



NORTHAMPTON
BOROUGH COUNCIL

CABINET AGENDA

Wednesday, 16 November 2016

The Jeffrey Room, St. Giles Square, Northampton,
NN1 1DE.

6:00 pm

Members of the Cabinet:

Councillor: Jonathan Nunn (Leader of the Council)

Councillor: Phil Larratt (Deputy Leader)

Councillors: Mike Hallam, Tim Hadland, Stephen Hibbert, Brandon Eldred and Anna King.

Chief Executive David Kennedy

If you have any enquiries about this agenda please contact
democraticservices@northampton.gov.uk or 01604 837722

PORTFOLIOS OF CABINET MEMBERS

CABINET MEMBER	TITLE
Councillor J Nunn	Leader
Councillor P Larratt	Deputy Leader
Councillor M Hallam	Environment
Councillor B Eldred	Finance
Councillor T Hadland	Regeneration, Enterprise and Planning
Councillor S Hibbert	Housing and Wellbeing
Councillor A King	Community Engagement and Safety

SPEAKING AT CABINET MEETINGS

Persons (other than Members) wishing to address Cabinet must register their intention to do so by 12 noon on the day of the meeting and may speak on any item on that meeting's agenda.

Registration can be by:

Telephone: (01604) 837722
(Fax 01604 838729)

In writing: Democratic Services Manager
The Guildhall, St Giles Square, Northampton NN1 1DE
For the attention of the Democratic Services Officer

By e-mail to democraticservices@northampton.gov.uk

Only thirty minutes in total will be allowed for addresses, so that if speakers each take three minutes no more than ten speakers will be heard. Each speaker will be allowed to speak for a maximum of three minutes at each meeting. Speakers will normally be heard in the order in which they registered to speak. However, the Chair of Cabinet may decide to depart from that order in the interest of hearing a greater diversity of views on an item, or hearing views on a greater number of items. The Chair of Cabinet may also decide to allow a greater number of addresses and a greater time slot subject still to the maximum three minutes per address for such addresses for items of special public interest.

Members who wish to address Cabinet shall notify the Chair prior to the commencement of the meeting and may speak on any item on that meeting's agenda. A maximum of thirty minutes in total will be allowed for addresses by Members unless the Chair exercises discretion to allow longer. The time these addresses take will not count towards the thirty minute period referred to above so as to prejudice any other persons who have registered their wish to speak.

KEY DECISIONS

 denotes the issue is a 'Key' decision:

- Any decision in relation to the Executive function* which results in the Council incurring expenditure which is, or the making of saving which are significant having regard to the Council's budget for the service or function to which the decision relates. For these purpose the minimum financial threshold will be £250,000;
- Where decisions are not likely to involve significant expenditure or savings but nevertheless are likely to be significant in terms of their effects on communities in two or more wards or electoral divisions; and
- For the purpose of interpretation a decision, which is ancillary or incidental to a Key decision, which had been previously taken by or on behalf of the Council shall not of itself be further deemed to be significant for the purpose of the definition.






NORTHAMPTON BOROUGH COUNCIL

CABINET

Your attendance is requested at a meeting to be held:
in The Jeffrey Room, St. Giles Square, Northampton, NN1 1DE.
on Wednesday, 16 November 2016
at 6:00 pm.

D Kennedy
Chief Executive

AGENDA

- 1. APOLOGIES**
- 2. MINUTES**
- 3. INTENTION TO HOLD PART OF THE MEETING IN PRIVATE**
- 4. DEPUTATIONS/PUBLIC ADDRESSES**
- 5. DECLARATIONS OF INTEREST**
- 6. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES**
None
- 7. CABINET'S RESPONSE TO OVERVIEW AND SCRUTINY COMMITTEE PRE-DECISION SCRUTINY REPORT - MUSEUM TRUST**
Report of the Director of Customer and Communities (Copy herewith)
- 8. PARTNERSHIP GRANT ALLOCATION PROCESS 2017-18**
Report of the Director of Customer and Communities (Copy herewith)
- 9. NEW COMMUNITY CENTRE AND SPORTS PITCHES AT ST CRISPINS - LEASE APPROVAL**
 Report of Director of Customers and Communities (Copy herewith)
- 10. PUBLIC SPACES PROTECTION ORDER**
 Report of Director of Customer and Communities (Copy herewith)
- 11. RE-PROVISION OF ENVIRONMENTAL SERVICES**
 Report of Director or Customers and Communities (Copy herewith)
- 12. ARMED FORCES COMMUNITY COVENANT**
Report of Director of Customers and Communities (Copy herewith)
- 13. PARISH COUNCIL ASSET TRANSFER DISCUSSIONS**
 Report of Chief Executive (Copy herewith)
- 14. FINANCE REPORT TO 30TH SEPTEMBER 2016**
 Report of Chief Executive (Copy herewith)

