mental and physical sense of wellbeing (walkers, bush-craft, fishing, birdwatchers etc.) or emulate the achievements of icons such as David Attenborough and Bear Grylls.

The growth in demand for ad hoc outdoor activities has been reported through the increased attendance and membership reported by Natural England, English Heritage, Outwards Bound and Youth Hosteling Association.

Natural England and Sport England have research to show that developing a connection with nature, such as enjoyment of scenery and wildlife at favorite places is an important factor in maintaining levels of physical activity. UK Active has also reported research from Public Health England to demonstrate a strong correlation between outdoor exercise and the prevention of obesity, diabetes and depression.

8. Options Identification

Under current circumstances and in light of other reports being prepared, the Council has five basic options available to consider for the site

- Close the site
- Retain in house under the Inspire youth offering trading arm
- Management contract
- Long term lease
- Freehold

a. Close the site

The closure of the site comes with costs and risks. Open parklands with public access requires maintenance and supervision under the Council's responsibilities as landlord. There are a number of high risks on this site including two large water spaces, secluded woodland, unlit narrow wooded paths and ease of access for motor vehicles and other unauthorised vehicles. There is also evidence of fly tipping, motorbike trails and vandalism in the area. As a consequence of this there would be need for regular warden cover, routine safety checks and potentially making good of damage to premises and the park. Any storage of equipment or assets from the site would need to be made secure with associated costs.

Open access could be retained with some basic supervision and monitoring undertaken by the existing anglers. However, without the authority, power or capability of managing the

whole area, these groups may themselves feel unsafe and stop using the facility. Preventing access to the site by long standing groups such as the fishing clubs, ramblers and regular hirers will not be well received without contingencies.

To improve the security and safety of the area, additional high level safety fencing could be erected around the perimeter of both lakes, allowing residents access to the parkland. This is likely to be cost prohibitive and with lesser use of the site, probably less effective and potentially dangerous should it be breached.

Estimated value: capital for fencing and boarding site circa £100-£200k, Revenue cost of security and supervision approx. £100k p.a.

b.   Continued in house operation.

The Council does not see itself as the operator of facilities rather a facilitator and enabler of services for the community and there is no obvious fit for the facility as a stand-alone leisure offering or open park space managed by the Council within the wider portfolio. This lack of direct experience in this area resulted in the Council having to subsidise the site to the tune of over £330k per annum with additional capital and infrastructure costs.

Under the management of the team that deliver Thurrock's youth offer, the site has been run more efficiently and effectively and has managed to rationalise the cost base. As the facility is integrated into wider aspects of the Council's strategies, the management team is looking to increase use and generate additional revenue through traded services.

The management team leading the Inspire youth offer, has demonstrated that the facility can have wider social value through the delivery of targeted youth services and public health programmes and that there is a demand for both commercial and subsidised services at the site.

To maintain the momentum it has created, the team need to continue to apply more commercial principles and become more agile in the way they operate the site. To facilitate this, the Council will need to consider moderating or lifting some of its usual operating processes or investment policies. Alternatively, the Council may wish to consider bundling this site into a spin out arrangement with the wider youth offering whereby it would remain attached to the Council's aims and aspirations for the site but have the opportunity to be

more commercially focused, proactive and take responsibility for its own actions including and financial sustainability.

The authors understanding is that any additional revenues generated in this way could then be preserved within the service and for the direct investment back into the facility and service. Something that does not appear possible under the current in house arrangement.

Estimated value: (Approx. 2-3yrs to get to market with condition surveys, various assessment clarifications etc. Deficit funded to cover dilapidations with some investment to develop commercial opportunities).

c. Management contract

The Council also has an obligation under its Service Review Principles to soft test the market and potentially put out to market the management and operation of the service or at least to challenge the way it runs the service in house, to see if the service can be delivered more cost effectively without reducing its social value.

In its current condition and with its current trading history the Council is likely to receive an interest from a number of operators but, if they do progress bid proposals, they will require subsidies and an underwriting of risk that is unlikely to realise any short term benefits to the Council.

There will be a cost and time delay in going to market based on the lack of information available on the condition and restrictions that may apply to the site. Something that the Council will be obliged to either pay for or underwrite through deficit funding or core funding arrangements.

There are a number of companies that are involved in the delivery of local authority leisure and outdoor facilities under management contracts including Parkwood Outdoors, GLL, Impulse Leisure and Fusion Leisure. There are also a number of independent private operators who may show an interest in taking on the facilities. The Council might initially undergo a soft market test to establish whether there is an interest in operating the facility and how it might be packaged to attract the widest interest and best value offer (i.e. contract length, risk responsibility split, investment arrangements). This may take 6 -12 months and realise no material benefit.

Estimated value: To market £50-100k. Anticipate Management fee plus landlord responsibilities.

d. Externalise the site on long term lease

A long term lease would benefit the authority if the site were better able to accommodate development and it does provide some limited means to the council to restrict use. Any development opportunity would also then allow the Council to realise some element of ground rent to help contribute to the liabilities that remain with any landlord for the infrastructure of the site. Without the development options and based on current trading it is unlikely that the Council will be able to identify a market that would guarantee a surplus back to the Council.

The potential market for a long term lease on facilities such as these extends beyond the management contractors mentioned to other interested parties such as the angling groups or boating clubs. However, these often lack financial substance and typically focus on one element of the delivery leaving other aspects to dwindle or be requiring close support and supervision.

The process for marketing the facilities would take approximately two years from drawing up the management specification to the transfer of facilities to the successful bidder.

The Council would bear the costs of managing the site in the short term under difficult circumstances, incurring operational costs to maintain the facility as a going concern whilst the facility is marketed. The process of preparing the documentation and marketing the facilities would also incur a cost and involve the use of an independent party to assist in the process.

Estimated value: circa £50-£100k for council to bring to market, returning up to £500k with ground rent to cover ongoing landlord responsibilities.

e. Freehold sale of site

A freehold sale of the land would remove any liabilities and responsibilities the Council might have for the land and realise a capital receipt. In achieving a sale the land may be taken away from use by the community and any control by the authority lost.

A brief conversation with key companies that operate in this sector including Savills, Lambert/GVA, Strutt & Parker and HMH suggest that from deciding to go to market to entering agreements and mobilising a transfer could take up to three years and involve around £50k in direct agent costs.

This would allow for an initial specification to be drawn up, a formal soft market test engaged in, the queries and issues arising from the test to be addressed, a final marketing of the site, issuing draft contracts, receiving and evaluating tenders, issuing final contracts, mobilising and transfer of the site (If an interested party is found). The process is also likely to generate significant public and political interest along the way.

This cost and process was demonstrated through the last reported outdoor activity centre marketed by Savills some two years ago and which two years to sell and one year to bring to market.

Estimated value: circa £50-£100k to bring to market returning up to £500k (3-5yr period to realise with dilapidation, site assessment costs and upkeep until sale)

9. Feasibility Analysis and Evaluation

A cost: quality model has been adopted which also allows the evaluation criteria to be weighted against the Council's priorities. The results of the evaluation are summarised in the table below.

Criteria Financial	Detail	Option Weighting %	Close	Continue In House Delivery	Management contract	Long term lease	Freehold
Council financial liability	Capital and revenue costs risk transferred from Council	5%	0.0	0.0	0.5	0.8	1.0
Revenue income	Management contracts may result in deficit payment dependant on risk transference and contract terms.	5%	0.0	1.0	0.0	0.3	0.0
Revenue surplus benefit	Council to receive any benefit from good performance	5%	0.0	1.0	0.0	0.8	1.0
Maximum capital receipt		5%	0.0	0.0	0.0	0.8	1.0
Up front capital and investment costs	Council to make good on delapidations prior to any	5%	0.0	0.0	0.5	0.8	0.9
Ongoing capital and investment costs	Refreshment, refurbshment and commercial invstment	5%	0.0	0.0	0.7	0.8	1.0
Costs to bring to market	Fees, marketing,	5%	1.0	1.0	0.0	0.0	0.0
Economic impact	Wider commercial impact through local employment opportunities	5%	0.0	0.5	0.5	0.5	0.5
		5%					
		5%					
Weighted score **Non Financial**		**50%** **%**	**5.00**	**17.50**	**10.75**	**22.50**	**27.00**
Control over quality of service		5%	1.0	0.5	0.8	0.2	0.0
Control of programme of delivery		5%	1.0	0.5	0.8	0.2	0.0
Delivery of Council strategic objectives for young people, education, health and wellbeing		5%	1.0	1.0	1.0	0.5	0.0
Access to information and insight on use of facilities		5%	0.0	1.0	0.8	0.2	0.0
Access for local community		5%	0.0	1.0	1.0	0.2	0.0
Input from local community		5%					
Consistent with Council strategy and policy for Public Health		5%	0.0	0.7	0.7	0.5	0.2
Consistent with Council strategy and policy for Youth Services		5%	0.0	0.7	0.7	0.5	0.2
Consistent with Council Physical Activity strategy		5%	0.0	0.7	0.7	0.5	0.2
		5%					
Weighted Score **Total**		**50%**	**15.00**	**29.75**	**31.30**	**14.00**	**3.00**

10. Option Selection

The evaluation looked at the two key considerations for the Council in weighing up its options for the site. These were cost effectiveness and quality. The table below summarises the evaluation and identifies that the most appropriate approach to the future of the site would be through the continued management under Thurrock's Inspire youth offering.

		Close	In House delivery	Management contract	Long term lease	Freehold
Price	50%	5.00	17.50	10.75	22.50	27.00
Quality	50%	15.00	29.75	31.30	14.00	3.00
Overall Score		10.00	23.63	21.03	18.25	15.00
Rank	100%	5	1	2	3	4

Any financial gain of a long term arrangement would be offset by the value realised thereafter and any costs to bring to market and address conditions prior to transfer.

11. Conclusion and Recommendation

Prior to 2015, the facilities have suffered from a lack of strategic direction. The current management team has addressed the short term financial pressures at the site and is now setting out a vision and programme of developing commercial activities at the site supported by public health, wellbeing and environmental initiatives. In developing this use and financial sustainability, the site will also then be able to support a subsidised programme of use for the young and adults with physical, mental and emotional needs.

11.1   The evaluation of options for the medium to long term management of the site suggest that the council would realise the fullest financial benefits, see a reduction in liabilities and risks and ensure full community engagement and value if Grangewaters were to continue as part of the core youth offering team supported by a commercially focused business plan.

11.2   The review highlighted a number of areas where assessments appear lacking and steps should be taken to address this to better inform the Council when making future decisions on the site.

11.3   To be successful the report has also identifies that the Council needs to be able to support the management operating the service in a more flexible and independent manner. This may mean spinning out the service or creating a more flexible trading arrangement.

12. References

(1) Local Aggregate Assessment for Greater Essex, Essex County Council, Southend-on-Sea Borough Council and Thurrock Council (2014)

(2) *Developing in or near Ancient Woodlands guidance:*
http://www.forestry.gov.uk/forestry/infd-9hbjk4 and
https://www.gov.uk/guidance/ancient-woodland-and-veteran-trees-protection-surveys-licences

(3) *Getting Active Outdoors: A study of Demography, Motivation, Participation and Provision in Outdoor Sport and Recreation in England* Outdoor Activity Association and Sport England (2014).

(4) *The government strategy for a Sporting Future: A New Strategy for an Active Nation* HM Government (Dec 2015)

(5) *Grangewaters outdoor education centre - A Business Sustainability Study* – The Phoenix Partnership (East) Ltd (2015)

(6) *Thurrock Local Flood Risk Management Strategy, Strategic Environmental Assessment, Environmental Report* (July 2015)

(7) *Woodland and environmental information – on line interactive map*
http://www.magic.gov.uk/MagicMap.aspx

Appendix A- Grangewaters site in context

Appendix B – Environmental Agency - Flood risk map

Appendix C – Competitor locations
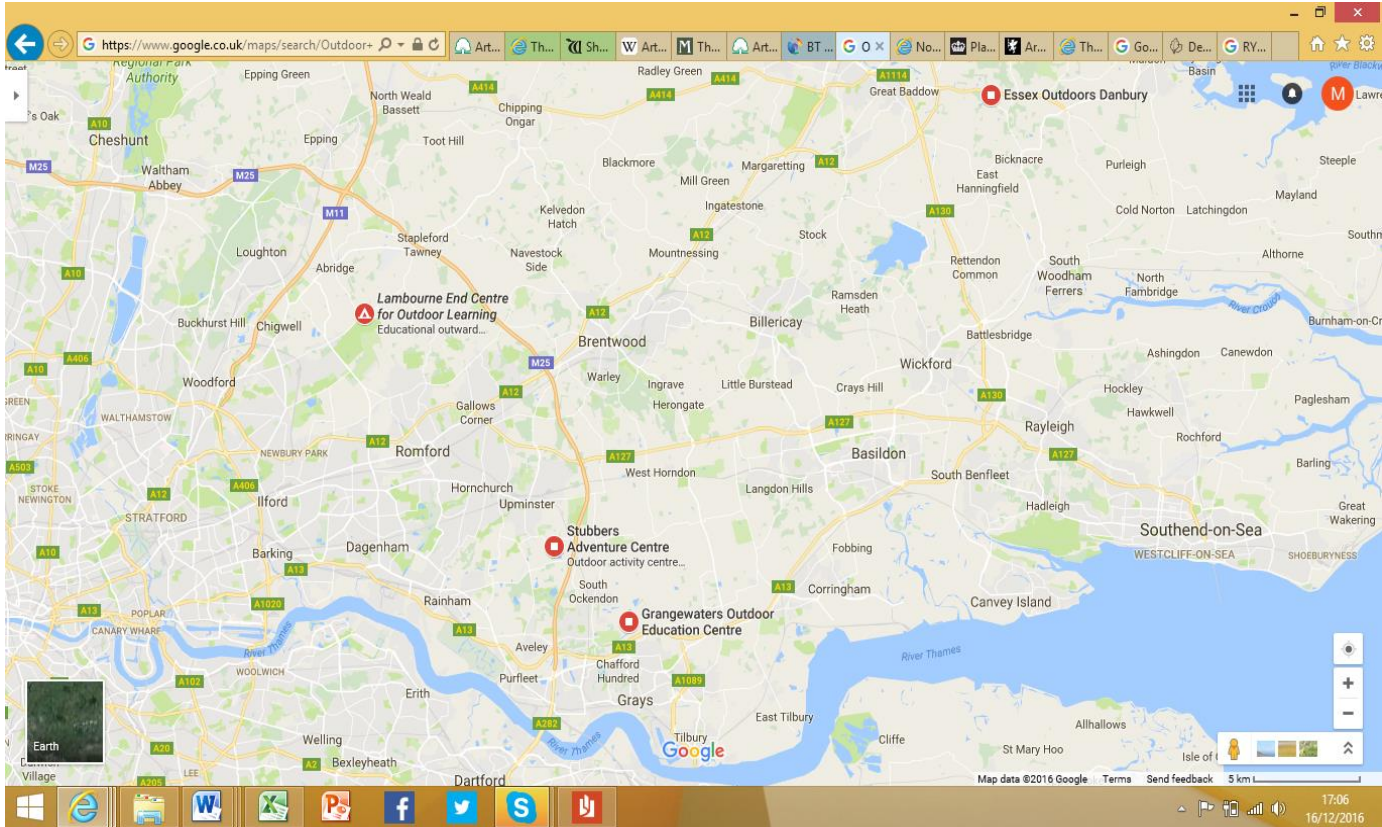
Appendix D

Planning history for post code

Proposed minor external and internal alterations to toilet block and existing boat workshop buildings. Grangewaters Outdoor Education Centre Buckles Lane South Ockendon Essex RM15 6RS Ref. No: 15/00221/TBC | Received: Wed 04 Mar 2015 | Validated: Fri 06 Mar 2015 | Status: Permitted

Demolish sections of the existing building and extend to create a shower block including showers, changing rooms, WCs and disabled facilities. Grangewaters Outdoor Education Centre Buckles Lane South Ockendon Essex RM15 6RS Ref. No: 13/00972/TBC | Received: Mon 07 Oct 2013 | Validated: Thu 17 Oct 2013 | Status: Permitted

To install a temporary shower facility and portable toilets. Grangewaters Outdoor Education Centre Buckles Lane South Ockendon Essex RM15 6RS Ref. No: 13/00408/TBC | Received: Fri 26 Apr 2013 | Validated: Mon 29 Apr 2013 | Status: Permitted

Erection of wardens bungalows, extension to existing changing rooms to include administrative and education space, new garage and provision of climbing tower and aerial ropeway. Grangewaters Sports And Country Club Buckles Lane South Ockendon Essex RM15 6RS Ref. No: 03/00428/TBC | Received: Mon 07 Apr 2003 | Validated: Fri 11 Apr 2003 | Status: Permitted

Erection of 2.4m high fencing and gates, and installation of C C TV camera on 6m pole. Grangewaters Sports And Country Club Buckles Lane South Ockendon Essex RM15 6RS Ref. No: 02/01197/TBC | Received: Tue 15 Oct 2002 | Validated: Mon 21 Oct 2002 | Status: Permitted

Lap Timer Clock Grangewaters Buckles Lane South Ockendon Essex RM15 6RS Ref. No: 79/00270/FUL | Received: Mon 01 Jan 1979 | Validated: Mon 01 Jan 1979 | Status: Permitted

Clubhouse. (Recreation Centre) comprising W/C's Changing Rooms, Cafe, Bar, 1 No. Wardens House & Garage, Parks, Workshop/Stores. Grangewaters Buckles Lane South Ockendon Essex RM15 6RS Ref. No: 76/00669/TBC | Received: Thu 01 Jan 1976 | Validated: Thu 01 Jan 1976 | Status: Unknown

Appendix E – Grangewaters usage figures

MONTH	Casual	Schools	Volunteers	Youth Group	SEN - Adult	Clubs	Adult	TOTALS
Jan-15	24							24
Feb-15	10	111						111
Mar-15	37	169						206
Apr-15	12	34				22		68
May-15	64	703				22		789
Jun-15	17	1085		8	20	29		1159
Jul-15		1112		6	10			1128
Aug-15	26	111		27	33			197
Sep-15	11	803			41	236	29	1120
Oct-15		554		12				566
Nov-15		84		150				234
Dec-15		27		85				112
	201	4793	0	288	104	309	29	
							TOTAL	5714

MONTH	Casual	Schools	Volunteers	Youth Group	SEN - Adult	Clubs	Adult	TOTALS
Jan-16	23							23
Feb-16		27	16					43
Mar-16		79	11					90
Apr-16		69	3	10	35	29		146
May-16		485	9		21	41	1	557
Jun-16		760	2		44	73	5	884
Jul-16	4	756	2		47	37	20	866
Aug-16	102			16	63	21	26	228
Sep-16	16	713			71	23	19	842
Oct-16	34	74		13				121
Nov-16		17			12			29
Dec-16	3			12				15
	182	2980	43	51	293	224	71	
							TOTAL	3844

Regular customer base

St Christopher's Academy Trust, Avelon Road Day Centre, Beacon Hill Academy, Pioneer School, Globe Academy, Lawford Mead Primary School, Woodside Academy, Colfe's School, Corringham Primary, TCES – PRU
Grangewaters Angling Club, Thurrock Angling Club

Grangewaters Working Newfoundlands, Leonberger Dog Training Club
Thurrock Motorboat & Water-ski Club

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5 April 2017	**ITEM: 14** (Decision 01104419)

Cabinet

Grays South: Delivering the New Pedestrian Rail Crossing

Wards and communities affected: Grays Riverside	**Key Decision:** Key

Report of: Councillor Mark Coxshall, Portfolio Holder for Regeneration

Accountable Head of Service: Andy Millard, Head of Planning and Growth

Accountable Director: Steve Cox, Corporate Director Environment and Place

This report is Public with three exempt appendices

Executive Summary

On the 2nd February 2017 the Council received notification that its bid for £10.8 million from the Local Growth Fund had been successful and that the Council would receive the full amount requested to complete the funding package to deliver the Grays South Project.

The Grays South Project aims to create public squares and a pedestrian rail crossing to replace the level crossing in Grays High Street, together with the development of modern retail and residential units. This has been a long standing priority for the Council. The level crossing is a barrier to pedestrian movements between Grays south and the town centre and Network Rail have identified it as one of the most dangerous in its Anglian Region. The frequency and length of gate closures will increase significantly as commercial rail freight from DP World increases. This will increase the barrier effect of the crossing and is likely to increase the incidents of unsafe crossings as people become frustrated with waiting at the closed gates.

The Council has been working with Network Rail to develop the proposals for the pedestrian rail crossing. Network Rail has been leading technical design and the Council leading land acquisition and urban design. The Council will also be leading the development of sites created by the scheme and will be investigating opportunities for joint development, where possible, with Network Rail and C2C.

Network Rail continues to support the project through design and their approvals process. In order to progress, the Council will have to meet the costs of the project and a funding strategy has been developed. The strategy draws upon the existing commitments within the Medium Term Financial Strategy (MTFS), available s106 funds and estimated receipts from future developments of other sites owned by the

Council around the town centre matched against the funding to be received from the Local Growth Fund through SELEP.

This report seeks Cabinet's approval to progress the next stages for implementing the project including joint working arrangements, project management and land assembly.

1. Recommendations

1.1 To approve the implementation of the Grays South Project and delegate to the Corporate Director Environment and Place, in consultation with the Portfolio Holder for Regeneration, the negotiation of a joint delivery approach and agreement with Network Rail and C2C.

1.2 To resolve that the use of Compulsory Purchase powers under Section 226(1) (a) and powers of acquisition under section 227 and 237 of the Town and Country Planning Act 1990 (as amended) and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 would in principle be justified in order to facilitate the delivery of a pedestrian rail crossing to replace the level crossing in Grays High Street (the Scheme) on the land outlined red on the plan in Appendix 1.

1.3 Delegate to the Corporate Director of Environment and Place in consultation with the Portfolio Holder for Regeneration the implementation of the Land Acquisition and Partnership Strategy including:

   i. To grant written authority to officers and their appointed agents to enter on to the land and other land for the purposes of carrying out surveys under section 15 of the Local Government (Miscellaneous Provisions) Act 1976

   ii. To issue notices requisitioning information from persons in relation to the land and other land under section 16 of the Local Government (Miscellaneous Provisions) Act 1976 or Section 5A of the Acquisition of Land Act 1981.

   iii. Undertake land referencing and rights to light surveys to identify all owners, tenants, occupiers, and other interests or those who would be likely to be qualifying persons under Section 12(1) of the Acquisition of Land Act 1981 in relation to the scheme.

   iv. Negotiate to acquire land needed to facilitate the Scheme by agreement.

1.4 **To approve the option 4 design for the pedestrian rail crossing as the basis for the next stage of design and for further consultation about the Scheme to be undertaken.**

1.5 **To approve the funding strategy.**

1.6 **To note that**

i. **A detailed report in relation to the exercise of the Compulsory Purchase Powers, setting out the full justification for their use including a full statement of reasons, will be presented for consideration by a future Cabinet.**

ii. **The appropriation of Council owned land required for the Scheme from the purposes for which it is currently held to planning purposes is likely to be required under section 122 of the Local Government Act 1972 to deliver the Scheme and the need to do so will be identified once detailed proposals have been prepared.**

iii. **The use of stopping up powers under section 247 of the Town and Country Planning Act 1990 (as amended) is likely to be required to deliver the Scheme.**

iv. **An equalities assessment will be carried out during the following design stages.**

2. **Introduction and Background**

2.1 In 2013 Cabinet agreed an option for a pedestrian rail crossing as the preferred approach to providing an alternative to the level crossing. This approach was agreed with Network Rail who funded the design of four options that form Appendix 2 to this report. The approach includes the creation of new public squares at each end of the pedestrian rail crossing and development of new retail space around the squares to provide an attractive setting. In March 2014 Cabinet agreed that discussions commence with land owners about a land acquisition strategy. In December 2014 Cabinet agreed a Memorandum of Understanding that set out the terms of working with Network Rail and the appointment of consultants to develop the land acquisition strategy.

2.2 The Council commissioned Montague Evans to develop the land acquisition strategy and in March 2016 Cabinet agreed a development framework for Grays which included the pedestrian rail crossing and linked developments, an extract from the framework that illustrates how the pedestrian rail crossing could be integrated in to the wider town centre is in Appendix 3.

2.3 Network Rail appointed a team to complete the initial design stage of the pedestrian rail crossing itself and links from the pedestrian rail crossing to the surrounding public realm. This was completed in June 2015. Further funding was then required to enable the project to proceed and it is only with the

announcement that the project will receive a grant from the Local Growth Fund that the funding package for the pedestrian rail crossing and public squares is completed and the project can progress.

2.4   In March 2017 Planning, Transport and Regeneration Overview and Scrutiny Committee supported an approach whereby delivery is shared, with Network Rail leading the technical design and construction of the pedestrian rail crossing, steps and ramps and Thurrock Council leading the design of the land assembly and public realm. The Committee also agreed that the Memorandum of Understanding agreed by Cabinet in December 2014 be revised as the basis for formalising joint delivery arrangements, and supported the funding strategy and approach to land assembly discussed in detail later in this report.

3.   Issues, Options and Analysis of Options

3.1   The section considers delivery of the pedestrian rail crossing under the following headings:

    a)   Scope of the scheme and approach to delivery
    b)   Project Management
    c)   Design Approach
    d)   Funding Strategy
    e)   Land Assembly
    f)   Delivery Programme

Scope of the scheme and approach to delivery.

3.2   The project includes the following:

    a)   Replacement of the level crossing with an 8 metre wide pedestrian rail crossing
    b)   Creation of public squares at each end of the pedestrian rail crossing
    c)   Land assembly
    d)   Demolitions necessary to create the space required
    e)   Relocation of Station Approach to create the space required
    f)   Possible relocation of Crown Road to enable the pedestrian rail crossing to be as short as possible.

3.3   Development of new retail units around the public squares with residential and/or offices above would be progressed as a conventional development project. The scheme area is shown on the plan that forms Appendix 1 to this report. This is likely to be the maximum area required and the next stage of design will review the area required and consider ways to reduce the area of land acquisition. There are likely to be related impacts particularly in relation to the public highways and the bus station that will fall outside of this area and project management will be required to ensure that these are properly coordinated.

3.4   Network Rail has confirmed their commitment to delivering the project and has access to considerable expertise and experience of delivering projects within their operational land. Importantly, potentially costly risks would be retained by Network Rail if they lead construction on their land.

3.5   In light of these discussions it is proposed that delivery is shared by the Council and Network Rail and with C2C as follows;

   a)   Network Rail lead the technical design of the structure of the pedestrian rail crossing and access ramps and steps and manages construction of these and associated works.
   b)   Thurrock Council leads land assembly.
   c)   Thurrock Council lead design and construction of the public squares and the design of the external finishes to the pedestrian rail crossing.
   d)   Thurrock Council develops its land for complimentary retail and flats or offices working in partnership with C2C and Network Rail for coordinated development of their landholdings.

3.6   Cabinet is requested to delegate the negotiation of the joint delivery approach with Network Rail and C2C to the Corporate Director Environment and Place in consultation with the Portfolio Holder for Regeneration.

3.7   In December 2014 Cabinet agreed a Memorandum of Understanding with Network Rail which established a delivery framework. It is proposed to update this document as a basis for a contract with Network Rail to provide for the management and coordination of these activities and a framework for payments to be made by the Council as work progresses.

3.8   Works adjacent to the rail line by the Council would require an Asset Protection Agreement with Network Rail however it is hoped this can be agreed relatively easily because works would not intrude directly on to Network Rail's operational land.

Project Management

3.9   Key decision points would be reported to and decisions sought from Cabinet. The project would be managed by the Council's Regeneration Team reporting to the Grays Programme Board chaired by the Corporate Director Environment and Place.

3.10 It is proposed that delivery would be supported by the procurement of a specialist project manager with relevant experience of working with Network Rail and specialist urban/landscape designers to work closely with Network Rail's technical design team to ensure the high quality of public spaces required by the Council is achieved. The Council has appointed Montagu Evans to support land acquisition and will require specialist legal support for any Compulsory Purchase required.

3.11 It is also proposed to establish a senior level steering group with representation from Thurrock Council, Network Rail and C2C to coordinate and oversee delivery.

Design Approach

3.12 Plans of the four options from the last design stage completed by Network Rail form Appendix 2 to this report. In each case the design of the pedestrian rail crossing itself is the same. Each of the options presents a different approach to the ramps/steps and the public squares. The development of these options has sought to balance the quality of public space, accessibility and connectivity and the amount of land required. The differences between the options can be summarised as follows:

	Description	Pros	Cons
1	Compact ramps. Segregated steps.	• Minimum land take • DDA compliance	• Heavily engineered, not meeting public realm quality requirements. • High walls along ramps create enclosure • Long foot access on north side to station/buses.
2	Long ramps. Integrated steps.	• Better public realm • Opportunities for landscaping • DDA compliance	• Long ramps • Low wall structures required • Larger land take than option1 • Long foot access to station/buses on north side
3	Integrated ramps and steps.	• Better public realm • More accessible • Lower land take than option 2 • DDA compliance	• Requires long retaining wall structures • Long foot access to station/buses on north side
4	Crescent shaped integrated ramps and steps.	• Highest levels of accessibility • Engineered structures are less obvious • Highest quality of public realm • DDA compliance	• Second highest land take of the different options.

3.13 Option Four provides crescent shaped steps on both sides of the rail line with fully integrated steps and ramps. This approach has the benefit of maximising the ways in which people can access the pedestrian rail crossing while minimising the visible retaining wall structures and meeting the Council's wider objectives of providing a high quality public realm. Option Four

establishes key design principles for the next design stage including scale, maximising accessibility, and quality of appearance that minimise the impact of the engineering structures required which can be taken to the next stage of design.

Funding Strategy

3.14 The overall cost of the pedestrian rail crossing, access steps and ramps and public squares is estimated at c£27.4 million. From this total c£5.4 million has been allowed for land acquisition. These figures contain contingencies and are cautious to account for a range of unknowns. They are, however, the best guide currently available.

3.15 In considering how to meet the costs, the Council explored the potential to generate revenue by bringing forward developments on land either currently within its ownership in Grays or which will need to be acquired to deliver the pedestrian rail crossing. Development appraisals indicate that sufficient funds could be generated to support construction. Sitting alongside the Council's existing £9m capital commitment (contained within the Council's MTFS) and £1m of S.106 funds held by the Council, this development receipt strategy has formed the basis of the Council's application to the Local Growth Fund through the South East Local Enterprise Partnership (SELEP) as part of a funding package broken down as follows:

Thurrock Borough Council Capital Programme	£9,000,000
S106 funds held by Thurrock Council	£1,000,000
Network Rail	£700,000
Development Receipts (plots within project boundary)	£2,896,707
Development receipts (plots outside of project boundary)	£3,000,000
Local Growth Fund	£10,840,274
Total	**£27,436,981**

3.16 On the 2nd February the Council received notification that it would receive the full amount of funding requested from the Local Growth Fund which completes the funding package outlined above.

Land Assembly

3.17 The plan in Appendix 4 shows the approximate extent of land acquisition required and the separate land holdings within that area. The next design stages will consider ways in which to minimise the extent of land acquisition. The anticipated cost of acquiring land interests is estimated at c£5.4m if compulsory purchase was required for all sites. Costs and changes in land values will be monitored throughout the project.

3.18 The Council has maintained an open dialogue with the owners and occupiers of property affected by the scheme and given general updates to businesses

through the Grays Town Partnership. It is important that this dialogue continues throughout the development and delivery of the scheme.

3.19 The Council will need to acquire or gain control of all land interests. A Land Acquisition and Partnership Strategy to support the project is attached as part of Appendix 5. Based on relevant Government guidance it sets out the detail of the approach:

a) Maintain clear and open communication
b) Look to negotiate agreement wherever possible with priority given to freeholds and long leases over short leases and occupational interests
c) The approach should be subject to review and tailored to each case
d) Use of Compulsory Purchase Powers should be a last resort
e) Recognise that it may be appropriate to agree conditional contracts for future purchase. There may also be benefit in early acquisition if interests are available and/or where the Council may be able to generate an income prior to implementation of the project
f) Support relocation of existing business
g) Residential premises within the scheme area should be handled sensitively.

3.20 The Strategy anticipates the majority of acquisition being through negotiation and individual agreements. Certainty over land assembly and ensuring that all unregistered or undeclared interests and rights have been identified is critical to delivery.

3.21 Should the Council have to rely upon its Compulsory Purchase Order (CPO) powers it will need to produce detailed statements in support of its proposals, participate in a public inquiry and then follow the relevant processes to secure the necessary interests. It is considered necessary to commence both the negotiations and the preparatory work for the CPO as soon as possible to enable the delivery of the project.

3.22 Cabinet is asked to give in principle approval to the use of compulsory purchase powers and to the promotion of CPO if necessary to implement the scheme. To inform this decision a Preliminary Schedule of Interests is included as part of Appendix 5 to this report and a draft Statement of Reasons is attached as Appendix 6. Both documents will need to be developed further to demonstrate that the Council has followed proper process and to support the use of its powers of compulsory purchase. The documents will be key inputs into the process and will be appended to any Order. Further updates will be provided to Cabinet to advise of progress on the project and, if required, to seek a further resolution to actually make and publish a Draft Order.

3.23 The existing Council owned land required for the scheme will need to be appropriated from its current purpose to planning purposes for the delivery of the scheme. The scheme will also require temporary and permanent closures and diversions of the public highway and is likely to require the creation of

new highway for the necessary relocation of Station Approach. The necessary approvals to effect the various appropriations will be sought through further Cabinet reports as the project progresses.

Delivery Programme

3.24   The project is complex and as a consequence requires a lengthy process for design, land acquisition, consents and construction. If a CPO is required land assembly can take two years. The latest programme with Network Rail suggests completion would be 5 years after the start of the next design stage, assuming this is March 2017 completion would be in March 2022. The timescale will depend on completion of the implementation agreements with Network Rail and issues that are beyond the Council's control such as Asset Protection and the need to secure access to the rail line and will be monitored throughout the project.

4.   Reasons for Recommendation

4.1   The pedestrian rail crossing is identified as a priority in the Council's Economic Growth Strategy, the Development Framework for Grays and in the Vision for Grays. It is a key project in support of regeneration of Grays town centre and consultation demonstrates strong stakeholder support.

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

5.1   The project has been the subject of several approvals from Cabinet in 2013, 2014 and 2015. In March 2016 Cabinet agreed a Development Framework for Grays which includes the pedestrian rail crossing and associated plot developments.

5.2   The development framework included public consultation; there was strong public support with 72% of respondents either supporting or strongly supporting the pedestrian rail crossing and 85% of respondents supporting the overall approach proposed for the town centre and rail station area.

5.3   The project has also been the subject of discussions with land owners and occupiers. All owners and occupiers have been provided with details of the project. The Grays Town Management Partnership has also been provided with a series of presentations.

5.4   Planning Transport and Regeneration Overview and Scrutiny Committee in March 2017 supported the approach to delivery discussed in this report. The committee requested that issues of safety including CCTV and proper drainage be addressed in future design, that every effort is made to keep the crossing open until the project is completed, and that the public is kept informed.

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

6.1   The Council's Economic Growth Strategy and LDF Core Strategy identify
        Grays as one of the Growth Hubs where regeneration activity will be
        focussed. A vision for the town centre including this project was approved by
        Cabinet in July 2013 following extensive public consultation. In March 2016
        Cabinet agreed a development framework to guide the Council's regeneration
        activities. The framework includes this project.

7.   Implications

7.1   **Financial**

        Implications verified by: **Mark Terry**

                                      Senior Financial Accountant

        The Council will be the main funder for the project with £9 million provision in
        the Capital Programme, £1 million of Section 106 funds allocated to the
        project and funds from development returns to be used to support the
        scheme. Development appraisals provided by Montagu Evans show that
        development of Council sites would generate the returns detailed in the
        report. The Council will also be the accountable body for funding from the
        Local Growth Fund where £10.8 million has been allocated to the project.

