

To: Councillor Lovelock (Chair)
Councillors Duveen, Eden, Ennis, Gavin,
Hacker, Hopper, Hoskin, Jones, Page,
Skeats, Stevens, Terry and White

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20 October 2017

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NOTICE OF MEETING - POLICY COMMITTEE - 30 OCTOBER 2017

A meeting of the Policy Committee will be held on Monday 30 October 2017 at 6.30pm in the Council Chamber, Civic Offices, Reading. The Agenda for the meeting is set out below.

Please Note - the Committee will first consider items in closed session. Members of the press and public will be asked to leave the Chamber for a few minutes.

ITEMS FOR CONSIDERATION IN CLOSED SESSION

The following motion will be moved by the Chair:

"That, pursuant to Section 100A of the Local Government Act 1972 (as amended) members of the press and public be excluded during consideration of the following items on the agenda, as it is likely that there would be disclosure of exempt information as defined in the relevant Paragraphs of Part 1 of Schedule 12A (as amended) of that Act"

<u>ACTION</u>	<u>WARDS AFFECTED</u>	<u>PAGE NO</u>
1. DECLARATIONS OF INTEREST FOR CLOSED SESSION ITEM	-	-
2. CONTRACT AWARD - PROCUREMENT CONSULTANCY SUPPORT	BOROUGHWIDE	A1

Councillor Lovelock / Director of Finance

ITEMS FOR CONSIDERATION IN PUBLIC SESSION

3. CHAIR'S ANNOUNCEMENTS

4. DECLARATIONS OF INTEREST

Councillors to declare any interests they may have in relation to the items for consideration in public session.

5. MINUTES

B1

To confirm the Minutes of the Policy Committee meeting on 25 September 2017.

6. PETITIONS AND QUESTIONS

To receive any petitions from the public and any questions from the public and Councillors.

7. DECISION BOOK REFERENCES

8. THAMES VALLEY POLICE PRESENTATIONS

-

To receive presentations from Francis Habgood, Thames Valley Police Chief Constable, and Anthony Stansfeld, Thames Valley Police & Crime Commissioner.

9. NARROWING THE GAP COMMISSIONING FRAMEWORK

BOROUGHWIDE

C1

Councillor Lovelock / Chief Executive & Director of Adult Care & Health Services

This report seeks authority to commission community services from 2018 through the 'Narrowing the Gap II' framework, to award a series of contract extensions and interim contracts to ensure continuity of service pending completion of the commissioning exercise, and to award funding for the management of community buildings through the Community Buildings Transition Fund.

10. DRUG AND ALCOHOL STRATEGY

BOROUGHWIDE

D1

Councillor Hoskin / Director of Adult Care & Health Services

This report seeks approval for consultation on a draft Drug and Alcohol Strategy for Adults and Young People 2018-2022.

- | | | | |
|-----|---|-------------|----|
| 11. | AWARD OF CONTRACT: REFURBISHMENT OF FLATTED BLOCKS AT HEXHAM ROAD | WHITLEY | E1 |
| | Councillor Ennis / Director of Environment and Neighbourhood Services | | |
| | This report seeks authority to award a contract for the internal and external refurbishment of blocks at and approval for additional capital expenditure to fund the works. | | |
| 12. | REVIEW OF FEES AND CHARGES | BOROUGHWIDE | F1 |
| | Councillor Lovelock / Chief Executive | | |
| | This report sets out the outcome of a mid-year review of fees and charges and a proposal to increase a limited number of fees. | | |
| 13. | CONTRACT AWARD - PROCUREMENT CONSULTANCY SUPPORT | BOROUGHWIDE | G1 |
| | Councillor Lovelock / Director of Finance | | |
| | This report seeks approval for the award of a contract for procurement consultancy support following a competitive tendering exercise. | | |
| 14. | CONTRACT AWARD - CIVICA PAYMENTS ENTERPRISE LICENCE | BOROUGHWIDE | H1 |
| | Councillor Lovelock / Director of Finance | | |
| | This report seeks approval for the award of a contract for a five year contract for software licences and maintenance. | | |

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Members of the public who participate in the meeting will be able to speak at an on-camera or off-camera microphone, according to their preference.

Please speak to a member of staff if you have any queries or concerns.

POLICY COMMITTEE MINUTES - 25 SEPTEMBER 2017

Present: Councillor Lovelock (Chair)

Councillors Duveen, Eden, Ennis, Gavin, Hacker, Hopper, Hoskin, Jones, Page, Skeats, Stevens, Terry and White.

23. EXCLUSION OF THE PRESS AND PUBLIC

Resolved -

That pursuant to Section 100A of the Local Government Act 1972 (as amended), members of the press and public be excluded during consideration of items 24-26 below as it was likely that there would be a disclosure of exempt information as defined in the relevant paragraphs specified in Part 1 of Schedule 12A to that Act.

24. LAND AT AMETHYST LANE

The Director of Environment and Neighbourhood Services submitted a report setting out the outcome of a marketing exercise to dispose of the freehold of land at Amethyst Lane, as shown on a plan attached to the report, and seeking approval for its disposal.

An addendum was tabled at the meeting giving an update on the marketing of the site, and seeking delegated authority to agree its disposal.

Resolved -

That the Chief Executive, in consultation with the Director of Finance, the Head of Legal and Democratic Services, the Leader of the Council and the Chair of Audit & Governance Committee, be authorised to agree the disposal of the site at Amethyst Lane for best value.

(Exempt information as defined in paragraph 3).

25. LAND AT NORTH STREET

The Director of Environment and Neighbourhood Services submitted a report seeking approval for the proposed disposal of the Council's vacant site at North Street, as shown on a plan attached to the report, to the owners of the former Coopers BMW site at Napier Road for Market Value.

The report explained that the land at North Street would be used as an affordable housing surrogate site in connection with the Thames Quarter development which had been approved by Planning Applications Committee on 6 September 2017 (Minute 24(3) refers), subject to the completion of a Planning Section 106 legal agreement. The report also sought approval for the site being transferred back to the Council as the nominated affordable housing provider under the proposed Section 106 for

POLICY COMMITTEE MINUTES - 25 SEPTEMBER 2017

nominal consideration.

Resolved -

- (1) That the disposal of the land at North Street for market value, as set out in the report, be approved;
- (2) That the acquisition of the land at North Street for a nominal sum, to be used by the Council to provide affordable housing as set out in the report, be approved.

(Exempt information as defined in paragraph 3).

26. PROPERTY ACQUISITION STRATEGY - PROPERTY IN SOUTH READING

The Director of Environment and Neighbourhood Services submitted a report providing an update on the Council's Property Acquisition Strategy, the current availability of purchasing opportunities offered to the Council and to seek authority to acquire two investment properties in South Reading.

An update report was tabled at the meeting which set out the latest position with regards to the proposed purchase of the properties, and amended the recommendation accordingly.

Resolved -

- (1) That it be noted that a non-binding offer for the freehold interest in the proposed investment properties had been submitted;
- (2) That, subject to a satisfactory and comprehensive appraisal from an appropriate external organisation to ensure due diligence, the Chief Executive, in consultation with the Director of Finance and the Head of Legal and Democratic Services, the Leader of the Council and Chair of Audit and Governance Committee, be authorised to make offers up to the amount specified in the report, and if successful, to purchase the properties;
- (3) That further work being undertaken to develop the Strategic Investment Portfolio and progress the investment opportunities currently available in the market place be reported to a future meeting of the Committee.

(Exempt information as defined in paragraph 3).

27. MINUTES

The Minutes of the meeting held on 17 July 2017 were agreed as a correct record and signed by the Chair.

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28. PETITIONS AND QUESTIONS

Questions on the following matters were submitted by members of the public:

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Peter Burt	Demountable Pool at Rivermead	Cllr Hacker
2.	Peter Burt	Contract for Provision of Leisure Services	Cllr Hacker
3.	Billie Reynolds	Response to Budget Savings proposals	Cllr Lovelock

Questions on the following matters were submitted by Councillors:

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Cllr White	Fly-tipping on the increase in Reading?	Cllr Terry
2.	Cllr White	Reconsider Aspire's bid to buy the Central Club Building	Cllr Lovelock

(The full text of the questions and responses was made available on the Reading Borough Council website).

29. CONSULTATION ON GYPSY AND TRAVELLER PROVISION

The Director of Environment and Neighbourhood Services submitted a report considering the issue of provision for gypsy and traveller accommodation within Reading and seeking approval for a consultation.

The report explained that a Gypsy and Traveller Accommodation Assessment had identified accommodation needs including for 10-17 permanent pitches and for 5 transit pitches for gypsies and travellers, and consideration had been given to whether this could be met within Reading. An assessment of potential Council-owned sites had been carried out and the potential for private sites to come forward had also been investigated. A site had been identified at Cow Lane/Richfield Avenue which could potentially meet transit needs, and it was therefore proposed that a consultation on this site and the overall approach be carried out prior to finalising the Pre-Submission Draft Local Plan, which would need to set out how the issue should be addressed.

The report noted that the provision of a transit caravan site would meet part of the identified need for Gypsy and Traveller accommodation in the Borough and that there were considerable other potential benefits. An available transit site would potentially reduce the amount of unauthorised encampments and associated costs of enforcement and clean-up, and would potentially allow the police to make better use of powers to require travellers to leave land and to seize vehicles if they did not.

Attached to the report at Appendix 1 was an Equality Impact Assessment of the proposal, and at Appendix 2 the proposed Gypsy and Traveller Provision Consultation

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Document.

Resolved -

- (1) That the progress on assessing and providing for the accommodation needs of gypsies and travellers be noted;
- (2) That community involvement on the Gypsy and Traveller Provision Consultation document, as set out at Appendix 2 to the report, be authorised.

31. READING GREEN PARK STATION - DESIGN & BUILD

The Director of Environment and Neighbourhood Services submitted a report setting out the latest position regarding proposals for Reading Green Park Station, and seeking authority to enter into agreements with Balfour Beatty, Network Rail and Great Western Railway (GWR) to progress the detailed design and construction of the station and multi-modal interchange.

The report explained that design work currently being undertaken by Network Rail and Balfour Beatty would ensure that the fundamental aspects of the station and interchange design were fixed and formally approved by Network Rail. This included the location and dimensions of the platforms, footbridge, station entrance and passenger building. To progress the scheme beyond the concept design, it was recommended that officers be authorised to appoint Balfour Beatty through the Scape procurement framework to undertake the detailed design and build contract for the next stages of the development. Detailed design of the multi-modal interchange and car park had been undertaken by the Council's engineering term consultants, and a number of minor amendments to the consented scheme were currently being discussed with the planning authority. The report sought authority to carry out a competitive procurement process and appoint a contractor to undertake the initial phases of interchange construction.

In order to progress development of the station in accordance with the latest railway standards, the Council was required to enter into an Asset Protection Agreement with Network Rail, to ensure that Network Rail could oversee and approve designs for the station as they were progressed from concept to detailed design, ensuring that the final design was fully signed-off by Network Rail prior to any works being undertaken. The Council was also required to enter into a separate agreement with Network Rail, the NSF2 Asset Purchase Agreement, to cover the additional £2.3m funding and passenger facilities provided for under the New Stations Fund 2 - specifically a station building and longer platforms. The report sought authority for officers to enter into these Agreements with Network Rail.

In addition the report recommended that the Council enter into a Cooperation Agreement with GWR as the current franchise holder on the line, which would help to ensure that the station was developed in accordance with GWR's requirements to

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serve and manage the station facility when it opened. Input from GWR into the design process would help avoid any delays as the designs developed. An indicative programme for delivery of the station by May 2019 had been agreed with the Department for Transport, Network Rail and GWR.

Resolved -

- (1) That scheme and spend approval be given for the Reading Green Park Station scheme;
- (2) That the Head of Transportation & Streetcare, in consultation with the Lead Councillor for Strategic Environment, Planning and Transport, the Head of Legal and Democratic Services and the Head of Finance, be authorised to enter into a Delivery Agreement with Balfour Beatty to undertake the detailed design and build for Green Park Station through the Scape procurement framework;
- (3) That the Head of Transportation & Streetcare, in consultation with the Lead Councillor for Strategic Environment, Planning and Transport, the Head of Legal and Democratic Services and the Head of Finance, be authorised to enter into a contract for the implementation of the station interchange;
- (4) That the Head of Transportation & Streetcare, in consultation with the Lead Councillor for Strategic Environment, Planning and Transport, the Head of Legal and Democratic Services and the Head of Finance, be authorised to enter into an Asset Protection Agreement with Network Rail to progress the scheme and that the Council's named representative within the Agreement be Cris Butler, Head of Transportation & Streetcare;
- (5) That the award of £2.3m from the New Stations Fund 2 (NSF2) for Green Park Station from the Department for Transport be welcomed, and that the Head of Transportation & Streetcare, in consultation with the Lead Councillor for Strategic Environment, Planning and Transport, the Head of Legal and Democratic Services and the Head of Finance, be authorised to enter into the NSF2 Asset Purchase Agreement with Network Rail;
- (6) That the Head of Transportation & Streetcare, in consultation with the Lead Councillor for Strategic Environment, Planning and Transport, the Head of Legal and Democratic Services and the Head of Finance, be authorised to enter into a Cooperation Agreement with Great Western Railway to progress the scheme in partnership with the train operator.

32. CONTRACT AWARD - COMMUNITY TRANSPORT SERVICES (DIAL-A-RIDE)

The Director of Environment and Neighbourhood Services submitted a report seeking approval for the award of a contract for the provision of Community Transport Services.

The report explained that Council's Community Transport services were currently provided through a variety of arrangements, including existing agreements for Dial-a-ride services, as well as services operated internally by the Council. A procurement process had been undertaken to source a single operator, and the tender received from Readibus had been found to be fully compliant with the Council's requirements. The procurement included the outsourcing of the in-house Adult Social Care Transport Service and its staff, and the Council was currently working with these employees to ensure a smooth transition to the incoming employer.

Resolved -

That a contract be awarded to Readibus Limited for the provision of Community Transport Services for an initial period of 30 months, with the option to extend by a further 36 months, subject to performance.

33. NATIONAL CYCLE NETWORK 422 - PHASE 2

The Director of Environment and Neighbourhood Services submitted a report outlining progress in delivering Phase 1 of the new National Cycle Network route along the Bath Road between Greenwood Road and Berkeley Avenue, and seeking scheme and spend approval for the improvements developed as part of the Phase 2 programme, from Berkeley Avenue to London Road.

The report explained that the programme for Phase 2 included widened cycle lanes on Berkeley Avenue between Bath Road and Coley Avenue that would be converted to mandatory cycle lanes; entry treatments at junctions including raised tables, imprinting or tighter geometry; improved crossing facilities at Yield Hall Place and London Street, including dedicated cycle facilities; localised footway resurfacing and widening, supported by the installation of shared-use tiles; decluttering and the relocation of street furniture to maximise the effective width of the footway, and directional and regulatory signs including official NCN branding. Detailed designs of the proposals were attached to the report at Appendix 1.

Resolved -

- (1) That the progress in delivering the National Cycle Network (NCN) 422 scheme be noted;**
- (2) That scheme and spend approval be given for Phase 2 of the scheme.**

34. JOINT BERKSHIRE LOCAL HIGHWAY AUTHORITY BRIDGE MAINTENANCE

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CHALLENGE FUND BID 2017

The Director of Environment and Neighbourhood Services submitted a report setting out for approval a proposed Joint Berkshire Local Authority Bridge Maintenance bid to the Department for Transport's Local Highways Maintenance Challenge Fund. Attached to the report at Appendix 1 was a list of the proposed schemes in Berkshire.

The report noted that Reading had an ageing bridge stock and that this joint bid between the Berkshire local authorities (LAs) would provide much-needed capital funding for some of the backlog of highway structures maintenance. The Reading schemes included in the bid were for bearing replacements on six IDR bridges, one culvert strengthening scheme and three bridge strengthening schemes totalling £3.8M, with a £950k local contribution funded by the Department for Transport LTP Carriageway & Bridges Capital Grant Award. It had been agreed by the Berkshire LAs that they would target a 25% contribution towards each scheme, to provide the best chance of securing funding based on previous awards.

Resolved -

That the Joint Berkshire Local Authority Bridge Maintenance Challenge Fund Bid 2017 be approved.

35. REVALUATION DISCRETIONARY BUSINESS RATES RELIEF SCHEME TO IMPLEMENT NATIONAL BUDGET MEASURES

The Director of Finance and Head of Customer Services submitted a report setting out for approval a proposed local revaluation Discretionary Relief Scheme and a revised version of the Council's existing Discretionary Rate Relief Scheme.

The report gave an update on the Chancellor's Spring Budget 2017 changes in relation to Business Rates Relief, and explained how these would be implemented in the proposed local Discretionary Relief Scheme. The qualifying criteria and exclusions for the scheme were set out in the report, alongside an analysis that showed that there were likely to be around 150 potentially eligible properties. The report also gave information on implementation of the New Business Rate Relief Scheme for Pubs.

Amended versions of Appendix A - Revaluation Business Rates Discretionary Rate Relief Guidance, and Appendix B - Standard Business Rates Discretionary Rate Relief Guidance were circulated to the Committee and an additional recommendation, to agree the necessary officer delegation, was tabled at the meeting.