15. EXCLUSION OF PUBLIC AND PRESS

THE CHAIR TO MOVE:

“THAT THE PUBLIC AND PRESS BE EXCLUDED FROM THE REMAINDER OF THE MEETING ON THE GROUNDS THAT THERE IS LIKELY TO BE DISCLOSURE TO THEM OF SUCH CATEGORIES OF EXEMPT INFORMATION AS DEFINED BY SECTION 100(1) OF THE LOCAL GOVERNMENT ACT 1972 AS LISTED AGAINST SUCH ITEMS OF BUSINESS BY REFERENCE TO THE APPROPRIATE PARAGRAPH OF SCHEDULE 12A TO SUCH ACT.”

SUPPLEMENTARY AGENDA

**Exempted Under Schedule
12A of L.Govt Act 1972
Para No:-**

NORTHAMPTON BOROUGH COUNCIL

CABINET

Wednesday, 19 October 2016

PRESENT: Councillor Markham (Chair); Councillors Bottwood, Eldred, Hadland, Hallam, Hibbert and King

1. APOLOGIES

There were none.

2. MINUTES

The minutes of the previous meeting were agreed and signed by the Leader following the amendment to the clarification to Item 9 on the minutes:

“Most of the Councils ‘general needs’ bungalow would be re-classified as older persons housing and up to 600 flats, currently classified as ‘sheltered housing’ would be re-classified to ‘general needs’ not 6000 as stated in the previous minutes.

3. INTENTION TO HOLD PART OF THE MEETING IN PRIVATE

There were no items to be heard in private.

4. DEPUTATIONS/PUBLIC ADDRESSES

Mr Holland-Delamere addressed Cabinet on Item 7 – *‘Barn Owl Pub - potential relaxation of restrictive covenant’* and submitted a petition explaining that over 700 people had signed the petition asking the Council not to remove the Covenant. He stated that the consultation process had been extremely limited and the views of residents not listened to and as a community they wanted to be involved in the discussions and urged Cabinet to not remove the covenant.

Mrs Wishart addressed Cabinet on Item 13 – *‘Abington Park Café: Proposed Lease and Licence. Park Inn Hotel: Proposed Ground Lease Extension’* and reported that she had 4 main objections to the proposed lease for Abington Park Café; the loss of public space, the lack of competition, the length of the lease and the lack of consultation. She noted that Abington Park was a local treasure to many residents of Northampton, especially as it was in a Conservation Area and the intrusion that the café had on the park needed to be controlled. She considered the proposed lease to be excessive and criticised the lack of consultation.

Mr Wishart addressed Cabinet in respect of Item 13 – *‘Abington Park Café: Proposed Lease and Licence. Park Inn Hotel: Proposed Ground Lease Extension’* and stated that to grant the lease could potentially leave the Council open to legal challenges. He further stated that the 25 year lease was unusually long and questioned why a competitive tendering process had not been undertaken.

5. DECLARATIONS OF INTEREST

Councillor Bottwood declared a personal non-pecuniary interest in Item 9 – as Board Member on Northampton Partnership Homes.

6. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES

There were none.

7. BARN OWL PUB - POTENTIAL RELAXATION OF RESTRICTIVE COVENANT.

Councillor J Hill addressed Cabinet and stated that the number of residents who were support of the lifting of the covenant was very limited and that the community had been very disappointed with the behaviour of the developers and noted that there was a commitment to work with the Council to establish a proposal that residents would be happier with.

Councillor Hadland as the relevant Cabinet Member introduced a report on the Barn Owl Pub - potential relaxation of restrictive covenant and explained that further correspondence had been received on which he had asked for legal professional advice. He stated that the matter was not being deferred.

The acting Leader welcomed the enthusiasm and passion of the local community and thanked the residents for their contributions.

RESOLVED:

Cabinet **DID NOT** agree to release the freehold covenant prohibiting the use of the former Barn Owl Public House, other than as a public house, subject to a payment of £30,000 from the owner to the Council and the Council receiving a legally binding agreement for the provisions of a room for community use at no charge to the Community.

8. FUNDING FOR EMERGENCY NIGHTSHELTER

Councillor Ashraf welcomed the news of the Nightshelter which would provide rough sleepers with emergency accommodation and emphasised that the building would only be used as a temporary measure. She spoke of the collaborative work that had been undertaken through the 'together we change lives', a strategy and requested a review of the Nightshelter in 6 months.