        The financial impacts of the proposal within this report are part of the
        approved scheme within the Councils' capital programme. Further project
        development work is required with the next stage of design being to 'Approval
        in Principle' when a more detailed understanding of costs and funding will be
        available and reported to Cabinet for consideration.

7.2   **Legal**

        Implications verified by: **Vivien Williams**

                                      Planning and Regeneration Solicitor

        The Council will need a partnership agreement with Network Rail and C2C
        setting out joint working arrangements and a framework for payments to be
        made.

        The report sets out the implications of progressing land acquisition and
        consents for the scheme. Cabinet will need to approve the use of Compulsory
        Purchase Powers in principle as a first resolution for the Council to approach
        landowners and to negotiate land acquisitions required for the project. Further
        reports will be submitted to future meetings of Cabinet including a 'second
        resolution report' seeking approval for the drafting of a CPO and submission
        to the Secretary of State if required.

The Town and Country Planning Act 1990 includes provisions whereby an affected party whose land interest is being acquired can serve a blight notice on the Council. The notice can be served at any time after the authority has submitted a notice to the Secretary of State for confirmation. Qualifying interests are defined in the regulations.

Qualifying objectors to a CPO have the right to be heard at a public inquiry. The Council will be required to submit a Statement of Reasons to the inquiry detailing the case for Compulsory Purchase as set out in the report.

7.3   **Diversity and Equality**

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

The project has been the subject of stakeholder engagement summarised in the previous reports to Cabinet. There will be three further increasingly detailed stages of design including submission of applications for planning permission and other consents. Further engagement activity will take place as the designs are developed. The need to ensure the design meets equalities act accessibility expectations have contributed to the scale of the access ramps and the land area required.

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

- None.

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):

- None.

9.   **Appendices to the report**

As a number of the appendices are exempt these will be published in a separate booklet:

- Appendix 1: Site Area
- Appendix 2: Plans of the four design options
- Appendix 3: Extract from Grays Development Framework
- Appendix 4: Plan of Land holdings within scheme area (EXEMPT)
- Appendix 5: Preliminary Cost Estimate and Land Acquisition Strategy by Montagu Evans (EXEMPT)
- Appendix 6: Draft Statement of Reasons (EXEMPT)

Report Author:

Brian Priestley
Regeneration Programme Manager
Regeneration Service

GRAYS TOWN CENTRE UNDERPASS 2015

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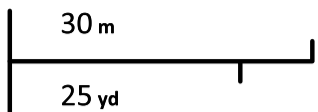
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HIGH STREET

CLARENCE ROAD

14

18

24

26

28 to 30

9

Bank

2

17

Bank

25

22

West Mall

16

24

Grays Shopping

7 to 13

5

3

1

32

GEORGE STREET

Bank

36 34

38

40 to 42

44

HIGH STREET

46

48

50

52

TCBs

35 to 41

43

54-56

45 to 51

58

60b

60a

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53

Bank

62

55 57

CROWN ROAD

Posts

CROWN ROAD

TCB

SL

LC

El Sub Sta

Subway

Grays Station

El Sub Sta

LB

66b 66a 66

3

2

1

59

Pullman Tavern (PH)

STATION

APPROACH

LB

61

16

HIGH STREET

65

Church Path

St Peter and St Paul's Church

83

1

3

Hall

NEW ROAD

Vicarage

Viewpoint

Page 131

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ALL DIMENSIONS ARE IN MILLIMETERS UNLESS OTHERWISE STATED

PROPOSED NEW PUBLIC SPACE

PROPOSED REALIGNED BUILDING FRONTAGE

PROPOSED CROWN ROAD REALIGNMENT

EXISTING RAMP TO BE MODIFIED TO ALLOW FOR CROWN ROAD REALIGNMENT, EXTENT OF RAMP MODIFICATION TO BE CONFIRMED.

GRAYS STATION SECONDARY CONCOURSE BUILDING

EXISTING RAMP TO BE MODIFIED TO ALLOW FOR CROWN ROAD REALIGNMENT, EXTENT OF RAMP MODIFICATION TO BE CONFIRMED.

EXISTING TRACK LINE

EXISTING PLATFORM

GRAYS STATION MAIN CONCOURSE BUILDING

AREA TO BE DEMOLISHED

PROPOSED REALIGNED BUILDING FRONTAGE

INDICATIVE ROAD ALIGNMENT. TO BE DESIGN BY OTHERS.

PROPOSED STEPPED ACCESS

PROPOSED PEDESTRIAN UNDERPASS

EXISTING ACCESS TO BUILDING FRONTAGES TO BE MAINTENED

PROPOSED NEW PUBLIC SPACE

+2700
+2250
+1800
+1350
+900
+450
0.00

+510
+1020
+1500
+2040
+2550
+3060
+3570
+4080
+4590
+5100

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Legend/Notes

Rev | Date | Description of Revisions | Drawn | Chkd | Appr

Status
OPTION SELECTION

NetworkRail

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Project
GRAYS PEDESTRIAN UNDERPASS

Drawing Title
UNDERPASS AND ACCESS OPTION 1
INITIAL COST

Designed		Signed		Date
Drawn	SH	Signed		Date
Checked	SPM	Signed		Date
Approved		Signed		Date
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Alternative Reference

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Revision
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PROPOSED CROWN ROAD REALIGNMENT

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GRAYS STATION SECONDARY CONCOURSE BUILDING

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EXISTING TRACK LINE

EXISTING PLATFORM

GRAYS STATION MAIN CONCOURSE BUILDING

AREA TO BE DEMOLISHED

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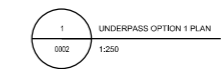
INDICATIVE ROAD ALIGNMENT. TO BE DESIGN BY OTHERS.

PROPOSED STEPPED ACCESS

PROPOSED PEDESTRIAN UNDERPASS

EXISTING ACCESS TO BUILDING FRONTAGES TO BE MAINTAINED

PROPOSED NEW PUBLIC SPACE

+2700
+2250
+1350
+900
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+1530
+2550
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1 UNDERPASS OPTION 2 PLAN
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PROPOSED NEW PUBLIC SPACE

PROPOSED REALIGNED BUILDING FRONTAGE

PROPOSED CROWN ROAD REALIGNMENT

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GRAYS STATION SECONDARY CONCOURSE BUILDING

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PROPOSED NEW PUBLIC SPACE

+2700
+2250
+1800
+900
+450
+1350
0.00

+600
0.00
+1200
+2100
+1650
+2700
+3300
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Status
OPTION SELECTION

Rev | Date | Description and Revisions | Drawn | Chkd | Appr

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Project
GRAYS PEDESTRIAN UNDERPASS

Drawing Title
UNDERPASS AND ACCESS OPTION 3
INITIAL COST

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PROPOSED CROWN ROAD REALIGNMENT

GRAYS STATION SECONDARY CONCOURSE BUILDING

EXISTING TRACK LINE

EXISTING PLATFORM

GRAYS STATION MAIN CONCOURSE BUILDING

PROPOSED REALIGNED BUILDING FRONTAGE

AREA TO BE DEMOLISHED

INDICATIVE ROAD ALIGNMENT. TO BE DESIGN BY OTHERS.

PROPOSED STEPPED ACCESS

PROPOSED PEDESTRIAN UNDERPASS

PROPOSED NEW PUBLIC SPACE

NetworkRail

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Project
GRAYS PEDESTRIAN UNDERPASS

Drawing Title
UNDERPASS AND ACCESS OPTION 4
INITIAL COST

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Figure 4.1 Concept plan

Key building
Proposed new cultural venue
Development opportunity site
Site with longer term development potential
Town centre pedestrian space
Proposed railway underpass
Riverfront promenade
New / enhanced riverfront promenade
Main path
Potential new pier
Public open space
Cemetery
Railway station
Bus station
Area subject to estate masterplan
Listed building
Key route / enhanced pedestrian environment
Existing active ground floor
Proposed new active ground floor
Gateway into the town centre
Proposed single surfaced street
Proposed / enhanced pedestrian connection
Landmark

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| April 2017 | ITEM: 15 |
| | (Decision 01104420) |

Cabinet

Connected Thurrock – Thurrock's Digital & Information Technology Strategy 2017-20

| **Wards and communities affected:** | **Key Decision:** |
| All | Key |

Report of: Councillor Shane Hebb, Cabinet Member for Finance & Legal Services

Accountable Head of Service: Murray James, Operational Service Lead, ICT

| **Accountable Director (s):** |
| Sean Clark, Director of Finance & IT |
| Sharon Bayliss, Director of Commercial Services |
| Jackie Hinchliffe, Director of HR, OD and Transformation |

This report is Public

Executive Summary

Although the Council has a number of digital projects in delivery it does not have a formally articulated digital strategy.

Directors Board has requested the development of an overarching digital and IT strategy that supports the delivery of organisational priorities and complements other key corporate strategies.

Over the last 4 months colleagues and partners in Thurrock have been consulted and engaged and their views have shaped the development of the strategy which is being branded as 'Connected Thurrock'.

Connected Thurrock has been developed as a short but focussed strategy that will take Thurrock on a journey to become a 'digital exemplar' and meet wider community ambitions, around place making and economic growth. In particular the strategy will enable and equip staff and residents, regardless of age, wealth or ability to participate in the new digital world.

It is expected that the various programmes will be funded from existing approved and capital budgets with work commencing on future bids under the future and aspirational programme banner. Any scheme is likely to create additional pressures on operating budgets that will be mitigated primarily through ensuring all business

cases yield a positive return, but also through the revised operating models established under the "Digitally Capable" theme.

1.   Recommendation(s)

1.1   That the Connected Thurrock Strategy be approved;

1.2   As a result of the feedback received from the meeting of the Corporate Overview & Scrutiny Committee on 14th March 2017, a regular update be presented to both Cabinet and Corporate Overview & Scrutiny as the strategy moves to the practical implementation stages; and

1.3   That sign-posting support for resident (users) is documented on the Contact Us page on the Council's website.

2.   Introduction and Background

2.1   Although the Council has embraced the digital agenda it does not have a formally articulated digital strategy. In autumn 2016 Digital Board requested the development of a new digital strategy to shape the Council's future digital and ICT offer.

2.2   The overriding brief for the new strategy was that it should be more than just a refresh of existing IS/IT strategies and digital projects as this was an opportunity to set an ambitious new digital vision and strategy that creates both *a digital council* and makes Thurrock a *digital place*.

2.3   Connected Thurrock has been developed after engagement with our key partners and colleagues. It is attached as Appendix 1 and is a strategy of two sides:

1. The **'Digital'** side describes the behavioural, commercial and social outcomes that we aim to achieve; and

2. The '**Information Technology'** side describes how our current technology will evolve to deliver these outcomes.

3.   Issues, Options and Analysis of Options

3.1   Connected Thurrock has been developed as a road map to take Thurrock on a journey to become a 'digital exemplar'. It will do this by building:

- **Digital leadership** - Focusing on 'place making' by enabling economic growth, improving peoples' quality of life and strengthening the relationship with our communities;
- **Digital awareness** – Building a recognition amongst our staff of the need to think and be digital;
- **Digital by design** – As part of the service review process, services will be redesigned to be digital;

- **Digital platforms** – Deploying technologies to improve efficiency and deliver user centric services; and
- **Digital skills** – Equipping our people with the skills needed for the 21st Century.

Digital Architecture

3.2   A 4 layered stratified digital model has been developed to guide the delivery of the strategy and which will be the Council's digital and enterprise architecture for the lifetime of the strategy.

3.3   At its base, is the **Digital Foundation** that will build a resilient and reliable infrastructure. On top of this sits the **Digital Office** layer which is about enhancing our efficiency and enabling people to work flexibly and complements the delivery of the People Strategy. The next layer is **Digital Council** which is all about enabling citizens to access end to end services and complements the Customer Services Strategy. At the top of the model sits the **Digital Thurrock** layer which is about enhancing the lives of citizens and complements the work being undertaken to develop Thurrock as a 'smart place'.

Delivery programmes

3.4   The above will be delivered by 6 thematic programmes of work:

A Connected Place – which is about equipping people in Thurrock with the technologies & skills to enhance their lives;

Enabling Collaboration – which is about enabling us to work better with our partners - for example colleagues in the NHS;

Citizen Journeys – which is about enabling citizens and customers to do business with the Council digitally;

Smarter Working – which is about equipping our staff with the skills and technologies to deliver services efficiently;

High Availability – which is about ensuring that our ICT platform is fit for purpose and high performing to enable us to meet our business objectives; and

Digitally Capable – which is about transforming the way that we deliver our technology services.

3.5   For each theme, we set out:

- **The intended digital outcomes** – i.e. the digital benefit;
- **The potential technology enablers** – the technology solutions that can be deployed to deliver the outcomes;

- **The change required** – what changes need to be made to deliver the outcome, particularly the cultural changes; and
- **Success criteria** – what will be different as a result of making the investment in technology to deliver the programmes.

Governance of the strategy

3.6   Connected Thurrock is an ambitious strategy. Going digital provides a huge opportunity to transform the council and to deliver place making community priorities. To realise these digital ambitions the Council will need to improve how it uses technology, uses its workforce, works with partners and understands citizens' needs.

3.7   It is predicted that existing technology costs will rise as a result of these investments but these pressures should be mitigated by the efficiency savings that will be enabled by the implementation of the technology. Every business case will be expected to yield a positive return.

3.8   To fund key elements of this strategy new capital bids have been made in respect of 5 of the 6 delivery programmes totalling £3.247m over 3 years. This will be supported by capital of £4m that has been previously secured. Members should note that these capital budgets are likely to be funded through prudential borrowing.

3.9   The Connected Place programme is a more community based aspirational programme that will be delivered and funded through commercial agreements, external funding and borrowing. A sum of £15.71m (of which £5m will be sourced through external funding) has been identified for the delivery of this programme. This is included within the future and aspirational programme and any allocation will be subject to future reports.

3.10   The strategy will be governed through the creation of a delivery plan that sets out how projects will be delivered along with their business cases, resource requirements, risks and implementation dates. The delivery plan will be owned by the Digital Board and all investment decisions will only be permitted after consideration and approval by the Digital Board with escalation to Directors' Board and Cabinet as appropriate.

4.   Reasons for Recommendation

4.1   This strategy has been brought to Cabinet as part of the agreed and expected route for policy development. The strategy is designed to support the delivery of wider community ambitions and priorities.

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

5.1 A wide ranging consultation and engagement exercise has been undertaken to develop the strategy. Consultees include the business community, small business forum, education sector, third sector and staff forums. From the consultation a picture has emerged of what is important to local stakeholders:

- A need to invest in ultrafast broadband infrastructure and public Wi-Fi across Thurrock to remove existing gaps in provision and enable economic growth;
- The Council needing to enable more collaboration, including virtual conferencing, flexible working and integration with its public and private sector partners;
- Building a data analytics capability to enable a more intelligent understanding of the needs of communities and individuals and to manage demand;
- Working with the education and voluntary sectors to provide courses and promote digital inclusion so as to avoid people being left behind by new technology;
- Ensuring our local education offer equips people with the skills needed to build a digital economy;
- Getting the basics right – ensuring our workforce is equipped with the right tools and applications to do their jobs and work from a reliable and stable platform;
- Making it easier for citizens to access services via mobile devices as that is their device of choice;
- Increasing the amount of service offers that are available online;
- Reducing the number of large scale business applications used by the Council and building more targeted applications that enable users to operate more agilely from mobile devices; and
- Ensuring that future technology solutions are implemented via business change activity that redesigns existing business processes to make them agile and responsive to future change.

5.2 These issues have been addressed in the strategy. In addition to stakeholder consultation the draft strategy has also been peer reviewed by external agencies – the Society for IT Managers (SOCITM) and by the Regional Networks consultancy – who have provided wider professional insight and feedback which has been incorporated.

5.3 In their report, SOCITM observed:

"Connected Thurrock presents a good Digital Strategy for the Council and the wider borough. It builds upon previous transformation work at Thurrock and sets out a clear way forward supported by good levels of technical, organisational and financial detail. The comprehensive consultation process and stakeholder workshops that took place have significantly improved the clarity and credibility of the document".

5.4 At their meeting on 14 March Corporate Overview and Scrutiny Committee considered the Connected Thurrock Strategy and resolved:

"The Committee referred the Connected Thurrock Strategy to the meeting of Cabinet on 5 April 2017. The Committee's support was provisional dependent upon clearer objectives, a clearer strategy for delivery and performance monitoring."

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

6.1   The delivery of the Connected Thurrock Strategy will help support the delivery of corporate priorities particularly in respect of economic growth and service efficiency.

7.   Implications

7.1   **Financial**

Implications verified by: **Jonathan Wilson**

Chief Accountant

Capital bids have been received totalling £3.247m over 3 years and this will be supported by £4m of brought forward capital funding. The Connected Place funding will be subject to further Cabinet approvals as the programme develops. It is anticipated that the operating costs of ICT will increase as a result of the investments proposed as part of this strategy, however it is a design requirement that any investment costs need to be offset by the release of efficiency savings.

7.2   **Legal**

Implications verified by: **Kevin Molloy**

Contracts Solicitor

There are no immediate legal implications for Cabinet to be mindful of at this point in the development of the strategy outlined.

7.3   **Diversity and Equality**

Implications verified by: **Rebecca Price**

Community Development Officer

Delivery of the Connected Thurrock Strategy will help improve the quality of life in Thurrock and enable all people to take advantage of having improved access to the internet. There is provision within the strategy to improve people's digital education and skills which will promote digital inclusion.

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

Delivery of the Connected Thurrock Strategy will support the delivery of wider corporate strategies including the People Strategy and the Customer Services Strategy.

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):

- None

9. **Appendices to the report**

- Appendix 1 'Connected Thurrock', Thurrock's Digital and Information Technology Strategy 2017-20

Report Author:

Chris Stephenson

Service Delivery Manager – Change & Implementation

ICT Services

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Connected Thurrock

People Connected and Enabled by Technology

Thurrock's Digital and Information Technology

Strategy 2017-20

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Welcome to Connected Thurrock

1. Thurrock is characterised by its connections. We connect the United Kingdom to the world through our three major ports. We connect the South East to the rest of the United Kingdom through our road and rail networks. We are a series of towns and villages with strong community connections, and we are historically connected to a number of events that have directly shaped our national culture, including the Peasants Revolt, the Armada and the Empire Windrush.

2. We are proud of our place and passionate about creating quality and affordable services that are delivered to our citizens 'right first time'. To help us do this we need a Council that is built upon a modern and robust technology foundation that underpins our people's needs whilst putting them at the centre of service designs - so that we can make their journey through life better.

3. Digital technology is transforming the way people live their lives - from the way we communicate to the way we purchase goods and services. The increasingly pervasive growth of online shopping, mobile device use, social media and ultra-fast broadband presents many opportunities and it is connecting us in ways that were unimaginable just a few generations ago. Across the globe business and public service users have been embracing advancements in digital interaction for decades and Thurrock is no exception. The smart use of smart technology will help us provide effective, efficient and reliable services to our citizens.

4. To embrace such opportunities we have developed this strategy to define how our future use of technology and human resources will be optimised to enable the efficient delivery of our business and community priorities to the businesses and citizens of Thurrock.

5. Connected Thurrock is about seizing the opportunity to build a digital infrastructure fit for the 21st Century to support the 21st century community. In much the same way that our 19th Century forebears built sewers, roads and houses to improve Thurrock we will create a digital infrastructure that will ensure that everyone who lives, works and visits Thurrock has the chance to benefit from these investments.

Sign off by Leader and CEO

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Digital Vision

6. Our vision is to connect our community with technology so that Thurrock is a better place to live, learn, work and do business. We will:

Create better outcomes for the people of Thurrock

This strategy will deliver this through:

- Better **Citizen Journeys** – enabling citizens and customers to interact with the Council digitally for better and quicker outcomes
- Developing **Smarter Working** habits– creating a 21st century workforce that is focused on delivering outcomes with bureaucracy minimized through automation
- Delivering **High Availability** technology – ensuring our services are available when and where they are needed

Build a stronger community

This strategy will deliver this through:

- Encouraging **A Connected Place** – locally provided technology brings our communities together and improves quality of life within Thurrock

Redefine how we operate as a council

This strategy will deliver this through:

- **Enabling Collaboration** – enabling us to work more effectively with our partners and each other
- Becoming more **Digitally Capable** – building our future capability to deliver technology services through a broader range of partnerships including suppliers and other public bodies

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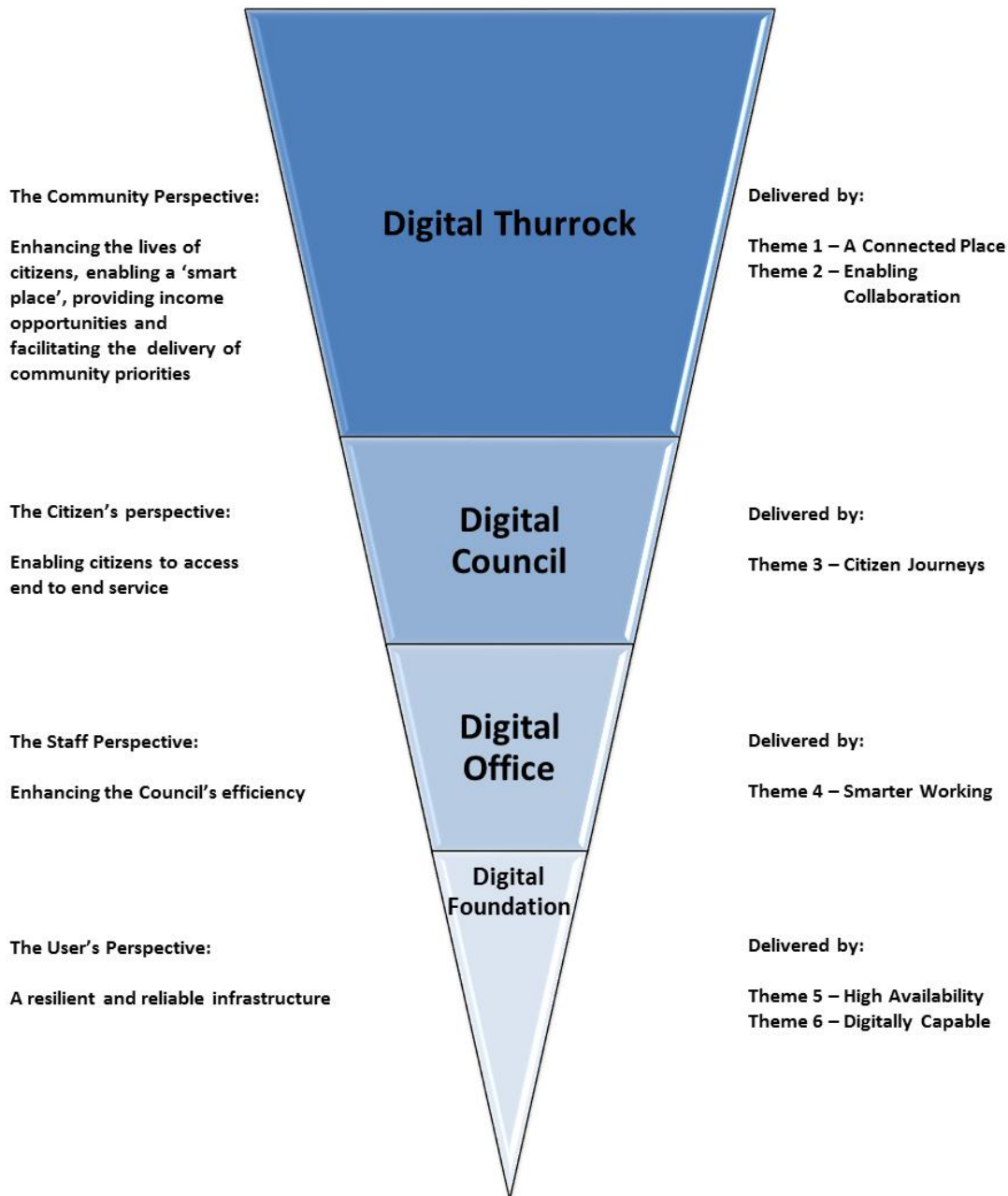**Introducing Digital Government**

7. When we talk about a digital world, we are referring to the way that people and organisations interact. This new world has evolved through the emergence of technologies that have fundamentally disrupted the way that we now think and behave. For example:

- Mobile devices (smartphones and tablets) are rapidly changing the way that we work, rest and play by giving us the ability to access business and social data from almost anywhere - at any time.
- Social networks (e.g. Facebook, LinkedIn and Twitter) have fundamentally changed the way that we organize our social and professional lives by enabling us to rapidly communicate with an expanding network of friends and contacts.
- Analytical insights (e.g. store loyalty cards and online product searches) have fundamentally changed our shopping experiences by predicting our choices and preferences, and enabling us to make quicker informed decisions.
- Cloud Computing (e.g. Office 365, Dropbox, iCloud) has allowed both individuals and smaller organisations to gain access to technologies that were previously prohibitively expensive. This is already resulting in wider inclusion during the continued evolution of the mobile digital world.

8. Connected Thurrock has been developed in collaboration with our key partners and describes how we believe digital technology can be used to make life in Thurrock better for everyone. It is a strategy of two sides: The 'Digital' side describes the behavioural, commercial and social outcomes that we aim to achieve. The 'Information Technology' side describes how our current technology will evolve to enable these outcomes. From our consultation a picture has emerged of what is important to people:

- A need to invest in ultrafast broadband infrastructure and public Wi-Fi across Thurrock to remove existing gaps in provision and enable economic growth
- The Council needing to enable more collaboration, including virtual conferencing, flexible working and integration with its public and private sector partners
- Building a data analytics capability to enable a more intelligent understanding of the needs of communities and individuals and to manage demand
- Working with the education and voluntary sectors to provide courses and promote digital inclusion so as to avoid people being left behind by new technology
- Ensuring our local education offer equips people with the skills needed to build a digital economy
- Getting the basics right – ensuring our workforce is equipped with the right tools and applications to do their jobs and work from a reliable and stable platform
- Making it easier for citizens to access services via mobile devices as that is their device of choice
- Increasing the amount of service offers that are available online
- Reducing the number of large scale business applications used by the Council and building more targeted applications that enable users to operate more agilely from mobile devices
- Ensuring that future technology solutions are implemented via business change activity that redesigns existing business processes to make them agile and responsive to future change

9. This strategy builds on the achievements of previous IT strategies and is a statement of intent for the next 3 years **and beyond**. Connected Thurrock will be a journey to make Thurrock a digital exemplar. We will do this by embedding 5 key cultural building blocks in everything we do:

1. **Digital leadership** - Focusing on 'place making' by enabling economic growth, improving peoples' quality of life and strengthening the relationship with our communities
2. **Digital awareness** – Building a recognition amongst our staff of the need to think and be digital
3. **Digital by design** – As part of the service review process, services will be redesigned to be digital
4. **Digital platforms** – Deploying technologies to improve efficiency and deliver user centric services
5. **Digital skills** – Equipping our people with the skills needed for the 21st Century

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10. We have taken these 5 building blocks and set out the steps that need to be taken to enable us to become a digital exemplar. These buildings blocks are underpinned by the delivery themes, digital principles and architectural principles (see appendices) of this strategy together with the wider programme of service reviews.

The steps we will take to become a Digital Exemplar

Where we are now…

	Digital Beginner	Digital Adopter	Digital Master	Digital Exemplar
Digital Leadership	A few isolated models of digital services. Absence of clear joined up ICT and data strategy	There are some digital service offers that are beginning to cross departmental and organisational boundaries. Tech and data strategies are starting to be merged	Research and innovation is widespread, with clear partnerships in place, and some clear proofs of concept for new models. Clear, linked tech and data strategies in place and working	Innovative models of service embedded, co-designed and partnered across our delivery system. Service solutions are constantly tested and evaluated.
Digital Awareness	Limited understanding among staff of impact of digital on service delivery and attainment of community priorities	There is a basic level of digital awareness and some opportunities to use digital to support business objectives	Comprehensive awareness of digital opportunities to transform service delivery and strong partnerships in place	Clear ability and competence to identify and pursue new strategic opportunities using digital expertise and collaborative work with partners
Digital by Design	Digital not considered or is an after thought for employee, public and partner services	Digital options for services are considered on a case by case basis and embedded in annual planning.	Digital designed as the default option for the majority of services and investment based on agreed priorities	All internal and external products and services designed, where appropriate, as digital and fully based on user needs
Digital Platforms	Little or no availability of digital platforms and tools and limited connection with ICT and others strategies	Limited use of digital platforms and tools and limited use of data. There is agreement on the approach to future use of technology	Increased organisational efficiency and effectiveness from general use of digital platforms and tools generating joined up data	Digital platforms and tools enabling smarter ways of working, with joined up technology, tools and data across local partners
Digitally Skilled	Low levels of digital skills	Key digital skills and roles are starting to be defined and basic digital competency in some areas	Advanced digital skills, clear workforce and recruitment development plan	Digitally 'native' with an implemented recruitment and development plan and widely available skills development

Acknowledgement: Based on a maturity model developed by Public Health England

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Our Digital Model

The Community Perspective:

Enhancing the lives of citizens, enabling a 'smart place', providing income opportunities and facilitating the delivery of community priorities

Digital Thurrock

Delivered by:

Theme 1 – A Connected Place
Theme 2 – Enabling Collaboration

The Citizen's perspective:

Enabling citizens to access end to end service

Digital Council

Delivered by:

Theme 3 – Citizen Journeys

The Staff Perspective:

Enhancing the Council's efficiency

Digital Office

Delivered by:

Theme 4 – Smarter Working

Digital Foundation

The User's Perspective:

A resilient and reliable infrastructure

Delivered by:

Theme 5 – High Availability
Theme 6 – Digitally Capable

11. Our Digital Model allows us to visualise and rationalise the digital world from various stakeholder perspectives and motivations. It will evolve over time and forms the basis of our enterprise architecture that will realise quicker and better outcomes for users. It will be delivered by 6 thematic programmes:

1. **A Connected Place** – locally provided technology brings our communities together and improves quality of life within Thurrock
2. **Enabling Collaboration** – enabling us to work more effectively with our partners and each other
3. **Citizen Journeys** – enabling citizens and customers to interact with the Council digitally for better and quicker outcomes
4. **Smarter Working** – creating a 21st century workforce that is focused on delivering outcomes with bureaucracy minimized through automation
5. **High Availability** – ensuring our services are available when and where they are needed
6. **Digitally Capable** – building our future capability to deliver technology services through a broader range of partnerships including suppliers and other public bodies

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Theme 1 - A Connected Place – locally provided technology brings our communities together and improves quality of life within Thurrock

12. Our ambition is to build Thurrock as a 'smart place.' A smart place uses digital technologies to enhance service delivery and wellbeing, to reduce costs and resource consumption, and to also engage more effectively and actively with citizens.

13. We will lead the creation of 'Thurrock as a Platform' to build an environment that supports the delivery of the wider community priority of place making. We will work with our partners and create new infrastructure and connectivity such as ultra fast broadband and widely available public access Wi-Fi. We will also share our existing infrastructure, technology and applications in ways that were not possible before to redesign services and enable a broad range of solutions to be developed to better meet community needs.

What we will do to create a Connected Place	
The Intended Digital Outcome	**Potential Technology Enabler**
Thurrock becomes a recognised smart place, fully connected to the Internet of Things	Develop a smart place strategy in partnership with commercial and community organisations
Consumers and businesses have a better online experience via the deployment of ultrafast broadband	Build and deploy an open standard smart Infrastructure, comprising wired and wireless networks and physical infrastructure, leveraging existing assets (e.g. street light network)
Quality of life is enhanced in Thurrock through the smart enablement of the borough	Traffic management platform to control congestion and air quality using sensors
	Environmental platform to control fly tipping, littering etc. using sensors and surveillance technologies
	Independent living platform, combining health and care data with home and wearable sensors to help the elderly and disabled live fully independent lives
Thurrock's culture and heritage are readily accessible to all	Digitise our cultural and heritage assets

Cultural changes required
• Connected Thurrock is aligned to key strategies such as the Local Plan, Place Making Strategy Health and Wellbeing Strategy, Infrastructure Requirements List, approach to community hubs and emerging smart place strategy
• Publicise and advocate Thurrock as a Digital Community
• Target the inclusion of citizens and businesses as key digital stakeholders
• Provide community education, training and support to promote digital inclusion
• Develop commercial and service models for consumers and businesses

Success Criteria
• 100 % of citizens and businesses have access to broadband
• Higher satisfaction ratings achieved within residents survey
• There is an increase in the number of small business start up rates
• There is an increase in revenues from business rates

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Theme 2 – Enabling Collaboration – enabling us to work more effectively with our partners and each other

14. Our current and future financial situation is characterized by having fewer resources and a rising demand for service from an ageing population. As a result demand is being generated to use data differently and this data, whether open data, or data shared within relevant public sector organisations, is becoming central to how we redesign our services. By developing a better understanding of customer data we can use it to target our services where they are needed the most and intervene early where appropriate.

15. The national agenda to integrate health and social care will feature largely in shaping the digital future of Thurrock. However a key challenge does not lie in the technology, but in placing the individual at the heart of service design and dealing with the cultural change implications of this. At its heart, it is about ensuring that everyone can get the right care and support, whatever their needs, at every point in their care journey. But it is also about efficient, joined-up and digital services. The demand for a closer integration of health and social care is providing an opportunity for a radical redesign of services.

What we will do to Enable Collaboration:	
The Intended Digital Outcome	**Potential Technology Enabler**
Communities and 3rd sector groups can work better together by accessing new digital channels and functionality	Create the Thurrock Community Cloud making council applications available on a tenanted basis for organisations to use on a paid or non-paid basis
The Council and its partners work better together through seamless sharing of data	Develop a Secure Data Exchange Platform that allows Thurrock data to be exchanged with external partners
The Council makes data sets and information available on a commercial or open basis	
Council partners can work seamlessly on council premises with full access to their own networks.	Provide single wireless point of access for partners across all council premises.

Cultural changes required
• Alignment to cross agency strategies, including NHS Local Digital Roadmaps, Greater Essex Information Sharing, GDPR, national government transformation strategy
• Thurrock assumes a "can do" leadership role in championing data transparency. Our default position is that we will share our data (in line with regulations) rather than hiding it.

Success Criteria
• Citizens needs are better understood through more intelligent use of data resulting in better targeting of resources
• More efficient joint working with a wider range partners
• Reduced total cost of providing services
• Better outcomes for citizens
• Reduced office accommodation requirements as employees from different organisations are enabled to collaborated electronically
• Less time and money spent on travel expenses as the need to travel to meetings decreases

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Theme 3 – Citizen Journeys: enabling citizens and customers to interact with the Council digitally for better and quicker outcomes

16. Our population is growing, due to migration into Thurrock, which is presenting a more diverse range of needs. The funding challenges we face means that we need to use our resources better than ever before and our traditional service offers are increasingly becoming unaffordable. We know from our residents' survey that, at present, people prefer to contact us by telephone but they also state that they are willing to move to other contact channels such as the Internet. Our future approach will be based on: a better understanding of customer insight; reengineering processes to offer a more efficient customer journey that provides quicker and better outcomes and people self-serving wherever possible.