Resolved -

- (1) That the proposed Revaluation Local Discretionary Relief Scheme, as set out in the report and Appendix A (as amended), be approved;**

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- (2) That the proposed changes to the Council's existing Discretionary Relief Scheme, as set out in the report and Appendix B (as amended), be approved;
- (3) That the Director of Finance, in consultation with the Leader of the Council and the Chair of Audit & Governance Committee, be authorised to determine, based on applications received, the level of cap that was affordable within the allocation the Council had received from the Government, as set out in Appendix A to the report.

36. BUDGET MONITORING 2017/18

The Director of Finance submitted a report setting out the projected Council revenue budget outturn position for 2017/18 based on actual, committed and projected expenditure for the Council as at the end of July 2017. The report also included information on the capital programme and the Housing Revenue Account.

The report stated that it was projected that the revenue budget would be overspent by around £1.8m at the year end, and that this amount could be contained within the contingency of £2.3m set aside to manage unexpected pressures and savings shortfalls. However, there were concerns to be noted including the total level of negative variances, the fact that some of the positive variances and mitigations were not ongoing, and that the contingency was already significantly committed at this early stage of the year. Each service area was seeking further proposals for reducing the pressure on the 2017/18 budget through a range of interventions.

Resolved -

That it be noted that, based on the position at the end of July 2017, revenue budget monitoring forecast an overspend of around £1.781m as at the year end.

(The meeting started at 6.30pm and closed at 7.48pm).

READING BOROUGH COUNCIL

REPORT BY CHIEF EXECUTIVE AND DIRECTOR OF ADULT CARE & HEALTH SERVICES

TO:	POLICY COMMITTEE		
DATE:	30 OCTOBER 2017	AGENDA ITEM:	9
TITLE:	NARROWING THE GAP COMMISSIONING FRAMEWORK		
LEAD COUNCILLOR:	COUNCILLOR LOVELOCK	PORTFOLIO	CORPORATE SERVICES
SERVICE:	POLICY & VOLUNTARY SECTOR/ WELLBEING	WARDS:	BOROUGHWIDE
LEAD OFFICER:	JANETTE SEARLE/ CLARE MUIR	TEL:	0118 937 3753 0119 937 2119
JOB TITLE:	PREVENTATIVE SERVICES MANAGER/ POLICY MANAGER	E-MAIL:	Janette.Searle@reading.gov.uk Clare.Muir@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 This report describes the engagement exercise which the Council is conducting with (primarily) third sector providers to shape a 'Narrowing the Gap II' community services commissioning framework, and seeks authority;

- to commission services through the Narrowing the Gap II framework from 2018;
- to award a series of contract extensions and interim contracts to ensure continuity of service pending completion of the Narrowing the Gap II commissioning exercise; and
- to award funding for the management of community buildings through the Community Buildings Transition Fund.

1.2 The Council - with the Reading Clinical Commissioning Groups (CCGs) and West Berkshire Council as our commissioning partners - has invited feedback on its 2018-22 community services commissioning proposals. A draft framework has been published and comments on this can be submitted up to 3rd November. Representations specifically on budgets were invited up to 13th October.

1.3 The following documents are appended:

Appendix 1: Narrowing the Gap II schedule of bidding opportunities

Appendix 2: Equality Impact Assessment

2. RECOMMENDED ACTION

2.1 That the Committee notes the likely equality impacts set out at Appendix 2 of adopting the Narrowing the Gap II framework containing a series of bidding opportunities as set out in the summary at Appendix 1.

2.2 That the Director of Adult Care and Health Services, in consultation with the Lead Councillor for Health, be authorised to grant contract extensions to 31 May 2018 to:

- (a) The Breastfeeding Network for the provision of peer support to establish and maintain breastfeeding at a cost of £30k p.a. (pro-rated); and to
- (b) Thames Valley Positive for the provision of an HIV peer support and condom distribution service at a cost of £52k pa. (pro-rated).

- 2.3 That the Director of Adult Care and Health Services, in consultation with the Lead Councillor for Adult Social Care, be authorised to negotiate and enter into contracts from 1 April 2018 to 31 May 2018 to:
- (a) Reading Your Way (Together for Mental Wellbeing) at a cost of £76k p.a. (pro-rated); and to
 - (b) the Reading and West Berkshire Carers Hub (Carers Trust East Midlands) at a cost of £95k p.a. (pro-rated).
- 2.4 That the Director of Adult Care and Health Services and the Head of Legal and Democratic Services, in consultation with the Leader of the Council, be authorised to negotiate and enter into:
- (a) a legally binding agreement with South Reading Clinical Commissioning Group and the North and West Reading Clinical Commissioning Group pursuant to Section 75 of the National Health Service Act 2006 to manage a pooled budget for commissioning a Social Prescribing Service, a Peer Support Service for Adult Mental Health, and a Carers Information Advice and Support Service, as described as specifications 3.2, 14.1 and 15.2 respectively in the Narrowing the Gap II framework; and
 - (b) appropriate funding agreements for 2018-22 with the organisation or organisations which succeed in each service area of the Narrowing the Gap II commissioning exercise.
- 2.5 That the Head of Customer Services, in consultation with the Leader of the Council, be authorised to enter into agreements with individual organisations affected by the Community Buildings Transition Fund, apportioning the total fund as grant aid payments to these organisations as deemed appropriate, with the final agreed amounts to be published through the Decision Book.

3. POLICY CONTEXT

- 3.1 Developing, promoting and supporting community services underpins the Council's plans to achieve many of its strategic priorities and statutory responsibilities. Experience has shown that investing in community support is key to narrowing the gaps between the quality of life enjoyed by different members of our communities.
- 3.2 Community based organisations in Reading have a proud history of supporting people to enjoy a better quality of life. Local groups support people to deal with the impacts of poverty and to improve their life chances. Services which reach into communities empower people to take care of and protect their health, and are an important source of help for residents with long term health conditions, those who may need extra support as they get older, and people who provide unpaid care to friends, family and neighbours.
- 3.3 Reading's voluntary and community sector is a significant part of this local support system, and sometimes better placed or more trusted than public agencies to provide help to some of the most vulnerable residents. Third sector providers also play a significant economic role in the borough. This includes their role in accessing external funding and providing paid employment, but also harnessing a wealth of time, skills and resources from local people and organisations to benefit the community as a whole.

3.4 The Council has been obliged to reduce its expenditure significantly over the past few years because of a reduction in funding from central government. A budget gap remains for the period to 2020, however, and the Council is working to a Financial Sustainability Plan based on managing demand, increases in productivity, strategic commissioning and reductions in service. Strengthening community resilience is an important part of managing demand for longer-term support and more expensive services, but with reducing resource available for community investment, it is important that this is targeted very effectively.

4. THE 1ST NARROWING THE GAP BIDDING FRAMEWORK

4.1 In November 2015, the Council published the Narrowing the Gap Bidding Framework, inviting community organisations to apply for funding to deliver services in support of corporate priorities. The framework was designed to bring together opportunities for third sector organisations to obtain funding from the local authority, and to award those funds through a fair and transparent process. Although the opportunities were not ringfenced to the voluntary sector, the majority of bids received were from third sector providers. All of the subsequent funding awards were to voluntary and community organisations with experience of delivering services in Reading.

4.2 The Narrowing the Gap Bidding Framework largely replaced the Council's annual grant allocation process which had been running for some years and shifted the emphasis from organisation based grant allocations to an outcome/service focused process of awarding funds. The implementation of that framework led to a reduction in spend on community (VCS) services from £1,566k p.a. in 2015-16 to £956k p.a. in 2017-18 and a stronger alignment between commissioning and corporate priorities.

4.3 Whilst the introduction of the new framework was a source of anxiety to voluntary sector providers, initially, an extensive period of stakeholder engagement over the summer of 2015 and early autumn allowed time for concerns to be raised and addressed. Voluntary and community groups said the most positive aspect of this was that it stimulated discussions which improved knowledge and understanding across local third sector organisations of each other's services. In many cases, organisations came together to submit funding bids in partnership. This was not a requirement under the framework, although all bidders were asked to demonstrate how they would harness other local assets to benefit their service users. Feedback on the Narrowing the Gap commissioning process was that it was equitable, transparent and addressed concerns raised by providers. Outcomes achieved from the first Narrowing the Gap Bidding framework have been good.

5. PROPOSALS FOR NARROWING THE GAP II

5.1 All services commissioned under the Narrowing the Gap framework were reviewed in the context of continuing severe pressure on the Council's budgets. This review was extended to cover all other commissioning of non mandatory services across the Wellbeing Team, plans for how to make best use of the Syrian Vulnerable Persons Grant, and Council support for managing community buildings. It took into account the latest information about local need including that drawn from the detailed monitoring reports provided by the Narrowing the Gap service providers and where there are inequalities to be addressed, as detailed in the Reading Poverty Needs Analysis and the Reading Joint Strategic Needs Assessment.

5.2 Narrowing the Gap II proposals have been developed with the aim of prioritising the Council's community investment on services likely to make the greatest contribution to achievement of the Council's strategic aims from 2018 onwards, including the Council's priority to remain financially stable to deliver on its service priorities. The new framework focuses support on those who are vulnerable and in greatest need,

includes support to maintain a strong and sustainable voluntary sector, aims to eliminate duplication of services and to avoid using Council funding where alternative sources of funding are available.

5.3 Taken together, the funding allocations proposed in Narrowing the Gap II form a large part of the plans to deliver on the savings proposed under two of the Proposals for Change agreed by Policy Committee in July 2017:

- DACHS 2 - Preventative and non-prescribed (non-mandated) Public Health services
- CSS 11 - Realignment of commissioned Tackling Poverty, Thriving Communities and Community Buildings services from 2018/19.

5.4 There are some additional areas of community investment which were not included in the first Narrowing the Gap framework but which are recommended for inclusion in Narrowing the Gap II:

- social prescribing (including Making Every Contact Count training)
- peer support for adult mental health
- carers' information advice and support
- peer support and condom distribution to reduce HIV health risks
- peer support for breastfeeding

Each area represents additional opportunities for community providers to obtain Council funding to deliver local services. The social prescribing, mental health peer support and carers' information advice and support services are all to be commissioned jointly with the Reading CCGs. The carers' information advice and support service brings in West Berkshire Council as an additional funding partner.

5.5 Current Narrowing the Gap providers are commissioned to deliver services up to 31.05.2018, the day before the Narrowing the Gap II contracts are due to commence. In the case of new areas being brought into Narrowing the Gap II, however, the Council is currently contracting with provider organisations until 31.03.2018 which means there is a potential gap in provision. To avoid such gaps and provide for a safer transition to new contracts, it is proposed to exercise contract extension provision or to award new short term contracts to cover April and May 2018.

6. SUPPORT TO MANAGE COMMUNITY BUILDINGS

6.1 Whilst not included in the proposed NTGII Commissioning Framework, the notional apportionments presented for consultation were aligned with a proposed reduction in the Community Buildings Transition fund from £82k to £60k from 2018/19.

6.2 The Council's Third Sector Premises Policy Statement applies to organisations that lease community buildings from Reading Borough Council. Leases are granted on a full repairing and insuring basis i.e. the organisation will be responsible for all internal, external and structural repairs to the building and its ongoing building insurance. In addition occupiers will need to have cover for public liability, be responsible for all property costs (all utility charges, business rates etc.) Organisations will also be responsible for ensuring that buildings are fit for purpose and will be responsible for complying with all statutory obligations relating to occupation including; Health & Safety, DDA, Planning, Environmental Health and Building Regulations.

6.3 To assist those managing community buildings, from 2016/17 recipients of core funding grants for community buildings received transitional funding over a 2 year period to enable them to establish sustainable business plans for the future. Within the available budget, a small Bidding Fund in the sum of £20,000 in 2016/17 and £13,000 in 2017/18 was set aside to allow bids for any third sector organisation to apply for grants of up to £500 or £1,000 according to specified criteria.

6.4 The following changes are proposed from 2018-19:

- The Bidding Fund which was established for groups responsible for a building to make bids for small amounts of money would be deleted since this has not been drawn on; and
- Discussion will take place with the individual organisations currently in receipt of the Community Buildings Transition funding to manage their transition to reduced support, e.g. via a tapering off. It is proposed that the Head of Customer Services in consultation with the Leader of the Council is authorised to apportion the amounts for individual organisations affected by the Community Building Transition Fund within a total allocation of £60k p.a. over four years.

7. COMMUNITY ENGAGEMENT AND INFORMATION

- 7.1 Changes to the Council's investment in community support - and that of our commissioning partners - could have far reaching impacts, and it is important to understand these. Community providers and other stakeholders were invited to join commissioners to discuss plans for Narrowing the Gap II at two half day events - on 17th August and 26th September. A dedicated inbox has been set up to receive further comments on the draft framework and a draft set of bidding questions. These comments can be submitted up to 3rd November, although stakeholders were asked to submit representations specifically on budgets by 13th October.
- 7.2 The approach to engaging with community groups has generally been well received. The NTGII engagement process has been described as 'inclusive from the outset'. The Council has been encouraged to recognise the need to support smaller groups to understand the changes proposed, and issued targeted mailings to currently funded organisations who did not respond to the initial notification about the consultation. Issuing discussion documents ahead of provider events has helped organisations to prioritise their time, and the option of engaging via email has been welcomed, particularly by smaller groups.
- 7.3 Much of the feedback to date has concerned the proposed reduction in the Council's spend on community services. A draft framework issued on 21st September included suggested baselines indicating the level of activity expected for proposed levels of funding from 2018. There has been some feedback proposing alternative baselines or costings which suggest the baselines need to be adjusted, and this feedback has been taken into account as the framework is being refined. The levels of funding for each service and for the framework in total have not been changed, however, in the absence of new evidence indicating that the as proposed budget is unachievable. Where budget cuts are proposed across services currently delivered by several partners, these cuts may be very difficult to manage within the local third sector. Where the rationale offered by the Council is the availability of alternative funding, the Council has considered carefully the precise terms of other funding streams.
- 7.4 Information and advice providers are particularly concerned about how to manage on reduced funding in light of the levels of demand they are seeing. This could perhaps be mitigated to some extent by their reviewing whether there is duplication of services and processes between the various organisations currently delivering these services, or any potential for co-location.
- 7.5 Narrowing the Gap II makes explicit reference to refugees whereas the first Narrowing the Gap round did not. Some local organisations see this as a significant change and have sought further clarification on the use of Syrian Vulnerable Persons (SVPR) funding, in particular. A submission has been made by Reading Refugee Support Group (RRSG) that rather than the SVPR funding being added to the Narrowing the Gap commissioning pot, it remains a separate fund and that RRSG is funded solely from the SVPR funding stream for the next 4 years, providing the identical set of service to those covered by NTGII and that the proposed NTGII Meeting Basic Needs pot is reduced by RRSG's proportion of the pro rata'd breakdown of the funding in

NTGI. They further, ask for £40,000 of SVPR programme funding per annum to be provided directly to the organisation over a 4 year period, which is more than they receive currently through NTGI or is available through the proposed NTGII proposal. To secure a service of the value suggested, a competitive procurement process would be required. This being the case it is recommended that the specification remains in the overarching NTGII framework, to retain cohesion of overall service to the community.

- 7.6 Regarding the suggestion on increasing the amount available, officers believe that the amount proposed in the specification is adequate. Current SLA monitoring information indicates that the specific support for refugees and asylum seekers is relatively high cost due to the low numbers of refugees and asylum seekers in Reading and that the current service has capacity for a further 3 families a year over the 4 year period. However, the contract will include periodic review and depending needs and demand there may be a future case for additional SVPR funding being directed to the contract.
- 7.7 Budget reductions have not been applied uniformly across the Narrowing the Gap II framework - which some local organisations have suggested would be the fairest way of the Council achieving necessary savings, although others see the proposals as a logical and rational approach to a difficult situation. Most of the services proposed for inclusion in Narrowing the Gap II do not have exact equivalents in current commissioning arrangements (e.g. Narrowing the Gap I), partly because of the need to reflect reduced budgets but also because refreshed needs analyses and monitoring information indicate that the Council's investment could be better aligned than it is currently to meet our strategic priorities. In addition, alternative funding streams are now available to support some areas (e.g. Building Better Opportunities funding for services very similar to those described under 'supporting steps to employment'). Reducing funding on this basis is contentious, however, with some organisations feeling they are being penalised for securing alternative income.
- 7.8 There was one request for the Council to consider funding alternative services not set out in the draft Narrowing the Gap II framework - a community interpreter and an interpreter supervision service. Although it is likely that a gap will emerge in relation to these services with the closure of Mothertongue at the end of 2017, the call on Mothertongue by other groups for translation support has been in decline and is not at a significant enough level to justify further reducing funding for other services in order to divert resources into these proposals.
- 7.9 Local providers are keen to see a new framework which gives bidders the opportunity to demonstrate a relevant track record, and the Council is consulting on the form of proposed bidding questions to reflect this. The questions are designed to test organisations' understanding of the context in which the services will be delivered, with references requested to demonstrate relevant experience. These references can be supplied by RBC officers.
- 7.10 Many Narrowing the Gap services are delivered by two or more organisations working together. There has been a lot of feedback about joint delivery arrangements under Narrowing the Gap II - as there was during the first Narrowing the Gap consultation. In 2015, most local voluntary sector groups had not delivered services under any formal collaboration previously and didn't feel ready either to form formal partnerships or to take on sub-contracting responsibilities. Almost all current Narrowing the Gap services are delivered by a provider directly contracted by the Council, although some of these contracts work together to deliver a Narrowing the Gap service as specified. In practice, the degree of collaboration between organisations is variable across different Narrowing the Gap partnerships, and there have been some disagreements about funding apportionments. The proposed approach in Narrowing the Gap II is to require successful joint bidders to enter into a Memorandum of Understanding or

similar to ensure respective responsibilities are agreed at the outset. Reading Voluntary Action has prepared a suitable template Memorandum of Understanding.