Councillor Hibbert as the relevant Cabinet Member submitted a report and commented that the purpose of the report was to seek capital expenditure of up to £100,000. He noted the importance to get the Nightshelter, emphasising the need for it to be habitable and safe. In response to the request of Councillor Ashraf, the Cabinet Member confirmed that he would be happy to support a review of the Nightshelter in 6 months' time

RESOLVED:

- 2.1 That the capital expenditure of up to £100,000 to support the refurbishment of the nightshelter, using the Council's capital resources approved by Council in February 2016 be approved; and
- 2.2 That a one-off supplementary estimate for revenue costs of £160,000 to fund the nightshelter until September 2018, as set out in Paragraph 4.2.6, of the report be approved and for these costs to be funded from housing reserves approved by Council in February 2016.

9. NORTHAMPTON WATERSIDE ENTERPRISE ZONE: PROPOSED PURCHASE OF LAND AT ST. PETER'S WAY.

Prior to addressing Cabinet, Councillor Ashraf declared a personal non-pecuniary interest in the Item as a Board Member on Northampton Partnership Homes. She commented that it was a very positive plan for Northampton Partnership Homes (NPH) to move from the Westbridge site and stated that there was a need for the site to be regenerated, urging that it not be made into a gasification plant, but consideration be given into attracting investment in the area.

Councillor Hadland as the relevant Cabinet Member submitted a report and commented that investigations of the site had been extensive and lengthy and that assurances in the form of insurances would be needed to ensure tax payers money was spent wisely. He stated that a report would be bought back to Cabinet to make a final decision on the purchase of the site.

RESOLVED:

- 2.1 That the progress to date in advancing the proposed purchase be noted.
- 2.2 That the various studies commissioned from AMECfw as a part of the Council's environmental due diligence associated with the proposed purchase and the appointment of Nabarro as external legal advisors be endorsed
- 2.3 That the Director of Planning, Regeneration & Enterprise acting in consultation with the Chief Finance Officer and the Cabinet Members for Planning, Regeneration & Enterprise and Finance, be authorised to complete the due diligence process and to agree appropriate terms in-principle for the purchase of the site from National Grid.
- 2.4 That the Director of Planning, Regeneration & Enterprise be requested to submit a further report, as appropriate, to enable Cabinet to confirm the purchase.

10. BODY WORN CAMERAS

Councillor Russell addressed Cabinet and commented that she was pleased to see the policy being progressed as it would offer wardens an element of protection when undertaking their day to day work.

Councillor Davenport commented that she too was very pleased with the report and the recommendations as she considered it would increase the safety of wardens.

Councillor Bottwood as the relevant Cabinet Members submitted a report and stated that the introduction of the body worn cameras would give wardens increased safety and confidence in potentially volatile situations. He stated that the cameras were not for evidence gathering purposes and that any recordings would be subjected to legislation and noted that offices would be fully trained in all aspect of the policy .

RESOLVED:

That the Body-Worn Video Policy appended to the report be approved

11. PUBLIC SPACES PROTECTION ORDER

This item was withdrawn from the agenda

12. NORTHAMPTON RELATED DEVELOPMENT AREA 5 YEAR HOUSING LAND SUPPLY ASSESSMENT

Councillor B Markham commented that the report was about land inside the Borough and outside the Borough and that it demonstrated the need for extended boundaries. He further reported that it was extremely important for there to be an increase in the amount of affordable houses and hoped that other local Councils would give the Borough Council nomination rights to the percentage of affordable houses.

Councillor Stone commented that the housing crisis was one of the biggest issues the Council faced. She stated that it was becoming increasingly urgent and necessary to establish a 5 year land supply and that to not agree the supply would give more control and influence to developers.

Councillor McCutcheon stated that there was a need to try and get planning powers to the Borough Council and reported that not having a housing plan could give more power to developers who would be less incentivised in encouraging people into the area.

Councillor Hadland as the relevant Cabinet Member commented that the Government had asked the Council to develop a 5 year housing land supply. He commented that as representatives on the West Northants Joint Strategic Planning Committee, Northampton Borough represented the largest population but that they could have been outvoted by rural Councils who did not face the same housing supply issues and had therefore asked Government to dissolve the joint Committee. He noted that it had been requested that a Housing Delivery Plan be reported back at a future meeting of Cabinet.

RESOLVED:

- 2.1 That the 2016 Five Year Housing Land Supply report be approved and its implications for the determination of planning applications for housing be noted.
- 2.2 That the Director of Regeneration, Enterprise and Planning be requested to produce a Housing Delivery Plan and present it to a future meeting of Cabinet for approval.

13. ABINGTON PARK CAFÉ: PROPOSED LEASE AND LICENCE. PARK INN HOTEL: PROPOSED GROUND LEASE EXTENSION

Councillor Stone requested that a catering strategy be put in place to ensure that there was not a monopoly on the catering facilities in the park and asked why there had been no proper tendering process, what the penalties would be should there be encroachment of café furniture onto public open space and why there had been no consultation.

Councillor Smith stated that it was important for people to remember that Abington Park was gifted to the people of Northampton and that consideration should be given to all people using the park and not just to the café owner.