What we will do to manage citizen journeys:	
Intended Digital Outcome	**Potential Technology Enabler**
We better understand the needs and expectations of our customers	Leverage the technology enablers defined in Theme 4: Smarter Working theme – including Business Intelligence, Artificial Intelligence, and Single View.
Multiple access channels means that citizens, residents and customers are able to contact us through the digital channel of their choice at any time of day	Deployment of an 'omni channel' contact platform that allows assisted services to be provided and managed efficiently.
	Deployment of a single sign on and verification solution that allows people to use other logins (e.g. Facebook, gov.verify, NHS) to access all online services)
Customers get a better service through the elimination of red tape	Deployment of Agile Automation Platform which will provide code-free integration and workflow capabilities, allowing rapid deployment of small standalone applications that can be integrated with legacy line of business systems.
Customer experience is improved due to all existing 'forms led' services becoming available online and automated by end of 2019	
A customer only has to tell us something once (e.g. a change of address) with all systems and services being updated automatically	

Cultural changes required
• Align Connected Thurrock to the delivery of key actions from the Customer Services Strategy
• Promote inclusivity programmes for customers and citizens so they confidently move towards interacting with us digitally (incentivisation, training, marketing, assisted support)
• Training and re-skilling of technical staff to support agile automation
• Future digital services must offer a user experience that is better than current phone or face to face

Success Criteria
• Citizens needs are better understood and provided for
• Customer experience is faster, better and more satisfying for them
• Reduced total cost of providing services
• Demand for services is better understood and provided for
• Better outcomes for citizens with fewer complaints
• A digitally literate customer base and more customers choose to do business digitally

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Theme 4 – Smarter Working: creating a 21st century workforce that is focused on delivering outcomes with bureaucracy minimized through automation

17. As part of our drive to create a 21st century worker we will embrace the piloting of new technologies to test out ideas and create an 'Innovation Hub' to inspire and enable us to rethink our process and systems and promote new ways of working. Our staff are employed as professionals and they are passionate about their work. They want to do the best job possible for citizens and customers and to enable them to do that our technology offer has to match that ambition. To create smarter working we will improve and streamline existing business applications, create better management information, provide a wider range of devices and create a digital skills training programme.

What we will do to promote smarter working:	
The Intended Digital Outcome	**Potential Technology Enabler**
Performance is better managed across the council, its partnerships and contracts	Deploy a Business Intelligence Platform which allows data to be extracted and combined from all systems to provide detailed reporting and high level dashboards
	Upgrade, extend or replace our Enterprise Resource Planning (ERP) platform, currently used for managing Finance, Procurement and HR.
Staff focus on complex decisions as simple, time consuming, decisions become automated	Develop an agile 'single view capability' (such as customer, debt, household etc.) using the latest information from across multiple data sources
	Deploy an Artificial Intelligence platform to manage decisions which can be made based on data held in multiple systems, and which can learn to make progressively more complex judgements.
Staff work where they need to rather than where they have to	Roll out next generation mobile devices, which make it easier to perform any professional task remotely
	Extend our collaboration capability to make it easier to communicate with each other using social networking type technologies
All staff and members are digitally capable of performing the roles expected of them	Create a digital skills training syllabus that is continually refreshed to ensure it remains relevant
	Deploy a replacement mobile learning platform which allows individuals access to all of the training that they need to do, at any time of day
There are fewer documents produced which enables the development of big data	Develop a digital mail room to centralize mail delivery to the Council
	Create enforced sign on to ensure as much structured data about customers is captured

Cultural changes required
• Align Connected Thurrock to the delivery of the 'Business', 'Customer' and 'Culture' Outcomes of the People Strategy
• Managers embrace wider benefits of flexible working and encourage new working methods – eg online collaboration
• Staff embrace new and better ways of working
• Develop more robust approach to benefits realisation from business cases

Success Criteria
• There is 'one version of the truth' in terms of information and data
• Citizens needs are better understood through more intelligent use of data resulting in better targeting of resources
• More efficient joint working with partners and colleagues
• Reduced total cost of providing services including accommodation
• A digitally literate workforce is created

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Theme 5 – High Availability: ensuring our services are available when and where they are needed

18. Our ambition is to build a resilient, reliable and highly available infrastructure that enables front line service delivery, and provides our users with a consistent good quality computing experience. Our platform will be based upon proven technology and provide the flexibility to meet the Council's need. We will continue our hybrid cloud approach. The IT architecture must remain agnostic to where individual components are hosted and therefore we will continue to procure primarily on fitness for purpose and value for money rather than arbitrarily committing ourselves to either Cloud or On-premise solutions. It is expected that an on premise presence will be required for the duration of this strategy and beyond.

What we will do to ensure high availability	
The Intended Digital Outcome	**Potential Technology Enabler**
Our platform provides users 99.9 % availability 24 hours a day	Upgrade our main data centre to industry standard
	Prefer cloud solutions (Platform as a Service and Software as a Service) where appropriate and beneficial
	Maintain the infrastructure at all key business sites and provide an IT offering that meets the business needs
	User experience monitoring
	Removal of single points of failure within the infrastructure
50% of our people can continue to work in the event of a disaster to allow our priority services to continue	Develop a secondary data centre room capability
	Create mirror infrastructure
The information that we hold about people is safe and secure	Continually enhance our cyber security defences

Cultural changes required
• Adoption of council wide Enterprise Architecture model
• Adoption of strategic roadmap and forward schedule of change

Success Criteria
• Users can use our services online at any time of the day
• User experience is faster, better and more satisfying
• There are no successful breaches of our cyber defences

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Theme 6 – Digitally Capable: building our future capability to deliver technology services through a broader range of partnerships including suppliers and other public bodies

19. Our ambition is to be a digital council, serving a digital borough. This inevitably means there will be pressure on technology costs to rise. It is essential that our delivery capability is designed to ensure that we maximize benefits in the most efficient way possible and that our organisation evolves in a way that allows us to keep up with the ever increasing pace of digital change.

What we will do to become Digitally Capable	
The Intended Digital Outcome	Potential Technology Enabler
Technology is a significant revenue generator for the council	Develop business plan to deliver managed and professional services
Technology cost base is optimised	Share services (where appropriate) with other local authorities
	Centralise Digital and technology skillsets within the council
Technology informs individual service strategies	Broaden the capability of our engineering staff with more generalist service and strategic skills to better meet the needs of client services
Thurrock is recognised and respected for its technology capability	

Cultural changes required
• Commercial culture to be encouraged and developed across delivery teams
• Silo mentality to digital resources to be challenged
• Matrix working to be accepted as normal across council
• Effective communication of success stories
• Recognition that the cost of providing new technologies will rise as a percentage of general fund expenditure which needs to be netted off against business case benefits realisation

Success Criteria
• Win at least one nationally recognized award for our digital achievement
• The contribution to the General Fund from traded technology services increases significantly from current levels
• Staff satisfaction survey for IT and digital capability surpasses national average

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Appendix 1 - Governance and finance

20. Connected Thurrock is an ambitious and challenging strategy. Going digital provides us with a huge opportunity to transform both Thurrock Council and to deliver our place making community priorities. To realise our digital ambitions we need to improve how we use our technology, reskill our workforce, work differently with our partners and better understand our citizens' needs.

21. This strategy is the first stage in that journey. We will create a detailed delivery plan that sets out how the projects will be delivered along with their business cases, resource requirements, risks and implementation dates. We will review this delivery plan annually and renew it tri-annually.

22. The Digital Board will own this strategy and its annual delivery plans. All investment decisions relating to ICT and digital in general will only be permitted after consideration and approval by the Digital Board, with escalation to Directors' Board and Cabinet as appropriate.

23. It is predicted that existing technology costs will rise as a result of the investments set out in this strategy. These additional costs should be offset by ensuring that all business cases yield a positive benefit..

24. The investments required to deliver this strategy will be funded through capital for non-cloud models. Public cloud solutions will be funded from revenue. The following table illustrates the pressure on costs based on current capital plans using a notional 5 year amortization to fit standard refresh cycles. We assume a 20% annual operating cost (maintenance and support) against each investment.

Funding Source	Investment (£k)	Annual capital payment (£k)	Annual operating cost (£k)	Total additional cost (£k)	Target ROI (£k)
Capital rolled over from previous years	4000	800	800	1600	3200
Approved capital 2017/2018	3247	650	650	1300	2600
Aspirational capital 2017/2018	15710	3142	3142	6284	12568
Total	22957	4592	4592	9184	18368

25. The aspirational figures assume that £5m grant funding will be secured, lowering the amount that Thurrock have to fund to £10710k.

26. The ROI will be defined in individual business cases and achieved through the following means:

- Direct like for like replacement of revenue costs where existing systems are retired /replaced
- Income generation
- Productivity cost savings

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Appendix 2 - Our Digital Principles

27. To drive up our digital maturity as an organisation, all services in the council are committed to the digital principles which were formalised in 2015:

To improve our customers' experience and reduce service delivery costs, you should:

- Understand and adopt these principles
- Promote the principles with all your colleagues
- Check your services against the principles
- Implement the principles
- Contact our Web Team if you need new online forms – the Web Team can create these

Where a service is already available online:

- Promote this in all communications
- Remove other channels from all communications to direct as much traffic as possible to the online channel:
  - ➢ do NOT publish phone numbers
  - ➢ do NOT publish email addresses – use online forms that capture structured data
  - ➢ do NOT ask for letters or other papers to be sent to the council – if forms need to be completed, use online forms
  - ➢ do NOT ask for payment by cheque – it's the least efficient way of taking a payment
- If an online form delivers an email that has to be processed manually, consider whether automation would deliver savings – the form could be entered into a system automatically to save time and effort

Where a service is not yet available online:

- Publish ALL information about the service on the website, adhering to our style and content guides – do NOT say 'contact us for more information' as all information should be online
- Consider whether an online form could be created to capture initial contact details
- If an online form is not appropriate:
  - ➢ publish only ONE phone number – ideally a number already in the public domain
  - ➢ do NOT publish an email address

Where a new service is being considered:

- Design the service to be delivered online from the outset – 'Digital by Default'
- Avoid the use of any other channels if possible – make it online-only, as:
  - ➢ those who don't have their own access to technology can get access in libraries
  - ➢ those who don't know how to use technology can get help and support from friends, family, neighbours or in libraries

For ALL services, ask the following questions.

- Is the service available online? If not, why not?
- Are cheque payments involved in the process? If so, put a plan in place to remove them.
- Is any paper involved in the process? If so, put a plan in place to remove all paper.
- Is an email address published? If so, put a plan in place to replace it with an online form.
- Is your technology integrated so the customer can automatically be notified of updates and outcomes? If not, assess the benefits of doing so and, where appropriate, submit a bid for funding to integrate it.

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Appendix 3 - Our Architecture Principles

28. In conjunction with the Digital Principles, we have developed Architectural Design Principles to inform the delivery of this strategy:

1. **Secure by design -** The security of our systems and data is of overriding importance. Information security will be designed in to all our systems, changes and processes right from the start

2. **Cloud where appropriate -** We will reduce our local infrastructure through a preference that systems will be vendor or cloud hosted where it is cost effective to do so

3. **Information led design -** We will better use the data we hold to allow us to design and provide, more tailored services

4. **Share and reuse -** We will seek to join up with others and share services, capacity and capability. We will learn from others and reuse existing software, processes and ideas

5. **Using open data –** Wherever it is possible we will publish our data openly and online, for reuse by citizens, our partners, researchers and investors

6. **Using open source software** – We will always consider the use of open source software

7. **Any device, anywhere, anytime computing** – our staff and citizens will be able securely use our platform and services at any time and from any location using their device of choice

8. **Integration -** regardless of where our systems are hosted we will always work to ensure that the systems can talk to each other and are integrated with our partners where necessary

9. **A digitally capable workforce** – to realise maximum benefit from new technology we will create a skilled and technology confident workforce through investing in learning and development

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Pen Portrait

Introducing Peter

Today	As a result of Connected Thurrock
• Peter is a divorced 70 something retired office worker • He lives alone in a council provided flat in Corringham with his 3 cats • He has 2 adult children who live outside of Thurrock in the north of England • Peter does not have a car and is reliant on public transport or lifts from friends to get about • Peter survives on a modest work pension which is supplemented by the state pension. He is struggling financially and lives month by month • Without the means Peter doesn't have many hobbies or luxuries but he is an avid reader and makes use of Corringham library • He buys food on a budget from Asda and Lidl and in the past this has been supplemented by food that he has grown himself on his allotment although he finds managing the allotment increasingly difficult • Peter suffers from cardio vascular disease and is on medication to control blood pressure, cholesterol and diabetes • His diabetes has resulted in surgery which makes it difficult for him to get about but he is registered with a council owned gym where he goes to an exercise class for seniors twice a week • As a former office worker Peter is confident with IT and has a PC and tablet that was bought for him as Christmas present a couple of years ago. He uses his tablet to read books and to catch up on the news so as to avoid buying a newspaper	His 'my life' app on his mobile device: • Reminds him that his bins will be collected at 11:10 on Tuesday morning • Reminds him that his TransVol bus will collect him at 2:00 that day to take him to his exercise class and that it is running on time • Tells him that there is currently pollution in East Thurrock but that it will leave the borough by 4pm • Informs him of a message from the Council to say that his carer will arrive at 12:00 to help clean his flat • Alerts him to a message from his doctor to say that his blood pressure readings are higher than normal and that he needs to book a check up appointment • Asks him to complete the application for an adult social care package that he started yesterday • Asks him to complete an online health survey to help his doctor monitor his care package • Informs him that a volunteer gardener from his allotment at Giffords Cross will bring him some vegetables for his evening meal • Advises him of reading recommendations from his local library based on his preferences and feedback on previous e-books that he had borrowed

Pen Portrait

Introducing Sarah

Today	As a result of Connected Thurrock
• Sarah is a 20 something who works for Thurrock Council • Although she has a reasonable standard of living she is supported by her parents and lives with her family of 4 in Orsett and has access to the family's cars • Sarah is a graduate and is in the early stages of building a career. As a result she is undertaking lots of professional development courses and remote learning • When not at work she enjoys going to the gym, and socialising with friends • Sarah is tech savvy and an early adopter who uses a variety of devices to consume media, keep in touch, run her work and social life and respond to digital marketing • She is well immersed on line and streams music, films and games to her iPad and iPhone and enjoys social networking • She rarely watches television preferring instead to watch programmes on her mobile which is never far away • Sarah is in the prime of her life, living it up and not taking life too seriously – feeling good and keeping in touch with her friends is important to her	Her 'my life' app on her mobile device: • Tells her of her diary appointments for the day, where her meetings are and how to get to them • Opens up a copy of a letter from a resident that has been sent to her to deal with • Reminds her to complete her latest CPD course through the online learning portal • Prompts her to look at her Oracle dashboard to update the progress against her appraisal objectives • Gives her a real time summary of expenditure against the budget she has responsibility for • Summarises in one place all the news headlines that are of interest to her • Suggests the purchase of a new jacket which it thinks she will like • Advises her to avoid travel routes where temporary road works or congestion are happening that day • Suggests coffee houses / restaurants to work from when she is out and about and between meetings • Keeps her up to date with what residents are saying on twitter

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Pen Portrait

Introducing Aaron	

Today	As a result of Connected Thurrock
• Aaron is 23 and lives in East Tilbury • He lives in a council provided flat with his girlfriend and his mum • Aaron's mum suffers from a muscular skeletal condition and finds it difficult to walk and get about • His girlfriend is 3 months pregnant • Aaron is unemployed and has not worked since he left school at 16 • Aaron spends his time watching TV, socialising with friends and following Tottenham Hotspurs – his favourite football team • He is not technology literate and has a mobile phone but it is not a smart phone. Aaron does not have access to a tablet or personal computer • Aaron does not have a car and is reliant on public transport or lifts from friends to get about • Aaron is unhappy with his life and has been persuaded by a local area co-ordinator to visit the Tilbury Community Hub to see what services are available to help him into work and to support his family	• Aaron has signed up to course to build his digital and IT skills • A local community group has provided him with a low cost tablet device to help him embed the ICT skills he is learning on his course. • The broadband network that the Council and its commercial partners has built provides him with low cost access to the Internet His 'my life' app on his mobile device: • Allows his girlfriend to access an app created by a local mums charity which gives her the information she needs to help her with her pregnancy • Provides him with access to an online job portal through which he is applying for work opportunities • Allows him and his family to apply for the benefits they are entitled to • Allows his mum to join a number of on line support groups to help her live with her condition

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5 April 2017	ITEM: 16
	(Decision 01104421)

Cabinet

Communication Strategy 2017-20

Wards and communities affected:	Key Decision:
All	Key

Report of:
Councillor Shane Hebb, Portfolio Holder for Finance & Legal Services

Accountable Head of Service
Karen Wheeler, Director of Strategy, Communications and Customer Services

Accountable Director:
Karen Wheeler, Director of Strategy, Communications and Customer Services

This report is public

Executive Summary

This report sets out the changing landscape and context for the council's communication activity. It proposes a strategic approach in response and clear principles to guide engagement with residents, partners, staff and the media, aid reputation management and improve public perception.

The recent Residents Survey results showed that 68% of Thurrock residents get information about their local area from the council including the website and social media but also from the local newspapers and via word of mouth.

The Communication Strategy provides a set of overarching principles to guide effective communications to better inform our residents and partners.

The council wants to be regarded by its residents, peers and partners as ambitious for Thurrock and focused on meeting current and future aspirations. This requires a shift-change in the way we communicate and how we engage with the media, residents, partners and staff.

The Communication Strategy at Appendix 1 is centred around the following principles to support delivery of the council's ambitions and priorities:

- Digital first
- Targeted messaging
- Brand promotion

Delivery of the communication strategy will be underpinned by a media protocol providing a framework for engagement by the council with the local, regional and national media and other guidance to support both officers and members.

1. Recommendation(s)

1.1 To agree the proposed Communication Strategy 2017-20 as the principle policy document for engagement with residents via all communication and media platforms.

2. Introduction and Background

2.1 This report sets out the changing landscape and context for the council's communication activity. It proposes a strategic approach in response and clear principles to guide engagement with residents, partners and the media, aid reputation management and improve public perception.

2.2 The Communications Team is part of the Strategy, Communications and Customer Services Directorate and is responsible for media liaison (proactive and reactive), social media, marketing campaigns, design, the council's website and internal communication including the Intranet.

2.3 Communicating effectively is every service's responsibility and the Communications Team provide advice, guidance and technical support to promote what the council is doing, raise its profile, provide important information to residents and protect the council's reputation.

2.4 The team's work programme is driven by the council's priorities and direction from the Administration on the overall approach. The team also respond to ad hoc requests from services for communications support including proactive press releases, promotional information such as leaflets, social media and updates to the website.

2.5 The council follows the Recommended Code of Practice for Local Authority Publicity. The Code provides guidance on the content, style, distribution and cost of local authority publicity.

2.6 The council does not currently have an overarching Communication Strategy providing a set of guiding principles to ensure effective communications for well informed residents and partners. This report seeks to reconcile this deficit.

Communication Activity

2.7 The main areas of communication activity over the last year are set out below. The activity reflects the use of a range of communications channels and tools.

Media

2.8   Media/press releases are issued proactively to highlight good news, communicate important messages to residents and share key decisions after meetings such as Cabinet and Council. The team also publicise the important work of Overview and Scrutiny, Planning and Licensing committees by issuing press releases in discussion with Chairs of committees. All releases are issued to media outlets including radio and television, all Councillors and are made available on the council's website and social media channels. However, the media do not have to cover what we release and can take their own perspective on a story.

2.9   The team also respond to enquiries from the media on a daily basis, and on critical issues out of hours where necessary to protect the council's reputation, providing statements with the council's response to a particular issue. The team has a key role should the emergency plan be activated and participate in practice exercises with emergency service partners. The Communications Team will aim to respond to any non-critical media requests or enquiries within 24 hours.

Campaigns

2.10   A number of communication campaigns have taken place throughout the last year. These have been prioritised and focused on particular areas which can lead to efficiencies and behaviour change. The campaigns include Love Thurrock promoting 'bin it' and litter enforcement as part of clean it, cut it, fill it, social worker recruitment, sign up to My Account, becoming a foster carer and promoting consultations for example on the frequency of local elections.

2.11   Campaigns involve a mixture of communications channels, including releases to media, posters and outdoor advertising, internal promotion, digital and social media to enable the greatest possible reach across the borough as well as targeted marketing to particular audiences.

2.12   Promoting events and awards - which are funded through sponsorship - is also a significant activity for the team including campaigns to communicate the Education Awards and Civic Awards in 2016 and support at the event.

Social Media and Website

2.13   Social media use has increased in recent months with a proactive approach including posting press releases, campaign information, events, and sharing both promotional and emergency information from partners such as the Thurrock Clinical Commissioning Group (CCG) and Essex Police. This has seen an increase in people engaging with the council's pages, hitting 10,000 followers on Twitter in February 2017.

2.14   The council has over 2,000 'likes' on Facebook and we have seen increased engagement with the introduction of the use of videos. Although more business–focused, the council's LinkedIn profile has 1,747 following us. The council also has a YouTube channel but this is currently not fully utilised as yet.

2.15   Social media and other communication channels are used to sign post residents to the council's website where additional information and advice is hosted and services can be accessed. This is in line with both the Digital and Customer Service strategies. The website homepage includes a Twitter feed, rolling carousel images with links to key campaign and service pages as well as static areas for prominent issues such as consultations or those affecting all residents.

Resident e-newsletter

2.16   Thurrock News, a monthly e-newsletter, was introduced in October 2016, as an additional communication channel to complement the use of other channels. This is now a regular email communication that residents can sign-up to receive. There are over 11,500 subscribers. The council will continue to promote sign up to the service which informs residents of key council updates.

Internal Communications

2.17   Approximately 80 per cent of the council's staff are also Thurrock residents, and even more have friends and family who live within the borough. Internal messaging about public campaigns is of vital importance as well as effective engagement on internal issues, the success of which is reflected in the reaccreditation of Investors in People Gold.

2.18   The Staff Survey conducted in 2016 shows that staff are engaged, with the majority satisfied to be working for the council and understanding how their role contributes to the council's success and delivering the overall priorities. The majority of staff feel they are kept informed about their team and service, but an area for improvement is information about what is happening in the council as a whole with just over half feeling well informed. Communication between service areas was also identified as an issue. Actions are underway to address this with internal communications - now part of the corporate Communications Team - to help ensure messages are timely and joined up while continuing to work closely with the HR and Organisational Development teams.

2.19   There is an opportunity through the strategy to do more to ensure staff are well informed and advocates of the council especially as we know word of mouth is a key way in which residents receive information. The council should also ensure as a principle that staff are informed of key issues directly, ahead of finding out through the media wherever possible.
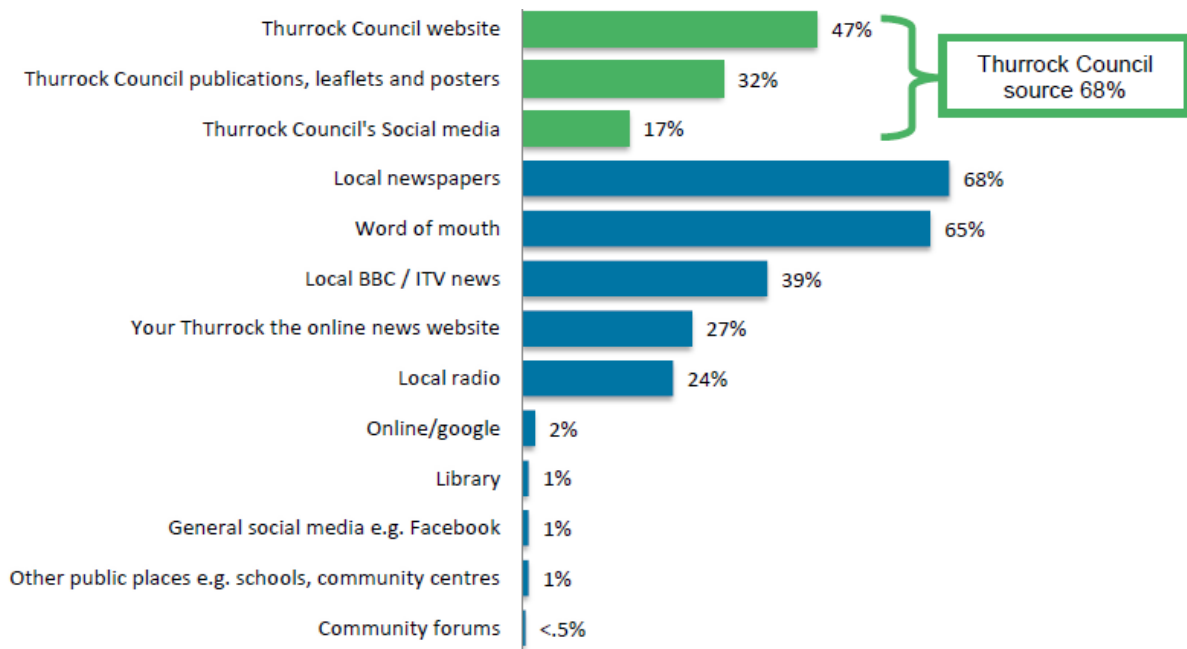
Branding

2.20   The communications team also have a role as guardians of the council's brand. There are brand guidelines available for all services to use including templates for email signatures and Powerpoint presentations etc. and a writing style guide. This is to ensure consistent and appropriate use of the brand including when we work with partners. This reflects the council's ambitions to continue the development of a competent, professional perception from those that engage with it.

Profile

2.21   Work has been ongoing to ensure the council's brand and Thurrock the place is shared widely and recognised. This is a main focus of proactive communication activity. Recent examples include:

- Working with partners at High House Production Park including the Royal Opera House, Creative and Cultural Skills and the National College to jointly promote events
- Awards submissions to the LGC and MJ local government annual awards with consistent shortlisting success and highly commended achieved in some categories as well as winners in other business specific national awards e.g. HR and OD, Planning
- Promoting investment opportunities through the MJ/MIPIM investment guide widely circulated at the Property and Investment Trade Show
- Thames Estuary Growth Commission handout with Thurrock skyline and key facts
- Developing a new roundabout sponsorship scheme launched in January 2017 generated income but also promoting both local businesses and the council
- Host for recent SELEP Local Growth Fund ministerial announcement.

3.   Issues, Options and Analysis of Options

3.1   The issues set out above have informed the development of the approach set out in the Communication Strategy below, as well as analysis of the recent Residents Survey. The results showed that 68% of Thurrock residents get information about their local area from the council including the website and social media but also from the local newspapers and via word of mouth. Despite this, 58% of residents think that the council keeps them well informed about services.

Thurrock Council website	47%
Thurrock Council publications, leaflets and posters	32%
Thurrock Council's Social media	17%
Local newspapers	68%
Word of mouth	65%
Local BBC / ITV news	39%
Your Thurrock the online news website	27%
Local radio	24%
Online/google	2%
Library	1%
General social media e.g. Facebook	1%
Other public places e.g. schools, community centres	1%
Community forums	<.5%

Thurrock Council source 68%

Communication Strategy 2017-20

3.2 The council wants to be regarded by its residents, peers and partners as ambitious for Thurrock and focused on meeting current and future aspirations. The Communication Strategy is set out at Appendix 1. It is focused on three key principles to support delivery of this priority:

- Digital first
- Targeted messaging
- Brand promotion

The strategy is expected to enable the following outcomes:

- Well informed and engaged residents involved in decision making and shaping services
- Recognition and improved perception of the council and its services with residents, staff and partners as advocates
- Pride in Thurrock the place with national profile and recognition

Digital first

3.3 We know from the Residents Survey that over 90% of residents have access to the internet at home or via a mobile device. 60% said that they would be willing to contact the council using the website, social media or via email in the future.

3.4 Digital communication is a growing area for the council as it is both 'always-on' and more cost effective - but also evolves very quickly.

3.5 Local and regional media organisations are an important channel for getting messages out to the public. This is no longer just focused on a weekly print deadline. Many media organisations now operate a 'digital first' approach to publishing content and have an increasingly active social media presence.

3.6   The council is working in the context of an overall shift from print to online media and keeping pace with these changes. The council needs to be able to respond to the way the media operates locally, regionally and nationally, as well as how residents want to be kept informed and where different audiences are most likely to pick up and react to key messages. This is in line with the overall approach to digital and channel shift in the Digital and Customer Services Strategies.

3.7   Digital first is therefore a key principle in the Communications Strategy. The Communications Team have already started to embrace this including increased use of video which attracts much higher engagement (see below example). Facebook will have an increased focus as part of the new approach.

Impressions / Reach on Facebook (Nov 2016)
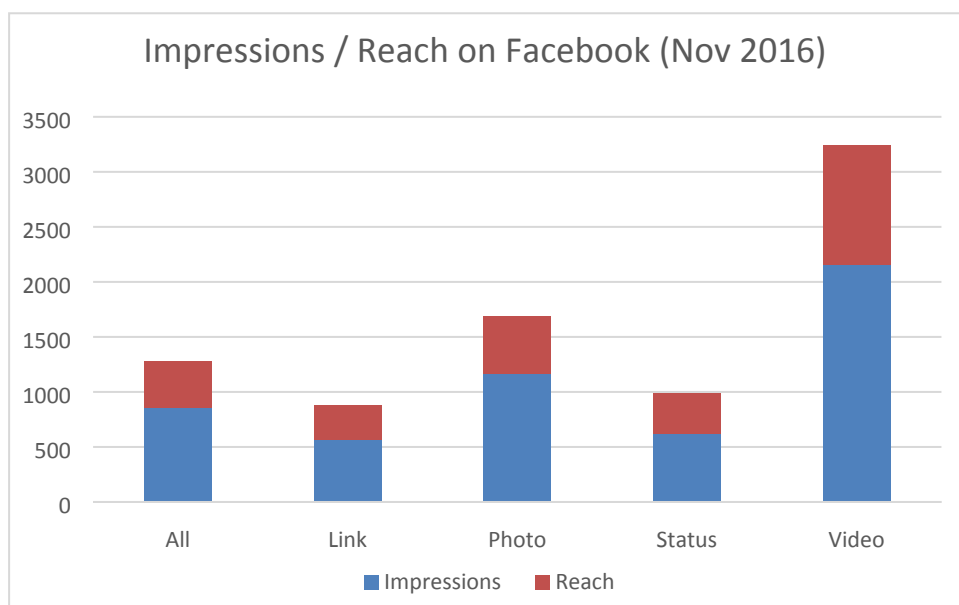
3.8   By developing the use of social media we are responding to a clear customer demand. A growing number of residents use social media and expect to engage with the council in this way – both in terms of service requests and general communications. Social media will continue to sign post residents to the council's website where additional information and advice will be hosted and services can be accessed or requests raised. Use of other social media will be explored including Instagram and Snapchat.

3.9   Use of social media supports our priorities as a means for promotion; community engagement and customer service delivery as well as being aligned to Connected Thurrock – the Digital and Information Technology Strategy. In particular the principle that people will be connected and enabled by technology and 'digital by design' for all services.

3.10   The council will ensure that residents who are less digitally and ICT confident and competent will be able to make full use of and access services. Support will be signposted on the "Contact Us" page of the council website, where

residents can find help and advice such as through assisted self-service via the contact centre or volunteers at Community Hubs. This is in line with the Customer Services Strategy.

3.11 An increased emphasis on digital communications by the media and growing use of social media by the council will impact on reputation. The social media guidance has been reviewed and updated in this context.

Targeted messaging

3.12 As set out above, the Communications Team are leading work or supporting services to communicate and engage widely with residents. However, the overall approach and focus on key messages must become more targeted so that:

- Key messages are identified and imbedded in all communications
- All opportunities to communicate key messages are taken
- Repeated key messaging over a prolonged period

3.13 The key messages should be real and relevant for residents, reflecting the issues of most importance to them and in the context of the overall priorities for the council.

3.14 Other messages must be relevant, appropriate to the audience it is hoped to reach and reflect the intended outcome of the communication.

3.15 The overall approach should be proactive – promoting the place to investors, visitors, business as well as residents, informing customers and partners of service changes, events and opportunities to get involved, and ensuring all critical day-to-day service messages, reminders and signposts are timely and effective. This will be planned in advance for both external and internal audiences within an overarching calendar of communication activity.

Brand promotion

3.16 Work continues to increase the profile of Thurrock both within the borough and to people and businesses looking at Thurrock as a place to live, work or do business.

3.17 There is a need to develop a clear and confident narrative for Thurrock the place, including opportunities for jobs and training; culture and heritage; investment and growth, alongside a strong and recognisable brand.

3.18 The narrative will involve using targeted messaging and communications channels for each of the audiences we want to appeal to – staff, residents, businesses, community and voluntary organisations, and investors.

3.19 As well as messaging, branding and signage will be explored in line with the future and aspirational public realm branding proposal agreed for detailed

consideration as part of the capital programme. This builds on work the council has already done and will be progressed with partners, such as the Business Board and CVS, as a focus of the new strategy. This should also include consideration of the council's presence at strategic profile raising events such as MIPIM.

3.20   The Communication Strategy aims to provide an overall focus for the council's communication activity and new clarity on the overall approach.

3.21   The council aims to be open, ensure information is accessible, encourage public involvement in decision making and promote and protect the interests of the borough's residents.

Media liaison

3.22   Delivery of the communication strategy will be underpinned by a media protocol providing a framework for engagement by the council with the local, regional and national media and other guidance to support both officers and members. It recognises the important role the media play in informing the public and in communicating with residents and other stakeholders on an increasingly digital and therefore constant basis.

3.23   The council will recognise organisations as 'media' who are are a member of the Independent Press Standards Association (IPSO) or equivalent regulator and comply with the Editor's Code of Practice. Television and radio broadcasters, such as the BBC, are regulated by Ofcom. Any organisation which has membership of such a regulatory framework will be offered a place in the 'media area' for the benefit of reporting on council meetings. Other media organisations and reporters will be welcome to report from the public area.

3.24   Media liaison must be undertaken in a timely, consistent, professional, transparent and non-party-political manner. The Communications Team aims to provide an efficient and professional service to the media and treat all outlets fairly. In response, the council expects the media to report in an accurate and balanced way, including use of headlines. An agreed 'right of reply' is assumed in order to concurrently explain the council's position and protect its reputation as part of a media story.

3.25   Should a media outlet, or one of its journalists, fail to adhere to the regulator's code and in particular not reflect the council's position accurately ensuring a 'right of reply', the council will not engage and recognise that organisation and/or journalist as 'media' for a period of time determined by the council.

3.26   Changes in the media are ever evolving and emerging which the council must have the flexibility to react to. The BBC has recently announced details of where licence fee-funded local journalists will be based across the country, with jobs being phased in from the summer 2017. It has set aside £8m a year to pay for 150 reporters, who will work for local news organisations rather than

the BBC. Thurrock is an area to be covered by two journalists including Essex and Southend. The journalists will cover council meetings and public services and share their stories with the BBC. The council welcomes this initiative and will actively encourage the consideration of filming whole public meetings, such as Council including live streaming.

Next Steps

3.27   If agreed, implementation of the strategy and adherence to the supporting protocols and guidance will commence immediately. A key outcome measure will be how well informed residents feel when the Residents Survey is repeated in September 2017 as well as perceptions of the council, its services and Thurrock the place.

3.28   A review of the capacity within the Communications Team will be completed to ensure the right focus of resources and skills to deliver the approach as set out in the strategy.

3.29   There will be a full service review for communications in February 2018 in line with the council's transformation approach.

4.   Reasons for Recommendation

4.1   Cabinet are asked to agree the approach to communication and engagement set out in the strategy. This will guide the work of the Communications Team and all communication on behalf of the council.

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

5.1   Consultation has taken place with the Communication Team, Directors Board, Portfolio Holder and Leader. In addition, a communications update report was provided to Corporate Overview & Scrutiny Committee in January 2017 and consultation update in March 2017. The feedback from that meeting has been used to inform the development of the strategy. It included:

- More consistent use of Facebook in line with the approach to Twitter
- Increased use of videos including of meetings to increase engagement
- Use of non-digital channels where more appropriate for different audiences to avoid exclusion
- The council's position communicated through the Communications Team ensuring that messages are non-party political
- Advice and guidance from the Communications Team to be available to all members

5.2   Peer support has been provided by the Head of Communications at Essex County Council.

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

6.1 Communication of the priorities, policies and performance is key to the overall success and reputation of the council as well as the wellbeing of residents.

7. Implications

7.1 **Financial**

Implications verified by: **Laura Last**

Management Accountant

There are no financial implications as a direct result of this report.

The budget for the communications service was £444k for 2016/17 having delivered savings in previous years. The majority of this budget is for the 9.6 FTE but also includes the centralised corporate communication budget of £144k which is used to fund all priority communication campaigns and activity including internal communication materials.

7.2 **Legal**

Implications verified by: **David Lawson**

Monitoring Officer

There are no legal implications as a result of this report. Reference to advisory codes are included in the body of the report.

7.3 **Diversity and Equality**

Implications verified by: **Rebecca Price**

Community Development Officer

There are no direct diversity and equality implications as a result of this report, however, the council must ensure that a range of channels are used to communicate with residents so as not to exclude any particular group. The results of the Residents Survey have informed the development of the overarching strategy and includes information on how residents are engaged and kept informed.