- 7.11 Narrowing the Gap funding agreements were for a period of two years. Providers appreciated the greater stability this gave and being able to focus more on delivery without the need for an annual funding application. The proposal to build on this by offering four year funding agreements under Narrowing the Gap II has been well received by potential providers.
- 7.12 Provider feedback on outline proposals has informed the development of the more detailed Narrowing the Gap II specifications, and led to several key changes:
- Self advocacy provision has been combined with support to reduce social isolation for adults with a learning disability so as to fund an integrated service, and combine funding streams to reflect the need for a casework approach with the target user group. The combined service will be for adults only, with Children's Services accepting full responsibility for commissioning support required for young people with a learning disability progressing through transition.
 - The initial Narrowing the Gap II proposal included plans for a 'seed fund' pot of £20,000 p.a, to be managed by the organisation delivering a service to support participation and engagement. This has now been removed, as local organisations' reactions to the seed fund proposal were mixed, but several have commented that there are existing sources of small grants, and the Council's investment would be better used to ensure a service is in place to support new and small groups to understand how to access these funding sources.
 - Services to support organisational development and then volunteering governance and brokerage have now been combined to offer funding for a more integrated third sector infrastructure support service since community groups are concerned about the wider implications of reducing funding for these services, as this could impact on representation of the third sector on strategic boards, and support for informal partnership working to enable and lead to more formal partnership arrangements.
- 7.13 Community groups have observed that the first Narrowing the Gap framework improved joint working and communication between VCS groups in Reading, and expressed the hope that NTGII will build on that. Providers have asked the Council to facilitate a networking event for successful providers on conclusion of Narrowing the Gap II, and to ensure frontline Council staff, particularly in Adult Social Care, are briefed about new services and how to use them to best effect.

8. CONTRIBUTION TO STRATEGIC AIMS

- 8.1 The Council's Corporate Plan 2016-19 is based on six priorities:
- Safeguarding and protecting those that are most vulnerable
 - Providing the best life through education, early help and healthy living
 - Providing homes for those in most need
 - Keeping the town clean, safe, green and active
 - Providing infrastructure to support the economy
 - Remaining financially sustainable to deliver these service priorities
- 8.2 In partnership with the local Clinical Commissioning Groups and through the Reading Health and Wellbeing Board, the Council is required under the Health and Social Care Act 2012 to develop plans to:
- improve the health and wellbeing of the people in their area;
 - reduce health inequalities; and

- promote the integration of services.

8.3 Reading's Health and Wellbeing Strategy 2017-20 is based on three underpinning commitments:

- Developing an integrated approach to recognising and supporting all carers
- High quality co-ordinated information to support wellbeing
- Safeguarding vulnerable adults and children

The Strategy then sets eight priorities:

- Supporting people to make healthy lifestyle choices (with a focus on tooth decay, obesity and physical activity)
- Reducing loneliness and social isolation
- Reducing the amount of alcohol people drink to safe levels
- Promoting positive mental health and wellbeing in children and young people
- Reducing deaths by suicide
- Making Reading a place where people can live well with dementia
- Increasing breast and bowel screening and prevention services
- Reducing the number of people with tuberculosis

8.4 The proposals for Narrowing the Gap II reflect corporate and Health and Wellbeing priorities as well as the Council's statutory obligations to promote and protect residents' health and wellbeing, and to provide or arrange services that reduce needs for support among people and their (unpaid/family) carers in the local area, and contribute towards preventing or delaying the development of such needs.

9. EQUALITY IMPACTS

9.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to –

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

9.2 The proposed Narrowing the Gap II framework offers reduced funding in a number of service areas, although some services would continue to be funded at the same or higher levels. Reducing the level of funding for any service aimed at vulnerable residents carries the risk of adverse equality impacts, and a full impact assessment is set out at Appendix 2.

9.3 In summary, the Framework concerns a range of services intended to benefit residents who are marginalised, at risk, or have care and support needs. There is likely to be a high correlation between this group of citizens and people in possession of 'protected characteristics' as defined by the Equality Act 2010. Narrowing the Gap II is a means of achieving reductions in Council spend whilst targeting the Council's investment to meet priority needs. Some adverse equality impacts are likely to result from the budget reduction, but the Narrowing the Gap II framework re-shapes investment to mitigate against these adverse impacts and so promote equality of opportunity.

10. LEGAL IMPLICATIONS

10.1 There is a legal requirement on the Council to set a balanced budget each year. The Narrowing the Gap II proposals align with the Council's plans to bring in savings from

2018-19 in order to manage within reduced funding allocations from central government.

- 10.2 Although the local authority has a discretion over how to meet the requirements, there are statutory duties to ensure that preventative support for wellbeing is available to residents. These requirements are set out in Local Authority Circular 15.12.2016, which describes conditions attached to the Public Health ring fenced grant, and in Section 2 of the Care Act 2014 which describes the 'wellbeing' and 'prevention' duties. The Narrowing the Gap II proposals contribute to the Council meeting these requirements.

11. FINANCIAL IMPLICATIONS

- 11.1 The first Narrowing the Gap Bidding Framework largely replaced the Council's annual grant allocation process which had been running for some years. The implementation of that framework led to a reduction in spend on community (VCS) services from a baseline of £1,566k p.a. in 2015-16.
- 11.2 The first Narrowing the Gap Framework led to funding awards in the total sum of £1,323k in 2016-17 and £1,038k in 2017-18.
- 11.3 The Narrowing the Gap II framework as per the appended schedule would have a total budget of £1,259k p.a. from 2018-19, of which £1,047k p.a. would come from RBC.
- 11.4 Because the proposals for the new framework cover a broader area of commissioning activity than the first, this means that RBC funding for NTGII would be £9k p.a. more than the value of the total awards made under NTGI. However, the new framework reflects a larger overall reduction in spend on community (VCS) services.
- The total proposed reduction in DACHS (Wellbeing) spend through the Narrowing the Gap II framework is £49k p.a. from 2018-19.
 - The total proposed reduction in commissioning budgets from Corporate Support Services would be £43k p.a. from 2018-19 which is the net position after Syrian Vulnerable Persons programme funding of £35k p.a. is incorporated into the Narrowing the Gap II budget.
 - The Community Buildings Transition fund will reduce from £82k p.a. to £60k p.a. from 2018-19.
- The combined effect of these proposals will deliver a saving of £149k from 2018-19.
- 11.5 The cost of granting contract extensions as set out at recommendation 2.2 would be £13,667, and the cost of issuing interim contracts as set out at recommendation 2.3 would be £28,500.

12. BACKGROUND PAPERS

Bridging the Gap - medium term financial strategy

Policy Committee paper
17.07.2017

Appendix 1:

Narrowing the Gap II SUMMARY OF BIDDING OPPORTUNITIES

THEME	Funding (£ 000s p.a.)
1 TACKLING POVERTY	
1) Meeting Basic Needs ¹	44
2) Maximising income and managing debt	200
3) Supporting steps towards employment.	27
2 THRIVING COMMUNITIES	
1) Support for thriving neighbourhoods and communities	45
2) organisational development, volunteering governance and brokerage	73
3) Support for marginalised communities	40
3. CARE NAVIGATION	
1) Targeted information & advice and guidance for people with current or emerging care and support needs	57
	66
2) Social prescribing	(36 from RBC, 30 from CCGs)
4. ADULTS WITH A LEARNING DISABILITY	
1) Self-advocacy and reducing social isolation	30
5. ADULTS & FAMILIES AFFECTED BY DEMENTIA	
1) Facilitating peer support & reducing social isolation	15

¹ £35k for this theme will be funded through SVPR

6. VISUALLY IMPAIRED ADULTS	
1) Facilitating peer support & reducing social isolation	15
7. HEARING IMPAIRED ADULTS	
1) Facilitating peer support & reducing social isolation	15
8. AUTISTIC ADULTS	
1) Facilitating peer support & reducing social isolation	12
9. ADULTS & FAMILIES AFFECTED BY MS	
1) Facilitating peer support & reducing social isolation	12
10. ADULTS & FAMILIES AFFECTED BY PARKINSONS DISEASE	
1) Facilitating peer support & reducing social isolation	12
11. ADULTS WITH A PHYSICAL DISABILITY	
1) Facilitating peer support & reducing social isolation	12
12. ADULTS AT RISK OF ISOLATION BECAUSE OF LANGUAGE OR CULTURAL BARRIERS	
1) Facilitating peer support & reducing social isolation	20
13. ISOLATED FRAIL/ELDERLY	
1) Facilitating peer support & reducing social isolation	67

14. ADULT MENTAL HEALTH	
1) Facilitating peer support & reducing social isolation	161 (76 from RBC, 85 from CCGs)
15. CARERS	
1) Replacement care (respite) services delivered at home or in the community, which provide opportunities for unpaid carers of adults to take time away from caring or enjoy social contact.	60
2) carers information advice & support	Reading - 95 (70 from RBC, 25 from CCGs) West Berkshire - 72.5 (47.5 from W Berks Council, 25 from CCGs)
16. HOME FROM HOSPITAL	
1) Supporting people to re-settle at home following a period of hospitalisation	34
17. HIV	
1) peer support to maximise health and wellbeing, and preventing the spread of infection	45
18. BREASTFEEDING	
1) peer support to establish and maintain breastfeeding	30



Equality Impact Assessment

Name of proposal/activity/policy to be assessed

Adopting the Narrowing the Gap II Bidding Framework as a means of commissioning a range of community services for 2018-22 with a total budget of £1,259k p.a, of which £1,047k p.a. would come from RBC, and targeting investment whilst achieving savings.

Directorate: Adult Care and Health Services / Corporate Support Services

Service: Wellbeing / Policy & Voluntary Sector Support

Name and job title of person doing the assessment

Name: Janette Searle / Clare Muir

Job Title: Preventative Services Manager / Policy Manager

Date of assessment: 17.10.2017

Scope of proposal

What is the aim of the policy or new service?

The proposal is to adopt the Narrowing the Gap II bidding framework (“NTG II” or “the Framework”) to commission a range of community support services from 2018 to 2022. The Framework has been developed through engagement with local stakeholders – predominantly third sector providers - to meet local priorities in relation to tackling poverty, supporting thriving communities, and promoting wellbeing to achieve social care and public health outcomes.

Given the nature of the services to be commissioned under the Framework, it is likely that most bids will be received from third sector organisations, and that most bidders will have a Reading connection.

The proposed budget allocations via the Framework represent a reduction in Council spend on commissioned services for wellbeing of £49,000 p.a. and a reduction in Council spend on commissioned services for tackling poverty and supporting thriving neighbourhoods of £43,000 p.a.

Decisions on the final level of resource to put into the Framework have not yet been taken. However, this analysis has been prepared on the basis of provisional allocations discussed during a public

consultation on the Framework. This approach has been taken to assist elected members in coming to a view on appropriate resource levels. The Council needs to review its spend across all service areas in the light of current budgetary pressures. The Framework is designed to re-shape Council investment so that the impact of a reduced budget is mitigated.

Who will benefit from this proposal and how?

The services which would be commissioned via the Framework would be to benefit local residents who are marginalised on economic or other grounds, and local people whose wellbeing may be at risk with or who are at risk of care or support needs increasing because of age, frailty or long term health conditions.

Local residents generally would benefit from their Council having robust arrangements in place to meet statutory obligations at a time of very challenging budgetary pressures.

The proposed shift to offering four year funding agreements under the Framework rather than requiring organisations to re-apply for funding annually or bi-annually will provide successful community organisations with greater financial stability than they have had under Council funding arrangements previously.

What outcomes will the change achieve and for whom?

- targeting the Council's investment on meeting identified priority needs*
- providing successful bidders with more stable funding albeit at a reduced level in most cases*
- embedding a more strategic approach to commissioning services from the third sector*
- encouraging collaboration between community providers*
- supporting the Council's financial stability by contributing to agreed savings proposals*

Who are the main stakeholders in relation to this proposal?

- local residents who are marginalised on economic or other grounds, and local people whose wellbeing may be at risk or who are at risk of care or support needs arising from age, frailty or long term health conditions.*
- community providers*
- local tax payers*

Impact of proposal

Describe how this proposal could impact differently on some racial groups

Most of the services sought to be commissioned via the Framework, as well as community services commissioned currently, are intended to benefit local residents from any racial group.

Some of the community services that the Council currently commissions are targeted at members of minority ethnic communities. The reduction in Council funding available for commissioning community services potentially disadvantages any group with a higher need for community services. However, the Council recognises that some minority ethnic communities are at greater risk of being marginalised. For this reason, the Framework provides for services which target members of black and minority ethnic communities where the Council's analysis has identified a need to commission services in this way.

There is no proposed change to the funding for the support for marginalised communities' service, or to the element of 'Providing practical support for the most vulnerable in society to meet their basic needs' service which provides for refugees both of which target residents from black or minority ethnic groups as one of the beneficiary groups.

There is a reduction in proposed funding for the 'support for people to take steps towards employment' but the proposal is to target the service at those with English Language need which would benefit those from minority ethnic groups.

Is there a negative impact? Yes No Not sure

Describe how this proposal could impact differently on men and women, or transgendered individuals (including any issues in relation to pregnancy, maternity or marriage)

Most of the services sought to be commissioned via the Framework, as well as community services commissioned currently, are intended to benefit local residents regardless of gender, including transgender, pregnancy, maternity or marriage.

There is no proposed change to the funding for the 'support for marginalised communities' service, which targets transgendered residents as one of the beneficiary groups.

Is there a negative impact? Yes No Not sure

Describe how this proposal could impact differently on people with a disability

Many of the services sought to be commissioned via the Framework, as well as community services commissioned currently, are intended to be accessible to any local resident, regardless of disability. Across the 'wellbeing' themes within the Framework (themes 3 to 18), services are to be commissioned explicitly for people affected by various disabilities, including those at risk of developing long term health conditions and those providing unpaid care to others on account of disability.

The reduction in Council funding available for commissioning community services potentially disadvantages any group with a higher need for community services. During the course of the consultation, the Council received representations about the potential impact of funding cuts on adults with mental health needs, in particular. There has been an analysis of local need and current provision to inform how funding should be applied in targeted areas to address the needs of residents affected by particular disabilities. Peer support for adults with mental health needs will continue to be funded from 2018-19 at the same level as in 2017-18 (although this does represent a reduction in funding of 30% since 2016-17) and the Council and the Clinical Commissioning Groups have agreed to commission this service jointly via Narrowing the Gap II to streamline reporting and maximise the resource available for service delivery.

There is no proposed change to the funding for the ‘support for marginalised communities’ service, which targets disabled residents as one of the beneficiary groups.

Is there a negative impact? Yes X No Not sure

Describe how this proposal could impact differently on people based on their sexual orientation (including civil partnership)

The services sought to be commissioned via the Framework, as well as community services commissioned currently, are intended to benefit local residents of any sexual orientation. The Framework proposes a reduction in funding for ‘condom distribution and peer support to reduce health risks for people with an HIV diagnosis. Men who have sex with men are one of the target groups for this service, and the reduced funding may therefore have a disproportionate negative effect on gay men.

There is no proposed change to the funding for the ‘support for marginalised communities’ service, which targets gay, lesbian and bi-sexual residents as one of the beneficiary groups.

Is there a negative impact? Yes X No Not sure

Describe how this proposal could impact differently on people based on their age

Most of the services sought to be commissioned via the Framework, as well as community services commissioned currently, are intended to benefit adults although some of the services take an explicit ‘whole family’ approach. Within the ‘wellbeing’ themes, older people tend to make up a higher proportion of the service user groups.

The reduction in Council funding available for commissioning community services potentially disadvantages any group with a higher need for community services. However, the Council recognises that older people may be at greater risk of being marginalised, and that in the past older people have tended to be more significant users of the community services funded by the Council. For this reason, the Framework provides for services which target older people as well as services targeted on the issues likely to lead to support needs arising - where the Council’s analysis has identified a need to commission services in this way.

There is no proposed change to the funding for the ‘support for marginalised communities’ service, which targets people marginalised on age grounds as one of the beneficiary groups.

Is there a negative impact? Yes X No Not sure

Describe how this proposal could impact differently on people on account of their religion or belief

The services sought to be commissioned via the Framework, as well as community services commissioned currently, are intended to benefit local residents of any religion or belief. No adverse or differential impact has been identified.

Is there a negative impact? Yes No X Not sure

Assessment of the Equalities Impact of the proposal

1. **No negative impact identified** Go to sign off
2. **Negative impact identified but there is a justifiable reason**
You must give due regard or weight but this does not necessarily mean that the equality duty overrides other clearly conflicting statutory duties that you must comply with.
Reason
3. **Negative impact identified or uncertain** X
What action will you take to eliminate or reduce the impact? Set out your actions and timescale?