The acting Leader commented that further information had been received from a variety of sources and any information submitted would be fed into the consultation.

Councillor Hadland as the relevant Cabinet Member submitted a report and explained that the current tenant of Abington Park Café still had 13 years on the lease and that the tenant

had requested a 25 year lease. He further responded to earlier comments by confirmed that a competitive tendering process had not been undertaken as the tenant was still legally in place but that the crux of the report was about the loss of public open spaces. He confirmed that all objections would be considered and that all points raised could be addressed at the next step of the process which would involve public consultation.

Councillor Hadland reported that he was pleased to confirm that the Park Inn wished to extend their lease for a further 70 years on the same terms as the existing lease and noted that a premium of £750,000 had been negotiated which would be in addition to the ground rent.

RESOLVED:

Abington Park Café

1. That subject to the advertisement process set out in paragraphs 2.2 and 2.3 of the report, approval be given to the disposal of land by way of lease (shown edged red on Plan at Appendix 1 of the report) and licence (shown edged blue on Plan at Appendix 1 of the report) of land designated as public open space at Abington Park.
2. That approval be given to the advertisement of the proposed disposal of public open space in accordance with the requirements of the Local Government Act 1972, as amended by the Local Government Planning and Land Act 1980.
3. (a) That approval be given for the Cabinet Member for Regeneration Enterprise and Planning to consider representations received following the advertising of the disposal of public open space and to confirm the disposal if no objections are received, **or**

(b) If objections are received for the disposal of public open space the matter be referred back to Cabinet for determination.
4. That subject to paragraph 2.3 (a) approval be given to accept the surrender of the existing lease of the Abington Park Café and to grant a new lease of an extended area shown edged red on the plan attached as Appendix 1 of the report to the existing tenant.
5. That subject to paragraph 2.3 (a) approval be given to grant an annually determinable licence for the placement of tables and chairs within the area shown edged blue on the plan attached as Appendix 1 of the report.
6. That subject to paragraph 2.3 (a) approval be given for the Director of Regeneration Enterprise and Planning, in consultation with the Cabinet Member for Regeneration Enterprise and Planning to agree terms for a new lease and licence of The Abington Park Café.

Park Inn Hotel

7. That approval be given to grant an extension of the existing ground lease of the Park Inn Hotel site for a premium of £750,000.
8. That approval be granted for the Director of Regeneration, Enterprise and Planning, in consultation with the Cabinet Member for Regeneration Enterprise and Planning to agree terms for the grant an extension of the ground lease of the Park Inn Hotel site.

The Cabinet Member for Regeneration, Enterprise and Planning thanked the Director of Regeneration, Enterprise and Planning for his hard work and congratulated him on the work that he had done over the past few years and wished him luck in his retirement.

The acting Leader gave heartfelt thanks to the former Leader of the Council, Councillor Mary Markham for all of her hard work and noted that he hoped to continue with the honest and transparent manner in which she had conducted herself whilst in office.

The meeting concluded at 7.31pm

Appendices 0



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Cabinet's Response to Overview and Scrutiny Committee Pre-Decision Scrutiny Report - Museum Trust - 7 September 2016
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	16 th November 2016
Key Decision:	No
Within Policy:	Yes
Policy Document:	No
Directorate:	Customer and Communities
Accountable Cabinet Member:	Cllr Anna King
Ward(s)	Borough Wide

1. Purpose

- 1.1 To provide a response to Overview and Scrutiny Committee's pre-decision scrutiny report of 7th September 2016 on the proposal to establish a museum trust.

2. Recommendations

That Cabinet:

- 2.1 Gives careful consideration to Overview and Scrutiny Committee's pre-decision scrutiny report of 7th September 2016 on the proposal to establish a museum trust.
- 2.2 Notes that Overview and Scrutiny Committee is satisfied that further investigation into the establishment of a museum trust, including a full options appraisal, will ensure the best outcome for the future of the Museum Service and Cultural Quarter.

2.3 In response to Overview and Scrutiny Committee's recommendation that a museum trust business plan is commissioned, instructs that a business case is first developed and brought back to Cabinet in February 2017 for its further consideration and thereafter it is determined whether Cabinet wish to proceed with the development of a full business plan.

2.4 Thanks Overview and Scrutiny Committee for its detailed and robust report.

3. Issues and Choices

3.1 Report Background

3.1.1 The purpose of the pre-decision scrutiny activity was to undertake pre-decision Scrutiny of the proposal to establish a museum trust to ensure the best outcome for the future of the Museum Service and Cultural Quarter.

3.1.2 A report was presented to Cabinet on 7th September 2016 to notify it of the work undertaken by the Scrutiny Panel that carried out the aforementioned pre-decision work.