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

There are no other specific implications, however, the council regularly communicates issues in partnership with other public sector organisations, the

voluntary sector and businesses as appropriate and agreed as part of the work programme and overall approach as well as demand.

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):

   - Communication Update, Corporate Overview & Scrutiny Committee, January 2017
   - Residents Survey Results, BMG, February 2017
   - Community Engagement Strategy 2012-16

9. **Appendices to the report**

   - Appendix 1: Communication Strategy 2017-20

Report Author:

Karen Wheeler

Director of Strategy, Communications and Customer Services

Communication Strategy 2017-20

This Communication Strategy provides a set of overarching principles to guide effective communication and engagement with residents, partners, staff and the media, aid reputation management and improve public perception.

The council wants to be regarded by its residents, peers and partners as ambitious for Thurrock and focused on meeting current and future aspirations.

The council aims to be open, ensure information is accessible, encourage public involvement in decision making and promote and protect the interests of Thurrock's residents.

The strategy aims to provide an overall focus for the council's communication activity.

Communication activity will be guided by three **principles**:

- Digital first
- Targeted messaging
- Brand promotion

The strategy is expected to enable the following **outcomes**:

- Well informed and engaged residents involved in decision making and shaping services
- Recognition and improved perception of the council and its services with residents, staff and partners as advocates
- Pride in Thurrock the place with national profile and recognition

Delivery

Communicating effectively and protecting the reputation of the council is the responsibility of all staff, councillors and those working on behalf of the council.

The Communications Team will provide a range of support and co-ordinate all council communication activity. The team provide advice, guidance and technical support to promote what the council is doing and to raise its profile, providing important information to residents and protecting the council's reputation.

All council communications will comply with relevant legal requirements and conform to the Code of Recommended Practice on Local Government Publicity, March 2011, which highlights factors to be considered when taking decisions on publicity (see: http://www.communities.gov.uk/documents/localgovernment/pdf/1878324.pdf). The principles of the code are that publicity by local authorities should:

• be lawful
• be cost effective
• be objective
• be even-handed
• be appropriate
• have regard to equality and diversity
• be issued with care during periods of heightened sensitivity

This will be achieved by following the principles within this strategy and implementation of the actions below.

Delivery of the communication strategy will be underpinned by a media protocol providing a framework for engagement by the council with the local, regional and national media and other guidance to support both officers and members. It recognises the important role the media play in informing the public and in communicating with residents and other stakeholders on an increasingly digital and therefore constant basis.

The council will recognise organisations as 'media' who are are a member of the Independent Press Standards Association (IPSO) or equivalent regulator and comply with the Editor's Code of Practice. Television and radio broadcasters, such as the BBC, are regulated by Ofcom. Any organisation which has membership of such a regulatory framework will be offered a place in the 'media area' for the benefit of reporting on council meetings. Other media organisations and reporters will be welcome to report from the public area.

Media liaison must be undertaken in a timely, consistent, professional, transparent and non-party-political manner. The Communications Team aims to provide an efficient and professional service to the media and treat all outlets fairly. In response, the council expects the media to report in an accurate and balanced way, including use of headlines. An agreed 'right of reply' is assumed in order to concurrently explain the council's position and protect its reputation as part of a media story.

Should a media outlet, or one of its journalists, fail to adhere to the regulator's Ccode and in particular not reflect the council's position accurately ensuring a 'right of reply', the council will not engage and recognise that organisation and/or journalist as 'media' for a period of time determined by the council.
The Communications Team will aim to respond to any non-critical media requests or enquiries within 24 hours. For critical issues enquiries will be dealt with out of hours where necessary, to protect the council's reputation, providing statements with the council's response to a particular issue.

Activity focused around the three principles is set out below:

Digital first

Digital communication is a growing area for the council as it is both 'always-on' and more cost effective - but also evolves very quickly.

Local and regional media organisations are an important channel for getting messages out to the public. This is no longer just focused on a weekly print deadline. Many media organisations now operate a 'digital first' approach to publishing content and have an increasingly active social media presence.

The council is working in the context of an overall shift from print to online media and keeping pace with these changes. The council needs to be able to respond to the way the media operates locally, regionally and nationally, as well as how residents want to be kept informed and where different audiences are most likely to pick up and react to key messages.

The council will have an increasingly active social media presence. It will embed the digital first principle by:

- Increasing sign up to Thurrock News
- Increasing engagement through social media – Twitter and Facebook
- Explore use of other social media including Instagram and Snapchat
- Increasing the use of video
- Continued focus on signposting residents to the website
- Training and guidance for officers and members
- Refreshed social media protocol and guidance

By developing our use of social media we are responding to a clear customer demand. A growing number of our residents use social media and expect to engage with us in this way – both in terms of service requests and general communications. Social media will continue to sign post residents to the council's website where additional information and advice will be hosted and services can be accessed or requests raised.

Targeted messaging

Key messages should be real and relevant for residents, reflecting the issues of most importance to them and in the context of the overall priorities for the council.

A consistent narrative and key messages with campaigns aligned to priorities will be achieved through:

- Key messages identified and imbedded in all communications
- All opportunities to communicate key messages are taken
- Repeated key messaging over a prolonged period

A limited number of targeted campaigns will be run at any one time, maximising the use of all communication channels and focusing resources on the areas of most importance.

The overall approach will be proactive – promoting the place to investors, visitors, business as well as residents, informing customers and partners of service changes, events and opportunities to get involved, and ensuring all critical day-to-day service messages, reminders and signposts are timely and effective. This will be planned in advance for both external and internal audiences within an overarching calendar of communication activity.

Work will commence as part of the review of the Engagement Strategy to establish local communication champions to support targeted communication in local areas with a view to improving perceptions of the council overall as well as better connected communities.

Approximately 80 per cent of the council's staff are Thurrock residents, and even more have friends and family who live within the borough. Work will take place to ensure that staff receive and understand these key messages as part of developing the approach to internal communications, enabling staff to champion the council and act as advocates.

The council will ensure as a principle that staff are informed of key issues directly, ahead of finding out through the media wherever possible.

Brand promotion

Work will continue to increase the profile of Thurrock both within the borough and to people and businesses looking at Thurrock as a place to live or do business.

There is a need to develop a clear and confident narrative for Thurrock the place, including opportunities for jobs and training; culture and heritage; investment and growth, alongside a strong and recognisable brand.

The narrative will involve using targeted messaging and communications channels for each of the audiences we want to appeal to – staff, residents, businesses, community and voluntary organisations, and investors.

As well as messaging, branding and signage will be explored in line with the future and aspirational public realm branding proposal agreed for detailed consideration as part of the capital programme. This builds on work the council has already done and will be progressed with partners, such as the Business Board and CVS, as a focus of the new strategy. This should also include consideration of the council's presence at strategic profile raising events such as MIPIM.

Evaluation

The Residents Survey will be used to evaluate the impact of this approach as it measures perceptions of both the council and its services as well as Thurrock the place. The 2016 survey results showed that 68% of Thurrock residents get information about their local area from the council including the website and social

media but also from the local newspapers and via word of mouth. Despite this, 58% of residents think that the council keeps them well informed about services.

Implementing the approach to communications set out in this strategy is intended to enable better informed and engaged residents, as well as improved perceptions overall.

This is in addition to reviewing digital and social media engagement figures, and monitoring of media coverage across local, regional and national channels.

This strategy supports the delivery of the council's vision and priorities. It is underpinned by and sits alongside other key strategies and guidance including:

- Economic Growth Strategy
- Health and Wellbeing Strategy
- Customer Services Strategy
- Connected Thurrock – Digital Strategy
- Media protocol
- Social media protocol and guidelines for officers and members
- Consultation and Engagement Strategy and Toolkit

March 2017

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5 April 2017	**ITEM: 17** **(Decision 01104422)**
Cabinet	
Quarter 3 Corporate Performance Report 2016/17	
Wards and communities affected: All	**Key Decision:** Key
Report of: Councillor Deborah Huelin, Cabinet Member for Performance & Central Services	
Accountable Head of Service: Karen Wheeler, Director of Strategy, Communications and Customer Services	
Accountable Director: Karen Wheeler, Director of Strategy, Communications and Customer Services	
This report is public	

Executive Summary

The Corporate Priority Activity Plan 2016/17 outlines the focus areas for service delivery during this year. The plan is supported by the Corporate KPI (Key Performance Indicator) Framework which details the statistical evidence the council uses to monitor the progress and performance against those priority activities. This report provides a progress update in relation to the performance of those KPIs.

1.   Recommendation(s)

1.1   To note and comment upon the performance of the key corporate performance indicators in particular those areas which are IN FOCUS

1.2   To identify any areas which require additional consideration

2.   Introduction and Background

2.1   The key corporate plan activities for the year ahead mapped against the priorities were agreed by Cabinet in July 2016. The performance of those priority activities is monitored through the Corporate KPI (Key Performance Indicator) framework. This report provides a progress update in relation to the performance of those KPIs. The data is included in

Appendix 1 and the areas for focusing upon this quarter are detailed in section 3.3.

2.2 Officers and Portfolio Holders have been undertaking a full and thorough review of existing KPIs and other performance tools keeping in line with recommendations made by Corporate Overview and Scrutiny in 2015/16.

2.3 This review has also taken into account feedback and intelligence the council receives from residents. Results from the resident survey which took place in November/December 2016 will also feed into this review.

2.4 The purpose of this review is to make the performance framework as clear and simple to understand as possible, whilst balancing the need to ensure the council is monitoring those things which are of most importance, both operationally and strategically.

2.5 The reviewed set of KPIs will take effect from the new municipal year.

3.1 **Issues, Options and Analysis of Options**

3.1.1 This report is a monitoring report, therefore there is no options analysis.

3.2 **Summary of Corporate KPI Performance**

Quarter 3 Performance against target		
Achieved	55%	
Failed	45%	
Direction of Travel		
	Compared to 2015/16	Compared to Quarter 2 2016/17
↑ **BETTER**	54.55%	50%
➔ **Static**	6.06%	8.33%
↓ **WORSE**	39.39%	41.67%

3.3 **Focus Areas for Quarter 3 (Up to December)**

This section focuses on a few key performance highlights and challenges.

3.3.1 Focus 1			
KPI	% of primary schools that are judged Good or better		
Portfolio	Education and Health	Directorate	Children's
Quarter 3 Performance	**94.4%**	Performance Status	**ACHIEVED**
Quarter 3 Target	**80%**	Direction of Travel since last year	**BETTER** ⬆
Year End Target	**80%**	Direction of Travel since last quarter	**BETTER** ⬆

This indicator has consistently improved over recent reports with 94.4% of Thurrock primary schools being judged by Ofsted as being either good or outstanding.

There have been four primary inspections published this academic year (since September 2016). Of these, three schools improved their Ofsted judgements from 'requires improvement' to 'good. The remaining school retained their 'good' judgement. The total percentage of pupils that attend a good or better school has risen to 94.4%.

There are two primary schools with a current 'requires improvement' judgement. Both schools are expected to improve on these judgements at their next inspections. There are also two schools still waiting for their first inspection.

3.3.2 Focus 2			
KPI	% of children who are obese as measured through the National Childhood Measurement Programme at Year 6 (Annual)		
Portfolio	Education and Health	Directorate	Adults, Housing and Health
Latest Performance	**37.8%**	Performance Status	**FAILED**
Latest Target	**36.6%**	Direction of Travel since last year	**WORSE** ⬇
Year End Target	**36.6%**	Direction of Travel since last quarter	**n/a**

37.8% is the 2015/16 outturn which is the year-end outturn for last year. Target of 36.6% has not been met and there has been an increase of 1.1% compared to the previous year.

Nationally, the average has increased by 1% to 34.2% so Thurrock has increased at a similar rate to nationally. However, Thurrock is 3.6% above the England average for 2015/16. Regionally, the average has also increased by 1% to 31.7% so again Thurrock has increased at a similar rate to other Local Authorities in the region. However, Thurrock is 6.1% above the regional average for 2015/16.

As these figures relate to the year 2015/16 they reflect what was happening a year ago. Our current strategy to tackle this issue includes promotion of the Daily Mile, which is now being done by 30% of primary schools in the borough compared to none a year ago. This has the potential to make a significant difference but the effects will not be evident in this data for at least one year.

We also provide a family-centred weight management programme for children identified as overweight or obese and we are currently developing a whole systems approach to obesity prevention which will guide future action.

3.3.3 Focus 3			
KPI	% of potholes repaired within policy and agreed timeframe		
Portfolio	Highways & Transportation	Directorate	Environment and Place
Quarter 3 Performance	**92%**	Performance Status	**FAILED**
Quarter 3 Target	**100%**	Direction of Travel since last year	**n/a**
Year End Target	**100%**	Direction of Travel since last quarter	**WORSE** ⬇

This KPI measures the proportion of potholes requiring intervention* which are filled within 3 working days. It does not include non-intervention potholes filled as part of the 'Clean It, Cut It, Fill it' initiative. 301 potholes were filled during this period, of which 22 were not filled within the 3 day timescale. Of these 22, 4 were missed in October, 4 in November and 14 in December. The increased number of potholes not filled within 3 days in December was the result of difficulties in obtaining supplies during Christmas shut-down period and staff being required to undertake gritting runs.

Going forward, additional resource has been identified for this work, including the services of the scheduler to ensure that work tickets are processed within policy target. Outturns will be scrutinised on a weekly basis to ensure improvements for next quarter.

a carriageway defect requires intervention when it is 5cm or more deep

3.3.4 Focus 4			
KPI	Street cleanliness – proportion of surveyed area with unacceptable levels of litter		
Portfolio	Environment	Directorate	Environment and Place
Latest Performance	**4.29%**	Performance Status	**FAILED**
Latest Target	**4%**	Direction of Travel since last year	**WORSE** ⬇
Year End Target	**4%**	Direction of Travel since last quarter	**WORSE** ⬇

The assessment of street cleanliness is based on surveys of 10 different land types with each inspection covering a number of wards. The survey provides snap shot data of the appearance of parts of the borough, at that point in time.

With the Cut it, Clean it, Fill it initiative, the service has focused resource and effort on improving the standards of cleanliness in high profile areas such as town centres and the gateways to the borough.

The performance in relation to levels of litter has dipped below target after the second of the three inspections. This is largely due to the diversion of focus mentioned above. Of the 303 rural areas and main roads inspected 31 were reported to be below an acceptable level.

The allocation of resources is kept under constant review including the impact of enforcement activity in town centres.

Although the system of monitoring street cleanliness has been in place for a number of years and is rigid, there is an element of subjectivity in the scoring. With effect from April 2017 the assessments will be conducted by Keep Britain Tidy. Their scoring is carried out in a different

way and to nationally recognised standards. Whilst the council will not be able to compare to previous years, it will ensure a more objective scoring process.

4.   Reasons for Recommendation

4.1   The Corporate Priority Activity Plan and associated performance framework are fundamental to articulating how the council is going to deliver against the corporate priorities, i.e. what the council is aiming to achieve and how. It is best practice to report on the performance of the council. It shows effective levels of governance and transparency and showcases strong performance as well as an acknowledgement of where we need to improve.

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

5.1   The original vision and corporate priorities were extensively consulted upon with residents, community and voluntary sectors and other partners.

5.2   Performance monitoring reports are considered on a quarterly basis by Corporate Overview and Scrutiny Committee and where there are specific issues relevant to other committees these are further circulated as appropriate.

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

6.1   The Corporate Plan and associated performance framework are fundamental to articulating what the council is aiming to achieve and how. The vision and priorities cascade into every bit of the council and further to our partners, through key strategies, service plans, team plans and individual objectives.

6.2   This report will help decision makers and other interested parties, form a view of the success of the council's actions in meeting its political and community priority ambitions.

7.   Implications

7.1   **Financial**

Implications verified by: **Laura Last**
                             Management Accountant

The report provides an update on performance against corporate priorities. There are financial KPIs within the corporate scorecard, the performance of which are included in the appendix to the report.

The council continues to operate in a challenging financial environment, therefore, where there are issues of underperformance, any recovery

planning commissioned by the council may entail future financial implications, and will need to be considered as appropriate.

7.2 **Legal**

Implications verified by: **David Lawson**

Monitoring Officer & Deputy Head of Law & Governance

There are no direct legal implications arising from this report. However, where there are issues of underperformance, any recovery planning commissioned by the council or associated individual priority projects may have legal implications, and as such will need to be addressed separately as decisions relating to those specific activities are considered.

7.3 **Diversity and Equality**

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

The Corporate Plan and KPI Framework for 2016/17 contain measures that help determine the level of progress with meeting wider diversity and equality ambitions, including youth employment and attainment, independent living, vulnerable adults, volunteering etc. Individual commentary is given throughout the year within the regular monitoring reports regarding progress and actions.

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

The Corporate Plan includes areas which affect a wide variety of issues, including those noted above. Where applicable these are covered in the appendix.

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 to the report**

- Appendix 1 – Quarter 3 Corporate Performance Report 2016/17
- Appendix 1b – Commentary on Failed Indicators

Report Author:
Sarah Welton
Strategy & Performance Officer

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Performance Indicator Title	Portfolio Holder	Directorate	2014/15 Outturn	2015/16 Outturn	Benchmark / Baseline	Apr-16	May-16	Jun-16	Qtr1 YTD	Jul-16	Aug-16	Sep-16	Qtr 2 YTD	Oct-16	Nov-16	Dec-16	Qtr 3 YTD	Qtr 3 Target	2016/17 Target	Qtr 3 DOT (since last year)	DOT between Month 7 and Month 6	DOT between Month 8 and Month 7	DOT between Month 9 and Month 8	Qtr 1 Achieved or Failed	Qtr 2 Achieved or Failed	Qtr 3 Achieved or Failed
Permanent admissions to residential/nursing homes per 100K pop'n (18+)	Cllr S Little	AHH - Adults	133	134	163				37				35				30	41	163	↑				Achieved	Achieved	Achieved
Self-Directed Support - % of adult social care carers in receipt of SDS	Cllr S Little	AHH - Adults	8.9%	94.4%	77.70%	90.9%	92.3%	92.30%		92.9	86.7	86.7		85.71	93.3	86.67		50%	50%	↑	↓	↑	↓	Achieved	Achieved	Achieved
% General Satisfaction of tenants with neighbourhoods/ services provided by Housing	Cllr R Gledhill	AHH - Housing	70	70%	n/a	74	73	76	73	70	71	66	72	72	75	75	72.5	72	72%	↑	↑	↑	↑	Achieved	Achieved	Achieved
No of homes transformed (NB target is given as a % of total stock as the actual figure changes as stock levels change)	Cllr R Gledhill	AHH - Housing	n/a	58% (5838)	60 per month	192	132	111	435	114	106	108	763	68	111	31	973	50 per month	65% of all stock by year end	↑	↓	↑	↓	Achieved	Achieved	Achieved
% of repairs completed within target	Cllr R Gledhill	AHH - Housing	n/a	95 (March in month)	85	98	98	97	98	98	98	98	98	98	95	98	97	85	85	↑	→	↓	↑	Achieved	Achieved	Achieved
Average time to turnaround/re-let voids (in days)	Cllr R Gledhill	AHH - Housing	31.5	36	n/a	23	32	40		40	34	31		31	34	34		34	33	↑	→	↓	→	Failed	Achieved	Achieved
Average time taken to complete an emergency repair (in days)	Cllr R Gledhill	AHH - Housing	n/a	0.29	n/a	0.19	0.19	0.14	0.17	0.15	0.14	0.08	0.14	0.13	0.08	0.44	0.17	0.2	0.2	↑	↑	↑	↓	Achieved	Achieved	Achieved
% of primary schools judged "good" or better	Cllr J Halden	Children's	76.5	75.7	87				86.5				88.9				94.4	fixed at 80	80	↑				Achieved	Achieved	Achieved
Number of places accessed for two year olds for early years education in the borough	Cllr J Halden	Children's	720	665	743				700				Not due (Termly)				741	74% of DWP total* (changes each term)	74% of DWP total* (changes each term)	↑				Achieved		Achieved
% of Minor planning applications processed in 8 weeks	Cllr M Coxshall	E&P - Planning	88.3	92.9	n/a	100	100	100	100	100	100	100	100	100	100	100	100	88	88	→	→	→	→	Achieved	Achieved	Achieved
% Council Tax collected	Cllr S Hebb	Finance & IT	98.71	98.58	n/a	10.72	19.54	28.29		36.85	45.45	54.09		62.67	71.5	80.04		79.86	98.9	↑	↑	↑	↑	Achieved	Failed	Achieved
% National Non-Domestic Rates (NNDR) collected	Cllr S Hebb	Finance & IT	99.68	99.8	n/a	11.73	20.85	29.93		38.83	47.34	56.53		65.87	74.25	84.03		83.85	99.3	↑	↑	↑	↑	Achieved	Failed	Achieved
% spend to budget on General Fund (£K variance)	Cllr S Hebb	Finance & IT	0	0	n/a				0				0				0	0	0	→				Achieved	Achieved	Achieved
No of people registered for My Account	Cllr D Huelin	HROD - transformation	n/a	31561	n/a				36035				41179				46,366	41500	45000	↑	↑			Achieved	Achieved	Achieved
% of young people who reoffend after a previously recorded offence	Cllr J Halden	Children's	37	29	National average 38				6				8				Qtr in arrears	25	30	Qtr in arrears				Achieved	Achieved	Qtr in arrears
Average time taken to complete a non-urgent repair (in days)	Cllr R Gledhill	AHH - Housing	n/a	9.73	n/a	10	10	14	11	14	10	10	11.3	9	7.8	8.25	10.3	20	20	↓	↑	↑	↓	Achieved	Achieved	Achieved
% Early Offer of Help Episodes completed within 12 months	Cllr J Halden	AHH - PH	n/a	97.2	n/a				93				94				95	95	95	↓				Achieved	Failed	Achieved
% of Major planning applications processed in 13 weeks	Cllr M Coxshall	E&P - Planning	84	84.58	n/a	100	100	100	100	100	100	100	100	100	94.4	100	96.2	75	75	↓	→	↓	↑	Achieved	Achieved	Achieved
Number of people supported by a Local Area Coordinator (LAC)	Cllr S Little	AHH - PH	n/a	n/a	n/a				359				476				669	487.5	650 by year end					Achieved	Achieved	Achieved
Street Cleanliness - c) Graffiti	Cllr P Tolson	E&P - ENV	0.5	0%	1.52%			0.83					1.4					2% (Smaller is better)	2% (Smaller is better)					Achieved		Achieved
Number of "exchanges" carried out through time-banking (in hours)	Cllr S Macpherson	AHH - Comm Dev	n/a	n/a	n/a				2,408				7,219				11,037	8,500	11,000					Failed	Achieved	Achieved
No of business engaged through Council programmes	Cllr M Coxshall	E&P - Regen	n/a	n/a	n/a				133				545				548	375	500					Achieved	Achieved	Achieved

Appendix 1: Corporate Performance KPIs Quarter 3 2016/17

Performance Indicator Title	Portfolio Holder	Directorate	2014/15 Outturn	2015/16 Outturn	Benchmark / Baseline	Apr-16	May-16	Jun-16	Qtr1 YTD	Jul-16	Aug-16	Sep-16	Qtr 2 YTD	Oct-16	Nov-16	Dec-16	Qtr 3 YTD	Qtr 3 Target	2016/17 Target	Qtr 3 DOT (since last year)	DOT between Month 7 and Month 6	DOT between Month 8 and Month 7	DOT between Month 9 and Month 8	Qtr 1 Achieved or Failed	Qtr 2 Achieved or Failed	Qtr 3 Achieved or Failed
Self-Directed Support - % adult social care users in receipt of SDS	Cllr S Little	AHH - Adults	72%	74.2%	86.90%	74.49	74.47	74.63		74.16	73.93	74.19		74.56	75.56	76.51		80%	80%	↑	↑	↑	↑	Failed	Failed	Failed
Average time (in days) for a child to be adopted (3 year average)	Cllr S Little	Children's	625	601	n/a				565				560				546	525	500	↑				Achieved	Failed	Failed
Overall spend to budget on HRA (£K variance)	Cllr R Gledhill	AHH - Housing	-2485	900	n/a	n/a	n/a	0		0	641	491		516	486	432		0	0	↑	↓	↑	↑	Achieved	Failed	Failed
% of refuse bins emptied on correct day	Cllr P Tolson	E&P - ENV	99	98.50%	n/a	99.10%	95.30%	97.30%	97.2	97.60%	94.50%	99.3	97.2	97.2	99.8	99.2	97.9	98.5	98.50%	↑	→	↑	↓	Failed	Failed	Failed
Number of places available for two year olds to access early years education in the borough	Cllr J Halden	Children's	1083	1307	929				1094								1,112	1200	1200	↑				Failed		Failed
No of new apprenticeships within the council	Cllr J Halden	Children's	65	55	65	2	0	2	4	0	6	4	14	5	2	0	23	48	60	↓	↑	↓	↓	Failed	Failed	Failed
% older people still at home 91 days after discharge from hospital into reablement /rehabilitation	Cllr S Little	AHH - Adults	86.60%	90.80%	82.70%				83.2				89.4				87.8	90.9%	90.9%	↓				Failed	Failed	Failed
% Rent collected	Cllr R Gledhill	AHH - Housing	99.44	99.64%	99.64	77.9	90.39	93.3	93.3	93.6	95.3	95	95	95.76	96.8	97.1	97.1	97.25	99.00%	↓	↑	↑	↑	Achieved	Achieved	Failed
% Household waste reused/ recycled/ composted	Cllr P Tolson	E&P - ENV	40.38	39%	42% (Unitary)	38.5	45 (YTD 41.9)	48.97 (YTD 44.1)	44.1	44.3 (YTD 44.2)	39.5 (YTD 43.3)	38.8 (YTD 42.6)	43	35.5 (YTD 41.75)	36.26 (YTD 40.91)	29.64 (YTD 39.42)	33	34	41%	↓	↓	↑	↓	Failed	Failed	Failed
Street Cleanliness - a) Litter	Cllr P Tolson	E&P - ENV	1.83	3%	6.47%					3.48				4.29				4% (Smaller is better)	4% (Smaller is better)	↓			↓	Achieved		Failed
Overall spend to budget on Capital Programme	Cllr S Hebb	Finance & IT	90	90	n/a				8				27.91				55	60	90	↓				Failed	Failed	Failed
Average sickness absence days per FTE	Cllr D Huelin	HROD - sickness	9.87	9.69	8.99	0.74	0.83	0.77	2.34	0.7	0.8	0.8	4.6	0.81 (5.5)	0.83 (6.3)	0.93	7.23	6.75	9	↓	↓	↓	↓	Achieved	Achieved	Failed
% timeliness of response to all complaints (all services except social care)	Cllr D Huelin	HROD - complaints	98.3	98.1		99	99	98	99	100	96	95%	97	78	93	90	86	98	98	↓	↓	↑	↓	Achieved	Failed	Failed
% of 17-21 yr old Care Leavers in Education, Employment or Training	Cllr J Halden	Children's	n/a	54.6	52.3	86.7	71.4	65		59.6	58.7	55.6		52	54.9	54		70	70	↓	↓	↑	↓	Failed	Failed	Failed
Number of volunteers active in roles within the council	Cllr S Macpherson	AHH - Comm Dev	250	251	n/a				232				244				243	250	250	↓				Failed	Failed	Failed
% of children who are obese as measured through the National Childhood Measurement Programme at Year 6 (Annual)	Cllr J Halden	AHH - PH	36.7	37.8 (15/16)	36.7% 14/15 30.7% (Regional) 33.2% (England)												37.8 (15/16)		36.6							Failed
% adults who smoke (Annual)	Cllr J Halden	AHH - PH	20.9 (2014)	21.3 (2015)	20.9% (2014) 17.8% Regional 17.7% (2014						21.3 (2015)								19.9							Failed
% of potholes repaired within policy and agreed timeframe	Cllr B Little	E&P - H&T	n/a	n/a	n/a - new methodology						93.72	94.02		93	95	92		100%	100%		↓	↑	↓		Failed	Failed
% of 16-19 yr Not in Education, Employment or Training	Cllr J Halden	Children's	5.5	5.2	5	5.4	5.5	5.6		5.7	new govt. method	new govt. method		new govt. method	new govt. method	new govt. method		5.9	5	new govt. method	new govt. method	new govt. method	new govt. method	Achieved	new govt. method	new govt. method

Health/Wealth of the Borough Indicators	Portfolio Holder	Directorate	2014/15 Outturn	2015/16 Outturn	Benchmark / Baseline		Apr-16	May-16	Jun-16	Qtr1	Jul-16	Aug-16	Sep-16	Qtr 2 YTD	Oct-16	Nov-16	Dec-16	QTR 3 YTD		Qtr 3 Target	2016/17 Target	Q3 DOT (since last year)	DOT between Month 7 and Month 6	DOT between Month 8 and Month 7	DOT between Month 9 and Month 8		Q1 Achieved or Failed	Q2 Achieved or Failed	Q3 Achieved or Failed
Unemployment rate (data from ONS/NOMIS) (in arrears)	Cllr M Coxshall	E&P - Regen	7.3	5.60%	3.90%					5.30%				4.9				5.2		3.8 regional average	regional average	↓					Failed	Failed	Failed

Demand Indicator Title	Portfolio Holder	Directorate	2014/15 Outturn	2015/16 Outturn	Benchmark / Baseline		Apr-16	May-16	Jun-16	Qtr1 YTD	Jul-16	Aug-16	Sep-16	Qtr 2 YTD	Oct-16	Nov-16	42705	Qtr 3 YTD		Qtr 3 Target	2016/17 Target	Q3 DOT (since last year)	DOT between Month 7 and Month 6	DOT between Month8 and Month 7	DOT between Month9 and Month 8				
Number of households at risk of homelessness approaching the Council for assistance	Cllr R Gledhill	AHH - Housing	2724	2,944	average 245 per month		238	243	244	725	186	217	236	1364	170	118	216	1868				↓	↓	↓	↑				
No of homeless cases accepted	Cllr R Gledhill	AHH - Housing	n/a	222	average 19 per month		18	7	20	45	23	15	29	112	22	30	36	200				↑	↓	↑	↑				
No of people killed or seriously injured in road traffic accidents (yearly average taken over a rolling 3 years)	Cllr B Little	E&P - H&T	58	73	n/a									39				awaiting data from Essex				n/a							
No of incidents of Fly tipping reported	Cllr P Tolson	E&P - Public Protection	n/a	2504	2504		273	238	269	780	203	203	313	1568	208	392	140	2308		1700 Baseline	2250 Baseline	↓	↑	↓	↑				
No of incidents of Abandoned vehicles reported	Cllr P Tolson	E&P - Public Protection	n/a	1028	1028		115	105	158	378	140	161	126	805	159	147	96	1207		690 Baseline	930 Baseline	↑	↓	↑	↑				
Rate of Children subject to Child Protect Plan	Cllr S Little	Children's	52	71	36		72	77	74		74	76	69		73	76	71			no target	no target	→	↓	↓	↑				
Rate of Looked After Children	Cllr S Little	Children's	72	85	57		82	83	82		84	83	88		85	84	82			no target	no target	↓	↑	↑	↑				

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Performance Indicator Title	Portfolio Holder	Directorate	Dec-16	Qtr 3 YTD	Qtr 3 Target	2016/17 Target	Qtr 3 DOT (since last year)	Qtr 3 Achieved or Failed	Commentary
Self-Directed Support - % adult social care users in receipt of SDS	Cllr S Little	AHH - Adults	76.51		80%	80%	↑	Failed	As at end of December 2016 we have 821 of 1073 service users receiving their support via self-directed support mechanism. This equates to 76.51%. Our target for 2016/17 is 80%. The national average for 2015/16 was 86.9%. Our Q3 outturn is 2.36% better than our 2015/16 outturn. This indicator evidences our position as at last day of the reporting month (it is not cumulative). The 2.36% represents an increase in numbers of those in receipt of a personal budget, rather than a decrease in numbers of people receiving services. We would require an additional 38 of our current service users to be transferred to a personal budget to meet our 80% target. To support improvement of this indicator a Project Manager for Direct Payments and Personal Budgets has been employed within the Commissioning Team. The service is looking at possible tablets for use by staff who complete assessments/reviews in people's homes.
Average time (in days) for a child to be adopted (3 year average)	Cllr S Little	Children's		546	525	500	↑	Failed	Thurrock's timeliness this year (in the YTD average) demonstrates that the service is performing above both the National average and DFE target in Q1, Q2 and Q3. However, to make up for delays in previous years, 25 days reduction per quarter target has been set. This target has not been achieved but a closer look shows a significant drop, equivalent to a month's reduction, from 565 in June to 546 in December 2016. Although the Q2 and Q3 targets were not achieved due to the number of adoptions and the variation in time scales, the general performance shows a significant reduction in the time it takes for a child to go through the Adoption process in Thurrock. If the current trend is sustained, Thurrock would become one of the best performing authorities in the country by 2018/19 financial year. NB: The indicator is average time, in days, between a child entering care and moving in with its adoptive family, for children who have been adopted
Overall spend to budget on HRA (£K variance)	Cllr R Gledhill	AHH - Housing	432		0	0	↑	Failed	The December (Period 9) Monitor is currently forecasting a £432k overspend compared to £486k reported in November 2016, a positive movement of £54k. This is largely due to an overspend in repairs and maintenance.
% of refuse bins emptied on correct day	Cllr P Tolson	E&P - ENV	99.2	97.9	98.5	98.50%	↑	Failed	This has improved considerably in recent months and the December in month performance achieved the target. However due to the poorer performance earlier in the year caused by a range of factors including major congestion incidents on Thurrock's roads and mechanical breakdown, the cumulative position for the year remains below target
Number of places available for two year olds to access early years education in the borough	Cllr J Halden	Children's		1,112	1200	1200	↑	Failed	The number of eligible Thurrock families identified by the Department for Work and Pensions (DWP) reduced from 954 (August 15) to 858 (August 16). The total number of places available has increased since July from 1094 to 1112. There are currently 371 vacant places available to eligible 2 year olds in Thurrock settings which is 30% more places than required to allow for parental choice. Due to the decrease in the number of eligible children in Thurrock, the target is higher than it should be. Therefore, although this indicator may be flagged as 'failed', there are more than enough places available to families which we consider to be very good performance.
No of new apprenticeships within the council	Cllr J Halden	Children's	0	23	48	60	↓	Failed	Thurrock Council and partners did not appoint any apprentices in December (consistent with previous three years). Previous year's show that Q4 has traditionally been a strong quarter for apprentice recruitment: six in 2013/14; 15 in 2014/15; 14 in 2015/16. This compares with a current forecast for Q4 of two based on expected starts for the Housing and Communications Teams with a further possible six apprentices starting in April within the Estate Services team. This is fewer than previous years and anecdotally services are awaiting clarity about the impact of the apprenticeship levy. There is a cross-council group looking into maximising the potential from the levy and the approach to be taken going forward from April 2017 onwards as agreed at Directors Board. As a result of this, support to and opportunities for apprenticeships during 2017/18 are likely to improve significantly.
% older people still at home 91 days after discharge from hospital into reablement/rehabilitation	Cllr S Little	AHH - Adults		87.8	90.9%	90.9%	↓	Failed	Q3 16/17 had a total of 98 older people (65+) discharged from hospital into reablement/ rehabilitation. Of these, 86 were still at home 91 days later which equates to 87.8%. This is below our target of 90.9% for 16/17 and also falls short of our 2015/16 outturn of 90.8%. Of the 12 people who did not remain at home 91 days later, 11 died before the 91 day period and 1 was in Collins House Residential Care. Despite being under target the current position is higher than the national average for 15/16, which was 82.7%. We are reviewing data quality on this indicator in terms of our routine recording of reablement potential. Currently we feel some individuals who do not have reablement potential are being included in the indicator, something we are working to improve. In addition, the current home care situation has meant that the reablement team have been required to take on more basic home care packages which has impacted on their ability to provide reablement.
% Rent collected	Cllr R Gledhill	AHH - Housing	97.1	97.1	97.25	99.00%	↓	Failed	Lower access to housing benefits in December has detrimentally affected the in month rent collection, also the service is currently investigating a number of Housing Benefits payments which once added to the rent collection would improve the performance. Nevertheless, rent collection in Thurrock is still good when compared with other Local Authorities.
% Household waste reused/ recycled/ composted	Cllr P Tolson	E&P - ENV	29.64 (YTD 39.42)	33	34	41%	↓	Failed	In line with seasonal variations the recycling rate has fallen over the past month and it is unlikely that the end of year target of 41% will now be met. Many of the initiatives which will enable the figure to improve rest on encouraging residents to recycle more and properly. This has plateaued over recent years, and the remaining non-recyclers are very difficult to encourage to change their habits. There remain issues in flats with shared bin space. Also, there is still a high percentage of waste identified as recycling by residents which it later transpires contains non-recyclates and therefore the whole load is "contaminated" and has to be incinerated/landfilled. The team continue to look at ways to reduce issues of non-compliance, including looking at the impact of new enforcement policies currently being rolled out in other authorities. The Recycle It campaign is ongoing and will continue throughout the year. However, no "quick fix" is available and as such the forecast is that this indicator will fail to meet its target by year end.