The services which would be commissioned via the Framework would be to benefit local residents who are marginalised on economic or other grounds, and local people who face risks to their wellbeing or of care or support needs increasing because of age, frailty or long term health conditions. There is likely to be a high correlation between residents who are marginalised or affected by care and support needs and residents who are in possession of 'protected characteristics' as set out in the Equality Act 2010.

The Framework is intended to target the Council's investment to meet priority needs and as such will re-shape the distribution of Council funds to community services to mitigate the adverse equality impacts of budget reductions. This re-shaping reflects the need to promote equality of opportunity and the Framework therefore includes a number of services targeted on different sectors of society.

Over the four year period covered by the Framework, the level of Council funding available for commissioning of community services is reduced. Community engagement has identified ways to mitigate the impact of this, including developing new collaborative ways of working, and the Framework has been refined to reflect this. The Council will also continue to support its local third sector to identify alternative funding opportunities.

How will you monitor for adverse impact in the future?

Bids received under the Framework will be appraised against clear criteria notified to all bidders at the commencement of the process. Funding allocations will thereby be based on a fair and transparent process which benefits groups at risk of disadvantage.

Commissioned providers will be required to submit regular monitoring reports identifying the take up of their services by different sectors of society. These will be reviewed by Council officers for remedial action to be advised where necessary.

Activity data provided by commissioned providers will be used inform the development of subsequent frameworks, alongside further needs analyses undertaken by the Council to refresh our understanding of local priorities.

Signed (completing officer) Janette Searle / Clare Muir	Date 17.10.2017
Signed (Lead Officer)	Date

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ADULT CARE & HEALTH SERVICES

TO:	POLICY COMMITTEE		
DATE:	30 OCTOBER 2017	AGENDA ITEM:	10
TITLE:	DRAFT ADULTS AND YOUNG PEOPLE DRUG AND ALCOHOL STRATEGY 2018 - 2022		
LEAD COUNCILLOR:	COUNCILLOR HOSKIN	PORTFOLIO:	HEALTH
SERVICE:	ALL	WARDS:	BOROUGHWIDE
LEAD OFFICER:	JO HAWTHORNE	TEL:	0118 937 3623
JOB TITLE:	HEAD OF WELLBEING, COMMISSIONING AND IMPROVEMENT	E-MAIL:	Jo.hawthorne@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 To seek approval for consultation on a draft Drug and Alcohol Strategy for adults and young people 2018-2022.

2. RECOMMENDED ACTION

- 2.1 That Policy Committee approve the draft Drug and Alcohol Strategy for adults and young people 2018-2022 for a 12 week formal consultation process.

3. POLICY CONTEXT

- 3.1 Reading draft drug and alcohol strategy for adults and young people 2018-2022 has been written in line with the Government Drug Strategy 2017 and the Governments Alcohol Strategy 2012.

4. BACKGROUND

- 4.1 A drug and alcohol needs assessment for adults was carried out in December 2015. The findings of the report have informed the draft strategy and outline the priorities for the next five years.
- 4.2 Local information about those in drug treatment in Reading, official estimates and modelling of opiate users in Reading and national trends all suggest that the average age of heroin users is increasing. Most in Reading are in their 30s and 40s and there are an increasing number in older age groups. The number of heroin users under 19 and in their 20s is decreasing.

- 4.3 The needs assessment highlighted that most of those in drug and alcohol treatment in Reading cite heroin as the substance causing them the most problems and that there are a wide range of complex social issues associated with problematic heroin use. Some national research has suggested that heroin users may also have poorer health and be at greater risk of drug related death as they get older.
- 4.4 Although the 2015 needs assessment identified that there may be a greater need for alcohol treatment, no changes to existing funding have been made. However, the Provider has been contracted to provide treatment to anyone (aged 18+) who presents for drug and/or alcohol treatment.

5. THE PROPOSAL

- 5.1 Public health to develop a 5 year drug and alcohol strategy for adults and young people.
- 5.2 The draft drug and alcohol strategy for adults and young people is intended to set out the broad vision of the Council in terms of what needs to be done to put in place a sustainable treatment system for drug and alcohol use in Reading as well as a multidisciplinary approach that truly joins up the various different services provided across all agencies and partners which will benefit individuals, families and for society more generally.

5.3 Timetable

Policy Committee - 30th October 2017

Consultation period - November 2017 - January 2018 (Actual dates to be confirmed)

Review consultation response, update strategy and develop action plan - January 2018 - February 2018.

Health & Wellbeing Board - 16th March 2018

6. CONTRIBUTION TO STRATEGIC AIMS

- 6.1 Tackling drugs and alcohol in Reading contributes towards Reading Borough Council's aim to 'safeguarding and protect those that are most vulnerable'.
- 6.2 Tackling drugs and alcohol also promotes Community Safety; by encouraging harm reduction messages and reducing health risks to the community.
- 6.3 This strategy will support the delivery of one of the Reading Health and Wellbeing Strategy priorities; Reducing the amount of alcohol people drink to safer levels.

7. COMMUNITY & STAKEHOLDER ENGAGEMENT

- 7.1 The consultation and engagement process for the drug and alcohol strategy will include wider members of the public, service users, families, carers, Partners and Stakeholders via a 12 week public consultation. It will invite

individuals to comment on the proposed priorities via online and paper questionnaires as well as service user group forums.

We are aiming to consult with the whole community in order to achieve a clearer vision of what is currently working and what needs improving to ensure we are tackling the issues and the right improvements are being made.

8. LEGAL IMPLICATIONS

8.1 We do not anticipate there to be any legal implications at this stage.

9. EQUALITY IMPACT ASSESSMENT

9.1 The consultation and engagement process will provide an opportunity to develop an understanding of how the draft strategy might impact differently on protected groups, and will also highlight any concerns or impacts any changes may have. An equality impact assessment will be prepared to accompany the final strategy presented to the Health and Wellbeing Board for approval.

10. FINANCIAL IMPLICATIONS

10.1 The consultation and engagement exercise will be met using existing resource (2 Project Officers) and will not in itself require additional financial investment.

11. SUPPORTING PAPERS

Draft Reading drug and alcohol adults and young people strategy 2018-2022

DRAFT

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Executive Summary

This strategy sets out Reading's drug and alcohol related vision and priorities for the next five years.

The key focus is to reduce the harm, or potential harm, that misusing drugs and alcohol has on the individual, families and the wider community. We need to ensure that treatment services are available and accessible to support those who need them to recover effectively. Education and information needs to be easily available.

We understand the work set out in this strategy can only be achieved in successful partnership with all agencies in Reading.

This strategy comprises three main themes:

- Prevention; reducing the amount of alcohol people drink to safer levels and reducing drug related harm.
- Treatment; Commissioning and delivering high quality drug and alcohol treatment systems
- Enforcement and Regulation; tackling alcohol and drug related crime and anti-social behaviour.

The strategy has a community-wide focus, including children, young people and adults - whether they are consuming alcohol or drugs themselves or whether they are affected by other people using these substances.

Reading wants to promote a culture shift to promote a positive change in the attitude and behaviours towards alcohol harm and drug misuse. We need to:

- Support a change in the community's attitude by supporting and encouraging more responsible drinking.
- Increase awareness, understanding and support the change in lifestyle and attitudes in order to empower and enable individuals to make more positive choices about the role of alcohol and drugs in their lives.
- Ensure individuals understand:
 - the health risks associated with drugs and alcohol
 - the consequences using can have on education, employment, relationships, housing and
 - the impact the environment where the individual is misusing can have.

Our Vision

We recognise that, to ensure long-lasting changes in lifestyles, we need to work with individuals, families, communities and other partners. One service alone can't tackle all the issues.

Our vision is to:

“Reduce the harm, or potential harm, that misusing alcohol and drugs has on the individual, families and the wider community. We want to enable individuals affected by drug and alcohol misuse to recover and reach their potential in leading a healthier lifestyle with the help of all agencies in Reading”

We are aiming for a local partnership that works together effectively to ensure that it understands drug and alcohol use in Reading, and is confident that local needs for prevention and treatment are being met.

DRAFT

Common drugs, the risks and the law

The most commonly used drugs, such as cannabis, opiates and crack cocaine, are illegal. Uncontrolled New Psychoactive Substances (also called NPS, 'legal highs' or 'club drugs') are relatively easily available.

Cannabis

Details	Risks	Law
<p>Most commonly used drug but use is falling according to Europe's drug agency (EMCDDA) report. Sedating and hallucinogenic – heightens senses. People may feel:</p> <ul style="list-style-type: none"> ▪ Relaxed, happy, giggly and/or talkative ▪ Hungry (AKA the munchies) 	<p>People may feel light headed, faint, sick (AKA a whitey)</p> <p>Can cause anxiety, suspicion, paranoia</p>	<p>Class B drug</p> <p>Penalties:</p> <ul style="list-style-type: none"> ▪ Up to 5 years in jail for possession ▪ Up to 14 years in jail + unlimited fine for selling or giving away.

Heroin

Details	Risks	Law
<p>Made from morphine, extracted from opium poppy</p> <p>Around for hundreds of years</p> <p>Originally used to treat pain, sleeplessness and diahorrea</p> <p>Used by clubbers as “chill out” drug – small dose gives a heightened sense of wellbeing, larger doses relaxes/causes drowsiness</p>	<ul style="list-style-type: none"> ▪ Can cause dizziness and vomiting ▪ Highly addictive ▪ Injecting/sharing needles can spread HIV and Hepatitis C and damage veins, cause ulcers, abscess and blood clots ▪ Respiratory depression, can lead to death. 	<p>Class A drug</p> <p>Penalties:</p> <ul style="list-style-type: none"> ▪ up to 7 years in jail and/or an unlimited fine for possession ▪ up to life in jail and/or an unlimited fine for selling or giving away.

Cocaine

Details	Risks	Law
<p>Powder (AKA coke), freebase and crack cocaine are powerful stimulants, with short-lived effects.</p> <p>Different forms for snorting, smoking and injecting</p> <p>Speeds up the mind and body</p>	<p>Addictive. Users crave more and more so can get expensive</p> <p>Heavy users may turn to heroin to dampen cravings</p> <p>High doses cause convulsions, heart attack/heart failure</p> <p>Higher risk of overdose/side effects if mixed with other drugs or alcohol.</p> <p>Mixing cocaine and alcohol produces cocaethylene which is toxic</p> <p>Snorting can cause breathing problems and destroy nose cartilage</p> <p>White heroin may be snorted by mistake – this can be fatal</p> <p>Makes people feel depressed and run down and can lead to serious anxiety, paranoia and panic attacks. Increases mental health problems.</p> <p>May damage unborn babies or cause miscarriage</p> <p>Injecting drugs has high risk of overdose.</p> <p>Speedballing (injecting a mix of cocaine and other drugs) can be fatal.</p> <p>Injecting/sharing needles can:</p> <ul style="list-style-type: none"> ▪ spread HIV and Hepatitis C ▪ damage veins, cause ulcers, abscess and blood clots 	<p>Class A drug.</p> <p>Penalties:</p> <ul style="list-style-type: none"> ▪ up to 7 years in jail and/or an unlimited fine for possession ▪ up to life in jail and/or an unlimited fine for selling or giving away.

New Psychoactive Substance (NPS) (formerly known as legal highs)

Details	Risks	Law
<p>Stimulant NPS (brand named include Clockwork Orange', 'Bliss', 'Mary Jane)</p>	<ul style="list-style-type: none"> ▪ Not enough known about potency or effects if mixed with other drugs/alcohol ▪ Ingredients may not be as listed ▪ Over confidence and risk taking ▪ Can cause anxiety, panic, confusion, paranoia, and psychosis ▪ Lowers immunity and strains the heart and nervous system ▪ Linked to poisoning and death ▪ Can feel low for a while once stopped 	<p>Since Spring 2016 it is illegal to produce, supply or import NPS.</p> <p>Punishments range from a prohibition notice, which is a formal warning, to 7 years in prison.</p>

Details	Risks	Law
Downers or sedative NPS	<ul style="list-style-type: none"> ▪ Reduced inhibitions, concentration and slows reactions ▪ cause lethargy and forgetfulness ▪ can affect balance - increases risks of accidents ▪ has caused unconsciousness, coma and death, particularly when mixed with alcohol and/or with other downer drugs. ▪ Causes anxiety anxious once stopped, ▪ Heavy users may get severe withdrawal syndrome which is dangerous and requires medical treatment 	
Psychedelic or hallucinogenic NPS (act like LSD, magic mushrooms, ketamine and methoxetamine)	<ul style="list-style-type: none"> ▪ Cause confusion, panic and strong hallucinatory reactions ('bad trips'), ▪ Can affect judgement and cause erratic careless or dangerous behaviour which can lead to a serious injury or self-harm. 	
Synthetic cannabinoids	<ul style="list-style-type: none"> ▪ Life-threatening in large doses. ▪ Can affect the nervous system leading to seizures, fast heart rate, high blood pressure, sweating, increased body temperature, ▪ Can make people feel agitated and combative (ready to fight). 	

More detailed information on these and other drugs is available online - see www.talk-to-frank.com

Alcohol and the risks

New [guidelines](#) published by the Government in January 2016 state there is no safe level for drinking alcohol and that to reduce risks to health both men and women should drink no more than 14 units spread evenly throughout each week.

Alcohol can:

- increase the risk of certain diseases and health problems; it's a causal factor in more than 60 medical conditions which include mouth, throat, stomach, liver and breast cancers, heart disease, stroke, cirrhosis, pancreatitis, liver disease etc.
- affect behaviour and risk taking in the short term
- Have a negative effect on relationships, work and personal safety.

Alcohol use is sometimes classified as

- 'RISKY' - drinking at a level that may cause physical or emotional harm, or cause problems in a person's life in some other way
- 'HARMFUL' - drinking at a level that has already led to harm or
- 'DEPENDENT' - heavy drinking where the person has become physically dependent on alcohol and will require detoxification to stop using safely.

Current Services in Reading

We have a number services to treat and support drug and alcohol users.

SOURCE

SOURCE is a specialist drug & alcohol service (provided by Reading Borough Council) working with young people under 18 years old (or up to 25 if they are vulnerable adults) or have LDD. SOURCE is jointly funded by Public Health, Children's Service and the Police and Crime Commissioner.



The service offers:

- Confidential assessments of young person's drug/ alcohol use including legal highs.
- Links to substitute prescribing services
- Care plans to address drug and alcohol issues
- One to one sessions based on individual learning styles
- Help to access healthcare services in the community
- Signposting to young person's services such as CSE, YES, Young Carers etc.
- Stop Smoking Services
- C-card registration

SOURCE also offers:

- support for families of drug users
- Specialist training, consultation and resource library for professionals

IRiS Reading (Integrating Recovery in Services)

IRIS Reading (provided by Cranstoun in partnership with Inclusion) was commissioned by Reading's Drug and Alcohol team in 2014. The service is funded via Public Health and the Police and Crime Commissioner.

It provides an integrated drug and alcohol treatment service for local residents which includes:

- Assessment & referral
- Routes through to all other IRIS services
- Access to substitute prescribing
- Pre-detox support
- Peer support
- Harm reduction
- Health improvement
- Screening & vaccination
- Housing Support
- Needle exchange
- Acupuncture
- Relaxation

At the end of August 2016:

- 755 people engaged in treatment with specialist drug and alcohol services.
- 183 said alcohol caused them the most problems
- 420 said heroin caused them the most problems
- 380 had a prescription to help them manage symptoms of withdrawal from opiates.



Community Alcohol Partnership (CAP)

Public Health and Trading Standards jointly fund the CAP which sits within Reading Borough Council. The CAP focuses on education, enforcement, public perception, communication, diversionary activity and evaluation in Reading across all schools and in the community amongst retailers.

CAP aims to develop a culture where:

- Adults and young people drink responsibly
- Young people under the age of 18 are only able to access alcohol under responsible and informed supervision
- Safe consumption limits are understood and
- Parents understand the impact of alcohol and are aware of the influence their drinking can have on their children.



Primary and Secondary Care Services

- Local GPs offer IBA (Identification and Brief Advice) to patients and can signpost to specialist support if required.
- Pharmacies offer supervised consumption and needle exchange
- Prospect Park Hospital provides an alcohol detox service (referrals only)
- Royal Berkshire Hospital treats high risk alcohol patients (Sidmouth Ward) and treats emergencies (like overdose) are accessed via A&E.



What are the issues in Reading?

Young People

Young people receiving interventions for substance misuse have a range of vulnerabilities that require specialist support and intervention.

Those in treatment often say they:

- are/were victims of domestic violence
- have contracted a sexually transmitted infection
- have experienced sexual exploitation.

And are more likely to:

- not be in education, employment or training and
- be in contact with the youth justice systems.

Between April 2016 and March 2017, 33 young people were engaged with structured treatment with SOURCE (our young people's drug and alcohol service), of whom 19 presented to treatment during the year. While this number is small, it reflects the most complex cases who:

- have a range of social and emotional needs and
- are mainly referred by the Youth Offenders Team (YOT) and specialist schools catering for children who are excluded/at risk of exclusion (Figure 1).