3.1.3 The Scrutiny Panel decided that the following needed to be investigated and linked to the realisation of the Council's corporate priorities:

Background data, including:

- Presentation to set the scene
- Relevant Legislation
- Relevant data

3.1.4 The findings of pre-decision scrutiny activity were detailed in the appendix to their report and a number of recommendations were formulated.

3.2 Choices (Options)

3.2.2 Cabinet may choose to agree to any or all of Overview and Scrutiny Committee's recommendations in full or part.

3.2.3 Overview and Scrutiny committee have provided Cabinet with a robust and detailed report to support its recommendations, however there is significant cost associated with the development of a full business plan and Cabinet are therefore recommended to first develop a business case which will assist it in determining how it wishes to proceed ahead of incurring substantial costs, as per recommendation 2.3 of this report..

4. Implications (including financial implications)

4.1 Policy

4.1.1 There are no policy implications directly arising from this report.

4.2 Resources and Risk

4.2.1 There will be no additional costs arising from the recommendations of this report. The business case will be developed by officers of the Museum Service with the support of colleagues in LGSS Finance and Legal Services.

4.2.2 The business case will provide a detailed assessment of risk associated with any options it proposes.

4.3 Legal

4.3.1 Appropriate legal advice will be sought to ensure the business case that is developed is robust and sound and offers Cabinet appropriate legal advice on the legalities of establishing a museum trust in the future.

4.4 Equality and Health

4.4.1 Equality and health implications will be taken full account of in the development of the proposed business case.

4.4.2 There will be an equalities impact assessment undertaken as an integral part of the business case development.

4.5 Consultees (Internal and External)

4.5.1 A range of stakeholders will be consulted in the development of the business case. These stakeholders to include service users, elected members and staff.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The proposal to develop a business case will help to ensure that the museum service is developed in such a way to make its maximum contribution to the future of Northampton.

4.6.2 This will include improving the town's cultural offer and ensuring the service provides value for money.

5. Background Papers

Overview and Scrutiny Committee Pre-decision Scrutiny Report - Museum Trust
7 September 2016

Julie Seddon, Director of Customers and Communities

Appendices



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Partnership Grant Allocation Process – Introduction Of A Three Year Funding Option
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	16 th November 2016
Key Decision:	Yes
Within Policy:	No
Policy Document:	Yes
Directorate:	Customer and Communities
Accountable Cabinet Member:	Cllr Anna King
Ward(s)	Borough Wide

1. Purpose

- 1.1 To seek the approval of Cabinet to include an option of three year funding, for community and voluntary organisations who apply through the Partnership Grant Process. Previously, this fund has only allowed organisations to apply for one year funding.

2. Recommendations

- 2.1 That Cabinet agrees (subject to approval each year by Full Council of the relevant budget) that funding for a period of three years may be granted to community and voluntary organisations, through the partnership grant allocation process.
- 2.2 That Cabinet requests that Full Council makes the necessary changes to the Council's Constitution, as advised by the Borough Secretary, to give authority to the Chief Executive to award funding for a period of three years, in accordance with recommendation 2.1 above.

3. Issues and Choices

3.1 Report Background

- 3.1.1 There is an existing budget for the Partnership Fund of £550k which is administered through a grant application process. This is an open process which is available for all community and voluntary organisations to apply. The process is conducted annually and runs from July-June, the funding is for one year only.
- 3.1.2 The council awards partnership grants to community and voluntary sector organisations because there are some activities, initiatives and projects that that sector, for a range of reasons, is better placed to deliver than the council is. Therefore by awarding partnership grants the council is able to achieve better outcomes and/or increased value for money.
- 3.1.3 A Service Level Agreement between each of the funded organisations and Northampton Borough Council is established and a number of outcomes developed, to which 6 and 12 monthly monitoring is expected.
- 3.1.4 The Council's Partnership Fund is allocated with the support of the Community Enabling Fund Advisory Panel (CEFAP), year on year. The panel is made up of five cross party elected members and three community and voluntary sector representatives, including the Chief Executive of Voluntary Impact Northamptonshire.
- 3.1.5 Each organisation is asked to clearly demonstrate how they would deliver against the corporate priorities of the Council, demonstrate value for money; be committed to working in partnership and identify and evidence clear community demand and need for the services they offer to the public within the Borough of Northampton.
- 3.1.6 Although three year funding option would be subject to Full Council's approval of the relevant budget each year, this longer term option would provide local voluntary and community organisations with greater security and sustainability. It would also create a more efficient grants process for the Council. Three year funding would enable community and voluntary organisations to plan ahead more effectively, which in turn will enable them to better mitigate the impact of the reduction in funding during that period.
- 3.1.7 The option of three year funding would be detailed within the guidance and training that is prepared and delivered as part of the application process for funding.
- 3.1.8 The offer of a grant for just one year would remain. It is recognised and supported by the CEFAP Panel that not all organisations will be eligible and not all projects would be appropriate for three year funding.
- 3.1.9 As well as benefitting the grant recipients, three year funding benefits the council in that the council will get better outcomes arising from the enabling of longer term projects and the opening up of opportunities for accessing other external funding pots.