Performance Indicator Title	Portfolio Holder	Directorate	Dec-16	Qtr 3 YTD	Qtr 3 Target	2016/17 Target	Qtr 3 DOT (since last year)	Qtr 3 Achieved or Failed	Commentary
Street Cleanliness - a) Litter	Cllr P Tolson	E&P - ENV		4% (Smaller is better)	4% (Smaller is better)	↓	Failed	The assessment of street cleanliness is based on surveys of 10 different land types with each inspection covering a number of wards. The survey provides snap shot data of the appearance of parts of the borough, at that point in time. With the Cut it, Clean it, Fill it initiative, the service has focused resource and effort on improving the standards of cleanliness in high profile areas such as town centres and the gateways to the borough. The performance in relation to levels of litter has dipped below target after the second of the three inspections. This is largely due to the diversion of focus mentioned above. Of the 303 rural areas and main roads inspected 31 were reported to be below an acceptable level. The allocation of resources is kept under constant review including the impact of enforcement activity in town centres. Although the system of monitoring street cleanliness has been in place for a number of years and is rigid, there is an element of subjectivity in the scoring. With effect from April 2017 the assessments will be conducted by Keep Britain Tidy. Their scoring is carried out in a different way and to nationally recognised standards. Whilst the council will not be able to compare to previous years, it will ensure a more objective scoring process.
% overall spend to budget on Capital Programme	Cllr S Hebb	Finance & IT		55	60	90	↓	Failed	This is based on actual payments to date so when including outstanding work not yet billed the progress will be largely on target. In addition there are a number of large value schemes (i.e. A13 development, LED street lighting replacement) where a majority of the 2016/17 spend is expected within Qtr4. Based on the current monitoring report, the year end target of 90% is still achievable.
Average sickness absence days per FTE	Cllr D Huelin	HROD - sickness	0.93	7.23	6.75	9	↓	Failed	This is marginally higher than target but still better than last year. Close monitoring continues to be undertaken on a case by case basis with individual DMTs. The main causes of sickness absence continue to be post-operative recovery, stress related absence, colds and sickness/gastrointestinal issues. Appropriate steps are being taken to manage and support. Over 50% of sickness is long term and these are all dealt with on a case by case basis and are all being appropriately managed.
% timeliness of response to all complaints (all services except social care)	Cllr D Huelin	HROD - complaints	90	**86**	98	98	↓	Failed	From 1 August the complaints process changed, shortening the timeframe targets for turnaround, and removing the category of concern. This has had an impact on both the number of Stage 1 complaints and the capacity to turnaround "on time". In addition to this during September the council implemented a senior sign of process across some areas.
% of 17-21 yr old Care Leavers in Education, Employment or Training	Cllr J Halden	Children's	54		70	70	↓	Failed	Our performance remains above national average but is not yet meeting our stretch target of 70%. We are reviewing how the data is collected in this area to ensure that all young people in employment, education or training are being recorded.
% of children who are obese as measured through the National Childhood Measurement Programme at Year 6 (Annual)	Cllr J Halden	AHH - PH		37.8 (15/16)		36.6		Failed	37.8% is the 2015/16 outturn which is the year-end outturn for last year. Target of 36.6% has not been met and there has been an increase of 1.1% compared to the previous year. Nationally, the average has increased by 1% to 34.2% so Thurrock has increased at a similar rate to nationally. However, Thurrock is 3.6% above the England average for 2015/16. Regionally, the average has also increased by 1% to 31.7% so again Thurrock has increased at a similar rate to other Local Authorities in the region. However, Thurrock is 6.1% above the regional average for 2015/16. As these figures relate to the year 2015/16 they reflect what was happening a year ago. Our current strategy to tackle this issue includes promotion of the Daily Mile, which is now being done by 30% of primary schools in the borough compared to none a year ago. This has the potential to make a significant difference but the effects will not be evident in this data for at least one year. We also provide a family-centred weight management programme for children identified as overweight or obese and we are currently developing a whole systems approach to obesity prevention which will guide future action.
Number of volunteers active in roles within the council	Cllr S Macpherson	AHH - Comm Dev		243	250	250	↓	Failed	Q3. The data gives an a snapshot of the number of volunteers active at the end of the quarter. Although the data shows that we were under target in December with 243 volunteers compared to a target of 250, the actual number of volunteers that have been active during the year so far, totals 332. There are currently 11 volunteers ready to commence pending references or awaiting a start date. It is anticipated that these will happen imminently and as such the target should be met by year end. We held a successful Volunteers' Week event in June in partnership with ngage which highlighted the fantastic support that the volunteers give to us. All Thurrock Council Volunteers were given a certificate of appreciation signed by the Mayor.
% of potholes repaired within policy and agreed timeframe	Cllr B Little	E&P - H&T	92		100%	100%		Failed	This KPI measures the proportion of potholes requiring intervention* which are filled within 3 working days. It does not include non-intervention potholes filled as part of the 'Clean It, Cut It, Fill it' initiative. 301 potholes were filled during this period, of which 22 were not filled within the 3 day timescale. Of these 22, 4 were missed in October, 4 in November and 14 in December. The increased number of potholes not filled within 3 days in December was the result of difficulties in obtaining supplies during Christmas shut-down period and staff being required to undertake gritting runs. Going forward, additional resource has been identified for this work, including the services of the scheduler to ensure that work tickets are processed within policy target. Outturns will be scrutinised on a weekly basis to ensure improvements for next quarter. *a carriageway defect requires intervention when it is 5cm or more deep
Unemployment rate (data from ONS/NOMIS) (in arrears)	Cllr M Coxshall	E&P - Regen		5.2	3.8 regional average	regional average	↓	Failed	This is not a performance indicator, but data that we monitor each quarter as a wider determinant of the health and wealth of the borough. Whilst not reaching the challenging target of the regional average, over recent years the direction of travel is positive.

5 April 2017	ITEM: 18
	(Decision 01104423)
Cabinet	
Procurement of Energy for Council Offices and Premises 2017 (Including Schools)	

Wards and communities affected:	Key Decision:
All	Key

Report of: Councillor Coxshall, Cabinet Member for Regeneration

Accountable Head of Service: Steve Sprason, Interim Head of Property

Accountable Director: Steve Cox, Corporate Director of Environment and Place

This report is Public

Executive Summary

This report provides context on the Council's current means of gas and electricity purchasing through framework contracts. The internal authority for the gas contracts will expire at the end of September 2017 and the electricity September 2018.
This report, also, seeks authority for a strategy which will enable the Council to continue, for a further 4 years using flexible procurement frameworks managed by expert procurement teams such as the Crown Commercial Service (CCS) in order to ensure continuity of supply of bulk purchased gas and electricity and best value until the end of September 2021, subject to new frameworks being put into place by a framework provider when the, existing, frameworks expire.

The Customer Access Agreement with CCS will continue to be available until the Council decides to terminate it.

1. **Recommendations**

1.1 **That the Head of Property and Development be authorised to;**

- **To approve during the next four years up to 1st October 2021, the entering into of gas and electricity contracts called off from the Crown Commercial Service (CCS) frameworks.**

- **Enter into new contracts under alternative frameworks if suitable options become available, subject to compliance with relevant procurement rules in order to secure the continued purchase of gas and electricity for a further period of four years until the end of September 2021.**

2. Introduction and Background

2.1 Thurrock Council presently purchases gas and electricity for its own operational buildings, e.g. offices, public buildings and libraries, and on behalf of some schools, academies, independent charitable bodies and street lighting.

2.2 The Council's corporate gas and electricity contract expenditure is currently approximately £208k and £1.7m per year respectively (Total £1.9m), inclusive of spend on street lighting. Schools account for £740k additional expenditure annually which is paid directly from their own budgets

2.3 Going forward, as a result of the street lighting LED re-lamping programme electricity spend is anticipated to reduce from the current spend of £900k p.a. to a figure of £470k p.a. The total predicted first year contract value is approximately £2.21m after factoring in the predicted savings from street lighting. The contract value has the potential to change as the portfolio changes.

2.4 This existing flexible procurement arrangements using CCS have allowed energy to be secured in advance, in a volatile energy market, thus enabling the Council to enjoy below market price energy over the previous three years contract.

2.5 The existing, internal, authority for procuring gas and electricity will expire at the end of September 2017 and electricity will expire at the end of September 2018. This report sets out a future strategy for gas and electricity procurement to achieve best value for the Council and synchronises the gas and electricity process into a single process.

2.6 The procurement of energy in public sector organisations has been reviewed by the Office of Government Commerce's Pan Government Energy Project. Due to the specialist nature of procuring energy and the inherent risks of procuring energy directly from spot markets a number of recommendations were made for public bodies. The key recommendation was that public sector organisations should purchase energy through an aggregated, flexible, risk-managed framework – effectively via a Central Purchasing Body which has the capacity to be expert in the energy market and to achieve discounts by bulk purchasing.

2.7 The existing Crown Commercial Services (CCS) electricity framework access agreement will continue to be available until the Council decide to terminate it. This allows for a seamless continuation of the framework contracts subject to member's approval.

2.8 This continuous process avoids the risk of out of contract rates being incurred by the Council and simplifies future migration between any new framework suppliers appointed by CCS.

2.9   Due to the continuing structural changes which the council is going through flexible contracts which don't lock the council into long term commitments is seen as a key requirement. Leaving the contract only requires a short termination notice, allowing accounts to leave the contract as circumstances change. This is a very flexible arrangement and only possible with the largest energy players.   Individual buildings and schools can be migrated off the contract if sold or converting to academies.

2.10   All schools, academies and independent charitable bodies organisations on the council's contract have their contract status changes by signing individual model contracts with the suppliers directly to place the responsibility for any debt to the parent organisation not the Council.

3.   Issues, Options and Analysis of Options

3.1   A review, by Procurement, of the available gas and electrical frameworks that meet the Office of Government Commerce recommendations   has determined that the existing frameworks continue to offer best value.

3.2   The recommended period for such a framework is 48 months, with a long lead in time to allow gas and electricity to be secured in advance of the contract start date. This supports the management of risk in a volatile energy market.

3.3   In this process the CCS experts purchase energy, through their pre-tendered energy providers on the futures market, in order to meet the needs of participating organisations. It is anticipated that it will not be until the end of the first month of the contract that the average first year contract price will be calculated. This energy price is then fixed for this year. Each subsequent year the process is repeated until the contract is terminated.

3.4   Further long term option exits for 3 years fixed periods, these have been discounted due to the current Brexit market volatility but strategies can be switched later should it be felt this offers a better solution.

3.5   The Council has identified a number of buildings that could be closed. Along with the investment from the Councils Salix loan fund and investment in converting street lighting to LED's, improved energy efficiency will contribute to savings being delivered through the life of the contract.

Overall advantages

- Significant potential for savings if the energy expert reads the market correctly.
- The purchase risks are spread across the whole contract period.
- The aggregation of volumes increases the buying power of the organisation and larger volumes are more attractive to the suppliers.
- CCS' energy expert would procure the gas and electricity supply on behalf of the authority, by drawing offers from a tendered framework of suppliers.

- This is the recommended strategy of procuring energy from the Office of Government Commerce to achieve best value.
- Flexible arrangements allowing sites to be moved on and off the contract with short notice.

Overall disadvantages

- Risk if the market moves against the expected position.
- It is not possible to know what the purchase cost of the gas and electricity is likely to be for the life of the contract.
- A more complicated procurement method, reliant on an external energy specialist's market forecasting expertise.
- The yearly cost for energy will only be known when a full year's worth of energy blocks have been assembled; when the market price is deemed suitable energy blocks are procured. The average unit price will then be calculated for the year at the end of this process.

4.   Reasons for Recommendation

4.1   The existing procurement route represents best value for the Council, all suitable frameworks have been reviewed by procurement.

4.2   Maintaining continuity also avoids committing significant resources to managing a move to another supplier and avoids any risk of out of contract rates when transferring to an alternative supplier.

4.3   If the Council does not have an energy contract in place 'deemed' rates will be applied by the supplier; these rates will be significantly higher than the current contract rates by a factor of 2 to 4 times.

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

5.1   Schools, academies and independent bodies which are currently in the contract have being approached to inform them that they may opt in, if they so wish, to the Council's bulk gas and electricity purchasing provisions.

5.2   Schools, academies and independent charitable bodies have recently been issued with new Customer Access Agreements to ensure the councils is fully protected to and liabilities these organisations may incur.

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

6.1   The content of this report is consistent with the Council's priorities for delivering excellence and achieving value for money, creating a safer built environment that meets people's needs.

7.   **Implications**

7.1   **Financial**
Implications verified by: **Carl Tomlinson**

                                         Finance Manager

The report concerns gas and electricity usage within the council and the boroughs schools with an expected annual cost of £2.2m. The schools element of £740k will be funded by schools as they hold their own energy budgets. The remaining £1.5m will be funded through gas and electricity budgets held by the council. These budgets are held in multiple service cost centres across the council.

Budgets in 2016/17 total £1.9m with £1.7m for electricity and £0.2m for gas. Current expectation is that spend within 2016/17 will be within budget. This includes one-off gas refunds received in year. Budgets for 2017/18 include a 3% inflation factor and electricity budgets have been adjusted to reflect the move to more energy efficient LED street lights. Gas continues to be budgeted at £0.2m and the electricity budget has reduced to £1.3m. The expected annual cost of the contract can therefore be contained within these budget allocations.

2016/17 spend	£2.64m
Less street light saving	(£0.43m)
Contract value	£2.2m
Less schools	(£0.74m)
Council element	£1.46m
Funded by:	
Electricity budget	£1.3m
Gas budget	£0.2m

7.2   **Legal**

The Use of a fully EU compliant CCS framework is sufficient to discharge the Council's obligations under EU regulations and its constitution.

Implications verified by: **Kevin Molley**

                                         Contracts Solicitor

7.3 **Diversity and Equality**
   Implications verified by: **Becky Price**

                                 Community Development Officer

   There are no specific diversity and equality implications arising from this report

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

   Procurement

   The value of the contracts will exceed the EU threshold so any procurement options will need to comply with EU regulations as well as the Council's constitution. A number of procurement options have been considered, with preference for a framework so use could be made of a specialised and established contract. Following review of the Council's options the most prudent choice in the current market appears to be to contract through a fully EU compliant CCS framework.

   Implications verified by: **Kiri Mason**

                             Procurement Officer

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):

   - None

9. **Appendices to the report**

   - Appendix 1 – Procurement Stage 1 – Approval to Proceed to Tender

Report Author:

Chris Lucioni

Energy Procurement & Efficiency Manager

Asset Management

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	Procurement of Energy for Council Offices and Premises 2017 (including schools)
Directorate	Environment and Place
Procurement Reference Number	PS/2016/205
Contract Cost (Maximum Spend)	£11.3m over 4 years including schools.
Budget code(s)	DZ200-0592-DZ009-0000 & DZ200-0593-DZ009-0000
Introduction and Background	Thurrock Council presently purchases gas and electricity for its own operational buildings, e.g. offices, public buildings and libraries, and on behalf of some schools, academies, independent charitable bodies and street lighting. The existing, internal, authority for procuring gas will expire at the end of September 2017 and electricity will expire at the end of September 2018. The existing frameworks allows for a seamless continuous process with authority to continue being renewed by members every 4 years subject to a procurement review.
Proposed Contract Term	This is a rolling contract through CCS frameworks, a four year continuation of authority is sought to secure continuation of energy supply.
Political Sensitivity	N/A

Procurement Governance Forms – Stage 1 Approval to Proceed vNov 15

Section B: COMMISSIONING REPORT

Business Case	Unless an energy contract is in place deemed rates are applied by the suppliers, this is the most expensive way to receive energy and needs to be avoided.
	The Office of Government Commerce recommends that an aggregated, flexible, risk-managed framework managed by an energy expert is the best strategy for achieving best value in public sector organisations. This translates to an energy expert securing energy on the wholesale market on the Council's behalf, when the price is at low points.
	Procurement have undertaken a review of the possible framework suppliers that meet this requirement and the fee structures of CCS is still considered to be the best value provider for the council.
	The existing Crown Commercial Services (CCS) customer access agreement is evergreen which allows a seamless continuation of the framework contracts subject to member's approval.
	This continuous process avoids the risk of out of contract rates being incurred by the Council and simplifies future migration between any new framework suppliers appointed by CCS.
	Due to the continuing structural changes the council is going through flexible contracts which don't lock the council into long term commitments is seen as a key requirement.
	The continuous nature of the CCS access agreement means leaving the contract only requires a short termination notice, allowing accounts to leave the contract as circumstances change. This is a very flexible arrangement and only possible with the largest energy players.
	Individual accounts can be migrated on and off the contract given suitable notice is give in the procurement cycle.
	Independent bodies, schools and academies have their own customer access agreement and model contracts, they exist as independent enteritis responsible for any debt but coordinated by the councils central contract.
Key Deliverables (Draft Specification)	To place a contract for the procurement of gas and electricity for consumption by the Councils portfolio of buildings including schools, public offices, libraries and other public services outlets. Some services, such as schools, have delegated authority to manage their own budgets and, as such cannot be compelled to use the new electricity contract. However, in the past the majority of primary schools have elected to be included in the energy contracts.
	Existing energy frameworks have been evaluated by Procurement to allow the most appropriate to be selected.
	The service will be set-up to deliver the following:

Procurement Governance Forms – Stage 1: Approval to Proceed vNov 15

1) An energy framework agreement will be used to deliver fully competitive OJEU compliant procurement process

2) The energy expert will secure the energy required from the wholesale energy market in advance to allow a fixed price for the coming year using an aggregated, flexible and risk-managed energy procurement process. The key to this strategy is to buy at the low points of the market.

3) Independent bodies, schools and academies who are currently part of the contract have their own customer access agreement and model contracts, they exist as independent enteritis responsible for any debt but coordinated by the councils central contract.

4) To allow for sites to migrate on and off the contract the largest portfolio tolerance will be sought; ± 15% is typical but ± 25% may be possible.

5) The payment terms of the suppliers will be explored to obtain the best conditions for the Council. Typically this is 21 days.

6) Paper bills will be provided to organisations with devolved budgets. Payment terms will be negotiated to explore a day payment window.

7) Spreadsheet data files or Electronic Data Interchange (EDI) files will be provided to finance to allow automated payment of corporate buildings.

8) EDI files will be provided to allow automated electronic energy data to be recorded.

9) Half Hourly data for the large energy consuming sites is to be provided electronically.

10) Energy auditing software is used to operate a query management service to identify any issues and track the resolution through to conclusion.

11) The Council's adopted Environment Policy 2000 requires that 10% of the Council's energy requirements be purchased from renewable sources. Since the general mix of renewables now far exceedes this requirement there is no need to include this requirement as much higher mix of renewables is standard at no additional cost.

Procuring energy on the energy spot market is a highly specialist field, the framework should have the following key requirements:

• Experience of flexible purchasing in the public sector, with a range of risk products and entry dates
• Regular updates on purchases and prices to support budgeting during the purchase window and beyond.
• A transparent, not-for-profit charging structure
• Managed, prompt and timely site registration
• A dedicated single point of contact within organisation, once registered

Procurement Governance Forms – Stage 1: Approval to Proceed vNov 15

	• Savings on administration costs/cost to serve through significant aggregation • Professional supplier and contract management • Long-term confidence from a leading edge, EU-compliant procurement process • Access to energy from renewable sources
Quality v Price evaluation	N/A - undertaken by CCS
Social Value	Independent bodies, schools and academies while outside of the councils direct responsibility have been included within the contract to provide a vehicle to allow small less resourced organisations to benefited from the councils corporate procurement expertise and ensure they get best value for their organisation.
Current / Previous Contract details	Electricity PS/2014/822 Gas PS/2013/459

FINANCIAL IMPLICATIONS

Current / Previous Contract Cost	A 3% inflation factor has been applied. Schools pay from their own budgets and have not included below.				
Cost Breakdown	Breakdown of Estimated Cost	17/18 £000's	18/19 £000's	19/20 £000's	Later £000's	Total £000's
	Total Spend	£1,105	£2,276	£2,345	£2,415 & 1,244	£9,385
Confirm Funding Breakdown Identified	Revenue Budget	£1,105	£2,276	£2,345	£2,415 & 1,244	£9,385
	Capital Budget	£	£	£	£	£9
	Other (Please State)	£	£	£	£	£
	Other (Please State)	£	£	£	£	£
	Total Funding	£1,105	£2,276	£2,345	£2,415 & 1,244	£9,385
Budget Code(s)	List budget codes					
Unsupported borrowing?	NA					
Other Financial Implications	With the decision to leave the European Union has had currency fluctuations, since energy markets operate in $ there is scope for significant prices rises, there are a number of unknowns yet to be negotiated and how the pound responses to these changes will be decided by the world markets.					

Procurement Governance Forms – Stage 1: Approval to Proceed vNov 15

PROCUREMENT ROUTE ABOVE TENDER THRESHOLD (Choose 1(of A, B, C or D) only)	
A. COMPETITIVE PROCUREMENT (complete B if a Framework)	
Procurement Route	N/A
Procurement Justification	N/A
B. FRAMEWORK (Waiver in accordance with Rule 13.1 (c)	
Framework?	Is this a procurement from a Framework? Yes
Title & Reference of Framework	CCS current NHH framework : Provision of electricity supply and ancillary services – ID RM999 (this will be replaced on 1 October 2017) CCS HH Framework: Electricity Supply and Ancillary Services – ID RM1075 CCS framework: The supply of Natural Gas (Daily / Non Daily Metered) and Ancillary Services – ID RM1076
Framework Rationale	Procurement have undertaken a review of the available frameworks and this is considered best value. The existing frameworks allows for a seamless continuous process with authority to continue being renewed. Both frameworks only have one supplier appointed to them, thus allowing a direct award in both cases.
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 *(Exceptional circumstances only and select reason below)* No
Single Source justification below EU Threshold	*Select reason and explain your rationale* 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 (Draft)	Key Event	Date
	Publication of Contract Notice or Advert	Click here to enter a date.
	Return of PQQs (omit if not applicable)	N/A
	Issue of Invitation to Tender	Click here to enter a date.
	Return of Tenders	Click here to enter a date.
	Notification of Results	Click here to enter a date.
	Standstill Period (omit if not applicable)	N/A
	Leaseholder Consultation (omit if not applicable)	N/A
	Expected date of Award	01 April 2017
	Contract Commencement	01 October 2017

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					
No contract in Place	E	I	Lower	Out of contract rates can be upto 2 –to 3 times the normal rate	The contract will continue until a termination notice is issued
Supplier fails	E	II	Lower	Unknown cost with the new supplier, and potentially out of contract rates during the transition process	The current supplier is one of the big six suppliers and is too big to fail without the CCS having time to make alternative plans
-	-	-	-	-	-
Contract Performance Management Risks					
Loss of Power	C	II	CII	Buildings close without power	National grid or the local supplier would rectify automatically
Supplier fails to make transfer	C	II	CII	Out of contract rates incurred	This process is a continuation and avoids the risks involved in switching suppliers
Schools may not process invoices during holidays	C	V	Level	Late payments charges imposed	Schools know the risks and have to manage their liabilities
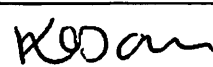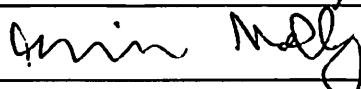
[1] **Risk Likelihood:** A = Very High, B = High, C = Significant, D = Low, E = Very Low
[2] **Risk Impact:** I = Critical, II = Significant, III = Marginal, IV = Negligible
[3] **Risk Level:** High = AI, BI, AII, BII, CI,CII, all others lower
Procurement Governance Forms – Stage 1: Approval to Proceed vNov 15

Contingency Arrangements	As this is a continuation of an existing framework the process will continue unless a termination notices is sent to stop the current contract process. CCS will continue to provide framework suppliers who have been through their own EU compliant tendering process.
Consultation	This is a continuation of an existing contract all parties expect the process to continue in an uninteruped process, all independent bodies, schools and academies have recently been noved to their own customer access agreement and model contract, during this process the whole process of how the contract works was explained in detail all parties signed up to this process.
Project and Contract Management Proposals	Each EDI billing files will be validated through the Monitoring and Targeting software, any queries are raised with the supplier and any corrections implemented. Validated files will be exported into the finance system to allow bulky payments of the monthly bill. Energy Procurement & Efficiency Manager will manage this contract with all parties.
Procurement Comments	At £11.4m, this contract exceeds the EU threshold for services, it is therefore the intention for the Council to procure using a fully EU compliant CCS framework agreement. In choosing this option the Council is adhering to Council and EU regulation whilst ensuring best value for the Council.
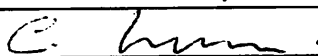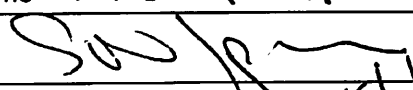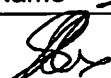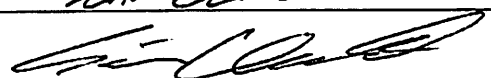
Section C: LEGAL, FINANCE AND PROCUREMENT APPROVAL		
Procurement Services	**Name**	Name K MASON
	Signed *(Or obtain email of confirmation)*	*(signature)*
	Date	Click here to enter a date. 16/01/17
Legal Services (Insofar as it relates to Legal Implications)	**Name**	Name K MOLLOY
	Signed *(Or obtain email of confirmation)*	*(signature)*
	Date	Click here to enter a date. 16/1/17
Finance (Insofar as it relates to Finance Implications)	**Name**	Name CARL TOMLINSON
	Signed *(Or obtain email of confirmation)*	*(signature)*
	Date	Click here to enter a date. 16/1/17

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

Section E: SIGN OFF APPROVAL TO PROCEED

Confirmation by the Responsible Officer of Compliance with Contract Procedure Rules	The Responsible Officer **Chris Lucioni** confirms that the procurement of Procurement of Energy for Council Offices and Premises 2017 (including schools) and PS/2016/205 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: • 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	_C. Lum_
	Date	Click here to enter a date. 16/01/17

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**	Name S N SPRASON
	Signed (Or obtain email of confirmation)	_signature_
	Date	Click here to enter a date. 18/1/17
Corporate Director _I confirm that the Portfolio Holder has been consulted as required_	**Name**	Name STEVE COX.
	Signed (Or obtain email of confirmation)	_signature_
	Date	Click here to enter a date.
Director of Finance and IT _If waiver required_	**Name**	Name SEAN CLARK
	Signed (Or obtain email of confirmation)	_signature_
	Date	Click here to enter a date. 26/1/17
Cabinet	**Approval Minute Number**	Enter minute reference
	Date	Click here to enter a date.
Now send complete form to Procurement Services signed and scanned (with emails if used)		

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5 April 2017	ITEM: 19
	(Decision 01104424)
Cabinet	
Renewing Contracts with Care Home Providers	

Wards and communities affected:	Key Decision:
All	Key

Report of:

Councillor Sue Little, Portfolio Holder for Children's and Adult Social Care

Accountable Head of Service:

Les Billingham, Head of Adults and Community Development

Accountable Director:

Roger Harris, Corporate Director of Adults, Housing and Health

This report is Public

Executive Summary

The Care and Support Statutory Guidance issued under the Care Act 2014 stipulates that:

- Where the care planning process has determined that a person's needs are best met in a care home, the local authority must provide for the person's preferred choice of accommodation, subject to certain conditions.

- Where a local authority is meeting needs by arranging a care home, it is responsible for contracting with the provider.

- When commissioning services, local authorities should assure themselves and have evidence that contract terms, conditions and fee levels for care and support services are appropriate to provide the delivery of the agreed care packages with agreed quality of care.

For these reasons, in common with other local authorities with social services responsibilities, it has been the practice of the Council not to tender for residential care home services, and this report seeks a waiver from the Constitutional requirement to tender, and approval to follow a single sourcing arrangement for awarding contracts for care home services for both older people and working age adults.

This is consistent with the agreement reached by Cabinet in 2012.

1. Recommendations

1.1 That Cabinet approve a waiver from the constitutional requirement for competitive tendering for the provision of care home services for older people and working age adults, and approve a single sourcing arrangement for new contracts for care home placements commissioned by the Council.

1.2 That Cabinet delegate to the Corporate Director for Adults, Housing and Health in consultation with the Portfolio Holder, the authority to award contracts for care home services to meet the assessed needs and preferences of older people and working age adults.

2. Introduction and Background

2.1 Care and Support Statutory Guidance issued under the Care Act 2014 stipulates that where the care planning process has determined that a person's needs are best met in a care home, the local authority must provide for the person's preferred choice of accommodation, subject to certain conditions.

2.2 Service users, particularly older people (often assisted in their decision making by relatives and friends) commonly express a preference for a care home when assessed as requiring residential care. In the case of working age adults, the choice is often determined by the availability of care homes to meet quite specific assessed needs, including sensory impairments, physical disability, mental health needs and autism.

2.3 Where a local authority is responsible for meeting a person's care and support needs and their needs have been assessed as requiring a particular type of accommodation in order to ensure that they are met, the person must have the right to choose between different providers of that type of accommodation provided that:

- the accommodation is suitable in relation to the person's assessed needs
- to do so would not cost the local authority more than the amount specified in the adult's personal budget for accommodation of that type
- the accommodation is available
- the provider of the accommodation is willing to enter into a contract with the local authority to provide the care at the rate identified in the person's personal budget on the local authority's terms and conditions

2.4 The requirements of the Care Act effectively preclude the council from holding any form of competition for the provision of the care home services because the choice of the service user, or the availability of homes to meet their assessed needs, are the main factors which determine which care home is contracted to provide residential care. In consequence of this, Thurrock in common with other councils has tended to follow a single sourcing arrangement in contracting with the care home provider.

2.5 For this reason Cabinet are asked to agree a waiver from the requirement in Thurrock's Constitution for competitive tendering for contracts for care homes over £75,000 per annum.

3. Issues, Options and Analysis of Options

3.1 In order to be able to set a personal budget for a person who requires residential care a local authority needs to have regard to the cost of care in the care home. For placements outside Thurrock the Council should have regard to the cost of care in that area when setting a person's personal budget. This arrangement mainly applies to meeting the needs of people aged 65 years and over whose sensory, mobility and cognitive functions may be impaired as a result of the ageing process.

3.2 The local authority rates paid for care home places in Thurrock for people aged 65 and over from 1st April 2016 (per week) are as follows.

- Standard residential care   £438.70 (shared room £416.76)
- High Dependency residential care   £467.59 (shared room £444.21)
- Dementia care   £490.93 (shared room £466.33)
- Nursing care   £614.02 (shared room £583.32)
- Higher Need nursing care   £641.82 (shared room £609.73)

3.3 The Council funds placements in 13 care homes for older people in the local area, owned and managed by 6 providers. The Council also funds placements in Essex and Southend, and to a lesser extent elsewhere, and in these cases the Council pays the rate established by those local authorities.

Personalisation

3.4 In addition to service users having the choice of care home (subject to the conditions in the Guidance and set out above), the service specification, developed in conjunction with other councils with social services responsibilities in the East of England, sets out how the service will address the requirements of the personalisation agenda.

3.5 In the context of commissioning for outcomes, the specific outcomes to be achieved for each service user are agreed between the care manager, the care home provider and the service user, and recorded in the care and support plan. The actual tasks related to the delivery of personal care in the care home will then be agreed between the service user and the care and support provider and recorded in the service user's individual service contract. The care manager must determine that the times and tasks appear appropriate to the delivery of the agreed outcomes.

Quality And Safety

3.6   The Council works closely with the Regional Association of Directors of Social Services Group to address quality and safety in Care Homes. The Group has developed systems, which incorporates risk rating, monitoring assessment tools and action planning functions.

3.7   The Council's Contracts Compliance Team conduct Quality Monitoring Inspections to develop and maintain quality standards in line with the Regional Group guidelines and contractual standards for Residential Care Services. During inspections the assessment tools are completed which will determine a rating for providers. The rating will establish the level of support and monitoring required to ensure quality standards are improved and maintained, which will include regular provider checks and visits.

Current Contracts For Care Homes

3.8   In order to renew the current contracting arrangements for care homes, the Council must address the requirement in the Council's Constitution, which would ordinarily require contracts of this value to be competitively tendered

3.9   The current contract for care homes was introduced in July 2012. In order to renew the contract, and for the reasons set out in paragraph 2.4 above, Cabinet are asked to agree a waiver from the Constitutional requirement for competitive tendering and to approve a single sourcing arrangement for contracting with care home providers.

3.10   The updated Regional Standard Contract for care homes which Thurrock developed in conjunction with the other councils in the East of England will be offered to providers. This will ensure that the terms and conditions of contract and the specification are up to date in relation to relevant legislative requirements, reflect good practice, and are consistent with the terms and conditions used by neighbouring councils.

4.   Reasons for Recommendation

4.1   The Council's Constitution requires competitive tendering for contracts valued at over £75,000. This report requests a waiver of that requirement in respect of care home (residential care) services. It also seeks approval of the arrangements for the award of these contracts.

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

5.1   Following approval, a letter will be sent to providers inviting them to enter into a contract with the Council for the provision of care home places for an initial period of 3 years which may, by mutual agreement, be extended for a further two 24 month periods up to a maximum of 7 years.

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

6.1 The Community Strategy, the Corporate Plan and the Medium Term Financial Strategy (MTFS) require the Council to commission services at the highest possible standard whilst delivering value for money for the Council. The Council has set aside £ 1m growth in the MTFS for demographic and other pressures within adult social care. If any uplift in the local authority rate for care home placements is agreed it will need to be a call against this figure.

7. **Implications**

7.1 **Financial**

7.1.1 The financial implications are contained in the body of the report. Pressures relating to inflationary rate increases and adjustments to declared rates will form part of the 2017-18 budget allocation and funded through the extra revenue raised through the Council Tax ASC precept. These pressures will be monitored throughout the next financial year and reported through Directors Board.

Implications verified by: **Jo Freeman**
Management Accountant

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7.2 **Legal**

7.2.1 The Council's Constitution requires a competitive tender to be completed for all contracts over £75,000. However, this requirement may be waived provided the Council complies with its duty to obtain Best Value pursuant to the Local Government Act 1999. The Council is unable to conduct the normal competitive procurement procedure for residential care providers because of the particular nature of the service provision and the service user choice. However, the Council is required to act transparently, fairly, proportionately and in a non-discriminatory manner when dealing with service providers.

7.2.2 By entering into legally binding contracts with care homes in the borough, the Council will be able to manage the relationship with the accommodation providers, including being able to monitor the standard of care being provided to the service users therefore ensuring the Council's safeguarding function is carried out.

7.2.3 The Council needs to ensure that a robust procedure is established for determining the local authority rate. It is essential that the procedure includes an evaluation of all relevant circumstances relating to the provision of the service and not just the Council's financial circumstances (although this is also a relevant factor).

7.2.4 Legal Services and Procurement Services will provide ongoing advice and assistance to the client in relation to the procurement process and the legal issues regarding setting the local authority rate.