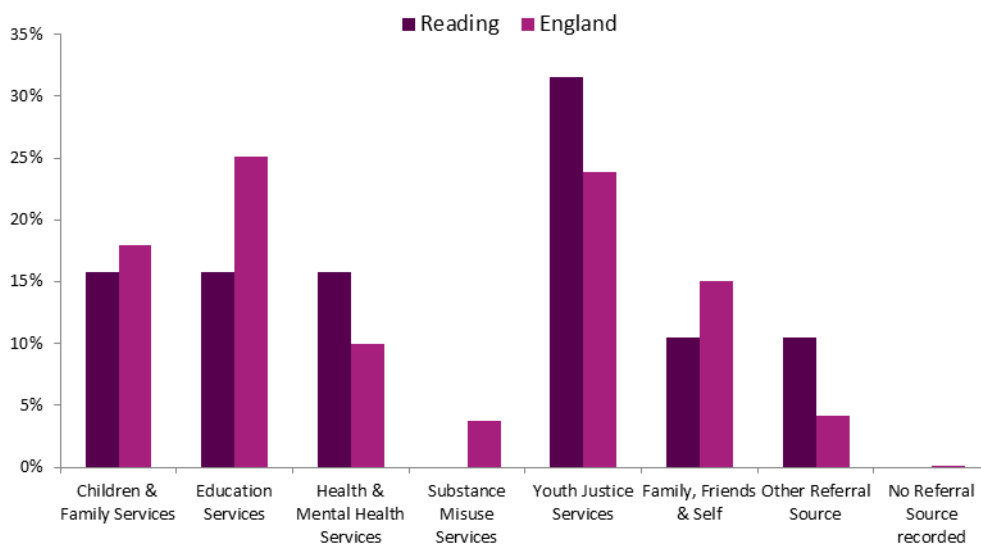


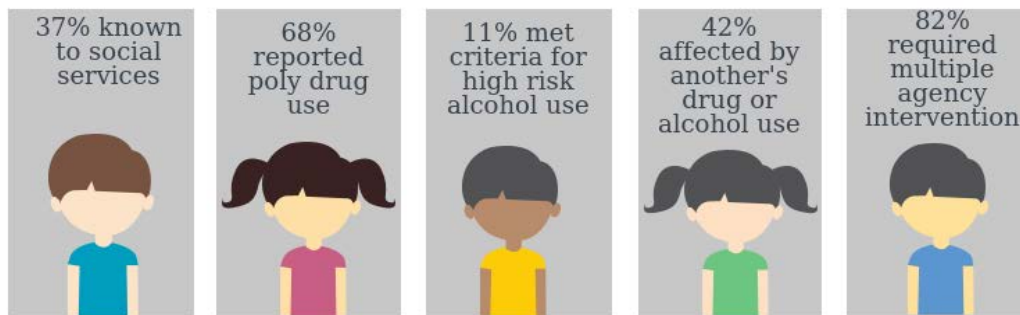
Figure 1: % Referrals of young people to drug or alcohol treatment by source (2016/17)¹

Several indicators suggest that young people who presented to drug and alcohol treatment in Reading in the last year may have had more complex needs than may have been seen elsewhere.

- Of the 19 new presentations in 2016/17, 8 (37% of the total) were either the subject of a child protection plan, or were classified as a looked after child or a child in need, compared to a national figure of 25%.

¹ National Drug Treatment Monitoring System

- 68% of new presentations in Reading reported poly drug use and 11% met criteria for high risk alcohol use, compared to 59% and 2% of new presentations nationally.
- 42% of new presentations in Reading reported that they were affected by another person's substance use, compared to 23% nationally.
- An analysis of interventions delivered shows that 82% of those receiving structured treatment in 2016/17 required interventions from multiple agencies, compared to 56% nationally.
- Young people in Reading spend considerably more time in treatment (an average of 34.78 weeks in 2015/16) compared to the national average (24.53 weeks)¹



Information and advice for young people

Source provides information sessions in schools and youth clubs.

The Community Alcohol Partnership (CAP) provides focussed education sessions and workshops.

Adults

Locally the numbers of drug-related admissions and drug-related deaths are proportionally smaller than those related to alcohol use. Illegal drug use is less prevalent than heavy alcohol use and is associated with fewer acute adverse reactions. However, those who do use illegal drugs, particularly heroin and crack cocaine, typically experience a myriad of physical and psychological health and social problems which require interventions from a range of providers.

People who misuse drugs (especially opiates and crack cocaine) place an enormous strain on their children and families which can have a serious negative impact on their long-term health and well-being.

Reading has a high rate of deaths caused by drug use (6.1 per 100,000 – equivalent to between 10 and 11 deaths in Reading each year. This compares to a rate of 3.9 per 100,000 in England). Those at highest risk are long-term heroin users, especially men (ref PHOF,)





Reading has a high rate of deaths caused by drug use

(6.1 per 100,000 - equivalent to more than 10 deaths each year)

This compares to a rate of 3.9 per 100,000 in England.

Most deaths are accidental overdoses and long-term heroin users are at the highest risk.

An estimated 1,111 people in Reading are regular heroin users (*ref* <http://www.nta.nhs.uk/facts-prevalence.aspx>), of which some 616 (51%) engaged with specialist treatment last year (16/17), compared to 56% of heroin users nationally. Almost 10% of heroin and other opiate drug users in treatment in Reading left treatment free of dependence in 2016/17, compared to 7% nationally.

Drugs and alcohol misuse are significant causes of both violent and acquisitive crime. Acquisitive crime, often associated with drug use, fell to a low level in 2015, but increased in 2016 and 2017 (Figure X). A locally commissioned evaluation of Opiate Substitution Therapy (OST) for offenders suggested that OST in Reading was successful in helping entrenched offenders stop or reduce their offending and suggested that greater support for homeless offenders may help to increase effectiveness.

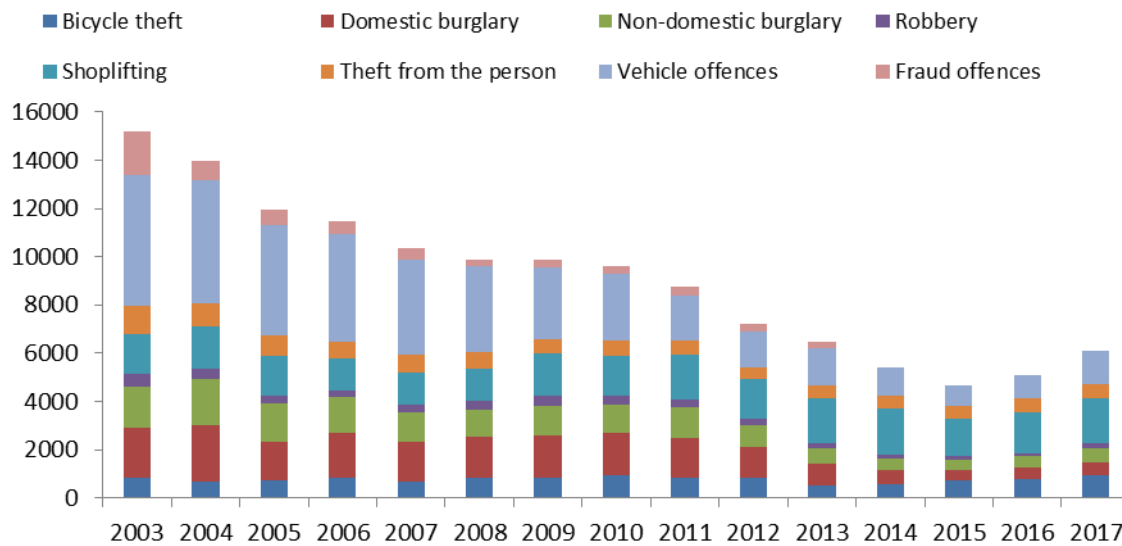


Acquisitive crime, often associated with drug use, fell to a low in Reading in 2015 and increased in 2016 and 2017. Drug treatment helps to reduce drug-related crime.



Violent and sexual crimes are often committed under the influence of a substance and are often associated with alcohol use. Violent crime in Reading fell to a low in 2013 and have been increasing steadily.

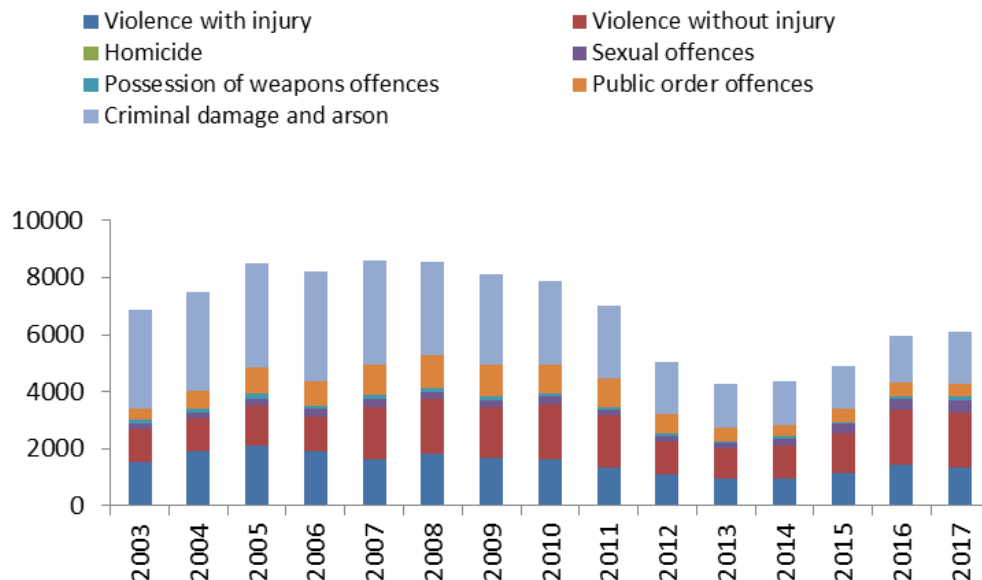
Figure X: Recorded Crime in Reading 2003-2017 – Acquisitive crime types



Source: [Police Recorded Crime Statistics](#)

Alcohol use is more commonly associated with “psychopharmacological crime”, or crimes committed while under the influence of a substance. These may include violent and sexual offences, including those involving domestic abuse. The level of violent crime in Reading fell to a low in 2013, but increased steadily until 2016, and has remained stable in 2017.

Figure X: Recorded Crime in Reading 2003-2017 – Violent and sexual crime types



Source: [Police Recorded Crime Statistics](#)

[Statistics on mortality and admissions to hospital related to alcohol](#) suggest that more people in Reading than average are suffering from health problems caused by alcohol,

especially alcohol specific conditions (those caused wholly by alcohol use) and mental and behavioural conditions.



Alcohol misuse, mainly in the adult population, is a far greater problem than drug use in Reading (as elsewhere) mainly because of the sheer number of people who drink alcohol in our society (a very large majority) and the increasing proportion who do so in ways that risk injuring their health.

Based on national self-reported drinking levels against the current guidelines we estimate:

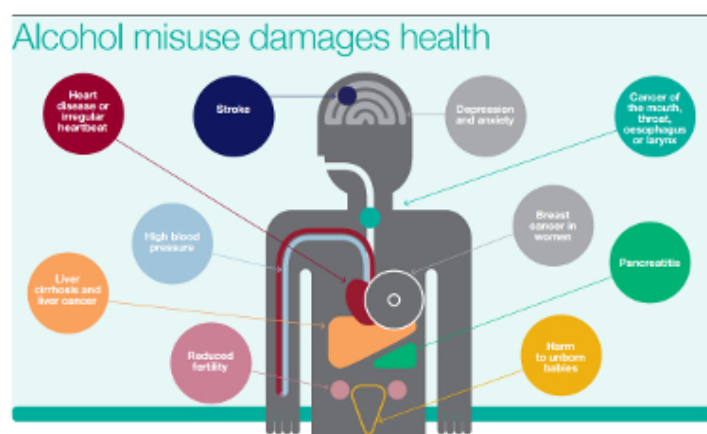
- at least 30,000 residents drink at a level that could harm their health or wellbeing
- 4,500 are drinking to levels that have already harmed their health or wellbeing

As research shows that people significantly under-report their drinking, we can infer that people's true drinking levels are higher than this.

Reading has high rates of alcohol-specific mortality in men

Between 2013 and 2015 the estimated:

- rate of deaths in men caused by a disease wholly attributable to alcohol was 24.2 per 100,000 population significantly worse than the England average (15.9) and other areas with similar levels of deprivation (14.3)²
- The rate for all persons in Reading (14.1 per 100,000) was significantly worse than the combined rate in other areas with similar levels of deprivation (10.3 per 100,000) The rate was also worse than the rate for all England (11.5 per 100,000), although in the most recent period the difference was not large enough to be statistically robust.



Source: Public Health England

² IMD 2010

These rates indicate a significant population who have been drinking heavily and persistently over the past 10-30 years.

Liver disease is one of the major causes of mortality and morbidity in England with deaths reaching record levels having risen by 20% in the last decade.

Aims of this strategy

We aim to:

- Reduce harm from alcohol and drug use in the Borough
- Minimise harm and negative effects to the wider population
- Encourage and promote recovery for dependent drug and alcohol users.
- To engage all partners to streamline efforts and use resources effectively.

Developing this strategy

This strategy has been informed by internal and external data and evidence, including:

- The National Drugs Strategy 2010 –“Reducing Demand, Restricting Supply, Building Recovery: Supporting People to Live a Drug Free Life”
- The National Drugs Strategy 2017
- The National Alcohol Strategy 2012
- Reading’s Joint Strategic Needs Assessment (JSNA) and the
- Health & Wellbeing Strategy 2017-20.

National Drug Strategy 2017

The National Drugs Strategy 2010 set out the Government’s approach to tackling drugs.

It focused on recovery* as well as reducing the harms caused from drugs and alcohol.

The two key overarching aims of the 2010 strategy were to:

- Reduce illicit and other harmful drug use and
- Increase the numbers recovering from their dependence

The National Drugs Strategy 2017 moves another step forward clearly setting the expectations for action from a wide range of partners, including those in education, health, safeguarding, criminal justice, housing and employment. The new strategy expands on the 2010’s two overarching aims to reduce demand, restrict supply, build recovery and take global action.

What is recovery?

*Recovery is a process more so than an end state and means different things to different people. Recovery is the best way to summarise the benefits to physical, mental and social health. This could mean anything from support with managing money and debt, ability to access and sustain accommodation, employment and training and having the capacity to build healthy relationships including parenting. We have used the definition within the 2010 Drugs Strategy

“Recovery involves three overarching principles – wellbeing, citizenship, and freedom from dependence. It is an individual, person-centred journey, as opposed to an end state, and one that will mean different things to different people.”

This means recovery is much wider than just being free from dependence on drugs and alcohol. It is about having a safe place to live, a job, friends and a place in society.

National Alcohol Strategy 2012

The National Alcohol Strategy 2012 set out the Government’s approach to addressing alcohol. The outcomes are to support:

- A change in behaviour so that people think it is not acceptable to drink in ways that could cause harm to themselves or others;
- A reduction in the amount of alcohol-fuelled violent crime;
- A reduction in the number of adults drinking above the NHS guidelines;
- A reduction in the number of people “binge drinking”;
- A reduction in the number of alcohol-related deaths; and
- A sustained reduction in both the numbers of 11-15 year olds drinking alcohol and the amounts consumed.

Reading’s Joint Strategic Needs Assessment (JSNA)

[The JSNA](#) provides data and evidence about the needs of the local population, including:

- an estimate of the number of people likely to benefit from support or treatment to reduce alcohol use
- information, evidence and best practice around about interventions

Reading’s Health and Wellbeing Strategy 2017-2022

The HWB Strategy sets out how the Health and Wellbeing Board plans to realise its vision for ‘a healthier Reading’ and meet its key objectives to:

- Promote and improve the health and wellbeing of the people of Reading
- Reduce health inequalities; and
- Promote the integration of services.

The strategy has identified eight priorities - Priority five is focused on Alcohol and “to reduce the amount of alcohol people drink to safer levels”.

Public Health Outcomes Framework (PHOF)

We will use PHOF indicators for health improvement to measure the progress of this strategy. People are helped to live healthy lifestyles, make healthy choices and reduce health inequalities

2.15 Drug and alcohol treatment completion and drug misuse deaths

Definition: The number of drug users that left drug treatment successfully (free of drug dependence) who do not then re-present to treatment again within six months as a proportion of the total number in treatment.