3.1.10 Grant processing time will also be reduced as three year grant applications will only need to be submitted once every three years rather than annually, although monitoring and review activity will remain unchanged.

3.2 Issues

3.2.1 As previously stated, the funding would be subject to Full Council's approval of the relevant budget each year which would be clearly reflected in the Service Level Agreement's for all of the organisations that are funded.

3.2.2 CEFAP would continue to have oversight of these grants, receive reports, presentations and monitoring information for all organisations that are funded through the Partnership Grant.

3.2.3 To enable grants to be allocated for a period of three years, it will be necessary for the Borough Secretary to take a report to Full council proposing the necessary amendment to the Council's constitution.

3.3 Choices (Options)

3.3.1 To continue to administer the Partnership Grant on an annual basis, with community and voluntary organisations applying to the Partnership Grant year on year.

3.3.2 To introduce the option of three year funding, (subject to funds within budget) for community and voluntary organisations that are applying to the partnership grant.

4. Implications (including financial implications)

4.1 Policy

4.1.1 If the recommendation of this report is agreed, it will be necessary to amend the Partnership grant policy and process to reflect that, in certain circumstances and with specified caveats, a grant allocation for three years may be made

4.2 Resources and Risk

4.2.1 There is no additional expenditure arising from the proposal set out in this report. The Partnership Grant pot is unaffected in that the amount of money that is allocated from it each year is unchanged. This report simply introduces an option that allows for a three year grant period whereas previously grants could only be made for a period of one year.

4.2.2 It is proposed that the three year grant option is paid in three annual payments that coincide with annual grant payments. Three year grants will be subject to the same rigorous monitoring as is applied to annual grants and are entirely subject to Full Council's approval of the relevant budget each year.

4.3 Legal

- 4.3.1 There are no direct legal implications arising from the report. Any extension to the funding will be supported by a formal amendment to the existing Service Level Agreements.

4.4 Equality and Health

- 4.4.1 An Equality Impact Assessment was carried out on the Partnership Grant process in April 2016. 42 applications were received through the partnership grant process for 2016/17. In total 29 organisations were funded through the partnership grant and 8 through the small grants, most of which include the delivery of specific services around the protected characteristics.
- 4.4.2 An Equality Impact Assessment will be carried out as part of the process, each year.

4.5 Consultees (Internal and External)

- 4.5.1 CEFAP have been consulted and are in support of the recommendation.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 Every project/proposal is asked how it will deliver against the corporate objectives of the council including the following:
- 4.6.1.1 Northampton on Track – Successful and vibrant Town, increased job opportunities
 - 4.6.1.2 Making Every £ Go Further – Shared services, delivery of value for money services, resources targeted in areas most in need
 - 4.6.1.3 Better Homes For The Future – People provided with timely advice and information to enable them to make informed choices, local housing needs provided, vulnerable people supported
 - 4.6.1.4 Creating Empowered Communities – Empowered local communities with a greater capacity to become involved in community life, promote integration and cohesion
 - 4.6.1.5 Promoting Health and Wellbeing – improved public health, widen participation in leisure activities across all sections of the community
 - 4.6.1.6 Responding To Your Needs – Appropriate support provided to those most need, services are fair, accessible and responsive to individual needs, residents and customers feel informed and engaged in service quality and design

5. Background Papers

None

Julie Seddon
Director of Customer and Communities

Appendices

2



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title

**ST CRISPINS COMMUNITY CENTRE & SPORTS
PITCHES – LEASE APPROVAL**

AGENDA STATUS:

PUBLIC

Cabinet Meeting Date:	16 November 2016
Key Decision:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Customers & Communities
Accountable Cabinet Member:	Cllr Anna King
Ward(s)	Upton

1. Purpose

- 1.1 The purpose of this report is to seek authority to grant a lease for the new St Crispins Community Centre and sports pitches, under a 30-year lease and management agreement, in accordance with the policy framework approved by Cabinet in December 2010.

2. Recommendations

Cabinet is recommended to:

- 2.1 Approve in principle the grant of a 30 year lease for the new St Crispins Community Centre and sports pitches, the location of which is shown on the attached plan at Appendix 1, to Community Spaces Northampton (CSN), at a notional rent for the life of the lease.
- 2.2 Subject to the Director of Regeneration and Enterprise first being satisfied that any issues of undervalue arising from s123 of the Local Government Act 1972 being satisfactorily addressed in accordance with paragraph 3.2.5 of this report, delegate authority to the Chief Finance Officer approve the final terms

of the lease and to the Director of Customers & Communities to approve the final terms of the management agreement in accordance with the Framework (Appendix 2) on the Council's behalf.