Implications verified by: **Paul O'Reilly**
Projects Lawyer | Law & Governance

7.3   Diversity and Equality

7.3.1 The arrangements for contracting with care home providers for older people, and for working age adults, will be undertaken with due regard to equality and diversity considerations. This will include adherence to the relevant 'Equality' Codes of Practice on Procurement. These require consideration of the equality arrangements of all such providers; that they have relevant policies on equal opportunities and are able to demonstrate a commitment to equality and diversity. These arrangements will also be subject to a full review as part of the contract management of the services to be provided.

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

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

None.

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):

Care and support statutory guidance Updated 9 December 2016
https://www.gov.uk/government/publications/care-act-statutory-guidance/care-and-support-statutory-guidance

9.   Appendices to the report

There are none

Report Author:

Christopher Smith
Programme Manager
Adults, Housing and Health

| 5 April 2017 | ITEM: 20 |
| | (Decision 01104425) |

| Cabinet |

| **Procurement of Essential Capital Repairs to Belhus Swimming Pool** |

| **Report of:** Councillor Sue MacPherson, Cabinet Member for Neighbourhoods |

| **Wards and communities affected:**
 All | **Key Decision:**
 Yes |

| **Report of:** Grant Greatrex, Sports & Leisure Policy & Development Manager |

| **Accountable Head of Service:** Julie Rogers, Head of Environment |

| **Accountable Director:** Steve Cox, Corporate Director Environment and Place |

| **This report is** Public |

Executive Summary

Belhus Park Swimming Pool is part of a leisure complex at Belhus that is run by Impulse Leisure in buildings that are leased from Thurrock Council. The council has obligations under the lease agreement to maintain the fabric of the building, Impulse Leisure is responsible for day to day maintenance. Condition surveys undertaken for the council confirms the swimming pool is in a poor state of repair which requires the council as landlord to carry out significant essential repairs. The survey recommends that works are undertaken to the roof, heating, ventilation and filtration system. Failure to carry out these works could result in an unplanned closure of the swimming pool. Funding has been approved within the capital programme for 2017/18 and 2018/19 to carry out these works, subject to a costed business case. This paper sets out the details, justification and proposals for expenditure.

1. **Cabinet is recommended to:**

1.1 **Approve delegated authority being given to the Corporate Director of Environment and Place, in consultation with the Portfolio Holder for Neighbourhoods, to tender and award works up to a value £1.8m subject to a full tendering and procurement process.**

2.   Introduction and Background

2.1   The council owns three Leisure Centres which are located to serve the east of the Borough at Corringham, the west area at Belhus Park and a central location at Blackshots.

2.2   The buildings are leased to Impulse Leisure who are responsible for operating and managing them. The terms of the lease are as follows:

   o   The Lease Agreement which commenced on 10th January 2000, is for 30 years and identifies the landlord and tenant responsibilities broadly as:

      ▪   Tenant (Impulse Leisure) - internal repairs and maintenance;
      ▪   Landlord (Thurrock Council) - to keep in good and tenantable repair. This includes the responsibility for major capital works such as roofs and the replacement of plant and machinery.

2.3   Condition surveys carried out on behalf of the council in respect of the fabric and structure, mechanical services and roof beams show that the undertaking of urgent Capital works to the pool roof, heating; ventilation, mechanical and electrical equipment is now required at Belhus swimming pool.

2.4   The works which are similar to those that were carried out at Corringham Swimming pool in 2012 (built at the same time and is of the same design) are expected to take around 22 weeks from the award of the contract to complete. The remainder of the leisure centre will remain open during this period.

2.5   The tenant, Impulse Leisure, invested approximately £650,000 during 2015/2016 in improvements to the health and fitness facilities and disabled swimming changing and toilet facilities. In addition, approximately £200,000 of improvements works were made in 2016/2017 which include new customer friendly reception and circulation areas as well as additional new fitness equipment.

3.0   Issues and Options

<u>Sports Strategic Context</u>

3.1   The Council is currently working with Sport England on developing a longer term sports facilities strategy. This work will take account of current supply and demand and future growth. This strategy will inform the Local Plan.

3.2   Despite the swimming pool being in a poor condition, Belhus Leisure Centre remains a well-used facility, with approximately 150,000 visits per year. The table below shows exact attendance figures for the last three years. There is a reduction in overall swimming for 2015/16, which could be attributable to the condition of the pool.

	Total Leisure Centre		Casual Swimming	Swimming Lessons	Total Swimming
13/14	153,077		63,551	21,030	84,581
14/15	157,234		63,545	22,391	85,936
15/16	146,054		47,743	23,380	71,123

3.3 If the essential works do not go ahead, the swimming pool will very likely need to close in 2017. The remaining facilities at the centre i.e. fitness, golf and sports pitches could, with the agreement of the tenant, remain open however some works to support the existing roof would be required and the heating, ventilation and electrical works would still be required to serve dry areas.

Essential Works Required.

3.4 A building survey carried out in 2012 identified structural issues with the roof support beams and failing of roof covering at Belhus swimming pool. Since this time, works have been on hold whilst discussions with Impulse Leisure have been held. However, further surveys undertaken in 2016 conclude that repairs are now required.

3.5 The council commissioned specialist professional services in 2016 to develop the technical specification and designs, for the required works. Various options were explored to keep costs to a minimum, including overlaying the roof and repairing the roof support structures instead of replacement.

3.6 The essential works being considered are in relation to the pool roof, heating; ventilation, mechanical and electrical equipment

4. **Reasons for Recommendation**

4.1 As the landlord for Belhus Leisure Centre, the council has responsibility to keep the facility in good tenantable repair and is required to carry out works in a reasonable and timely manner.

4.2 This approach will enable the swimming facilities to remain open whilst: the longer term facilities strategy is developed; the corresponding feasibility work is undertaken and; the funding programme is developed.

4.3 Subject to final consideration of the business case and the outcome of discussions with the tenant, the final specification of the works will be confirmed, tendered and progressed as quickly as possible

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

5.1 Not applicable.

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

6.1 Refurbishment to keep the swimming pool open will impact in a positive way on the Corporate Priorities, specifically with regards to;

   ✓ Improving health and well-being

7. **Implications**

7.1 **Financial**

Implications verified by: **Carl Tomlinson,**

Finance Manager

A capital budget is included within the capital programme for 2017/18 and 2018/19 to fund these works through prudential borrowing. Members will be aware that there are revenue costs associated with borrowing and these have been built into the Medium Term Financial Strategy.

7.2 **Legal**

Implications verified by: **David Lawson**

Monitoring Officer

The lease contains a repairing obligation on the landlord (the council) that makes it clear that the council will repair the premises and keep the same in good and tenantable repair except for minor repairs.

7.3 **Diversity and Equality**

Implications verified by: **Natalie Warren**

Community Development & Equalities Manger

Improvements to the swimming pool will have a positive effect on diversity and equality by ensuring future accessibility.

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

   • There are no direct implications arising from this progress report.

8.   Background papers used in preparing the report

- Building Condition Survey
- Mechanical Services Condition Survey

9.   Appendices to the report

- None

Report Author:

Grant Greatrex

Sports & Leisure Policy & Development Manager

Environment

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| 5 April 2017 | ITEM: 21 |
| | (Decision 01104426) |

Cabinet

Thurrock Better Care Fund Section 75 Agreement

| **Wards and communities affected:** | **Key Decision:** |
| All | Key |

Report of:
Councillor Sue Little, Cabinet Member for Children's and Adult Social Care

Accountable Head of Service:
Les Billingham, Head of Adults and Community Development

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

This report is Public

Executive Summary

On 9th March 2016, Cabinet approved Thurrock's Better Care Fund Section 75 agreement between the Council and NHS Thurrock Clinical Commissioning Group. The agreement allowed the creation of a pooled fund with the purpose of promoting the integration of care and support services.

The Council is the 'host' organisation for the pooled fund, which means that once the Section 75 Agreement is agreed providers of community health care services to be provided under the Better Care Fund can be paid.

The pooled fund is overseen by an Integrated Commissioning Executive made up of officers from the Council and CCG. The Executive receives regular reports on expenditure, quality and activity. The Executive reports on the performance of the Fund to the Health and Wellbeing Board, as well as Cabinet and the Board of the Clinical Commissioning Group.

This report sets out the arrangements for 2017-19.

1. **Recommendation(s)**

1.1 **That Cabinet agree to the Council entering into the Better Care Fund Section 75 Agreement with NHS Thurrock Clinical Commissioning Group for 2017-2019 based on the terms set out in the 2016-17 Agreement and subject to the Council's agreed budget.**

1.2 That Cabinet agree to delegate agreement for changes to the Better Care Fund Section 75 Agreement to the Corporate Director of Adults, Housing and Health and Director of Finance and ICT in consultation with the Portfolio Holder for Children's and Adult Social Care.

2. Introduction and Background

2.1 The Better Care Fund requires Clinical Commissioning Groups and local authorities in upper-tier authority areas to pool budgets and agree an integrated spending plan for how they will use their Better Care Fund allocation.

2.2 Section 75 of the NHS Act 2006 gives powers to local authorities and clinical commissioning groups to establish and maintain pooled funds out of which payment may be made towards expenditure incurred in the exercise of prescribed local authority functions and prescribed NHS functions.

2.3 The purpose of the section 75 Agreement is to set out the terms on which the Partners (in this case Thurrock Council and Thurrock NHS Clinical Commissioning Group) have agreed to collaborate and to establish a framework through which the Partners can secure the future provision of health and social care services. It is also the means through which the Partners will pool funds.

2.4 The Agreement to support Thurrock's Better Care Fund 2016-17 was agreed by Cabinet at its meeting on the 9th March 2016. The initial agreement was agreed in 2015, and the intention was that it could be rolled over in to subsequent years with changes made to reflect the updated Better Care Fund relevant to the particular year.

2.5 Guidance for the Better Care Fund 2017-19 was originally expected before the end of November. At the writing of this report, the Guidance remains to be published. Thurrock's Better Care Fund Plan and pooled fund amount will therefore not be finalised until the Guidance has been received.

2.6 Whilst the Plan and therefore Section 75 agreement for 2017-19 have not been finalised, Better Care Fund allocations by area have very recently been published. On this basis, Cabinet are asked to agree to the Council entering in to the Section 75 agreement for 2017-19. As the Fund will span two years from 2017, the agreement will be subject to the Council's annual budget setting arrangements.

3. Issues, Options and Analysis of Options

Changes to Guidance – draft

3.1 Thurrock has had a Better Care Fund Plan and associated Section 75 Agreement in place since 2015-16. To date, the requirement has been to

produce a yearly plan. Whilst the Council is still to receive final confirmation, draft Better Care Fund guidance states that areas will be required to produce two-year Plans. As a result and if this is confirmed, the section 75 agreement for 2017 will also span a two-year period. This report therefore asks Cabinet to agree to the Council entering in to the Better Care Fund Section 75 Agreement over a two-year period: 2017-2019. This will be subject to the Council's annual budget setting arrangements, and any changes to the Section 75 can be made with agreement of both parties – Thurrock Council and NHS Thurrock CCG.

Value of the Better Care Fund

3.2   The value of Thurrock's Better Care Fund for 2016-17 is £27.638m. This amount is made up of a £15.7m contribution from NHS Thurrock CCG, and £11.9m contribution from the Council. The Fund consists of a mandatory amount, and an additional contribution agreed locally by the Council and CCG. The mandated amount for Thurrock's Fund in 2016-17 is £10.769m.

3.3   CCG allocations for 2017-19 have been published. For Thurrock, the CCG's mandated Better Care Fund amount is £10.048m in 2017-18 and £10.238m in 2018-19. The Council's mandatory contribution is the Disabled Facilities Grant and this is yet to be confirmed for the two year period. As part of preparations for the Better Care Fund 2017-19, the Council and CCG will need to agree how much they are adding to the Fund over and above the mandated amount. This will not be less than additional contributions made to the 2016-17 Fund.

Focus of the Fund

3.4   Whilst the Council is still waiting for the Better Care Fund Guidance to be published, draft guidance has been received. This outlines expected changes for 2017 which include:
- Plans to span two-years;
- Number of national conditions reduced from 8 to 3;
- Additional contributions to the Fund from the Improved Better Care Fund (announced in the 2015 Spending Review) over the next three years; and
- Expected to act as an Integration Plan.

3.5   The focus of the Plan to date has been on adults aged 65 and over who are most at risk of hospital admission or residential home admission. The schemes chosen for the Fund reflect this focus. The schemes contained within the 2017-19 Plan are likely to continue this focus, but will include elements that are population wide – for example initiatives linked to preventing, reducing and delaying the need for health and social care intervention. The 2017-19 Plan will reflect the direction of travel contained within the Council and CCG's integrated Health and Social Care Transformation Plan – For Thurrock in Thurrock.

Overspends and Underspends in the Better Care Fund

3.6   The March 2016 Cabinet Report and Section 75 Agreement set out arrangements for overspends and underspends to the Fund. The arrangements will continue and consist of any expenditure over and above the value of the Fund falling to the Council or CCG depending on whether the expenditure is incurred on social care functions or health functions. Arrangements for monitoring expenditure and managing any overspend in an individual scheme are set out in detail within the Section 75 Agreement. Underspends will stay within the Pooled Fund unless otherwise agreed by both parties.

Governance

3.7   Similar to the majority of areas, the Council is the host for the pooled Fund. The management of the pooled Fund includes regular oversight by both the Council and CCG through the Integrated Commissioning Executive. The Executive reports to the Health and Wellbeing Board who receive the Executive's meeting minutes at each Board meeting. A Pooled Fund Manager exists to provide regular reports covering performance, finance and risk.

Contracting arrangements

3.8   The Council as host of the Fund enters into contracts with third party providers – namely NHS providers. The standard NHS contract is used for these services with the Council becoming an equal commissioning partner. This arrangement will continue in to 2017-19 with the majority of the Fund likely to relate to existing NHS contracts.

4.   Reasons for Recommendation

4.1   The Section 75 Agreement must be agreed for the Council to be able to pay providers of services contained within the Better Care Fund. In the absence of guidance for 2017-19, Cabinet are asked to agree to the Council entering into the Agreement based on the terms set out in the 2016-17 Agreement.

4.2   As Thurrock's Better Care Fund Plan will be developed and finalised once the Guidance has been received, Cabinet is asked to agree that any final changes are delegated to the Corporate Director of Adults, Health and Housing; the Director of Finance and Information Technology; and the Portfolio Holder for Children's and Adult Social Care for sign-off. A report detailing the final Agreement and detailing changes made can be brought back to Cabinet as requested.

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

5.1   A specific consultation on the establishment of the pooled fund to drive through the integration of health and social care services, as required under

the terms of the Health and Social Care Act 2012, was held in September and October 2014.

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

6.1   A key aim of the Better Care Fund is to reduce emergency admissions, which brings within it the potential to invest in services closer to home to prevent, reduce or delay the need for health and social care services or from the deterioration of health conditions requiring intensive health and care services. This will contribute to the priority of 'Improve Health and Wellbeing' and the vision set out within the refreshed Health and Wellbeing Strategy 2016-2021.

6.2   Achieving closer integration and improved outcomes for patients, services users and carers is also seen to be a significant way of managing demand for health and social care services, and so manage financial pressures on both the CCG and the Council.

7. **Implications**

7.1   **Financial**

Implications verified by: **Joanne Freeman**

                              Finance Manager

The Better Care Fund consists of contributions from the Council and Thurrock CCG. The mandated amount consists of £10.048m (2017-18) and £10.238m (2018-19) from NHS Thurrock CCG and an amount still to be confirmed from Thurrock Council. Additional contributions have yet to be confirmed by will not be less than 2016-17 amounts (£16.868m).

The nature of the expenditure is an agreed ring-fenced fund. Financial risk is therefore minimised and governed by the terms set out in the Agreement. Paragraph 3.6 refers.

The Fund will be accounted for in accordance with the relevant legislation and regulations, and the agreement between the Local Authority and CCG.

Financial monitoring arrangements are in place, ensuring that auditing requirements are met, as well as disclosure in the financial statement.

7.2   **Legal**

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

                              Projects Lawyer

Legal Service can advise that the entry of the Council into the Better Care Fund Agreement is governed by S75 of the NHS Act 2006. The procurement

of specific services by the Council utilising the Better Care Fund is a separate process for consideration and will be the subject of a further report. Legal Services will ensure its continuing availability to support the Corporate Director of Adults, Housing and Health and appropriate colleagues during the further procurement exercise.

7.3 **Diversity and Equality**

Implications verified by: **Rebecca Price**

Community Development Officer

The vision of the Better Care Fund is improved outcomes for patients, service users and carers through the provision of better co-ordinated health and social care services. The commissioning plans developed to realise this vision will be developed with due regard to the equality and diversity considerations.

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):

- Better Care Pooled Fund Section 75 Agreement 2016-17
- Cabinet Report 9th March

9. **Appendices to the report**

- None

Report Author:

Ceri Armstrong

Senior Health and Social Care Development Manager

Adults, Housing and Health

| 5 April 2017 | ITEM: 22 |
| | (Decision 01104427) |

Cabinet

Developing and Expanding Assistive Technology for the 21st Century for Social Care Service Users in Thurrock

| **Wards and communities affected:** | **Key Decision:** |
| All | Key |

Report of:

Councillor James Halden, Cabinet Member for Education and Health

Accountable Head of Service:

Les Billingham, Head of Adult Social Care and Community Services

Accountable Director:

Roger Harris, Corporate Director of Adults, Housing and Health

This report describes the first stage of the review of the Careline Service and proposes a series of actions, to address immediate issues, and to enhance and expand the provision of telecare and assistive technology, fit for the 21st century.

Executive Summary

Enhancing and expanding the take up of telecare and assistive technology is a key council priority, reflected in the Health and Social Care Transformation Programme: "For Thurrock in Thurrock". It is designed to promote independent living for people living in council and private accommodation, and better enable the council to fulfil its health and well-being duties under the Care Act 2014.

In September 2016, a Careline Review Team was established to examine the options for upgrading obsolete equipment in the Careline monitoring centre, in sheltered housing and general needs flats that have hard-wired pull cord alarm systems, and to review current arrangements for charging for the service. This report sets out the conclusions of the first stage of that review, and provides recommendations designed to resolve a number of the key issues identified.

There are many electronic products and systems that use technology to promote health and wellbeing in the home, by monitoring activity, managing risks, increasing security, helping the person manage the important tasks within their daily lives, and bringing support more quickly when things go wrong. Memory aids, telecare and safe walking devices, mobile phones and digital apps - assistive technology all now offer invaluable opportunities to help your relative stay safe and be more in control of their own life for longer.

Background research into how other health and social care organisations are deploying telecare and assistive technology is also underway and a further briefing paper is attached for reference at Appendix 3. The potential benefits identified to date, even at this early stage of the review are very encouraging – both in terms of improved outcomes for an individual's health and wellbeing, as well as increased efficiency in the use of resources. A further report to Scrutiny will be presented once the examination of the costs and benefits of enhancing and expanding the take up of telecare and assistive technology has been completed.

1. Recommendation(s)

Cabinet is asked to approve:

1.1 **to the essential work being undertaken to decommission the hard-wired pull cord community alarm system in sheltered housing blocks and general needs community alarm flats, and to replace them with dispersed personal alarms where required by the service user.**

1.2 **to the plan to upgrade the Careline monitoring system which is also obsolete and lacks the functionality required to support the service.**

1.3 **to develop the Careline service into a new, enhanced and expanded telecare and assistive technology service, linked to telemedicine services where appropriate;**

1.4 **in relation to charging for Careline and the new telecare service:**

- **To make Careline / Assistive Technology and the new telecare service available free of charge to users of adult social care as part of our wider prevention strategy.**

2. Introduction and Background

2.1 Like many councils, Thurrock set up a community alarm service (comprising both pull-cord and disperse alarms) originally to support its council tenants living in sheltered housing and other supported housing. Since it was first set up, the Careline service has extended its reach and now also supports a wide range of people living across the borough, in all tenures.

2.2 The Careline service has evolved over time and it was recognised that a thorough review of the current service was needed as a precursor to developing, with health partners, a joint telecare and assistive technology strategy fit for the 21st century, as well as providing the best quality of service and value for money to residents.

2.3   A number of factors were considered as context for the review:

2.3.1 The review recognises that the current Careline service is staffed by
       dedicated officers who offer a good service to residents in the face of many
       operational difficulties due to the age of the current equipment (both
       monitoring centre equipment and hard-wired pull-cord alarms). The service is
       first and foremost a reactive emergency service – activated when the personal
       alarm is triggered by someone who is in difficulty (for example following a fall
       or a medical emergency), and depending on the circumstances, Careline staff
       may go to the person's home to assist them. Careline users do, however,
       trigger the alarm for other reasons such as seeking reassurance.

2.3.2 The current Careline monitoring centre equipment at Harty Close, purchased
       in 2007, is outdated and lacks some elements of modern functionality. The
       Careline service is dependent on the monitoring centre system so reliability is
       essential. The current monitoring centre equipment offers little connectivity
       and integration with other systems, is difficult to interrogate and does not offer
       GPS tracking. More up to date equipment enables a flow of information
       between the monitoring centre and other council staff such as social workers,
       provides tracking data outside of the home, and facilitates a range of reports
       on Careline activities. The enhanced capability would also allow the
       development of new service offers such as lone worker support. The pull-
       cord system used in a number of sheltered housing schemes, and general
       needs community alarm flats, is now obsolete and no longer supported by the
       manufacturer. System failures and call outs are therefore costing the Council
       significant breakdown and repairs charges – 50% in excess of the service
       contract in 2015/16.

2.3.3 Technology, including mobile phones and digital apps, has evolved since
       community alarms were first introduced some thirty years ago. These
       developments mean that both professionals and individuals can exercise
       choice in relation to the kind of alarms and sensory equipment they may wish
       to use for themselves, or for the people for whom they care.

2.3.4 There is a now a range of bespoke telehealth applications which increasingly
       will be deployed by primary health care providers[1] and community health care
       providers - North East London Foundation Trust Community Health Services,
       and South Essex Partnership Foundation - to support people to successfully
       manage long term conditions.

2.3.5 A new service is currently being set up called 'Thurrock First' - a Single Point
       of Access to health and care advice and services provided by Thurrock
       Council Adult Social Care, North East London Foundation Trust Community
       Health Services, and South Essex Partnership Foundation Trust mental
       health services. The focus of Thurrock First is a single access point providing
       professional advice and care coordination across disciplines in one place.
       The approach will be to have two tiers of staff at any one time – tier 1 call
       handlers who will respond to enquiries and provide advice/information or

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[1] c.f. Digital requirements for new primary care models – Nuffield Trust April 2016

further service as required; and tier 2 'specialists' who will provide additional more complex support. The service will be located at Thurrock Hospital and will operate 7 days a week.

2.3.6   As a discretionary service, in line with the Council's charging policy, the cost of providing the Careline service is currently recharged to users of the service. The charging arrangements are currently based on the tenure of the service user. The Care Act 2014 provides a new statutory framework for establishing a consistent, transparent and fair approach to charging, in particular stipulating that the approach to charging should:

- apply the charging rules equally so those with similar needs or services are treated the same and minimise anomalies between different care settings.

2.3.7   To sum up the context for the review, the Council and Clinical Adult Social Care's transformation programme – 'For Thurrock in Thurrock' seeks to build caring communities where the strengths and resources within communities can better support people to live fulfilled lives. As the number of older people with long term conditions increases, there will be increasing demands on care and health services so a response which combines the best that telecare and assistive technology can provide, together with the many community-based supports, will be essential if the Council is to manage the increasing demand.

2.3.8   The Careline service and the technology capability the service requires to function, needs to be 'fit for purpose' both now and in the future if it is to support the Council to undertake its health and wellbeing responsibilities in the 21st century. As telecare can prevent, reduce or delay the need for more intensive health and care services, it is also appropriate to consider whether it is appropriate to charge for the service, or whether other funding can be secured to cover those costs.

3.   **Issues, Options and Analysis of Options**

3.1   **Issue One –upgrading the call monitoring equipment**
Thurrock's Careline service, based in Harty Close (Sheltered Housing Complex) in Stifford Clays, Grays, provides a 24/7/365 monitoring and response to service users. Business continuity support is located at another sheltered housing site – Airey Neave Court - with one call handling workstation. The monitoring centre is currently operating using the following Tunstall Telecom hardware and software:
- PNC5 software
- Three Call Handling Terminals
- Western Digital Voice Recorder

3.2   The PNC5 software is now outdated, with limited functionality, and therefore any upgrade in equipment for the end user (telehealth, telecare and

telemedicine etc.) can only be implemented if the software is also upgraded. In addition the current software is no longer supported by Tunstall.

3.3   As well as monitoring community alarm service users, the Careline monitoring centre also handles all emergency out of hours calls to the Council (between 4.30 pm to 9am). The Council's main contact centre within the Civic offices is open until 6pm for all general enquiries. On average, Careline receives in the region of 500 "out of hours" emergency calls per week. The monitoring centre split between Careline calls and emergency out of hours calls is 90%-10% respectively.

3.4   Issue Two – decommissioning the hard-wired pull cord equipment and replacing it with dispersed alarms

3.5   The council has upgraded the hard-wired system in half of the sheltered housing stock and should address the failure to upgrade the remainder as a matter of urgency. When upgrading the system the council has two options:
* Option 1 to retain the current hard-wired configuration and upgrade it to provide additional functionality such as voice call and an "I'm OK"* function[2].
* Option 2 to remove the hard-wired system and replace it with a fully dispersed alarm system which also offers additional functionality such as voice call and an "I'm OK" function.

3.6   Retaining the hard-wired system (option 1) has ongoing maintenance costs of approximately £65k per year whereas replacing the system with dispersed units (option 2) has a higher capital cost of approximately £50k in year one but no maintenance costs thereafter with the exception of some standard batteries to be replaced in future years, depending on usage. The overall costs for retaining a hard wired system over five years is £527k. The overall costs for removing the hard wired system and replacing it with the dispersed alarms over five years is £320k – a projected saving of over £200k over the five years. If the council choses to remove the hard-wired system and replace it with the dispersed alarms it would require the installation of a telephone line in properties where these do not exist currently and the provision of a direct link for the smoke and heat detectors in communal areas to the Harty Close Contact Centre. These costs are included in the estimates for the work. Because of the significant cost savings achieved by option 2, it is proposed to replace the hard wired system in the sheltered housing stock with the dispersed alarm system.

3.7   The hard wired system in the general needs community alarms flats is also obsolete and should be removed and replaced, where necessary, with dispersed units. The current hard wired system is not used by the majority of

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[2] The "I'm OK" function gives the service user the option to let the service provider know that they are active and don't need the usual regular call from the service. In Thurrock's case this means removing the need for Sheltered Housing Officers to ring out to every service user and only contact those who either request a call or who haven't used the "I'm OK" option that day will free up the Sheltered Housing Officer for other work.

residents in these dwellings and it is estimated that the Council will need to re-provide a dispersed alarm service in less than one third of the stock at a cost of approximately £56k over the five year period (including the existing system removal costs).

3.8   **Issue Three – Charging for the Careline service**

3.9   The Council cannot charge for the personal alarm equipment provided to the person's home where it is provided to meet needs or prevent, reduced or delay the needs for adult social care. However, the Council can, at its discretion, charge for the monitoring service that responds to the personal alarm calls, as well as for the installation of the equipment.

3.10   The Care Act provides the legal framework for revising the charging structure, furthermore, the financial pressures facing the Council also mean that Thurrock needs to give consideration to raising income for services that are chargeable. The Council cannot charge more than the cost that it incurs in meeting the assessed needs of a person nor can it recover administration fees relating to arranging care and support.

3.11   If charges for the Careline and telecare services are be applied a new uniform charge across the tenures must be introduced in order to comply with the requirements of the Care Act 2014. If the charge is to recover the cost of the service it would need to be set at £2.87 per week. This level of charge compares favourably with all but one of the providers referenced in the report at Appendix A.

3.12   The Council also has the option, in particular because Careline and telecare are preventative services, to no longer apply a charge and instead the use funding available from the Improved Better Care Fund to cover the costs of the service. This would serve to remove the current anomaly regarding the discretionary charge, encourage take up and so the expansion of the service, and also align with the approach taken to other preventative services and technologies across health and social care.

4.   **Reasons for Recommendations**

4.1   The Council is currently incurring additional repairs and maintenance expenditure which is approximately 50% of the value of the annual service agreement it has with Tunstall because of the obsolete hard-wired pull-cord systems in the community alarm flats and sheltered schemes and in the monitoring centre. The costs of remedying this situation have been examined, and officers are proposing that the most efficient solutions are procured. The investment made in year one will result in significant savings in terms of repairs and breakdown costs and servicing costs.

4.2   The upgrades to the equipment used in both the sheltered housing schemes and general needs community alarm flats will require an upgrade in the central monitoring system at Harty Close. The current software is outdated and lacks functionality. The upgrade to the current software will support more

innovative use of telecare and telehealth equipment including the use of mobile personal alarms that help keep people safe outside of their home. It will also facilitate the sharing of data with Adult Social Care systems.

4.3   Charges for Careline have been historically based on tenure, reflecting the origins of the community alarm service – with council tenants paying nothing towards the cost of the service and a significant cost being borne by the HRA and General Fund. The Care Act provides the statutory impetus for correcting the anomalous charging regime for Careline, and the move towards integration with Health provides the mechanism for future funding through the Better Care Fund. This new basis for telecare and assistive technology service will also ensure that prospective service users benefit from a range of integrated health and care services to support their health and well-being.

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

5.1   A consultation on the proposed changes to the provision of adult social care was undertaken over 12 weeks between 14 September and 7 December 2015. The outcome of the consultation was reported to the Committee at its meeting on 12 January 2016. The Committee agreed to instigate the review of the Careline service and its charges.

5.2   Housing Overview and Scrutiny Committee have considered this report at their meeting on 21 March and gave their support to the recommendations.

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

6.1   These are dealt with in the body of the report.

7.   Implications

7.1   **Financial**

        Implications verified by: **Julie Curtis**
                                        HRA and Development Accountant

        Currently, the cost of providing the Careline Service and associated technology and equipment (exclusive of the Out of Hours Service) is just over £600,000 per annum. This includes the costs of purchasing personal alarm and sensory equipment that, under the Care Act 2014, cannot be charged to service users.

        At present, total income raised from charges for the Careline and telecare service is just over £58,000. This leaves a significant gap between the income received and the costs of the service. These costs are met by both the Housing Revenue Account and General Fund. The introduction of a uniform charge, as required by the Act, will go some way to reducing (but not eliminating) the financial call on those Funds.

However, the option exists to offset a proportion of the costs of the Careline and telecare services with new monies released in the Spring Budget 2017 through the Improved Better Care Fund. This would allow the Council to reduce the financial impact of providing this preventative service on the Housing Revenue Account and General Fund, while providing the Careline service at no cost to all eligible users of adult social care services.

7.2 **Legal**

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

Legal Services notes the contents of the report and the proposed options. At this point, Legal Services will be available to provide such support as may be required pending clarification of the choice of option, following which, Legal Services will advise and support on the necessary legislative, procurement and contract issues that may arise, including drafting of any agreements with external contractors related to the selected technology and software and any related matters.

7.3 **Diversity and Equality**

Implications verified by: **Becky Price**
Community Development Officer, Community Development & Equalities Team

The community alarm service is provided for residents who require some degree of support or monitoring to ensure their safety, as such they represent some of the protected groups under Diversity and Equality legislation. However, the focus of this report is upon service improvement and providing an equitable charging process across the entire service, regardless or tenure. As such diversity and equality considerations should be enhanced by these actions. In terms of introducing a broader charging model we acknowledge that this might have the potential to adversely impact upon specific groups. However, we will have an obligation to engage fully with current users and others who may be affected and will use this process to ensure that issues that have the potential to unfairly impact upon these groups will be mitigated.

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

These are dealt with in the body of the report.

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 and Well-being Overview and Scrutiny Report: Consultation on the proposed changes to the way Social Care is provided in Thurrock 12 January 2016 Item 8

9. **Appendices to the report**

- Appendix 1- Key Information About Careline

- Appendix 2- Tunstall Upgrade Costs

- Appendix 3 - Future Deployment Of Assistive Technology

Report Author:

Sue Williams
Review Project Manager
Adults, Housing and Health

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Appendix 1– Key Information About Careline

The number and type of Careline connections

There are some 3883 users of 'dispersed alarms' and 'community alarms'. This total comprises 1965 properties with the pull-cord community alarms and 1,918 people with dispersed alarms. The number of service users is increasing each year.

Type of equipment	Numbers	Commentary
Dispersed alarm	1918	This equipment is a stand-alone system that is connected to a phone socket and plug point.
Pull-cord system – sheltered housing	1283	This equipment is 'hard-wired' in the sheltered housing blocks. Half of the sheltered housing schemes have obsolete pull-cord systems that are prone to breakdown.
Pull-cord system – general needs community alarm flats	682	This equipment is 'hard-wired' in the community alarm flats. It is obsolete and prone to breakdown and expensive to repair. It is estimated that 70% of current community alarm flat occupants do not need a Careline service
Current Total	**3883**	
Projected Total	3405	After removal of unwanted, obsolete pull-cords.

- Dispersed alarms: This equipment is a stand-alone system that is connected to a phone socket and a plug point. Each current community alarm costs in the region of £100 and consists of a pendant that is worn around the neck or wrist that is linked to the base unit. Careline staff install the equipment and replace batteries as part of the service they provide to users. There is no other maintenance cost.

- Pull-cord system: This system is hard-wired in Council sheltered housing schemes and 'community alarm' flats. Approximately half the pull-cord alarm systems in sheltered housing schemes were upgraded three years ago to dispersed alarms but the remainder are both old and virtually obsolete. This creates a risk of equipment breakdown and service failure.

Council tenants comprise 62% of Careline users, 26% of Careline users live in private accommodation and have been assessed by Adult Social Care as eligible for social care. Currently 2% of Careline users living in private accommodation are self-funders and have not been assessed with an eligible need for social care. 10% of Careline users [1]have additional assistive technology equipment. This includes chair and bed occupancy sensors, property exit sensors, flood, gas and extreme temperature sensors. This equipment is provided through a contract with an assistive technology provider, Red Alert.

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[1] The current PNC 5 monitoring system does not provide a breakdown by tenure of people who have assistive technology.

Service Performance and Usage

The Service receives a high level of calls by industry standards. In the period April – August 2016, the number of calls received and made by the control centre ranged from 12,000 – 15,000 per month. In the same period, Careline staff made the following emergency and planned client visits per month:

EMERGENCY CALLOUTS

FY 2016/17	Apr	May	Jun	Jul	Aug
Received / Actioned	84	76	113	112	166
Actioned in 10 min	79	74	112	109	164
% Actioned in 10min	94%	97%	99%	97%	99%
Follow Up*	19	11	20	7	25

Emergency Callouts resulting in Follow up actions such as Doctors visit, Emergency Services, Falls clinic etc. Some callouts are triggered by faulty equipment, but the team needs to respond to check the situation.

PLANNED VISITS

FY 2016/17	Apr	May	Jun	Jul	Aug
Planned Visits	124	220	184	127	129

For the installation or removal of equipment, replacement of batteries or faulty equipment

The target for responding to calls is 20 seconds and Careline regularly exceeds the industry quality standard of 85% of calls answered within 20 seconds. Careline is accredited with the Customer Contact Association (CCA Global Standard version 6), and was recently assessed by BSI as part of the overall customer services inspection in June 2016 with no non-conformities.