2.16 Adults with substance misuse treatment need who fully engage in community-based structure treatment following release from prison

2.18 Alcohol related admissions to hospital

This strategy will also contribute to:

1.13 Levels of offending and re-offending (Definition: Percentage of offenders that re-offend from a rolling 12 month cohort)

1.11 Domestic violence rates

4.06 Under 75 mortality rate from liver disease

Reading's Drug and Alcohol Needs Assessment, January 2016

On 22 January 2016 the [Health and Wellbeing Board](#) endorsed a report into the needs of local resident in relation to drug and alcohol use. The report found:

- Current resources are primarily targeted at drug treatment, particularly opioid substitution therapy (the prescribing of an opiate substitute, like Methadone or Subutex, to reduce the effects of withdrawal from illicit opiate drugs (like heroin) and help to reduce risks to the individual and enable them to maintain a safe and functional lifestyle).
- Around 500 heroin users are in treatment at any one time (roughly half of the total number of people estimated to use heroin in the Borough).
- Although these numbers are relatively small, the use of heroin and other drugs is often related to a variety of significant and very complex problems and the needs of this vulnerable group are high.
- The number of people using alcohol at potentially harmful levels is much greater, but the number receiving structured treatment is much smaller.
- We estimate around 30,000 residents drink at a level that could harm their health or have a negative effect on their work or personal relationships, and around 4,500 people whose drinking has already caused them some physical, emotional or social harm but only 100-150 people are in treatment for alcohol misuse in Reading at any one time. This apparent disparity is likely to reflect in part both more modest treatment and support needs of many alcohol users, as well as the nature of clinical treatment that can be provided for alcohol use (usually detoxification).
- Alcohol users, particularly those whose use would be classified as 'risky' rather than 'harmful' or clinically dependent, may be offered a short, practical and motivational discussion about their drinking at their GP surgery or by another professional.
- The high rates of liver disease and other alcohol-related mortality suggest that more support is needed locally to help people to reduce their alcohol use.
- The number of people, including young people, who engage with drug services for help with use of cannabis, cocaine and New Psychotic Substances is very small.
- Prevention activity, mainly delivered in focussed sessions in schools and youth clubs, is limited.

The report recommended a revised approach to drug and alcohol services that:

- puts greater emphasis on the problems of alcohol misuse at all ages;
- puts greater emphasis on prevention, particularly targeting of 0-18 year olds, with specialist family support in place for children at risk;
- ensures that health and social care and criminal justice services work together effectively;
- enables and encourages frontline staff in all sectors to do more to identify people at risk of harm from drug and alcohol use, and to provide a brief intervention or refer for specialist treatment where appropriate; and
- enables partners to take account of the cumulative impact of drug and alcohol use in strategic planning and delivery of services.

Visit www/reading.gov.uk/JSNA for more details.

Partnership Approach - Collaboration and Integration

Drug and alcohol misuse has a huge impact on the individual, their families, the children and our community.

No single organisation can tackle these issues alone.

The responsibility for prevention of Drug and Alcohol misuse is shared between the Council, CCGs, Hospital Trust, Primary Care Providers, Housing, the Police, probation services, voluntary organisations, faith groups, those in recovery and many others.

We must work in partnership to :

- Improve the health and wellbeing of individuals who misuse drugs and alcohol. This will link in with The Health and Wellbeing Strategy objectives.
- Improve successful completions from drug and alcohol – ensure our treatment services are improving, responsive and available in Reading.
- Ensure vulnerable families & children receive timely and appropriate drug and alcohol support
- Reduce crime, domestic violence abuse and anti-social behaviour

We need robust joint working arrangements between organisations and must work as a partnership to achieve these objectives.

We must share our expertise and manage clients to ensure they have the best possible outcomes and can fulfil a drug and alcohol free lifestyle.

Implementation, Governance and Accountability

Reading's strategic priorities, target outcomes and actions to deliver this strategy will be set out in our Drug and Alcohol Strategy Action Plan.

We will be accountable to the:

- Health and Wellbeing Board
- Clinical Commissioning Groups and
- Community Safety Partnership

and will report on progress against targets and developments to reduce offending behaviours, tackle drug and alcohol misuse as well as achieving successful completions.

These governing groups will be responsible for signing off the Strategy and the management and signing off of the actions.

We have identified three key priorities for this strategy:

- Prevention; reducing the amount of alcohol people drink to safer levels and reducing drug related harm.
- Treatment; Commissioning and delivering high quality drug and alcohol treatment systems
- Enforcement and Regulation; tackling alcohol and drug related crime and anti-social behaviour.

We will review the drug and alcohol strategy annually so that it is responsive to emerging needs.

The Drug and Alcohol Strategy Action Plan will assign responsibility and timeframes for actions so that progress can be monitored.

Key milestones in achieving the strategic priorities provide a framework to ensure that the drug and alcohol strategy and the action plan are robust.

The drug and alcohol Strategy 2018-2022 will contribute to the service priorities set out in the Council's Corporate Plan 2016-19:

- Safeguarding and protecting those that are most vulnerable
- Providing the best life through education, early help and healthy living

Our priorities

In Reading, we want to enable individuals affected by drug and alcohol misuse to recover and reach their potential in leading a healthier lifestyle. We aim to reduce harm to those at risk, empower those who are addicted or dependent to recover.

Through consultation with local partners, we plan to address and commit to addressing 3 priorities of Prevention, Treatment and Enforcement and Regulation.

Priority 1: PREVENTION - Reducing the amount of alcohol people drink to safer levels & reducing drug related harm

We want our communities to be getting the right information and advice on drugs and alcohol. The promotion of positive and responsible behaviours around drug and alcohol misuse is crucial, enabling individuals to make informed choices.

This is particularly important for young people and includes education around any subsequent behaviour that follows the consumption of drugs or alcohol, for example, offending, risky sexual behaviour, exclusion from school, loss of employment and benefits.

We must ensure the community understands the consequences their drug and alcohol use can have on others, specifically the effects on children and young people viewing such activities.

We also know that drug and alcohol service users tend to have numerous contacts with a range of other health care services. These include GP, A&E departments, other acute wards as well as the ambulance services. We want to work more closely with primary care and social services teams (Multi-Agency Safeguarding Hub, Early Years, Long term care teams, social workers) to capture drug and alcohol misusers to ensure that we can deliver the safest and most efficient appropriate treatment.

Every contact counts and our strategy aims to ensure that the first point of contact for our drug and alcohol misusers is positive, informative, supportive and that staff have the right skills to engage positively and effectively.

We want to achieve:

- Reduce the health, social and economic harms caused by alcohol harm and

drug misuse, for both the individual user and wider society

- A shift in culture to promote positive alcohol lifestyle choices and a reduction in drug misuse
- More people to be able to receive support at an appropriate level to address risky, harmful and dependent use of alcohol.
- Make services more accessible; reduce stigma of alcoholism so people feel able to seek help and get the help they need.
- Encourage uptake in training in screening and brief interventions for frontline practitioners.
- Fewer alcohol related admissions to hospital and a reduction in alcohol and drug related harm.
- More people to receive support around co-existing mental health and drug and alcohol issues.
- Awareness of the risks of using drug and alcohol amongst all groups including lesbian and gay communities, ethnic minority groups, parents and carers, voluntary sector.

To achieve this, we will:

- Work together, regularly reviewing the needs of the local community and benchmarking local investment and performance.
- Provide good quality treatment for alcohol users that is evidence-based and recovery-focused and that enables individuals to improve their health and wellbeing.
- Promote knowledge and change behaviour by promoting understanding of the risks of using drugs and alcohol and by embedding screening and brief intervention in primary care, social care and criminal justice settings, housing and environmental health contacts.
- Increase number of audit c/brief interventions delivered in primary care.
- Review existing interventions and develop a robust multi agency model to reduce alcohol-related hospital admissions.
- Work with schools to target prevention campaigns as well as Parents about drinking behaviours and their consequences.
- Work closely with schools to support their delivery of drug and alcohol awareness programmes.
- Develop and implement a programme of communication in line with national campaigns, using social media, around drug and alcohol misuse
- Develop a rolling training programme for all agencies and Partners in Reading; drug and alcohol awareness, naloxone training, suicide prevention training
- Promote drug and alcohol awareness training to specific targeted groups including lesbian and gay communities and ethnic minority groups.
- Promote positive and responsible behaviours around alcohol and drug misuse including any subsequent behaviour that follows for example offending, risky sexual behaviours, exclusion from school or termination from work and benefits.
- Work in partnership with mental health services to improve interventions around co-existing mental health and drug and alcohol issues.

Priority 2: TREATMENT - Commissioning and delivering high quality drug and alcohol treatment systems

The misuse of drugs and alcohol can have a detrimental effect on a person's health and wider wellbeing. It is accountable for poor health outcomes, health inequalities and significant demands on the resources of many public services.

Around 600 opiate users engage with local specialist adult drug treatment services each year. Many have very complex needs and engage in risky behaviour, causing harm to themselves, their children and other family members and the wider community.

As more people are identified as requiring treatment for drug and alcohol misuse, treatment providers and partners need to ensure their services meet their needs. Due to the ever changing environment, increased pressures on individuals and the new emerging trends for alcohol and drug users of all ages, there is the need to enhance these treatment systems to ensure continued delivery of high quality, fit for purpose services.

Re-balancing existing resources to address the unmet needs of alcohol users while managing the risks to the opiate using population will be a considerable challenge for Reading in the coming years.

We aim to:

- Re-balance commissioned treatment services to manage the emerging needs of alcohol users
- Ensure those exiting treatment are free of alcohol and drug dependence, do not re-present at treatment services and are effectively reintegrated into society
- Reduce the numbers of drug related deaths; identify, appropriate interventions, prevention and training activities around the prevention of drug related deaths including the provision of take home naloxone.
- Reduce the risks of suicide
- Reduce the availability of illegal drugs and access to New Psychoactive substances
- Improve pathways between partner services; i.e. housing, probation, prisons, voluntary organisations, GPs, A&E and hospital wards
- Improve pathways for those with mental health issues; co-existing and dual diagnosis.

To achieve this we will:

- Specialist treatment providers need to ensure their services are meeting the needs of Reading. We live in a changing environment with increasing peer pressure, pressure on individuals and the new emerging psychoactive substances, that specialist treatment providers need to enhance their services to continue delivering high quality fit for purpose services.
- Review drug related deaths on a quarterly basis via the Substance Misuse Death Overview Panel as well as monitoring national information. The Panel will develop a mechanism for 'learning the lessons' and for the rapid dissemination of recommendations around the prevention of deaths.
- Disseminate Naloxone alongside overdose training to service users, their families and other agencies to prevent drug related deaths.
- Improve services via a trained workforce to highlight the dangers and harmful effects of drugs and alcohol on families and children.

- Improve relationships e.g. facilitating joint training & joint induction arrangements and communications between Specialist treatment services and the mental health services to put in place timely and effective pathways for those individuals with co-existing and dual diagnosis needs. Commissioners need to link up commissioning strategies and priorities as well as contract manage jointly to effectively manage clients.
- Develop effective information and intelligence sharing across the partnership.

Priority 3: ENFORCEMENT & REGULATION - Tackling alcohol and drug related crime and anti social behaviour

Illicit drug use and alcohol consumption is also a significant contributory factor in relation to a wide range of crime, disorder and anti-social behaviour for adults and young people.

We want to ensure alcohol is sold and consumed responsibly in Reading and continue to disrupt the supply of drugs into Reading through effective enforcement.

We aim to:

- Reduce violence and crime associated with drugs and alcohol
- A community free of alcohol related violence in homes and in public places, especially the town centre
- Improve measures aimed at reducing access to counterfeit and illegal alcohol
- Reduce the availability of illegal drugs
- Reduce street drinking
- Reduce 'county line' dealing –this is described as when an individual, or more frequently a group, establishes and operates a telephone number in an area outside of their normal locality in order to sell drugs directly to users at street level.

To achieve this we will:

- Create responsible markets for alcohol by using existing licensing powers to limit impact of alcohol use on problem areas and by promoting industry responsibility.
- Address alcohol-related anti-social behaviour in the town centre and manage the evening economy
- Address alcohol-related anti-social Neighbourhoods
- Drugs and alcohol are often linked to violence, burglary, domestic violence and disturbances. We need to improve a partnership approach to tackle drug and alcohol related issues associated with town centres and other trouble areas.
- Conduct a local criminal justice needs assessment to look at this cohort in more detail and develop tailored services to meet local need.
- Develop effective information and intelligence sharing across the partners, identifying where current crimes are taking place and known availability of alcohol and drugs in order to develop effective responses and improve current engagement with treatment services to improve referral pathways.
- Enforce laws on underage sales of alcohol and reduce the availability of illegal drugs.

References

This strategy references a number of documents:

- Government Alcohol Strategy, 2012
- Government Drug Strategy, 2010
- Government Drugs Strategy 2017
- Reading Drug and Alcohol Health Needs Assessment, 2016
- Reading Community Safety Partnership Strategy 2016
- Reading Health and Wellbeing Strategy 2016
- Reading Joint Strategic Needs Assessment
- Public Health Outcomes Framework

DRAFT

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	30 OCTOBER 2017	AGENDA ITEM:	11
TITLE:	AWARD OF CONTRACT: REFURBISHMENT OF FLATTED BLOCKS AT HEXHAM ROAD		
LEAD COUNCILLOR:	CLLR ENNIS	PORTFOLIO:	HOUSING
SERVICE:	HOUSING PROPERTY SERVICES	WARDS:	WHITLEY
LEAD OFFICER:	ZELDA WOLFLE	TEL:	0118 937 3385
JOB TITLE:	HOUSING OPERATIONS MANAGER	E-MAIL:	Zelda.wolfle@reading.gov.uk

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

- 1.1 Reading Borough Council has committed to improving the Hexham Road Estate area in Whitley, by refurbishing 5 blocks of flats/maisonettes. All the work is funded from the Housing Revenue Account (HRA) covering the Council's housing stock.
- 1.2 The first phase of work at Rothbury Court was tendered in November 2013. Work commenced in April 2014 and was completed in August 2015 and Morris and Blunt Ltd were the successful tenderer.
- 1.3 The second phase, Kershope Court was tendered in June 2015 and work started in September 2015. This was also awarded to Morris and Blunt Ltd. Phase 3 of the project, Kielder Court was included as an extension to the contract subject to achieving certain performance criteria and agreeing a suitable uplift on tender prices in line with BCIS Tender Price Indices. Work began on 23 January 2017 and is due to complete in February 2018.
- 1.4 Works to refurbish the final two blocks, Redesdale Court and Denton Court, will go through a further OJEU compliant open tendering exercise to establish value for money. This report seeks delegated authority to award the contract further to the completion of the tender exercise.
- 1.5 Committee approval in 2014 authorised a total expenditure of £7m for the refurbishment of the 5 blocks. This report seeks additional capital expenditure approval of up to a further £750,000 for the programme of works across all phases to allow for cost inflation, some unforeseen works and revisions to project scope over the period (see paragraphs 9.1 and 9.2).

2. RECOMMENDED ACTION

- 2.2 That Policy Committee authorise the Director of Environment and Neighbourhood Services, in consultation with the Lead Councillor for Housing, to award a contract for the internal and external refurbishment of 27 properties at 1-55 (odd) Redesdale Court, Bamburgh Close, Reading, Berks RG2 7UD scheduled to commence in March 2018 and complete in April 2019 with an option to extend the contract to a further 27 properties at 92 - 144 (even) Denton Court, Hexham Road, Reading, Berks RG2 7UB, to commence in May 2019 and complete in June 2020, subject to a satisfactory tender evaluation exercise.
- 2.3 That Policy Committee approve additional capital expenditure of up to £750,000 in the Housing Revenue Account (further to the £7m spend approval in 2014) to fully fund all phases of the works.

3. BACKGROUND

- 3.1 The project is to carry out refurbishment works to the internal and external elements of 5 x 1960s blocks of flats and maisonettes in Hexham Road. The project deals with three main areas of the building:
1. Upgrading of the cladding systems and balcony appearance, including improvements to fire resistance (fire stopping at each floor behind the new cladding; infill of voids in the concrete service ducts throughout the building; replacement of medium density fibreboard (MDF) boxing to service pipes on escape routes with enhanced Class O fire resistance MDF board.)
 2. Refurbishment of components
 - Replacement of windows and doors
 - Replacement of kitchens and bathrooms
 - Re-wiring of flats
 - Installation of a communal TV system
 - Replacement of boilers with more efficient condensing, radiators and hot water storage cylinders.
 3. Upgrading of the thermal elements to improve tenant comfort - installation of wall insulation as part of cladding replacement.
- 3.2 As part of the annual Housing Revenue Account (HRA) budget setting process, capital funding to undertake the final phase of refurbishment at Hexham Road flats has been provided for in the 30 year HRA business plan and the annual capital programme. The original Committee approval in 2014 authorised a total expenditure of £7m for the refurbishment of the 5 blocks. Due to a range of factors it is expected that the total value of the project will exceed the £7m approved.

4. THE PROPOSAL

The Current Position.

- 4.2 The current contract was competitively tendered in June 2015 to internally and externally refurbish Kershope Court. A provision in the contract allowed for an extension to the contract based on the same rates priced in the specification and updated using the BCIS indices issued by the National Statistics Department of the Department of Trade and Industry. This provision in the specification was applied in 2016 and an uplift of 2.2% was applied to the 2015 tendered rates.

Options Available.

- 4.3 Tendering is now required to ensure compliance with OJEU regulations to complete the final two phases of the project. This will establish the lowest compliant price within price quality parameters and should introduce a wider base of contractors and allowing the Council to test the market place. Tenderers will be advised that the Council's current Low Wage policy expects the payment of the Living Wage rate set independently by the Living Wage Foundation and updated annually in the first week of November each year. The successful tenderer will be expected to pay a living wage in accordance with this policy to all staff working on Reading Borough Council contracts.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 To develop Reading as a Green City with a sustainable environment and economy at the heart of the Thames Valley: as noted above the refurbishment will improve thermal efficiency of properties and will reduce fuel costs for tenants.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 At the early stages of the project tenant consultation was undertaken in respect of the works to be included within the contract. Ward councillors have been briefed throughout the programme of works so that they are informed to respond to tenants' questions.
- 6.2 Tenant consultation has also been undertaken in choosing the elevation cladding pattern for the individual blocks. This has taken the form of an exhibition at the local Hexham Road Community Centre.
- 6.2 Previously, during the tender process tenant representatives have been engaged in the evaluation of the contractors tendering for the works via contractor assessment interviews. For this phase of the project tenants will be given the opportunity to have an input into contractor selection via contractor presentations/interviews should the initial tender assessment suggest a contractor that Reading Borough Council is not familiar with.