3. Issues and Choices

3.1 Report Background

- 3.1.1 A review of community centres was carried out in 2009/10 to ensure they met the needs of the local population while offering good value for money. This also included consideration of the transfer of these assets, or of their management, to community-based organisations.
- 3.1.2 A Policy Framework for setting up arrangements with community groups to manage community centres under appropriate circumstances involving a long-term lease and management agreement was approved by Cabinet on 15 December 2010. This framework is attached as an Appendix and provides that the leases are to be granted at a notional rent which is less than market value.
- 3.1.3 The newly built community centre and sports pitches are not planned to be managed directly by the Council, but instead by a community organisation experienced in running similar facilities.
- 3.1.4 The Council has been advised that a request for expressions of interest to run the new facilities was issued to six community organisations by Upton Parish Council in 2014/5. Responses were received from three of these organisations. A request was then made for a business plan to be prepared by each of these interested organisations. Only one organisation, Community Spaces Northampton Limited (CSN), submitted a business plan, based on the proposed size and design of the community centre at that time. In December 2015, the Council requested CSN to revise and update their business plan given that additional funding had been secured for a larger community centre with additional facilities. They were given till the end of January 2016 to prepare a Business Plan Application and financial projections. As a result of revisions to the centre design and re-submission of the planning application in March 2016, CSN revised and submitted their Business Plan and projections in May 2016.
- 3.1.5 The business plan application received was evaluated on the following criteria:

	Criteria	How Assessed/Priority
1	Legal governance, including legal set-up, policies, licensing, power to hold land/property	Pass/Fail
2	Current financial viability	Pass/Fail
3	Public Access experience	Medium
4	Community Engagement experience	High
Quality of Business Plan:		
5	Community Engagement plans	Medium
6	Community Activity plans	High
7	Achieving management agreement objectives	Low

8	Sustainable 5-year financial forecasts	High
9	Adequate processes/procedures/systems	Low

3.1.6 An evaluation panel consisting of Council officers met on 26 July and 2 August 2016. The panel met again on 16 August 2016 after detailed clarification questions had been answered by the applicant, and came to a joint decision to recommend CSN to go forward to manage the centre. The final recommendations of the Panel were reviewed and agreed by the St Crispins Project Board on 6 September 2016.

3.1.7 The organisation recommended to be appointed to run the new Community centre and sports facilities at St Crispins is Community Spaces Northampton (CSN).

3.1.8 CSN is a partnership-based, not-for-profit organisation, set up in 2011 as a company limited by guarantee, and also as a registered charity. The board of CSN was formed from trustees of Alliston Garden Youth & Community Centre (AGYCC), a well-established (almost 20 years) self-run Council community centre, and staff or trustees of the Doddridge Centre, a well-established community centre whose building is leased from the Doddridge Memorial United Reformed Church.

3.1.9 CSN has been running eight of the Council's 21 community centres under leases and management agreements approved by this Council in 2012/13. In addition, professional board members have been recruited onto the CSN board of trustees as well as experienced community practitioners. CSN works with a number of other organisations with whom AGYCC has existing relationships including Deaf connect, Service Six and Vernon Terrace Primary School.

3.1.10 CSN proposes to be financially sustainable after five years of operation, once income from users of the facilities outweighs the costs of running the facilities, given it is a brand new centre with no existing income. Their business plan requires funding support from the Council as follows:

Year 1	£55k
Year 2	£45k
Year 3	£35k
Year 4	£25k
Year 5	£15k

3.1.11 The Council proposes to use some of the £716k S106 funding provided by Taylor Wimpey for the ongoing maintenance of the community centre and sports pitches, to provide this funding support to CSN in the first five years.

3.1.12 CSN proposes to grant agreements to several community organisations as anchor tenants for certain facilities. They have been in discussion with the following bodies who are interested in medium to long term arrangements:

Organisation	Facility	Period
Football In The Community (FITC)	Circular building and use of football pitches (weekdays term time)	10 years
Gregory Celtic Football Club	Changing rooms and use of football	20-30

	pitches (weekends and some weekday evenings)	years
Northants Baseball Club	Use of baseball pitch (Spring/Summer Sundays and some weekday evenings)	20-30 years

3.1.13 CSN is recommended to be granted the lease as the business plan for the running of the new centre was of a very high quality. Key strengths in their application are as follows:

- Very credible application
- Local organisation
- Good community engagement experience
- Considerable community centre management experience
- Considerable community development experience
- Considerable analysis of the centre and detailed plans to maintain the property over the term of the lease.
- Good use of existing centre manager, caretaking, cleaning and community development resource across the 8 centres they currently manage on behalf of the Council.
- Sensible room hire income increase
- Good build-up of reserves
- Level of grants required are within the S106 operational budget