Careline staff report that the number of calls received increased when the warden service within Sheltered Housing was changed from fixed wardens per block to peripatetic (floating) support. Analysis of calls (incoming and outgoing) from 22/09/2015 - 23/09/2016 is as follows:

- Council tenants including sheltered housing tenants - 54%
- Private occupiers - 1%
- Service users who have been assessed by Adult Social Care - 15%
- Service users with additional Assistive Technology equipment - 30%
- Total:100%

For the same period, emergency out of hours calls received by the call centre related to the following categories:

- [2]Social services calls (Children's) – 70%
- [3]Social services calls (Adults) – 14%
- Environmental services e.g. stray dogs etc. – 7.5%
- Highways – 7.5%
- Civil contingency – 1%

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[2] Examples of calls received regarding children included: child absconded, child being taken away from mother at birth, an appropriate adult required by the police for a child in custody.
[3] Examples of calls received regarding adults included: adult needing sectioning, emergency respite care, emergency call required

- Total: 100%

Plans for decommissioning hardwired alarms

Prior to the commencement of this decommissioning work, plans will be put in place to ensure that vulnerable tenants who need/want a personal alarm are able to transition seamlessly over to the dispersed alarm. This will require an action plan between Housing, Careline and Adult Social Care. It is suggested that there should be a designated lead in the Community Solutions Team who will be responsible for coordination with Housing and Careline. The following actions are proposed:

- Identification of tenants who are known to Careline (i.e. they have used their Careline in the last 3 months): these tenants should be interviewed by the Community Solutions Team (in person or by phone) to discuss their requirements, and the Community Solutions Team, Careline and Housing should put in place an action plan to ensure a seamless transition.
- Sending a letter to everyone else living in these flats and who is not known to Careline – offering an interview with the Community Solutions Team to assess their requirements for a dispersed alarm as a replacement for the hard-wired pull-cord.
- Regular liaison and updates with residents and local councillors to ensure that there is full understanding of the planned works.
- Any changes in occupancy need to be recorded so that any variation in tenants' requirements are understood during the life of the decommissioning contract.

As stated elsewhere in this report the current software operating the Careline and Community Alarm systems (PNC5) is obsolete and no longer supported by the provider, Tunstall Telecom. As a result of the obsolescence of PNC5, the maintenance agreement the council had with Tunstall no longer covers all failures, leading to additional repairs and servicing costs. Last year the council spent £165,000 on response and ad hoc repairs and maintenance with Tunstall. Upgrading to a new system will significantly reduce this level of cost as there will be no repair and maintenance costs in year one and a maintenance agreement will be in place thereafter at a much lower cost to the Council.

The migration to improved Careline services with the capability of delivering advanced telecare and telehealth services can only be delivered if the hardware and software at Harty Close is also updated. In addition, upgrading the whole service, including replacing the hard wired system with dispersed alarm units, will give the council the option to include procurement of specialist equipment for additional monitoring and support for service users currently provided through Red Alert. These include equipment and sensors that can detect movement, or the lack of it, flood sensors in bathrooms and kitchens and automated reminders for specific service users. The current provider, Tunstall Telecom for the PNC5 and associated hardware does not have a monopoly on dispersed alarm systems and community alarm software and equipment and as such, other providers will be invited to submit tenders for the service. Subject to further consideration, the tender may also include the supply of additional specialist equipment currently supplied by Red Alert.

The capital costs for upgrading the Harty Close monitoring centre, replacing the hard wired system in the sheltered housing stock and general needs units with Careline units and installing the appropriate heat and smoke detector systems is estimated to be £400k. This would be 'spend to save' expenditure reducing the ongoing costs of the service by approximately £65k per year. The detailed costs are at Appendix B.

The funding for the upgrade is being made available from a Housing Reserve.

Charges for the Careline service

Careline is a discretionary service and so, in line with the Council's charging policy, chargeable. However, the charge as it is currently formulated varies according to the tenure of the user. Thurrock Council tenants pay nothing for the service. People living in all other tenures pay either 93 pence per week (unchanged over many years), if they are assessed as eligible for social care, or otherwise £16.50 plus VAT per month (increased annually). At present there are 1014 people paying 93 pence per week for the service and 92 people paying £16.50 plus VAT per month. These charges were originally set by Housing. This discrepancy in charging does not appear to comply with the Care Act, potentially leaving the Council open to accusations of unfairness and/or discrimination by tenure in not addressed. The arrangement appears to be unique to Thurrock. It is recognised that the charging framework needs to be subject to rigorous review in the context of the Care Act sets which sets out principles that the approach to charging should:

- ensure that people are not charged more than it is reasonably practicable for them to pay
- be comprehensive, to reduce variation in the way people are assessed and charged
- be clear and transparent, so people know what they will be charged
- promote wellbeing, social inclusion, and support the vision of personalisation, independence, choice and control
- support carers to look after their own health and wellbeing and to care effectively and safely
- be person-focused, reflecting the variety of care and caring journeys and the variety of options available to meet their needs
- apply the charging rules equally so those with similar needs or services are treated the same and minimise anomalies between different care settings
- encourage and enable those who wish to stay in or take up employment, education or training or plan for the future costs of meeting their needs to do so
- be sustainable for local authorities in the long-term

At present, the cost of providing the Careline Service and associated technology/equipment (exclusive of the Out of Hours Service) is just over £600,000 per annum. This includes the costs of purchasing personal alarm

and sensory equipment that cannot be charged to users. At present, total income raised from charges is just over £58,000. This leaves a significant gap between the income received and the costs of the service. These costs are met by both the Housing Revenue Account and General Fund.

2.3.5 By way of comparison, a sample of charges from a range of providers is set out below. It should be noted that many services simply offer a monitoring service with referral to friends and family or emergency service. Thurrock Careline currently offers a monitoring and response service.

Examples of current charges by other providers:
- Age UK - £3.47 per week plus a set up charge of either £69 (for self-connection) or £129 if Age UK install.
- Chelmsford – First 3 months free, then £2.40 per week plus a set up charge of £40. If additional equipment is installed the weekly charge is £3.63.
- Colchester - 12 week free trial followed by: £4 per week call monitoring service only or £ 6 per week for the response service.
- Havering - £4.74 per week increasing to £6.89 with 2 additional sensors or £8.03 for up to 5 additional sensors.
- Basildon - £3.98 per week increasing to £4.48 for up to 5 pieces of additional equipment and £5.60 for more than 5 pieces of equipment.
- Careline South Essex Homes - £2.80 per month (for equipment rental and monitoring) or £1.65 per month where the Careline unit has been purchased by the user.

At present Council tenants wanting a personal alarm make direct contact with the Careline service whereupon basic details are collected about the individual and an alarm is installed. People living in private accommodation can call Careline direct to have a dispersed alarm installed but are currently charged £16.50 plus VAT. However, most people living in non-Council property and who need a personal alarm make contact with the Community Solutions Team (CST). CST undertake a comprehensive interview over the phone. The conversation establishes a broad picture of the person's abilities, aspirations, local connections and needs. Where a more in-depth assessment is needed, the fieldwork social work team will become involved. There are currently 1014 people living in non-Council housing who have been assessed and who pay 93 pence per week for the service.

There are health and wellbeing benefits of having the conversation between individuals wanting an alarm and the (CST) where a range of issues can be discussed. The Careline Review team proposes that this approach should be offered to all prospective Careline users regardless of tenure as CST may be able to make other suggestions that help to prevent, reduce or delay the need for more intensive services. Regularising the pathway to accessing the service will also correspond to the harmonisation of charges across tenures which the review recommends.

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Appendix 2– Tunstall Upgrade Costs

OPTION 1 - TUNSTALL UPGRADE COSTS								
Scheme	Description	Capital Cost	Maintenance Year 1	Maintenance Year 2	Maintenance Year 3	Maintenance Year 4	Maintenance Year 5	Five Year Total
Harty Close Upgrade	Upgrade to PNC7 for the Careline Service. Cost from Tunstall, could look at alternative systems.	£64,865.00	£ -	£17,190.00	£17,190.00	£17,190.00	£17,190.00	£133,625.00
Upgrade Sheltered Properties	Upgrade remaining sheltered blocks to new system including speech module (and the "I'm OK" function)	£201,519.71	£30,000.00	£65,286.92	£65,286.92	£65,286.92	£65,286.92	£492,667.39
Optional Extras	Individual prices for upgrades to disabled toilets, various communal halls etc.	£1,402.64	£ -	£ -	£ -	£ -	£ -	£1,402.64
Speech Module Upgrade	Retrofit speech modules to already upgraded properties - based on £50 per property x 650 - actual number may vary slightly	£32,500.00	£ -	£-	£ -	£ -	£ -	£32,500.00
YEARLY COST		£300,287.35	£30,000.00	£82,476.92	£82,476.92	£82,476.92	£82,476.92	████
TOTAL SPEND OVER FIVE YEARS								£660,195.03
Note that this cost is based on current figures and assumes that there is no increase in maintenance								

for either Harty Close or for the Group Schemes. Currently there is considerable additional spend on out of scope repair items on top of the servicing schemes which is not included here, although it would be assumed that this would be minimal as the current extra charges are based on the fact that existing equipment is mainly obsolete.

OPTION 2 - DECOMMISSION AND REPLACE WITH PORTABLE TELECARE UNITS								
Scheme	Description	Capital Cost	Maintenance Year 1	Maintenance Year 2	Maintenance Year 3	Maintenance Year 4	Maintenance Year 5	Five Year Total
Harty Close Upgrade	Upgrade to PNC7 for the Careline Service. Cost from Tunstall, could look at alternative systems.	£64,865.00	£ -	£17,190.00	£17,190.00	£17,190.00	£17,190.00	£133,625.00
Decommission sheltered blocks	Removal of hardwired system from al sheltered blocks within flats and communal areas. Based on current estimate ceiling of £40 per flat x 1300	£52,000.00	£30,000.00	£ -	£ -	£ -	£ -	£82,000.00
Replace with Portable Units	Purchase of portable telecare base units with "I'm OK" function and customisation ability for residents with greater needs. Based on ESPO framework cost of £140 per unit and replacement in all 1300 flats. Includes 5 year warranty	£182,000.00	£ -	£ -	£ -	£1,000.00	£1,000.00	£184,000.00
Contingency for smoke/fire alarms	Replacement of smoke alarms - price to be confirmed	£50,000.00	£ -	£1,000.00	£1,000.00	£1,000.00	£1,000.00	£54,000.00
YEARLY COST		£348,865.0	£30,000.0	£18,190.00	£18,190.0	£19,190.0	£19,190.00	

		0	0		0	0		■
TOTAL SPEND OVER FIVE YEARS								£453,625.00

Price for this option is slightly more expensive in year one at the estimated costs but there are considerable savings moving forward on maintenance over the 5 year period, and will continue after 5 years as there is no "maintenance" required on the portable units, they are guaranteed for 5 years and then if they fail we would just replace with a new one. With a procurement exercise the costs here may be lower anyway as the bulk purchase of the units should generate a substantial discount of say 20-25%. This would bring the capital cost lower than the Tunstall upgrade by about £80K. Seeking quotes also for the full programme of decommissioning could also generate savings on this cost. Here worst case scenario is shown.

OPTION FOR GENERAL NEEDS FLATS WITH INSTALLED ALARMS - 100% REPLACEMENT							
Description	**Capital Cost**	**Maintenance Year 1**	**Maintenance Year 2**	**Maintenance Year 3**	**Maintenance Year 4**	**Maintenance Year 5**	**Five Year Total**
Removal of hardwired system from. Based on current estimate ceiling of £40 per flat x 682	£27,280.00	£ -	£ -	£ -	£ -	£ -	£27,280.00
Purchase of portable telecare base units functionality as above. Based on 100% replacement (worst case	£95,480.00	£ -	£ -	£ -	£200.00	£ 200.00	£95,880.00

| scenario) | £122,760.00 | £ - | £ - | £ - | £200.00 | £ 200.00 | |

| TOTAL COST OVER 5 YEARS | £123,160.00 |

OPTION FOR GENERAL NEEDS FLATS WITH INSTALLED ALARMS - 30% REPLACEMENT							
Description	Capital Cost	Maintenance Year 1	Maintenance Year 2	Maintenance Year 3	Maintenance Year 4	Maintenance Year 5	Five Year Total
Removal of hardwired system from. Based on current estimate ceiling of £40 per flat x 682	£27,280.00	£ -	£ -	£ -	£ -	£ -	£27,280.00
Purchase of portable telecare base units functionality as above. Based on 30% replacement (likely outcome)	£28,644.00	£ -	£ -	£ -	£50.00	£50.00	£ 28,744.00
	£55,924.00	£ -	£ -	£ -	£ 50.00	£50.00	

TOTAL COST OVER 5 YEARS	£56,024.00

The two tables above set out the costs for decommissioning of the general needs community alarm flats and replacement with dispersed alarms. There is no realistic option for upgrading the hard wired system and many of the properties no longer have "vulnerable" tenants in residence In an initial discussion with tenants 30% was considered a reasonable number on which to base the calculations.

FIVE YEAR SUMMARY COSTS - OPTION 1	
Upgrade of Harty Close Monitoring system and hard wired option plus general needs flats based on 30%.	£716,219.03

FIVE YEAR SUMMARY COSTS - OPTION 2	
Upgrade of Harty Close Monitoring system and dispersed alarm option plus general needs flats based on 30%.	£509,649.00
Option 2 Savings	**£206,570.03**

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Future Deployment Of Telecare And Assistive Technology

1. Introduction

Telecare and assistive technology is increasingly recognised by health and social care as an important tool in preventing, delaying or reducing demand for care and support services by keeping people well and safe in their own homes. There are also telecare products that support people to be outside their home, safe in the knowledge that help can be summoned if need be.

Assistive Technology covers a range of telehealth and telecare products including personal alarms and is described as follows:

'There are many electronic products and systems that use technology to promote health and wellbeing in the home, by monitoring activity, managing risks, increasing security, helping the person manage the important tasks within their daily lives, and bringing support more quickly when things go wrong. Memory aids, telecare and safe walking devices, mobile phones and digital apps - assistive technology all now offer invaluable opportunities to help your relative stay safe and be more in control of their own life for longer'. Which Elderly Care

2. The outline vision for Assistive Technology

Thurrock's For Thurrock in Thurrock programme aims to support people to live fulfilled lives in caring communities. This ambition will underpin the deployment of assistive technology – liberating people to safely manage their own health conditions both within and outside the home and to stay safe wherever they are. Assistive technology will only be used where it will enhance quality of life and support people to live independently.

Thurrock will gradually move from its current sporadic approach to assistive technology to a comprehensive and systematic approach which is deployed uniformly across the health and social care system. To achieve this will entail a significant cultural change across all the health and social care professions requiring awareness and training sessions for all community health and social care staff.

Thurrock residents will hear a lot more about what telecare can offer them or the people they care for – through hosted sessions at community hubs where telecare users will talk about their experiences.

The decision about the most appropriate telecare/telehealth solution to suit the needs of the individual and their home environment will be taken by assistive technology experts who are 'product-neutral'. There will be deployment of a wide range of devices, sensors and monitoring techniques as well as different channels of communication including text, skype, phone calls – all playing a part in helping people to live fulfilled lives.

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To build confidence and understanding, small-scale learning projects will be set up such as the North East London Foundation Trust Community Health Services (NELFT) Florence telehealth project for people with diabetes. Establishing these initiatives as joint health-social care learning projects would help learning across the sectors. Evaluation of these projects will then be used to inform decisions about whether to extend the approach more widely and how best to engage users to optimise the benefits for the individual.

The single point of access, Thurrock First will provide an excellent launch-pad for a shared, consistent approach across the social care and health system. The Thurrock First we will also aim to be the disseminator of good information and sources of support such as SILVERLINE, the telephone befriending scheme and unforgettable.org the support network for people with dementia (set up through direct experience of caring for a mother with dementia).

3. Experiences from elsewhere

Effective use of assistive technology will only occur where it is embedded in social work and health care policy and practice. It will fail if it is simply deployed as 'a piece of kit'. Experience from elsewhere shows there are some key ingredients in making a success of telecare and telehealth.

To embed assistive technology whether it is in relation to a reablement package; supporting a young person with autism to maximise their potential; enable someone with early stages of dementia to remain safe at home; enable people with long term conditions to better manage their health or reduce hospitalisation and - ambulance callouts in a care home – staff will need to be given training and support so that they develop an understanding and confidence in telecare/telehealth solutions.

Operational procedures will need to incorporate expectations that telecare/telehealth will often feature in a care and support package. And staff will need to develop new skills and practices for example - the monitoring data uploaded by telehealth users or, if working in a residential care home – taking certain vital signs readings and uploading the data.

A second essential requirement is a fundamental belief that individuals are co-producers of their own health and wellbeing. So assistive technology needs to be part of a jointly agreed approach to supporting a person achieve their own goals in relation to their health and wellbeing. Increasingly people will be selecting their own apps to help them manage conditions, they will expect to be able to have virtual consultations with a GP and they will want to know where to access a range of reliable information on health-related matters. Peer to peer support via the web and by other means will also provide networks of mutual support and connections.

A third requirement will be accessing the technical skills of assistive technology experts who are 'product-neutral' and can make the best possible selection of telecare solutions. This expertise is not an 'add on' to a social worker or health worker's competencies. The market is continually developing new approaches and the expertise needs to keep up with these developments.

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A fourth requirement is awareness raising of the general public. There are examples of local authorities working with telecare users to run sessions in a variety of settings to advise people on what telecare can offer. The Housing Service will be uniquely placed to spread awareness of assistive technology to its residents.

Examples of success:

Hampshire County Council in partnership with PA Consulting Argenti has a well-established approach to putting assistive technology into the centre of its social care service. As a result, it has made fundamental changes to the way care packages are developed and, over a three year period, has made net savings in excess of £4m as well as improving the quality of support provided. The savings are rigorously audited by the Council's audit team and reflect the savings achieved by substituting assistive technology supports as opposed to more expensive types of care. For example, it is estimated that on average, people are able to stay in their homes six months longer than they would have been before the use of assistive technology. Over the three year period referrals for assistive technology have increased from an average 5 referrals per week to 100 per week. As a result of this approach over 1000 practitioners have been trained in the use of assistive technology and its deployment, and over 6000 assistive connections across Hampshire have been set up.

Pilot studies in **Sussex** (lasting 8 months with 92 residents) and **Kent** (lasting 6 months with 43 residents) in **residential care homes** using low intensity telehealth monitoring devices showed a **75% reduction** in hospital admissions across the residents involved compared to the same time period prior to the pilots. The residents involved were selected because they had a range of long term conditions including heart failure, diabetes, COPD and UTIs. The pilots proved to be a cost effective approach to admission avoidance at £0.90 per resident per day.

In **Northamptonshire**, the telecare provider, Olympus Care Services introduced Canary monitoring sensors into people's homes (including people with dementia, frail elderly, people with mental health problems, people with learning disabilities and other vulnerable adults who wished to stay safe at home). The outcomes achieved including deferred residential or nursing home admissions, home support package hours reduced/altered to work better and night-time waking/sleeping care withdrawn as it was realised it was not needed. Based on these achievements, and with 55 Canary systems in use, the estimated savings for one year are £561,000 – a cost saving per head of £8,500 annually.

Many councils are actively helping people to help themselves, so for example, the Staffordshire Council website **Staffordshire Cares** has a range of videos showing telecare and other useful assistive living aids. They are also setting up 'road shows' to enable members of the public to talk to telecare users to learn from their experiences.

The **North East London Foundation Trust Community Health Services (NELFT)** was recently funded to run a 12 week pilot using telehealth to support people with diabetes – ages ranging from 22 -72 years old. The results show both significant

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benefits in relation to patient health (significant reductions in blood sugar levels (glycated haemoglobin or HBA1c during the pilot period) as well as efficiencies (50 hours clinical time saved per week). There were also benefits for individuals such as the person who is deaf for whom a signer is needed for appointments - the texting enabled her to communicate easily, and the person with learning disabilities who was able to text in her blood glucose levels and as a result avoided hospital admission through the daily text contact.

4 Next Steps

It will be vital to involve key service leaders across social care and health as well as the Housing Service in developing an understanding of what assistive technology can offer in terms of improved outcomes for individuals and improved use of the resources available.

In order to spread awareness and identify assistive technology champions who are keen to take a leadership role in developing Thurrock's assistive technology strategy, a range of activities will be required including workshops for staff and other stakeholders, visits to good practice sites, engagement with assistive technology suppliers and the setting up of a steering group. Organisational considerations including the role of 'Thurrock First' and Careline will need to be part of the remit of the steering group – so that all key services are able to play their full role in shaping the delivery of assistive technology.

The following steps now need to be taken:
- Establishing a steering group to deliver the second phase of this project. The remit of the steering group will be to assess the strategic options for deploying assistive technology (telecare and telehealth) including the following considerations:
- DeterminingThe 'strategic fit' between Careline, Thurrock First and the Rapid Reablement Service and the wider deployment of preventative assistive technology
- Linking the next phase to the Connected Thurrock strategy.
- Exploring opportunities to integrate the service with similar NHS provision
- Determining the longer term viability of retaining an in-house Careline service

Initial actions of the steering group will include:
- o Organise a visit to good practice sites to review their approach.
- o Organise a workshop to facilitate greater awareness of the benefits of assistive technology
- o Establish small-scale telehealth and telecare learning studies
- o Evaluate the learning studies and make recommendations about the future deployment of these approaches

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| 5 April 2017 | **ITEM: 23** |
| | (decision 01104428) |

Cabinet

Key Worker Housing Scheme

| **Wards and communities affected:** | **Key Decision:** |
| All | Key |

Report of:

Councillor Rob Gledhill Leader of the Council and Cabinet Member for Housing

Councillor James Halden, Cabinet Member for Education and Health

Accountable Head of Service:

John Knight, Head of Housing

Accountable Director:

Roger Harris, Corporate Director of Adults, Housing and Health

This report is Public

Executive Summary

The Council has experienced difficulties in recruiting staff to key roles in the borough including teachers and social workers. In additional the NHS locally has faced similar difficulties in recruiting to front line positions especially nursing staff.

The Council is determined to show leadership to help shape the local skills market and it is acknowledged that money alone is not enough to support key skills in local public service roles.

In order to meet the demand the Council and NHS have been recruiting outside the borough and the UK. In a highly competitive market it is essential that Thurrock can offer incentives to work in the borough. One of the issues facing workers is housing, particularly in the first year for those who do not live in the borough or country.

This report outlines a pilot scheme which provides shared accommodation during the first year of employment for key workers. The proposal was discussed at Housing Scrutiny Committee on 21st March and fully supported.

1.   **Recommendation(s)**

1.1   **That Cabinet agree to the proposal to assist key workers from outside the borough with shared accommodation, during their first year of employment.**

2. Introduction and Background

2.1 It has been identified that a number of working roles within Thurrock are difficult to recruit to; these include teachers, social workers and NHS staff (especially nurses).

There is no universal definition of a 'key worker' however the term is generally accepted to include teachers, social workers, nurses and other public sector workers.

2.2. In order to fill vacant posts the Council and NHS has undertaken a number of recruitment drives both nationally and abroad. These include recruitment fairs across the country and most recently in Spain, Ireland and Australia.

2.3 Two of the key issues obstructing recruitment are:

- Wage levels - Thurrock's close proximity to London provides easy access to London jobs with weighting allowances. Commuters benefit from lower accommodation costs(compared to London) in return for a 20 minute train journey into Fenchurch Street;

- Housing costs - although lower than London, Thurrock housing prices have substantially increased in the past three years. Thurrock is now the most expensive place across the Thames Gateway Sub region[1] to rent a property, at £161 per week for a 1 bed. This represents an increase of £29 per week compared to three years ago.

2.4 Recruits from abroad face extra challenges:

- They may have no experience of living abroad or renting in a foreign country
- They may have no family, friends or other contacts in the UK
- They may have difficulty in securing accommodation from a distance

2.5 Recruits are unlikely to be in a position to purchase a property since, for many this will be their first job. Incentive payments are provided to social workers but these are not generally counted in any assessment for mortgage purposes.

2.6 Non-UK recruits will experience difficulties in arranging shared accommodation unless there are options to link in with other potential sharers.

2.7 To meet these challenges, and to offer an attractive incentive, the option of providing shared accommodation during the first year of employment has

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[1] Basildon, Southend, Thurrock, Castle Point and Rochford local authorities

been considered. Such an incentive may improve recruitment and retention rates for key workers.

3.   Issues, Options and Analysis of Options

3.1   Options within Essex

3.1.1 Southend Council do offer some priority to key workers for empty high rise flats but this has not proved a popular option and the take up has been very minimal – only one allocation to date

None of the other local authorities in our sub region[2] are successfully operating a key worker housing scheme:

3.1.2 Swan Housing association operates three schemes in Essex, which are primarily for NHS staff and are based near to the local hospitals, but where there is insufficient demand, the properties are made available for other key workers. Properties are let on a minimum term of 6 months as assured shorthold tenancies; they are all fully furnished and within walking distance of the local hospitals.

The local general hospital for Thurrock is in Basildon and there are a number of other more specialised units within the borough. However, none of the Swan schemes are near to these hospitals.

3.1.3. In Thurrock, William Edwards School have been offering accommodation to teachers via their School House for the past 5 years; the house has 6 bedrooms and is usually full to capacity although at present they have 2 vacancies. Accommodation is initially offered to William Edwards's staff but has been offered to other local schools when there has been capacity. Rent is calculated at the market rate based on the property value and includes Council Tax, electricity and repairs. There is a flexible approach to renting the rooms; usually each room is rented on a 6 month tenancy agreement which can be extended where appropriate, however, free accommodation for a fixed period of time has been offered in the past as part of a recruitment package. When there is capacity they have also allowed teachers to rent a room when in transition i.e. in process of moving from one accommodation to another. The scheme has been very successful and if possible they would like to extend the scheme further

3.2   Council owned accommodation

3.2.1 Thurrock Council stock consists of around 10,000 properties which must be allocated in line with its allocations policy.

3.2.2 The policy requires that applicants meet the local connection criteria of 5 years with the borough before a property can be allocated to them – either

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[2] Sub region – Basildon, Southend, Rochford and Castle Point

through residence, employment or family members. This would exclude key workers who live out of borough or who have only recently moved here.

3.2.3   Council tenancies can only be issued to applicants from abroad if they have recourse to public funds. This would therefore exclude non UK applicants unless they were from the European Union exercising their treaty rights.

3.2.4   The Council has a waiting list of over 7,000 applicants, many with competing housing needs including homelessness, medical needs and overcrowding.

3.2.5   The policy does not give a priority banding for key workers but does give an advantage to working households whereby 15% of all lettings are made available for households with a working member.

3.2.6   Where key workers meet the criteria for Council housing they may apply but it may be many years before they are housed so this option is unlikely to prove suitable in most cases.

3.3   Shared accommodation

3.3.1   Single staff, particularly those moving into the area from other parts of the UK or abroad, could be offered shared accommodation. This would be in the form of a single room within a shared house with 2 or 3 other recruits.

Benefits to keyworkers include

- Lower rent and deposit for keyworkers to find since the costs are divided amongst the 3 or 4 sharers
- Immediate contact with other recruits facing similar circumstances – this is particularly helpful to recruits who don't have local connections

3.3.2   Lettings would be via a fixed term agreement for a one year period – which could be extended for special circumstances

Properties would be offered at market rent rates, to key workers new to the area. The average rent for a 3 bed house in Grays is £1227 per month[3]. This equates to £94 per person per week in comparison to the average £161 noted above.

The council would assume responsibility for paying the rent and keyworkers would be expected to pay the Council – this can be arranged via a direct payment from the employee's salary with their consent.

_____

[3] Average price for Grays in March 2017 – Home.co.uk

At the end of the tenancy it is anticipated that workers would find their own accommodation and the places would be offered to new key workers for the following 12 months.

3.4 **Our Plan :**

It is intended that the Council would initially rent 8 x 4 bedroom properties providing 32 spaces for key workers and then as the scheme develops, more properties would be procured.

Initial discussions with Public Health, NELFT, Adult and Children's Social Care indicate that up to 200 spaces (50 properties) could be required over the next three years – this is broken down as follows:

75 - Teachers
10 - Occupational therapists
15 - Social workers
90 – Nurses and physiotherapists

The properties could be procured by the Housing department through a number of routes:

3.4.1. The development at St Chads Road, Tilbury

The St Chad's development in St Chad's Road Tilbury is due to be completed by August 2017 and will be rented out on the open market.

This provides an opportunity for the council to acquire 3 and 4 bedroom properties on a shared occupancy basis for one year.

Since the properties would be brand new, there is an added benefit of reduced maintenance costs and the attraction of a new property.

It is envisaged that the majority of properties would be procured through this route

3.4.2. Private sector leasing

The Council could also lease a number of suitable 3/4 bedroom properties from the private sector using general funds. With the owner's permission, the properties could be sublet to recruits.

The Council would expect to lease the property for at least 5 years at below market rents, but would be responsible for minor repairs, decorating etc.

3.4.3 Right Size

Right Size is a new scheme due to be piloted by the Council and targeted at owner occupiers over the age of 60 who would like to down size into smaller more appropriate accommodation that better meets their needs. Initially the scheme was aimed at procuring properties for homeless households but some owner occupiers may be only willing to let to professionals.

The council could lease the properties for a fixed period of 5 years, and subsequently rent to key workers for a fixed period of 1 year at a time. The council would maintain the inside of the building – decorating and minor repairs, but the property owner will remain responsible for all structural repairs. The cost of repairs would be accounted for within the rent along with any other service charges.

3.5 Criteria for allocation

Properties would be allocated to key workers who meet the following criteria

- Single newly qualified or junior front line staff
- Recruited to work within Thurrock on a new permanent contract
- Employed by the NHS or Thurrock Council
- Unable to reasonably access their own accommodation

Applicants would need to be approved by a Director or CEO for their organisation by an agreed eligibility criteria and would be reassessed at the point of offer by the housing team to ensure that they still qualify

4.   Reasons for Recommendation

4.1   The Council recognises that staff shortages in key areas are having an impact on service delivery. A key worker housing initiative such as this will address part of this problem and potentially reduce the use of expensive agency staff.

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

No consultation is required apart from Housing Scrutiny who approved the proposals at their meeting on 21st March.

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

6.1   Improved recruitment opportunities will enable the Council to meet its priorities to

- Create a great place for learning and opportunity
- Encourage and promote job creation and economic prosperity

7.   Implications

7.1   **Financial**

Implications verified by: **Julie Curtis**

HRA and Development Accountant

Funding for the initial cost of leases will be required but this will only apply to private rentals and would be fully recouped through rental charges to key workers

When an employee leaves the service the charge would end; if this is prior to the end of the fixed term the Council will need to find an alternative tenant in order to mitigate any financial impact.

7.2   **Legal**

Implications verified by: **Martin Hall**

Housing Solicitor / Team leader

As a landlord the Council may only grant introductory or secure tenancy agreements. It cannot enter in to assured shorthold tenancy agreements.

The provision of short term accommodation under a different tenancy arrangement would have to be through other providers where the Council is not the landlord.

7.3   **Diversity and Equality**

Implications verified by: **Natalie Warren**

Community Development & Equalities Manager

The purpose of the provision is to provide an advantage for key workers and therefore this will positively discriminate this group of people.

This is mitigated by the need for the Council to meet its statutory obligations to provide educational, social care and health services to the borough and the inability to do so without the positive discrimination described.

The group itself may cover a diverse group of people in terms of age, disability, gender and sexual orientation.

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

The provision should have a positive impact on the Councils ability to recruit suitable staff for vacant posts within the borough

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):

  - None

9. **Appendices to the report**

  - None

Report Authors:

Dawn Shepherd

Housing Strategy & Quality manager

| 5 April 2017 | **ITEM: 24** |
| | **(Decision 01104429)** |

Cabinet

Oracle DBA Support, Hosting Services and Technical Support and Maintenance

| **Wards and communities affected:** | **Key Decision:** |
| All | Key |

Report of:

Councillor Shane Hebb, Cabinet Member for Finance and Legal Services

Accountable Head of Service:

Murray James, Operational Service Lead, ICT

Accountable Director:

Sean Clark, Director for Finance and IT

This report is Public

Executive Summary

The Council's Oracle E-Business Suite is currently hosted by Oracle on Demand (which is a cloud based solution) with technical support and software updates also being supplied by Oracle under a separate contract.

There are in excess of 2,000 users of Oracle, who use it on a self-serve basis for general financial management, human resources, payroll, and procurement. Oracle provides Hosting and Database Administration (DBA) support at an annual cost to the council of £316,540, with Technical Support and Software Maintenance provided at an annual cost of £223,995.

The Hosting contract was originally agreed in 2011 and was renewed in 2016 for a further period of 4 years and has a total whole life value of £1,266,161.

The Technical Support contract was agreed in 2011 and is perpetual so is renewed automatically every year.

The ICT service has conducted a review of supplier contracts and it is believed that an opportunity exists to reduce the overall annual running costs of Oracle by re-tendering both the hosting and support contracts. Informal market testing indicates that this could be reduced by up to 50%.

Tender specifications for both hosting and support have been drawn up which will see the implementation of a solution that will move hosting and support away from Oracle to an established third party accredited Oracle partner(s). The new provider(s) will be required to host, provide DBA Support, Technical Support and Software updates to the Council in the same way that Oracle would but for a reduced sum, for the next 2 years with the option to extend the contract for a further 2 years.

The tender will be run as two lots - one for DBA Support and Hosting Services and another for Technical Support and Software Updates. This will ensure a better commercial response than if tendering as just one lot.

1.   Recommendation(s)

That Cabinet:

1.1   Agree and support the proposal to commission a tender exercise in accordance with EU procedures for the supply of Oracle DBA Support, Hosting Services, Technical Support and Software Maintenance for a period of 2 years with the option to extend the contract by a further 2 years; and

1.2   Approves delegation to the Director of Finance and IT to enter into and award the necessary contracts following the procurement process, in consultation with the Portfolio Holder for Finance and Legal.

2.   Introduction and Background

2.1   The contract for this Hosting and DBA support was signed in 2016 (as part of the Serco transition) and will expire in 2020. The contract for Technical Support and Maintenance is currently renewed on an annual basis. At the time of the transition timescales did not allow the Council to review the hosting arrangements following the termination of the Strategic Services Partnership, therefore the contract had to be transferred 'as-is' to the Council in order to enable its continued use of Oracle.

2.2   The Council's ongoing budgetary pressures have led to a review of supplier hosting and support agreements and as a result an opportunity has been identified to reduce the cost of this service.

2.3   There are now many companies who provide these services. Initial market testing has been carried out and it is estimated that the current cost of these contracts to the Council can be reduced by up to 50%.

3.   Issues, Options and Analysis of Options

3.1   A number of options have been considered, including both on premises hosting and support sourced from other providers. For hosting and DBA services and for technical support and software updates the only viable

options available to the Council are either to remain with Oracle or to seek an accredited external provider.

3.2 Hosting Oracle within the Council's existing on premises data centre has been investigated but discounted as not cost affective. Similarly, providing in-house technical support and software updates of Oracle is not an option due to the high level of technical knowledge required to administer the system which would be difficult to recruit and retain to guarantee the safe and continuous operation of the system.

3.3 In the light of this it is proposed to proceed with a re-tender exercise on a like for like basis albeit with a different provider retaining the same level of service provision. Tender specifications for technical support / software maintenance and hosting / DBA support have been developed and are attached to this report as appendices A and B respectively.

Anticipated savings profile

3.4 The successful migration away from Oracle to another provider will incur a number of costs in year one which are estimated as £80,000 with an additional £39,264 in exit costs for the current contract. The table below is based on a conservative savings estimate of 30% and are predicated on the results of the tender, indications are that 50% savings are potentially achievable.

Revenue

	Year 1	Year 2	Year 3	Total
Current Support & Maintenance costs	£223,995	£223,995	£223,995	£ 671,985
Current Hosting Costs	£316,540	£316,540	£316,540	£ 949,620
Total current	**£540,535**	**£540,535**	**£540,535**	**£1,621,605**
Assumed 30 % Saving Value	£378,375	378,375	£378,375	£1,135,125
Less Contract Exit Costs	£ 39,264	£0	£0	£39,264
Anticipated Realisable Saving	**£122,896**	**£162,160**	**£162,160**	**£ 447,216**

Capital

	Year 1	Year 2	Year 3	Total
Migration Costs	£80,000	£0	£0	£80,000

4.   Reasons for Recommendation

4.1 Re-tendering the contracts is the most likely way to achieve savings in the cost of the supply of these activities. The tender specification criteria have been designed to ensure that the quality of the end product matches the level

that is provided through the existing arrangements whilst putting an emphasis in the evaluation criteria to achieve a significant cost saving – i.e. a same for less approach.