7. EQUALITY IMPACT ASSESSMENT

- 7.1 Under the Equality Act 2010, Section 149, a public authority must consider whether the decision will or could have a differential impact on: racial groups; gender; people with disabilities; people of a particular sexual orientation; people due to their age; people due to their religious belief.

An EIA is not applicable in this case.

8. LEGAL IMPLICATIONS

- 8.1 The works will be executed using the JCT Intermediate Building Contract 2011 and it will be necessary to enter into a contract with the Contractor.
- 8.2 All works carried out will be fully in accordance with the relevant Approved Documents of the Building Regulations, inspected at appropriate points.

9. FINANCIAL IMPLICATIONS

- 9.1 The value of the contract was originally expected to be covered by the capital expenditure approval for the improvement programme on Hexham Road Estate of £7m. However, due to inflation and increased project scope, costs have increased from the original estimates.
- 9.2 Scope was revised to include originally unforeseen works in later blocks as well as further items to improve tenant satisfaction with the overall project.
- 9.3 A review of the BCIS All-in Tender Price and General Building Cost Indices forecasts an increase in tenders from June 2015 to March 2018 of 3.25% and to April 2019 of 7.7% cumulative (March 2018 to April 2019 4.3%). Applying these inflation rates, the predicted budget estimate for the project is now £7.75m.
- 9.2 The table below sets out the actual and anticipated costs across all phases of work.

	Set Up	Completed Block 1	Completed Block 2	In progress Block 3	To tender Block 4	To tender Block 5	Total
Refurbishment	13,275	1,371,544	1,370,362	1,410,014	1,365,696	1,370,155	6,901,046
Inflation Forecast	-	0	0	30,171	44,571	105,599	180,341
Statutory Fees & Insurance	0	2,550	2,550	2,549	2,559	2,559	12,766
Property Services Fees	-	107,000	56,300	82,500	82,500	82,500	410,800
Decant	18,124	40,738	49,164	45,000	45,000	45,000	243,027
TOTAL	31,399	1,521,832	1,478,376	1,570,234	1,540,326	1,605,812	7,747,980

10. VALUE FOR MONEY

- 10.1 The proposed tender exercise will test the market place and demonstrate the best value achievable for the project at the current time.

11. Risk Assessment.

- 11.1 As with all tender exercises, there is potential for higher prices to be submitted. Property Services are looking to mitigate this risk by carrying out an open tender exercise to allow the widest range of responses; in addition a forecasting exercise has been carried out to understand industry pressures through tender price inflation and it is confident that the final phase of the project will come in within the revised project budget of £7.75m

READING BOROUGH COUNCIL

REPORT BY CHIEF EXECUTIVE

TO:	POLICY COMMITTEE		
DATE:	30 OCTOBER 2017	AGENDA ITEM:	12
TITLE:	REVIEW OF FEES AND CHARGES FOR 1 ST NOVEMBER 2017		
LEAD COUNCILLOR:	CLLR LOVELOCK	PORTFOLIO:	LEADERSHIP
SERVICE:	BUSINESS DEVELOPMENT	WARDS	BOROUGHWIDE
LEAD OFFICER:	MARCUS HERMON	TEL:	87106
JOB TITLE:	BUSINESS DEVELOPMENT MANAGER	E-MAIL:	Marcus.hermon@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 In line with established practice and the need to ensure that the Council is maximising income potential on a continuous basis, a mid-year review of existing fees and charges has been undertaken. This is in the context of budget pressures resulting from ongoing reductions in Government funding to local authorities.
- 1.2 This report sets out the outcome of the mid-year review and a proposal to increase a limited number of fees. It is recommended that these amended fees and charges are implemented from the 1st November 2017.
- 1.3 Appendix 1 is a summary table of the proposed changes to fees and charges.

2. RECOMMENDED ACTION

- 2.1 To note the content of the report.
- 2.2 To approve the schedule of revised Fees and Charges as set out in Appendix 1 for implementation from the 1st November 2017.

3. POLICY CONTEXT

- 3.1 The 2016-2019 Corporate Plan sets out the strategic priority of remaining financially sustainable to deliver services. Income generation is an important and necessary component of successfully delivering against this priority.
- 3.2 The Council's Constitution requires Directors, where appropriate, to ensure that charges for the supply of goods and services cover the costs of their provision. The biannual fee review process acts as a mechanism for participating services to consider the recovery of associated costs, react to emerging market pressures and maximise income.

4. PROPOSAL BACKGROUND

- 4.1 The review of fees and charges forms an integral part of the Council's overall budget setting process and assists with the delivery of income related budget saving targets.
- 4.2 Services are required to review their fees and charges in accordance with corporate guidance and legislation. It is important to note that a number of statutory service fees and charges are set by Central Government. Fees and charges for discretionary services are informed and set according to market conditions and affordability to customers/residents, noting that the overall income achieved cannot exceed the costs of service delivery.
- 4.3 As part of the review exercise participating Council Services are required to consider the scope to recover some or all of the full cost of service delivery, recognising that some services are provided at a subsidy in order to contribute to other strategic priorities of the Council, such as reducing levels of inequality. As appropriate, fees have been set to maximise the contribution from income towards the cost of service delivery, and where necessary, concessionary rates continue to be offered to those who need/benefit from the provision of a subsidised service.
- 4.4 Each service has considered and followed a range of criteria in arriving at their proposed fees for November 2017, with the three main areas of consideration as follows:

1) Benchmarking / Market pressures

The fees charged by Council services have been directly compared to those charged by similar providers in the public and private sector. Where the fees charged have been found to be of a lesser or greater value, reasonable adjustments have been made to bring them in line with the market and remain competitive.

2) Rate of Inflation

Where charges are felt to be appropriate to the current market and competition, there has either been no increase proposed or a nominal increase approximately equivalent to the rate of retail price index (RPI) linked inflation, with fees rounded for ease of charging and payment.

3) Cost Recovery

Service areas were asked to identify and consider the costs associated with service delivery, taking into account the full extent of resources required, including overheads and support service charges. Where feasible and appropriate to do so, services should seek to recover as much of this cost as possible as permitted by legislation and set out in the Council's Constitution.

- 4.5 A number of services have not proposed changes to fees and charges as part of this review. The rationale for this is broadly due to the fact that either:
- a) Fees were recently reviewed and benchmarking has identified no scope for any further increase of fees without loss of business;
 - b) The service is completing a broader review of fees and charges, which will be subject to an alternate approvals process and timetable, due to either the availability of resources or process required by legislation.

5. PROPOSAL

- 5.1 To implement the revised set of fees & charges outlined in Appendix 1 from 1st November 2017.

6. CONTRIBUTION TO STRATEGIC AIMS:

- 6.1 The proposal directly contributes to the following objective of the Council's Corporate Plan:
- Remaining financially sustainable to deliver service priorities.

7. COMMUNITY ENGAGEMENT:

- 7.1 Services will each raise awareness of revised fees & charges with their clients as is custom and practice or required by legislation.

8. EQUALITY IMPACT ASSESSMENT:

- 8.1 Under the Equality Act 2010, Section 149, a public authority must consider whether the decision will or could have a differential impact on: racial groups; gender; people with disabilities; people of a particular sexual orientation; people due to their age; people due to their religious belief. Approval of the decisions to carry out any of the improvement work will not have a differential impact on any of the above.
- 8.2 It is not considered that an Equality Impact Assessment (EIA) is relevant to the decision.

9. LEGAL IMPLICATIONS:

- 9.1 Services have reviewed their fees and charges in compliance with respective guidance and legislation. Many statutory service fees and charges are set by Central Government. Discretionary service fees and charges are informed and set according to market conditions and affordability to customers/residents.

10. FINANCIAL IMPLICATIONS:

- 10.1 The proposals are forecast to deliver additional revenue income of £13.5k during the remainder of the current financial year, subject to any further review that may take place. Income projections are based upon the previous financial year's transaction numbers and these may be subject to fluctuation, with volumes increasing or declining.

DESCRIPTION	CATEGORY	Charge Unit	Current Fee ex vat	Proposed fee ex. vat from October 17	Increase £/P	Proposed fee Inc. Vat from Nov 17	
READING SPORT & LEISURE							
POOL	ADULT (Peak / Off peak)	SESSION	£3.67	£3.96	£0.29	£4.75	
	ADULT YRP GENERAL	SESSION	£3.21	£3.50	£0.29	£4.20	
	ADULT YRP CONCESSION	SESSION	£2.38	£2.58	£0.21	£3.10	
	ADULT YRP CONCESSION OFF PEAK	SESSION	£0.00	£0.00	£0.00	£0.00	
	JUNIOR/STUDENT	SESSION	£1.83	£2.29	£0.46	£2.75	
	JUNIOR/STUDENT YRP GENERAL	SESSION	£1.58	£1.96	£0.39	£2.35	
	JUNIOR/STUDENT YRP CONCESSION	SESSION	£0.00	£0.00	£0.00	£0.00	
	UNDER 3 ALL POOLS	SESSION	£0.00	£0.00	£0.00	£0.00	
	FAMILY SWIM ACTIVITY	SESSION	£9.00	£9.00	£0.00	£10.80	
BADMINTON	ADULT	SESSION	£9.67	£10.00	£0.33	£12.00	
	ADULT YRP GENERAL	SESSION	£8.33	£8.58	£0.25	£10.30	
	ADULT YRP CONCESSION	SESSION	£5.96	£6.17	£0.21	£7.40	
	ADULT/JUNIOR WEEKDAYS 9.00AM -5.00PM YPR CONC	SESSION	£0.00	£0.00	£0.00	£0.00	
	JUNIOR	SESSION	£4.83	£5.00	£0.17	£6.00	
	JUNIOR YRP GENERAL	SESSION	£4.21	£4.83	£0.62	£5.80	
	JUNIOR YRP CONCESSION	SESSION	£3.04	£3.04	£0.00	£3.65	
TRANSPORT LICENCE FEES							
	Crane/Mobile Lifting Platform Permit (up to 1 week)	each	£125.00	£129.17	£4.17	£155.00	
	Streetworks Licence Fee	each	£208.33	£300.00	£91.67	£360.00	
PLANNING - PRE APPLICATION FEES							
Level 1	Householders advice on house extensions	each	£120.00	£125.00	£5.00	£150.00	
	Follow up meetings	each	£60.00	£65.00	£5.00	£78.00	
	Small business and developers: advice on building works and change of use where the floor area involved is up to 200sqm	each	£120.00	£125.00	£5.00	£150.00	
	Follow up meetings	each	£60.00	£65.00	£5.00	£78.00	
	Proposals for community uses - (FOC for up to 200sqm)	each	£120.00	£125.00	£5.00	£150.00	
	Follow up meetings	each	£60.00	£65.00	£5.00	£78.00	
	Advertisements	each	£120.00	£125.00	£5.00	£150.00	
	Follow up meetings	each	£60.00	£65.00	£5.00	£78.00	
	Telecommunication installations	each	£120.00	£125.00	£5.00	£150.00	
	Follow up meetings	each	£60.00	£65.00	£5.00	£78.00	
	Listed Building consent /conservation area consent.	each	£120.00	£125.00	£5.00	£150.00	
	Follow up meetings	each	£60.00	£65.00	£5.00	£78.00	
	Trees and Landscaping	each	£120.00	£125.00	£5.00	£150.00	
	Follow up meetings	each	£60.00	£65.00	£5.00	£78.00	
	Works to trees covered by tree preservation orders.	each	£120.00	£125.00	£5.00	£150.00	
	Folow up meetings	each	£60.00	£65.00	£5.00	£78.00	
	Level 2	201 - 499sqm	each	£275.00	£290.00	£15.00	£348.00
Business, commercial or other development 201 sqm to 1000 or up to 19 dwellings.	500 - 1000sqm	each	£525.00	£550.00	£25.00	£660.00	
	1 - 3 dwellings	each	£275.00	£290.00	£15.00	£348.00	
	4 - 9 dwellings	each	£400.00	£420.00	£20.00	£504.00	
	10 - 15 dwellings	each	£650.00	£675.00	£25.00	£810.00	
	15 - 19 dwellings	each	£800.00	£825.00	£25.00	£990.00	
	One meeting included in above fee, additional meetings charged by hour.	each	£80.00	£85.00	£5.00	£102.00	
Level 3	Introductory meeting fee	each	£150.00	£160.00	£10.00	£192.00	
HIGHWAYS							
Drainage Works	Recovery of property from gullies	each	£57.00	£59.17	£2.17	£71.00	
Accident Reclaims	Administration Fee	each	£57.50	£59.58	£2.08	£71.50	
	Inspectors Visit	each	£86.00	£89.17	£3.17	£107.00	
Building Over Sewer/Drainage Plans	Reproduction of Agreements	each	£51.50	£53.33	£1.83	£64.00	
	Reproduction of plan	each	£20.50	£21.25	£0.75	£25.50	
Footway Crossings	Application Fee	each	£51.50	£53.50	£2.00	N/a	
	Inspectors Visit And Measure Up	each	£57.00	£59.50	£2.50	N/a	
	Site supervision and quality control (min 2 visits)	each	£109.00	£113.00	£4.00	N/a	
Solicitor Enquiries	Map Reproduction (single)	each	£40.50	£42.00	£1.50	N/a	
	Map Reproduction (Each additional)	each	£20.00	£21.00	£1.00	N/a	
	Copying S278 Agreements	each	£46.50	£48.33	£1.83	£58.00	
	Copying S38 Agreements	each	£46.50	£48.33	£1.83	£58.00	
Miscellaneous Income	Scaffold / Hoarding Licence Fee	Up to 4 weeks	£171.50	£178.00	£6.50	N/a	
		each additional week or part week	£28.50	£30.00	£1.50	N/a	
	Stopping up of the public highway applications	each	£700.00	£725.00	£25.00	£870.00	
	S171 Licence (e.g. works on highway or store building material on the highway)	Up to 4 weeks	£341.50	£353.33	£11.83	£424.00	
		each additional week or part week	£16.50	£17.50	£1.00	£21.00	
	S142 Licence to plant on highway	each	£171.50	£177.50	£6.00	£213.00	
	Consenting on ordinary watercourse	each	£50.00	£51.67	£1.67	£62.00	
Swapouts	each	£341.00	£353.33	£12.33	£424.00		
	Application fee for access protection markings to existing footway crossings	each	£52.00	£54.00	£2.00	N/a	
	Provision of new access protection marking up to 5m long	each	£29.00	£30.00	£1.00	N/a	
	Provision of new access protection marking each additional metre over 5m	metre	£6.00	£6.50	£0.50	N/a	