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

5.1 Key executive stakeholders have been consulted with respect to this proposal and are supportive of the intent.

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

6.1 The delivery of corporate priorities is dependent on an efficient and cost effective ICT platform. Oracle is an essential part of this platform that touches all of the Council's employees and most business applications. It is imperative that Oracle is operated compliantly and moving to an accredited Oracle partner will still enable this whilst at the same realising savings to enable a focus on front line services.

7. Implications

7.1 **Financial**

Implications verified by: **Jonathan Wilson**

Chief Accountant, Corporate Finance

These contracts are within the agreed budget and it is anticipated that any re-procurement will result in significant savings.

7.2 **Legal**

Implications verified by: **Kevin Molloy**

Contracts Solicitor

This report is seeking approval from Cabinet to tender the contracts noted in the report. The proposed procurements being considered are estimated at above EU thresholds for such contracts for services. This means that there is a legal requirement to competitively tender the contracts via the Official Journal of the European Union (OJEU) or to procure using an EU compliant framework agreement. Legal Services note that the tenders will either be conducted in accordance with the Public Contract Regulations 2015 (the 'Regulations') or procured using an EU compliant framework.

Taking the above into account, on the basis of the information in this report, the proposed procurement strategy should comply with the Regulations and the Council's Contract Rules.

7.3 **Diversity and Equality**

Implications verified by: **Rebecca Price**

Community Development Officer

There are no direct diversity and equality implications of this proposal

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

Oracle is an essential system that plays a key role in the Council's day to day business operations. It is important that it is correctly maintained, supported and hosted. Moving the hosting and support of this system away from Oracle to an accredited Oracle partner is an acceptable risk given the magnitude of cashable savings that could be achieved.

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):

- ED2 - Serco Limited - Transfer of Oracle Hosting Agreement under SSPA Termination

9. **Appendices to the report**

- Appendix 1 - Tender specification for Oracle Technical Support and Software Maintenance
- Appendix 2 - Tender specification for Oracle DBA Support and Hosting

Report Author:

Chris Stephenson

Service Delivery Manager – Change & Implementation

Paul Wonnacott

Senior Technology Consultant – Oracle

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Oracle Technical Support

And

Software Maintenance

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1. Purpose of this Specification

This document aims to provide the technical and operational outline of the Services.

2. Working with the Council

The Supplier shall deliver the Services specified in this Specification with the Council in a way that embodies the spirit of the partnership.

The Council's Authorised Officer shall provide the overall client management element of the Contract and day-to-day administration in terms of instruction, variation and data collection.

2.1. Reporting and Performance Management

2.1.1. Record and Report Management

The Supplier shall provide and maintain the following records and reports (as amended in the Council's complete discretion from time-to-time):

- A detailed list and statistical data of fault/support calls logged.
- Response times for each call measured against SLA timeframe.
- Resolution times for each call measured against SLA timeframe.
- Reasons if applicable for SLA failure.
- The Supplier shall provide access to a real time reporting portal for incidents which shall be able to be accessed by the Council.
- Supplier Procedures - Instructions for the Council pertaining to fault reporting and escalation procedures.
- Training – User Guides for the Council's staff relating to the use of the implemented solution as appropriate and agreed with the client.

2.1.2. Performance Management

The Supplier shall attend Contract Management meetings at the Council's premises which will take place at regular intervals, but in any case at a minimum of monthly during the implementation phase (first three months) and quarterly thereafter. These frequencies are subject to change at Council's complete discretion.

2.1.3. Key Performance Indicators

The Supplier shall report data to evidence their performance against the Key Performance Indicators set out in Appendix 2. Reports must be submitted to the Council's Authorised Officer according to the schedule as set out in the "Reporting Frequency" column.

The Council will monitor the performance against and the relevance of, the Key Performance Indicators on an ongoing basis and agree with the Supplier any revisions of these in advance of the commencement of each contractual year.

2.1.4. Data Collection

Additionally, the Contractor shall provide data as requested by the Council's Authorised Officer which will evidence further performance of service delivery. This data may not initially have a target figure, but may form part of the discussions and amendments to the list of Key Performance Indicators.

2.2. Suppliers Quality Assurance

The Supplier shall maintain a robust quality management system that they will use for internal monitoring to ensure that Services are delivered in accordance with this Specification.

2.3. Social Value

The Council is fully committed to implementing the aims of the Social Value Act 2012 and through this procurement, how the economic, social and environmental wellbeing of Thurrock could be improved both during the process and on an ongoing basis.

To this end, the Contractor will implement a range of initiatives to achieve the relevant improvements to include, but not limited to:

- Local employment, training and apprenticeships, creation of volunteer opportunities.
- Environmental sustainability – use of products, working practices and encouraging recycling.
- Commitment to Living Wage.

3. Modules

The Council currently are currently licenced to use Oracle E-Business Suite (EBS) and Oracle Business Intelligence Enterprise Edition (OBIEE) systems on a self-serve basis for the following Programmes:

- Human Resources
- Payroll
- HR Self Service
- iExpenses
- Procurement
- Purchasing
- iSupplier
- Payables
- Receivables
- Cash Management
- General Ledger
- Oracle Business Intelligence Enterprise Edition
- Asset Lifecycle Management
- Service

4. Overall Requirements, Key Objectives and Scope of Work

4.1. Service Overview

The services include full technical support and software maintenance for Oracle EBS, which include the provision of software patches for fixing issues or providing legislative updates to the software.

It is intended that this will include all items currently provided by Oracle under their Licence Support agreements

- The Supplier must perform the Services in accordance with the Service Level Agreement set out in [update with bidder response] of this Specification.
- Support must be available from 8am to 6pm GMT every working day of the year, with 24 hours a day 7 days a week support for major events.
- A major event is defined as an issue which stops the council performing essential activities
  Examples of this are
  Complete loss of service, where the Council are unable to access the solution at all.
  Not being able to pay employee salaries to meet payroll deadlines
- The contractor shall provide access to an online service request management tool for the tracking reporting and communication of incidents. Live user access and licences shall be provided to the Council in order to access this tool.

4.2. **Non-Functional Requirements**

Suppliers will be expected to meet the Council's key requirement as shown below:

- Provide an account manager to manage the ongoing Support and Maintenance Services.
- Notify the Council, as soon as practicable, about new technology and software, including, but not limited to any patches, software or firmware updates to ensure system optimisation and compatibility.

4.3. **Functional Requirements**

4.3.1. **General**

- The provider must:

  - Follow a clear path to transition from Oracle to the new service.
  - Follow excellent information and security standards and practices and be ISO27001 accredited.
  - Follow a robust business continuity and disaster recovery policy to ensure continuity of supply of the Oracle support and maintenance service, planning for various types of disaster.
  - Proactively monitor legislative changes, and create software updates within set deadlines.
  - Provide mandatory and emergency patching support at the direction of the Council or representatives.
  - All patches provided must be approved by the Council before requesting they be installed in any environment.
  - Support must be available from 8am to 6pm GMT every working day of the year, with 24 hours a day 7 days a week support for major events.
  - Review the IT infrastructure including any system architecture diagrams, including the Production instance and all supporting instances, and all interfaces to and from other systems.
  - Run tools to retrieve the system configuration and confirm where the system has been customised.
  - Review the Oracle modules currently in use by the council to ensure they have a full understanding of the Councils suite of Oracle products.
  - An Audit and Review the Councils Oracle licenses to understand these and how they have been deployed.
  - Maintain inventory of Oracle licenses.
  - Discuss any plans for, IT hardware refreshes, IT software upgrades and modules that are not used or which are to be retired.
  - Prepare and share monthly reports with the Council, the full content of the monthly reports shall be agreed by the parties upon commencement of the Contract.

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  o Conduct On-site quarterly meeting between the Account Manager and Thurrock
     Delivery Manager.

4.3.2. Support

- The provider must:
  o Review any open incidents currently with Oracle and transfer them to the new
     support desk and solve as required.
  o Solve issues which we are unable to solve ourselves in the same way that Oracle
     would.
  o Provide an online customer portal so that customers can track progress on any
     incident, which must include a management information dashboard.
  o Adhere to the agreed Service Level Agreement for all incidents.
  o Support to be available 8am to 6pm GMT every working day of year with
     exceptional 24 X 7 supports for major events.
  o Support the Council to fully test any solutions or upgrades in development
     environments through to the production environment.
  o Proactively monitor the Oracle E-Business Suite health and advise on Critical Patch
     Updates as required.

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4.3.3. Maintenance

- The Provider must:
    - o Create an archive of all patches available for our product prior to go live, so that if they are available if required after transition.
    - o Work with the Council to use our internal change control system when making changes to our system.
    - o Obtain the Councils approval before applying changes to production environment, following and clear and agreed promotion path.
    - o Provide software upgrades where changes to the software are required to bring it in line with new or changed legislation, ensuring that they are fully tested and applied to the production in time to meet any statutory deadlines.
    - o Provide mandatory and emergency patching support as required.
    - o Provide software patches to improve the functionality of Oracle as appropriate.
    - o Work with our DBA support provider to migrate any change requests and related solutions based on the associated installation specification.
    - o All patches must be approved by the Council before application in all environments.
    - o Software enhancements and patches must be developed in line with standard industry "best practice". This should include the creation of Functional and Technical specifications (MD050 and MD070 or their equivalents) and clearly identify any changes made in the code using comments and version control.

4.4. Project Implementation Stages

Post award, the new agreement will cover the following key implementation stages to be carried out by the successful supplier:

- Review the IT infrastructure including any system architecture diagrams, including the Production instance and all supporting instances, and all interfaces to and from other systems.
- Run tools to retrieve the system configuration and confirm where the system has been customised.
- Review the Councils Oracle licenses to understand these and how they have been deployed.
- Review the Oracle modules currently in use by the council to ensure they have a full understanding of the Councils suite of Oracle products.
- Review any open incidents currently with Oracle and transfer them to the new support desk.
- Provide a roadmap for updating the software for any known legislative changes which are soon to be required.
- Assist the Council in any steps required to transition from Oracle support to the new support service.
- Provide access to an online service support portal for Council employees or partners as agreed prior to go-live.
- Transition to a business as usual state

4.5. Third-party Sub-contracting

Should the Supplier elect to utilise sub-contractors, this must be done in accordance with the Contract and will not be at the degradation of service responsiveness and performance, or performance against the Service Level Agreement. The Supplier will remain solely responsible for providing a single-point-of-contact for all support issues whether they are for software or hardware, supplied direct or via a third-party. The Supplier will be held responsible for all failures in performance or liabilities as a result of a third-party's actions or inactions in accordance with the Contract.

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4.6. Service/Support and SLAs

4.6.1. Hours Required

The Council requires support to be available from 08:00 to 18:00 Monday to Friday (excluding Public Holidays), and exceptional 24 hours a day 7 days a week support for major events. Suppliers should confirm their ability to cover these hours and highlight any areas of concern. Suppliers should also provide their standard helpdesk hours, together with numbers of appropriate qualified and experienced staff.

4.6.2. Patch Provision

The Supplier shall provide the following Periodic Maintenance/Patching Services:

Interval	Services
Ad Hoc	As requested
Weekly	Mandatory and emergency patching.
Monthly	Mandatory and emergency patching and content updates
Quarterly	Critical Patch Updates.
Bi-Annual	Technology Stack Updates. Applications patch sets that do not affect functionality. Assessment Recommendations, Recommended Patch Collections.
Annual	End of year Payroll and Roll Up Patches
Every 12 -18 Months	Minor Releases. Patch Set Updates Recommendations.

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Fault response time will commence when the call has been logged to the Supplier either by email, telephone, remote monitoring or portal.

The Supplier shall perform the Services in accordance with the following response and resolution times:

Each incident raised will be allocated an Impact (High, Medium or Low) and Urgency (High, Medium or Low).

These priorities are agreed with the person raising the issue;

As a guide the definitions of the incident impact and urgency categories are:

Impact

Category	Description
High (H)	• A large number of users are affected and/or not able to do their job. • The financial impact of the Incident is (for example) likely to exceed £10,000. • The damage to the reputation of the Council is likely to be high
Medium (M)	• A moderate number of users are affected and/or not able to do their job properly. • The financial impact of the Incident is (for example) likely to exceed 1,000 but will not be more than £10,000. • The damage to the reputation of the Council is likely to be moderate.
Low (L)	• A minimal number of users are affected and/or able to deliver an acceptable service but this requires extra effort. • The financial impact of the Incident is (for example) likely to be less than £1,000. • The damage to the reputation of the Council is likely to be minimal.

Urgency

Category	Description
High	• The damage caused by the Incident increases rapidly. • Work that cannot be completed by staff is highly time sensitive. • A minor Incident can be prevented from becoming a major Incident by acting immediately. • Several essential users are affected.
Medium	• The damage caused by the Incident increases considerably over time. • A single essential users are affected
Low	• The damage caused by the Incident only marginally increases over time. • Work that cannot be completed by staff is not time sensitive.

The combination of Impact and Urgency defines the Priority as follows:

Impact	Urgency	Priority
High	High	1
High	Medium	2
Medium	High	2
Medium	Medium	3
Medium	Low	4
Low	Medium	4
Low	Low	5

The response and resolution times for incidents and patching are as follows:

Priority	Target Response Time	Target Resolution Time
1	15 Minutes	2 Hours
2	1 Hour	4 Hours
3	4 Hours	8 Hours
4	8 Hours	16 Hours
5	3 Days	5 Days

4.6.4. Supplier Escalation Procedures

Suppliers shall provide the Services according to the escalation procedures as submitted in the Supplier's tender response.

4.6.5. Reporting

Suppliers should be able to provide the Council with regular performance reports. Information should include, but not be limited to:

- A detailed list of fault/support calls logged.
- Response times for each call measured against SLA timeframe.
- Resolution times for each call measured against SLA timeframe.
- Reasons if applicable for SLA failure.

The Supplier must be able to commit to providing these reports on a monthly basis and presenting them at a quarterly service meeting.

4.6.6. Service Credits

Suppliers shall provide the Council with rebates and service credits in accordance with the Supplier's tender response.

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The Council is seeking a Supplier who will provide a consistent, structured Account Management approach. The Supplier should provide one Account Manager (and one deputy) as the sole point of contact for the contract. The Council envisage his/her duties would be:

- Act as first point of contact for all enquiries and issues.
- Respond to sales enquiries and review support arrangements.
- Manage any potential future developments, variations or changes.
- Attend required meetings with the Council.

5. Service Charge Pricing

As submitted in the Supplier tender response.

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Appendix 2 - Key Performance Indicators

Key Performance

Category	Detail	Performance Measure	Target	Reporting Frequency
Account Management Availability		No. of times Account Manager or line management cover has been unavailable/not responded within agreed timescale. If unavailable, the Account Manager should respond to the Council within 1 hour of receiving a telephone call/email requesting assistance.	100%	Quarterly
Support	Resolution of services requests within agreed SLA criteria	Percentage of service requests resolved within SLA	97%	Monthly
Support	Average time from call incident being logged to resolution of fault.	Average time between the occurrence of an incident and its resolution	80% (subject to further discussion) i.e. Priority 1 is 4 hours, average resolution 3 hours 12 minutes.	Monthly
Patching	Production of patches when required	All patches provided for application to environments for the Council ICT to test supported by Supplier	97%	Quarterly

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2.1. Reporting and Performance Management

2.1.1. Record and Report Management

The Supplier shall provide and maintain the following records and reports (as amended in the Council's complete discretion from time-to-time):

- A detailed list and statistical data of fault/support calls logged.
- Response times for each call measured against SLA timeframe.
- Resolution times for each call measured against SLA timeframe.
- Reasons if applicable for SLA failure.
- The Supplier shall provide access to a real time performance reporting portal which shall be updated bi-weekly and able to be accessed by the Council.
- Inventories - Information for all hardware and software covered under the Contract with the Council; to include but not be limited to, model and serial number, location.
- Supplier Procedures - Instructions for the Council pertaining to fault reporting and escalation procedures.
- Training – User Guides for the Council's staff relating to the use of the implemented solution as appropriate and agreed with the client.

2.1.2. Performance Management

The Supplier shall attend Contract Management meetings at the Council's premises which will take place at regular intervals, but in any case at a minimum of monthly during the implementation phase (first three months) and quarterly thereafter. These frequencies are subject to change at Council's complete discretion.

2.1.3. Key Performance Indicators

The Supplier shall report data to evidence their performance against the Key Performance Indicators set out in Appendix 2. Reports must be submitted to the Council's Authorised Officer according to the schedule as set out in the "Reporting Frequency" column.

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The Council will monitor the performance against and the relevance of, the Key Performance Indicators on an ongoing basis and agree with the Supplier any revisions of these in advance of the commencement of each contractual year.

2.1.4. Data Collection

Additionally, the Supplier shall provide data as requested by the Council's Authorised Officer which will evidence further performance of the Services. This data may not initially have a target figure, but may form part of the discussions and amendments to the list of Key Performance Indicators or otherwise.

2.2. Supplier's Quality Assurance

The Supplier shall maintain a robust quality management system that they will use for internal monitoring to ensure that Services are delivered in accordance with this Specification.

2.3. Social Value

As part of delivering the Services, the Supplier shall (where appropriate) implement a range of initiatives to achieve the following Social Value outcomes, including, but not limited to:

- Local employment, training and apprenticeships, creation of volunteer opportunities.
- Environmental sustainability – use of products, working practices and encouraging recycling.
- Commitment to Living Wage.

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3. Systems

The following systems are within scope for delivery of the Services:

3.1.1. E-Business Suite

Release	Usage
E-Business Suite 12.1.3	Production
E-Business Suite 12.1.3	Production Support (Pre-Production)
E-Business Suite 12.1.3	Non Production Test
E-Business Suite 12.1.3	Development
E-Business Suite 12.1.3	Production-DR

3.1.2. OBIEE

Release	Usage
12.1.0.2/11.1.1.7	Production
12.1.0.2/11.1.1.7	Development
12.1.0.2/11.1.1.7	Production-DR

3.1.3. System information

E-Business Suite Apps Release 12.1.3
DB Version 11.1.0.7

Usage	Services
Production	DB
Production	Web/Forms/Admin/CCR/Disco10g
Production	Web/Admin (DMZ)
Production Support (Pre-Production) and Development	DB
Production Support (Pre-Production) and Development	Web/Forms/Admin/CCR/Disco10g
Production Support (Pre-Production) and Development	Web/Admin (DMZ)
Non Production Test	DB
Business UAT	Web/Forms/Admin/CCR/Disco10g

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OBIEE Apps Release 12.1.0.2

DB Version 11.1.1.7

Usage	Services
Production and Test	DB
Production and Test	Middle Tier (MT), OBIEE 12.1.0.2, OHS, Informatica Power Centre and DAC Server
Production and Test	BI Client, Informatica Client, DAC client

- Estimated current Database size for each EBS 12.1.3 environment is 550GB with a growth estimate of 120G per year.
- Estimated current Database size for each OBIEE is 380G with a growth estimate of 60G in year one. There is a potential for the Council to develop OBIEE to manage and report beyond the usual EBS data so the size of the database shall be reviewed on an annual basis. Any growth in database capacity will be charged in accordance with the pricing schedule in [update with bidder response].

4. Key Requirements and Objectives

4.1. Services Overview

- The Services are separated into three (3) main areas:
    1. DBA Support Services (including back-up and disaster recovery);
    2. Hosting Services; and
    3. Migration Services (of full EBA and OBIEE system from OMCS).

    Collectively referred to as 'Services' throughout this specification, or individually as required.
- The Migration Services will be fixed price in accordance with the pricing schedule set out in [update with bidder response] and should take no longer than the time specified in the ITT
- The Hosting Services must be located within the boundaries of the GB / EU region.
- The Supplier must perform the Services in accordance with the Service Level Agreement set out in [update with bidder response] of this Specification.
- The Supplier shall maintain and provide the Council with access to an online Service Request Management tool for the tracking reporting and communication of incidents. The Supplier must provide Live User Access Licences in order for the Council to access this tool.
- The Supplier must provide and ensure 24 hours a day 7 days a week Oracle EBS Service availability and operation.

- The Supplier shall provide DBA Support Services from 8am to 6pm GMT every working day of year with exceptional 24 hours a day 7 days a week support for Major Events.
    A major event is defined as an issue which stops the council performing essential activities
    Examples of this are:
    Complete loss of service, where the Council are unable to access the solution at all.
    Not being able to pay employee salaries to meet payroll deadlines

4.2. Non-Functional Requirements

As part of delivering the Services the Supplier must provide the following Non-Functional Requirements:

- Provide a Project Manager for the setup of the Hosting Solution and the migration of existing EBS system.
- Provide an Account Manager to manage the ongoing DBA support Services and Hosting Services.
- Notify the Council, as soon as practicable, about new technology and software, including, but not limited to any patches, software or firmware updates to ensure system optimisation and compatibility.

4.3. Functional Requirements

4.3.1. DBA Support Services

The Supplier must provide the following functional requirements for the DBA Support Services:

- DBA support services include services provided by the supplier to implement changes to environments through the through the installation and/or configuration of:
  - o Oracle Programmes
  - o Configurations, extensions, modifications, localisations, integrations (CEMLI's) of Oracle software
  - o Third Party software
- Full DBA Support Services including: backups, monitoring and promotion of CEMLI components to production and test environments, as requested by the Council or the Council's nominated development partner.
- The DBA Support Services must be made available from 8am to 6pm GMT every working day of year with exceptional 24 hours a day X 7 days a week support for Major Events.
- Proactive DBA monitoring and alerting of the following areas, including, but not limited to:
  - o Availability;
  - o Performance; and
  - o Capacity.

- Migrate and perform any change requests and related solutions based on the associated installation specifications.
- Provide mandatory and emergency patching support at the direction of the Council.
- Patches shall be applied to various instances as requested by the Council or the Council's nominated development partner, as soon as possible, but must follow the SLA detailed in section [update with bidder response] of this document.
- All patches must be approved by the Council before being installed in any environment.
- Monitor and maintain the Oracle E-Business Suite database and application servers for the production system, test and development systems.
- Monitor all scheduled backups and check these have completed successfully and report back to the Council.
- Monitor the space available and when required, increase or decrease as needed upon approval by the Council.
- Verify size/growth for table space thresholds on all Oracle Production and Test Database servers.
- Implement and deliver proactive counter steps to maintain Oracle E-Business Suite's health and implement changes as required by the Council.

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- Proactively monitor Oracle Security Alerts and advise the Council accordingly.
- Ensure that each non-production environment is regularly refreshed, ensuring that no environment is more than three (3) months old. The Supplier shall maintain and follow an agreed annual refresh calendar set out in [update with bidder response] for all environments.
- Ensure that any cloned environment includes a sanity check for errors before releasing to end users.
- Perform planned preventative maintenance activities within normal office hours to reduce operational impact and to minimise costs.
- Update Service Requests with diagnostic tool outputs, running SQL scripts etc. as directed by Oracle or the Council's Authorised Representative.
- Apply any patches recommended by Oracle or other support provider authorised by the Council to resolve service requests.
- Monitor and capture the size of all databases & maintain growth graph of critical/large databases in the monthly service reports to be provided to the Council.
- Prepare and share monthly reports with the Council, the full content of the monthly reports shall be agreed by the parties upon commencement of the Contract.
- Maintain inventory of Oracle licenses.
- Proactively monitor Critical Patch Updates and advice on the application of these.
- Undertake regular Oracle EBS health checks as directed by the Council's Authorised Officer.
- Provide a web-based interface to enable Customer's management of the system printer queues. To include operational support for the web-based interface, use of the Tools features, and printer driver issues, configure and manage print driver settings serving the Oracle E-Business Suite Programs.

4.3.2. Backup and Restore

The Supplier shall provide system backup and restore Services in accordance with the below.

The following table identifies the frequency and types of backups, and the related retention periods.

Backup Type	Backup Requirements	
	Production	Non-Production
DB and 12.1.3, OBIEE Application Code Trees	Daily hot backups retained locally for 14 days Daily snapshot backups retained for 28 days	Daily hot backups retained locally for 7 days. Daily snapshot backups retained for 7 days
Archive Logs	Daily backups retained locally for one day and backup sets on disk for 14 days in a Fast Recovery Area (FRA). 28 Days Snapshots	Daily hot backups retained locally for one day
Operating System	Daily backups retained for 28 days	Daily backups retained for one day

- Backup 14 Days RMAN backup Retention on disk, with 28 days disk snapshots.
- Store backups for the production environments for a period of 28 days using Snapshots.
- Weekly Level 0 and daily Incremental 1 hot database backups, for Production and Non Production to disk with further snapshots taken.

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4.3.3. Disaster Recovery

The Supplier must manage and deliver a detailed disaster recovery plan for EBS and OBIEE which must include:

- Provision of one standby environment for each production environment (PTHURI and PTHUR3). Each standby environment will be functionally equivalent to the corresponding production environment.
- 2 Availability Zones (Datacentres).
- The percentage of production capacity during disaster should be 50%
- Data Centres must be located in the GB / EU region
- A Recovery Time Objective of 12 hours or less.
- A Recovery Point Objective of 4 hours or less.
- Allow services to failover Production to another Data Centre within availability zone, in the same region (i.e. GB / EU).
- Production must be able to be failed over to another Availability Zone in the event of a Data Centre failure.
- Availability Zones must be in distinct physical locations and have Low latency network connectivity between them inside the same region and be engineered to be insulated from failures from other Availability Zones.
- Each Availability Zone must run on its own physically distinct, independent infrastructure and be engineered to be highly reliable; and have independent power, cooling, network and security.
- Common points of failures like generators and cooling equipment must not be shared across Availability Zones. Additionally, they must be physically separate.
- Annual Disaster Recovery must be undertaken and failover testing shall include two test events from the hosting site and one additional annual test with the Council's end users.

4.3.4. Hosting

The Supplier must provide Cloud Hosting Services for the Councils Oracle EBS and OBIEE systems in accordance with the below:

- The Hosting solution must provide a balance of computing, memory, and network resources, more than sufficient to run the Council's Oracle EBS systems efficiently, it shall also include support for enhanced networking.
- The infrastructure should be designed to accommodate a maximum of 450 concurrent users. Concurrent usage is the number of users simultaneously logged into the environment.
- The Supplier shall mange the infrastructure in such a way that it is capable of delivering and does deliver fully functional and operational service to all users at their place of consumption in accordance of the service levels set out in this agreement.
- The Council requires that its users are able to use the applications during the core hours and to facilitate this Supplier shall ensure that the infrastructure is fully functional and operational to support the Applications during the core hours. The Supplier shall ensure any routine maintenance and/or utility processes are conducted outside these core hours.
- The supplier shall provide and maintain an anti-virus solution on the whole infrastructure
- The Suppler shall provide and operate monitoring tools to monitor the infrastructure (including monitoring load on the infrastructure through CPU, memory, disk space and storage file system utilisation.
- The supplier shall provide notification to the customer via an agreed method to for every
    - Backup Failure
    - Physical security risk and /or breach
- Full machine specifications should be as per the Supplier's tender submission and must contain:
    - OS Version
    - CPU
    - Memory
    - Disk Volume (EBS) (optimisation to be included)
    - AMI type
    - Bit Version
- The number of nodes shall be like-for-like with the Council's current footprint:
    - 1 x Production 12.1.3, 1 x Production DR, 3 x Non Production 12.1.3
    - 1 x Production OBIEE, 1 x OBIEE Production DR, 1 x OBIEE Non Production
- The Supplier must provide the Council with:
    - DMZ access for Production and Test 12.1.3
    - Full administration access to all EBS development environments for named individuals as requested by the Council.

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- o Full administration access to both production and test OBIEE databases
- o Site-to-Site VPN connectivity between the Council's Corporate Data Centre and the Hosting solution.
- o Secure access for Employee Self Service via a direct link accessible outside of the Council's network.
- o An encrypted IPSEC Tunnel to connect the Council's Corporate Network to the Cloud.
- o Continued uninterrupted access and operation of current SFTP processes and loading scripts.
- o 24 hours a day 7 days a week service availability and operation.
- o A review and report of current Oracle CPU licences to ensure sufficient for the new solution.
- The security of the hosting solution should be compliant the Government security classification of 'Official' as published in the Government security classification scheme effective from 2 April 2014.
- The supplier may access the Council's environment during the term of the contract to perform Computer and Administration services and if applicable Service options and supplemental services
- The supplier must supply a pre-configured VPN device to be installed on the Councils Internet circuit, and provide details of the standards and specification.

4.3.5. Migration

The Supplier must provide Migration Services in accordance with the Supplier's migration plan submitted during the tender process to off-board from OMCS and on-board onto the new Cloud solution.

The Supplier shall:

- Gather key facts about the current environments to set up new hosting solution ready for migration of existing EBS and OBIEE systems.
- Take inventory and review CEMLI Elements, to complete an impact assessment for the server migration, and identify changes to SFTP processes that may be required after the data centre move.
- Provide support for CEMLI defect or enhancement requests and patch impact analysis
- Review current SFTP processes to ensure continued uninterrupted access and operation of loading scripts, this review must include capability of handling multiple interface files.
- Provide details to the Council's Authorised Representative of any development freeze requirements (including relevant dates and timings) in the existing EBS system.
- Work collaboratively with the Council, Oracle and the Council's other nominated support providers to clone the existing environment to the new hosting solution.

In doing so the Supplier shall provide all things necessary (expressed or otherwise) for successful Migration Services, including, but not limited to:

- o Advising and assisting the Council of all of the steps required to facilitate a successful migration.
- o Managing the delivery of the USB media and staging in the hosting solution.
- o Providing qualified personnel (Oracle DBA's) to assist with the decommissioning of Computer and Administration Services.
- o Creating, maintaining and delivering Cloud infrastructure to meet the needs of the Council's Oracle solution as specified in the tender submission.
- o Ensuring that all Oracle software is installed and pre-requisite Oracle O/S patches are applied for acceptance of Oracle software.
- o Providing all necessary Oracle O/S accounts and interface file systems are created.
- o Providing correct file system layout.
- o Providing all Access Control Lists (ACL's), routing and security groups are created
- o Running the clone from the USB database and application backup for the 12.1.3 Production environment.
- o Installing Media for Business Intelligence and configure in the Cloud.
- o Modifying the configuration files to include the new server name, SID name, path, etc.
- o Providing the requisite non-production environments.
- o Performing post clone activities on the new hosting solution.
- o Testing the solution before release to the Council.
- o Supporting the testing of the solution by the Council's end users.
- o Delivering a full handover to the Council's ICT operational staff including training.
- o Providing backup policies and lifecycle rules.

4.4. Project Implementation Stages

The Supplier shall undertake delivery of the Services according to the following implementation stages:

- Create new hosting environment.
- Migrate existing EBS systems to new host.
- Ensure all current SFTP processes still operate.
- Set up backup processes.
- Assist and advise in UAT of new solution post migration.
- Transition to a business as usual state.

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4.5. Third-party Sub-contracting

Should the Supplier elect to utilise sub-contractors, this must be done in accordance with the Contract and will not be at the degradation of service responsiveness and performance, or performance against the Service Level Agreement. The Supplier will remain solely responsible for providing a single-point-of-contact for all support issues whether they are for software or hardware, supplied direct or via a third-party. The Supplier will be held responsible for all failures in performance or liabilities as a result of a third-party's actions or inactions in accordance with the Contract.

4.6. Service/Support and SLAs

4.6.1. Hours Required

The Supplier must ensure that the Council's Oracle system is available 24 hours a day, 7 days a week, 365 days of the year, with DBA Support Services from 08:00 to 18:00 Monday to Friday (excluding Public Holidays), with exceptional 24 hours a day 7 days a week support for Major Events. Planned Preventative Maintenance

The Supplier will monitor the Council's Oracle system to ensure consistent performance and make any adjustments required to ensure that the system is available and in a usable condition to ensure the Council can perform it essential business processes.

4.6.2. Patch Application

The Supplier shall provide the following Periodic Maintenance/Patching Services:

Interval	Services
Ad Hoc	As requested
Weekly	Mandatory and emergency patching.
Monthly	Mandatory and emergency patching and content updates
Quarterly	Critical Patch Updates.
Bi-Annual	Technology Stack Updates. Applications patch sets that do not affect functionality. Assessment Recommendations, Recommended Patch Collections.
Annual	End of year Payroll and Roll Up Patches
Every 12 -18 Months	Minor Releases. Patch Set Updates Recommendations.

4.6.3. Fault Response and Resolution Targets

Fault response time will commence when a call has been logged to the Supplier either by email, telephone, remote monitoring or portal.

The Supplier shall perform the Services in accordance with the following response and resolution times:

Each incident raised will be allocated an Impact (High, Medium or Low) and Urgency (High, Medium or Low). These priorities are agreed with the person raising the issue.

As a guide the definitions of the incident impact and urgency categories are:

Impact

Category	Description
High (H)	• A large number of users are affected and/or not able to do their job. • The financial impact of the Incident is (for example) likely to exceed £10,000. • The damage to the reputation of the Council is likely to be high
Medium (M)	• A moderate number of users are affected and/or not able to do their job properly. • The financial impact of the Incident is (for example) likely to exceed 1,000 but will not be more than £10,000. • The damage to the reputation of the Council is likely to be moderate.
Low (L)	• A minimal number of users are affected and/or able to deliver an acceptable service but this requires extra effort. • The financial impact of the Incident is (for example) likely to be less than £1,000. • The damage to the reputation of the Council is likely to be minimal.

Urgency

Category	Description
High	• The damage caused by the Incident increases rapidly. • Work that cannot be completed by staff is highly time sensitive. • A minor Incident can be prevented from becoming a major Incident by acting immediately. • Several essential users are affected.
Medium	• The damage caused by the Incident increases considerably over time. • A single essential users are affected
Low	• The damage caused by the Incident only marginally increases over time. • Work that cannot be completed by staff is not time sensitive.

The combination of Impact and Urgency defines the Priority as follows:

Impact	Urgency	Priority
High	High	1
High	Medium	2
Medium	High	2
Medium	Medium	3
Medium	Low	4
Low	Medium	4
Low	Low	5

The response and resolution times for incidents and patching are as follows:

Priority	Target Response Time	Target Resolution Time
1	15 Minutes	2 Hours
2	1 Hour	4 Hours
3	4 Hours	8 Hours
4	8 Hours	16 Hours
5	3 Days	5 Days

4.6.4. Oracle Availability to users

Oracle EBS and OBIEE shall be up for 24 hours a day, 7 days a week 365 days a year with a target of 99.5% uptime/availability.

4.6.5. Supplier Escalation Procedures

Suppliers shall provide the Services according to the escalation procedures as submitted in the Supplier's tender response.

4.6.6. Service Credits

Suppliers shall provide the Council with rebates and service credits in accordance with the Supplier's tender response.

4.7. Account Management

The Supplier shall provide a consistent and structured Account Management approach. The Supplier shall provide one Account Manager (and one deputy for contingency) as the sole point of contact for managing the Contract. The Supplier's Account Manager shall:

- Act as first point of contact for all enquiries and issues.
- Respond to sales enquiries and review support arrangements.

- Manage any potential future developments, variations or changes.
- Attend required meetings with the Council.

5. Service Charge Pricing

As submitted in the Supplier tender response.

Appendix 2 - Key Performance Indicators

Key Performance

Category	Detail	Performance Measure	Target	Reporting Frequency
Account Management Availability		No. of times Account Manager or line management cover has been unavailable/not responded within agreed timescale. If unavailable, the Account Manager shall respond to the Council within 1 hour of receiving a telephone call/email requesting assistance.	100%	Quarterly
Support	Resolution of services requests within agreed SLA criteria	Percentage of service requests resolved within SLA	97%	Monthly
Support	Average time from call incident being logged to resolution of fault.	Average time between the occurrence of an incident and its resolution	80% (subject to further discussion) i.e. Priority 1 is 4 hours, average resolution 3 hours 12 minutes.	Monthly
System Availability	Oracle EBS and OBIEE available and working for all users	Percentage of time the total service has been available.	99.5%	Monthly
Patching	Application of patches when required	All approved patches applied to environments for the Council ICT to test supported by Supplier	97%	Quarterly

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