	Refreshing access protection marking up to 5m long	each	£29.00	£30.00	£1.00	N/a
	Refreshing access protection marking each additional metre	metre	£6.00	£6.50	£0.50	N/a
	Access control/Key for lockable bollard fee	each	£57.50	£60.00	£2.50	£72.00
LIBRARIES						
children's activity sessions excluding rhymet	Cost recovery fee	Per child	N/a new fee	£1.00	N/a	N/a
LICENSING						
Licence Application Fees	Family entertainment centre machines and prize gaming - grant	each	£302.50	£300.00	-£2.50	N/a
	Family entertainment centre machines and prize gaming - renewal	each	£302.50	£300.00	-£2.50	N/a
	Family entertainment centre machines and prize gaming - change of name	each	£25.50	£25.00	-£0.50	N/a
	Family entertainment centre machines and prize gaming - copy	each	£15.50	£15.00	-£0.50	N/a
	Club gaming permit (Poker etc)		£101.00	£200.00	£99.00	N/a
	Club gaming permit - annual fee		£51.00	£50.00	-£1.00	N/a
	Club gaming permit - copy		£25.50	£25.00	-£0.50	N/a
	Club machine permit (Fruit Machines)		£101.00	£200.00	£99.00	N/a
	Club machine permit - copy		£25.50	£25.00	-£0.50	N/a
	Club machine annual fee		£50.50	£50.00	-£0.50	N/a
	Pubs gaming machine notification (Fruit Machines) Pubs with up to 2 fruit machines	2 units	£50.50	£50.00	-£0.50	N/a
	Pubs gaming machine permit (pubs with more than 2 gaming machines)	3+ units	£151.50	£150.00	-£1.50	N/a
	Pubs gaming machine permit - copy		£25.50	£25.00	-£0.50	N/a
	Pubs gaming machine permit - annual fee		£51.00	£50.00	-£1.00	N/a
TRADING STANDARDS & CORONERS						
Explosives (Set by statute)	License to store explosives no min separation					
	1 year	per license	£105.00	£109.00	£4.00	N/a
	2 year	per license	£136.00	£141.00	£5.00	N/a
	3 Year	per license	£166.00	£173.00	£7.00	N/a
	4 Year	per license	£198.00	£206.00	£8.00	N/a
	5 Year	per license	£229.00	£238.00	£9.00	N/a
	Renewal to store explosives no minimum separation					
	1 Year	per license	£52.00	£54.00	£2.00	N/a
	2 Year	per license	£83.00	£86.00	£3.00	N/a
	3 Year	per license	£115.00	£120.00	£5.00	N/a
	4 Year	per license	£146.00	£152.00	£6.00	N/a
	5 Year	per license	£178.00	£185.00	£7.00	N/a
	Variation/Transfer/Replacement		£35.00	£36.00	£1.00	N/a
STREETCARE SERVICES						
BULKY WASTE COLLECTIONS	Collection of 1 Item	Each	£ 31.60	£ 33.00	£1.40	N/a
	YRP Concession	Each	£ 23.70	£ 25.00	£1.30	N/a
	Collection of 2 Items	Each	£ 36.70	£ 38.00	£1.30	N/a
Special Collections -	YRP Concession	Each	£ 27.55	£ 29.00	£1.45	N/a
	Collection of 3 Items	Each	£ 41.80	£ 44.00	£2.20	N/a
	YRP Concession	Each	£ 31.60	£ 33.00	£1.40	N/a
	Collection of 4 Items	Each	£ 46.90	£ 49.00	£2.10	N/a
	YRP Concession	Each	£ 35.70	£ 37.00	£1.30	N/a
	Collection of 5 Items	Each	£ 52.00	£ 54.00	£2.00	N/a
	YRP Concession	Each	£ 38.75	£ 41.00	£2.25	N/a
	Fridge freezers - Domestic, Maximum of 2 per collection	Each	£ 36.00	£ 38.00	£2.00	N/a
	YRP Concession	Each	£ 27.00	£ 29.00	£2.00	N/a
	Cancellation charge (less than 3 days before collection)	Each	£ 10.00	£ 11.00	£1.00	N/a
						N/a
	- Half load	1/2 load	£ 65.00	£ 68.00	£3.00	N/a
	- Full load	1 Load	£ 130.00	£ 135.00	£5.00	N/a
TRADE WASTE	Trade general sack in multiples of 25		£ 3.22	£ 3.40	£0.18	N/a
	Trade general sack in multiples of 100		£ 2.10	£ 2.20	£0.10	N/a
	Trade recycling sack		£ 1.55	£ 1.60	£0.05	N/a
WHEELED BINS	240 litre new (plastic) - Domestic	Each	£ 41.70	£ 43.20	£1.50	N/a
	240 litre replacement - recycling (new developments)	Each	£ 41.70	£ 43.20	£1.50	N/a
	360 litre new (plastic) - Domestic	Each	£ 62.60	£ 65.00	£2.40	N/a
	1100 litre (steel) - Trade Waste	Each	£ 358.19	£ 371.00	£12.81	N/a
	1100 litre (Plastic) - Trade Waste	Each	£ 275.90	£ 286.00	£10.10	N/a
						N/a
SKIP LICENCES	Licence for up to 2 weeks	Each	£ 40.00	£ 41.50	£1.50	N/a
	Licence fee for every subsequent week after initial 2 weeks	Each	£ 35.00	£ 36.50	£1.50	N/a
						N/a
	Labour cost (clean up team) per hour	Each	£ 68.66	£ 71.00	£2.34	N/a
						N/a
	Tipping waste (transportation and disposal cost) per tonne	Each	£ 155.00	£ 161.00	£6.00	N/a
ADULT SOCIAL CARE						
OLDER PEOPLE	Use of RBC services after reablement period (per hr)	each	£ 16.88	£ 17.00	£0.12	N/a

READING BOROUGH COUNCIL

REPORT BY STRATEGIC DIRECTOR OF FINANCE

TO:	POLICY COMMITTEE		
DATE:	30 OCTOBER 2017	AGENDA ITEM:	13
TITLE:	CONTRACT AWARD - PROCUREMENT CONSULTANCY SUPPORT		
LEAD COUNCILLOR:	JO LOVELOCK	PORTFOLIO:	CORPORATE SERVICES
SERVICE:	PROCUREMENT	WARDS:	BOROUGHWIDE
LEAD OFFICER:	JOHN LITTLEFAIR	TEL:	0118 937 2568
JOB TITLE:	PROCUREMENT AND PARTNERSHIPS MANAGER	E-MAIL:	john.littlefair@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report seeks approval for the award of a contract for procurement consultancy support following a competitive tendering exercise. The contract is due to run for a period of four years but is subject to break clauses based upon satisfactory performance during the initial period.

2. RECOMMENDED ACTION

- 2.1 That the Committee approves the award of a contract to V4 Services Ltd for Procurement Consultancy Services for a period of four years from the commencement date.

3. POLICY CONTEXT

- 3.1 The contract is required to support the delivery of the Council's medium term financial plan and to identify and support the identification and delivery of further savings and revenue generating proposals through best practice procurement and contract management initiatives. The contractor will also review and inform governance arrangements, standards and systems used for procurement and contract management across the Council to leave a legacy of an improved approach to procurement and contract management throughout the Council.

4. THE PROPOSAL

- 4.1 As part of the Council's programme of savings, the current medium term financial plan requires the identification and delivery of at least £1.05m reductions in budgeted expenditure on goods and services provided by third party suppliers over the next three years. This work is currently ongoing but we need to further improve our capability and capacity to deliver further value for money from contracting and contract management arrangements.
- 4.2 The Council does not have the capacity in-house to explore further opportunities and needs to seek an external partner to supplement existing resources and to provide

access to a range of subject matter experts who can bring broader expertise and specialist knowledge. There is a well-established market of these specialist providers who work with organisations to identify and deliver cost reductions on a risk and reward basis. To establish the nature and extent of potential savings going beyond those already budgeted, a proposal has been developed to engage a suitable external provider to work with the Council.

- 4.3 The provider has been procured through a mini-competition under a framework agreement provided by the Eastern Shires Purchasing Organisation (ESPO).

PROJECT BRIEF

- 4.4 The detailed project brief is attached at Appendix 1. The Committee is asked to note that the project has a Council wide scope and requires the active involvement and commitment of all directorates in engaging with the scoping exercise and, where agreed, the delivery of further spend reductions based on better procurement and commissioning practice. The savings opportunities identified will go beyond those already agreed and will have to be delivered in addition to the savings from external spend already built into the budget. The project will also strengthen internal governance and build the capability of the Council to maintain these better practices in the long term.

5.0 RESOURCING REQUIRED

- 5.1 The cost of the external support is designed to be self-financing after the initial pump priming phase with further costs only being incurred where an evidenced business case has been agreed whereby the contractor's support cost will be set at a proportion of the eventual saving delivered.
- 5.2 The initial scoping work is required to identify where our efforts are best focused in order to deliver significantly greater net savings.
- 5.3 We have also identified that a specialist forensic audit of historic payments is appropriate and the contractor will undertake this work alongside the scoping work. The audit will provide assurance of the adequacy of the controls in place to prevent overpayments made in error and, if errors in invoiced payments are identified, recover those overpayments from suppliers. This work will be undertaken on a "no win no fee basis" with the provider being paid a percentage of any amount recovered. Should no recoverable overpayments be identified, there will be no cost to the Council for this audit.
- 5.4 Once the payments audit and phase 1 work is completed, the Council has the option to terminate the contract at that point should it not be possible to agree a satisfactory programme to generate savings.
- 5.5 It is, however, anticipated that a significant programme of additional savings will be identified. From that point onwards (phase 2) the work undertaken by the consultants will be funded through a gainshare arrangement whereby the consultant's fees will be a percentage of the spend reductions achieved. The contract will run for a maximum of four years should ongoing opportunities continue to be identified where the expertise of the provider can be demonstrated to add value. There is no commitment by the Council to any specific volume of work or activity beyond the initial phase 1.
- 5.6 The consultants will be expected to work with officers across the Council to embed best practice across all procurement, contract management and revenue generating activity to provide a legacy of a long term, sustainable value for money culture and

equip RBC officers with the skills and tools to continue to drive savings in the long term.

6. CONTRIBUTION TO STRATEGIC AIMS

- 6.1 The main contribution that this contract will make to the Council's strategic aims is to help the Council remain financially sustainable. Best practice procurement and contracting arrangements also make a major contribution to delivering the Council's service objectives and strategic aims through works, goods and services contracted from third party service providers.

7. COMMUNITY ENGAGEMENT AND INFORMATION

- 7.1 None directly relevant to this contract award decision

8. EQUALITY IMPACT ASSESSMENT

- 8.1 There is no equalities impact assessment required for this contract.

9. LEGAL IMPLICATIONS

- 9.1 The contract has been let in accordance with the Public Contracts Regulations 2015 using a mini-competition under a Framework Agreement let by the Eastern Shires Purchasing Organisation (ESPO). This is in accordance with the Council's contracts Procedure Rule 4.2.e.2:

“(e) The works, services, or supplies are obtained by calling-off from a framework agreement, where this can be demonstrated to offer best value..... by:

(2) through reopening competition amongst the economic operators which are party to the framework agreement.”

10. FINANCIAL IMPLICATIONS

- 10.1 The cost structure of the contract has been designed to be funded from realised savings in expenditure. The initial phase of the work will be funded from the Council's change fund. This phase will identify savings initiatives which the contractor will support the Council to deliver. The contractor's share of the savings will be the first call on the savings delivered, the next tranche of the savings will be recycled back into the change fund. After that, savings will be used to reduce the Council's budget requirement.

The detailed cost breakdown is confidential information and has been included in a separate report in Part II of tonight's agenda. Overall, using the tender evaluation estimates, the value of this contract is estimated to be £502,200, set against potential cashable gains of £3.1m per annum.

11. BACKGROUND PAPERS

- 11.1 Procurement Documentation including, Invitations to Tender and Procurement Project approval forms.
ESPO Framework Agreement User Guide and call-Off Agreement.

APPENDIX 1 - PROJECT BRIEF

Project brief

The project is intended to be delivered in a minimum of two phases.

Phase 1 - Scoping Fact Finding, and one-off Compliance/forensic audit

- Review of existing contracts and non-contract spend to identify opportunities to deliver spend reductions and associated budget savings over and above those savings already identified in the Council's financial plan.
- Review current governance and control processes to identify short terms actions that might be put in place to improve spend control pending longer term solutions
- Identify opportunities to increase existing budgeted savings and/or achieve them more quickly than the current plans anticipate. Validation of achievability of those savings proposals already identified.
- One off compliance/forensic audit of historic payments on gainshare basis.
- Initial review to target savings in excess of £3m net of consultancy costs (approximately 2% of existing third party spend in the Revenue budget) with a proportion to be delivered within 2017/8 for full year effect in 2018/9.
- The opportunities identified should provide details of the methodology to be employed and evidence to support the assessments of the savings potential.

Payment

To be agreed following sign off of the opportunities on the basis of

- Achieving milestones agreed in advance
- Acceptance of evidence base for opportunities
- Opportunities deliverable within the agreed constraints and parameters
- Client having final say on which opportunities are pursued.

Timescale

Completion of phase 1 in a maximum of 6 weeks from commencement of services following an agreed mobilisation period. It is anticipated the mobilisation period will be in the region of 4 weeks.

Reading Borough Council Support

Requirements of RBC support (e.g. provision of quantitative data, resources and support to project) to be clearly identified in proposal and agreed prior to commencement

Phase 2 - Support to delivery

This phase may be broken down into an initial period of support with potential extensions exercised at the discretion of the client.

- a) Implementation of selected spend reduction proposals.
- b) Scoping and implementation of cultural, behavioural and control system changes to create new corporate environment for decision making on spend with third parties to include:
 - Option appraisal/make or buy commissioning decisions
 - Review of delegation and approval processes to approach market.
 - Supply base rationalisation and reduction/elimination of off-contract spend
 - Evidencing of value for money
 - Consumption reduction
 - Governance and accountability structures
 - Communications and strategy promotion
 - Resource planning and embedding commercial skill
 - Service redesign to lower costs
 - Contract and Supplier relationship management
- c) Ongoing coaching, mentoring and support in the post-implementation phase on an "as needed" basis

Intended duration of Contract

The Council will contract for both phases 1 and 2 but reserves the right to break after phase 1 subject to performance and satisfactory costed proposals for phase 2. The contract is intended to run up to a maximum of 4 years from the initial start date of Phase 1.

READING BOROUGH COUNCIL

REPORT BY STRATEGIC DIRECTOR OF FINANCE

TO:	POLICY COMMITTEE		
DATE:	30 OCTOBER 2017	AGENDA ITEM:	14
TITLE:	CONTRACT AWARD - CIVICA PAYMENTS ENTERPRISE LICENCE		
LEAD COUNCILLOR:	JO LOVELOCK	PORTFOLIO:	CORPORATE SERVICES
SERVICE:	PROCUREMENT	WARDS:	BOROUGHWIDE
LEAD OFFICER:	JOHN LITTLEFAIR	TEL:	0118 937 2568
JOB TITLE:	PROCUREMENT AND PARTNERSHIPS MANAGER	E-MAIL:	john.littlefair@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The report seeks approval for the award of a contract for a five year contract for software licences and maintenance.

2. RECOMMENDED ACTION

- 2.1 That the Committee approve the award of a contract to Civica UK Ltd. (Civica) for a period of five years from the commencement date for the provision of an enterprise licence and associated maintenance and services for upgraded Civica ICON payments, hosted software.

3. POLICY CONTEXT

The procurement of this upgraded software supports the Council's ICT and Digital Strategy promoting better access for customers to digital and online service delivery.

4. THE PROPOSAL

- 4.1 The Council's current contract with Civica for incoming payments processing comes to an end in July 2018. In addition to this, the Council is required to address the following challenges in the near future:
- 4.1.1 Maintaining Payment Card Industry Data Security Standard (PCI-DSS) compliance
 - 4.1.2 Compliance with the General Data Protection Regulation (GDPR) by 28 May 2018
 - 4.1.3 Support for homeworking call centre staff to enable them to securely handle payments from customers.

- 4.1.4 Rationalisation of server usage to ensure all data is held and accessible in a single place which supports more efficient use of staff time avoiding the need for multiple logins.
- 4.1.5 Improvements to the Council's bank reconciliation process to address issues raised by the Council's external auditors.
- 4.2 The Council's current payment system supplied by Civica does not provide an adequate solution to these challenges, however, the product can be upgraded to a version which is suitable to address these issues.
- 4.3 Any alternative to the upgrade of the current product route would require a full procurement exercise and, possibly, the implementation of a completely new system. A new system would require the dedication of significant internal staffing resource to the project. At this point, given the broad range of challenges facing the finance and customer services teams, the Council does not have the capacity to manage the implementation of a new system. The internal costs of implementing a complete new system when coupled with the external costs of purchasing and implementing a new system indicate that this would not provide a better value for money solution for the Council, particularly if there is any loss of service during the change.
- 4.4 The Council's requirement has therefore been determined to be the upgrade of the existing system to address the challenges above without requiring the specification, procurement and implementation of an alternative product.
- 4.5 The Crown Commercial Services Framework RM1059 (Local Authority Software Solutions) provides a catalogue based purchasing route to procuring a variety of software products and associated services, including the upgraded Civica system, consistent with the requirements of the Public Contracts Regulations 2015. The Council's Legal and Procurement teams have provided advice and confirmed the suitability of the upgrade approach and proposed use of the framework.
- 4.6 Under the terms of the Framework, Civica have made a proposal for a five year, enterprise licence, which includes all future system upgrades for the duration of the licence at no further cost to the Council over the proposed upgrade implementation and fixed annual charges. This provides price certainty and assurance that the Council will continue to operate the latest software versions without the need for further expenditure. The value for money of this proposal is set out in the financial implications section below.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The main contribution that this contract will make to the Council's strategic aims is to help the Council remain financially sustainable and will support more efficient and customer friendly payments arrangements.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 None directly relevant to this contract award decision

7. EQUALITY IMPACT ASSESSMENT

- 7.1 There is no equalities impact assessment required for this contract.

8. LEGAL IMPLICATIONS

- 8.1 The contract has been let in accordance with the Public Contracts Regulations 2015 using a direct call-off from a Framework Agreement let by Crown Commercial Services (CCS)

The purchase of the upgrade is exempt from the requirement to seek tenders in accordance with the Council's Contracts Procedure Rule 4. (2) (e) (1):

"....The works, services, or supplies are obtained by calling-off from a framework agreement, where this can be demonstrated to offer best value by:

.....application of the terms laid down in the framework agreement without reopening competition

9. FINANCIAL IMPLICATIONS

- 9.1 The list price for a 5 year enterprise licence would total £608k, including a one-off licence fee of £200k and increasing annual charges, to allow for the anticipated increase in the volume of transactions expected over the period. However, as an incentive for an early take up and signing the contract by 31 October, Civica have offered the same facilities for £485k, including a one off fee of £155k and a flat annual charge which allows for up to 250k transactions per annum (currently the Council has about 205k such transactions per annum).

The current budget makes adequate provision for this sum and the increased transactional capacity (and better functionality) will allow for some cost efficiencies to be made in due course.

10. BACKGROUND PAPERS

- 10.1 Procurement Documentation including, CCS RM1059 Framework Agreement User Guide, Pricing and Catalogue information, Civica proposal and Call-Off Agreement.