3.1.14 Potential concerns were as follows:

	Potential Concern	How Risk Mitigated
1	How this organisation is managing the centres leased to them in 2012/13	<ul style="list-style-type: none"> • NBC Partnerships & Communities review how existing centres are being run on a regular basis, identify issues and provide support where necessary.
2	Ability to manage taking over another centre on top of the existing eight centres	<ul style="list-style-type: none"> • The business plan includes additional centre management resource and community development resource; • A centralised room booking system used by CSN will be used for the new centre.
3	Financial sustainability of existing centres run by CSN	<ul style="list-style-type: none"> • CSN has provided its draft annual accounts to February 2016, and a financial forecast for their existing centres for 2016/17 which demonstrates the organisation is sustainable, including a series of actions that have been put in place this year to increase sales, increase other income, reduce costs, and improve profitability.

3.2 Issues

3.2.1 The basis for negotiation with interested organisations is the Framework attached as an Appendix to this report. This has been designed to meet the Council's need to ensure effective and fair community benefit consistent with the Corporate Plan, without unduly constraining the community organisation's ability to innovate and respond to local need. It also makes clear the intention of reducing the Council's financial liabilities over a period of time, hence the need for a viable business plan from the organisation.

3.2.2 The framework makes provision for:

- i) a governing document approved by the Council;
- ii) a formal lease which will cover matters strictly related to the asset as a building, and incorporating a service level agreement (see iii));
- iii) a service level agreement (Management Agreement), which will focus on community benefits and the associated behaviours required;
- iv) a five year Business Plan demonstrating financial viability.

3.2.3 The application required applicants to demonstrate appropriate legal governance for the organisation to be used to hold the lease and management agreement.

3.2.4 CSN will receive a copy of a pro-forma 30-year lease and a pro-forma 30-year management agreement. These have previously been developed with input from the Asset Transfer Unit's consultation draft documents and from an independent community support organisation, Community Matters.

3.2.5 A lease of the asset at a nominal consideration potentially raises issues of undervalue for the purposes of section 123 of the Local Government Act 1972 (which requires local authorities, as a first principle, to dispose of property at the best value reasonably obtainable). Prior to the completion of the lease to CSN, valuation evidence will be obtained to ensure that any such issue is clearly identified. Should the lease present a technical undervalue a general consent from the Secretary of State exists for matters to proceed provided that (a) the undervalue is less than £2 million and; (b) the disposal helps to achieve the objectives of economic, social and/or environmental wellbeing. It is considered that arranging for the management of this facility by a community-based local organisation can be justified as helping to achieve the social wellbeing objective for the reasons set out in paragraph 3.1.13 of this report and the decision is therefor justifiable subject only to a check of the valuation position.

3.3 Choices (Options)

3.3.1 Recommended Option is the grant of a 30-year lease and management agreement at a notional rent for the life of the lease to Community Spaces Northampton (CSN) to manage the new community centre and sports pitches. This is a local community organisation, well respected in the borough for delivering a range of services for local communities. It is both experienced in running buildings for public access and in engaging with communities to understand their needs and then deliver to their requirements. This option provides continuity in a clear way forward that provides opportunities for a local community organisation while protecting the Council's, and the wider community's, interests. It allows a local group to use its understanding of local need to play a major part in improving local people's wellbeing. It supports a thriving voluntary and community sector, while giving local residents better value for money.

3.3.2 Grant a lease to another organisation – this option is not recommended as CSN were the only organisation that chose to submit a business plan. CSN has been running community facilities and developing local communities in Northampton very successfully for almost 20 years. The organisation is

currently running 8 of the Council's community centres and developing the local communities across the Borough very successfully. No other community organisation in Northampton has this level of experience and capability to run multiple community facilities.

- 3.3.3 The Council to manage the new facilities - this option is not recommended. The Council will struggle to inject the same level of resource into these local facilities, while local people may expect to depend on the Council for a service it is not well placed to provide.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The proposals in this report are consistent with the policy adopted by the decision of Cabinet in December 2010, and with the Council's asset management policies.

4.2 Resources and Risk

- 4.2.1 The recommended proposals represent the most economical outcome for the Council. There will be no detrimental impact on the net expenditure on community centres as budgeted.
- 4.2.2 Development of a viable business plan has been a key requirement for the organisation. The Council has supported them in developing a business plan and has referred them to a number of community support organisations. These included the Northampton Volunteering Centre (now Voluntary Impact Northamptonshire), Locality, and Pro Help/Business in the Community. The business plan needs to show financial self-sufficiency within a reasonable period.
- 4.2.3 There is a risk that the organisation will find it difficult to identify sources of sufficient income to balance its expenditure. To mitigate this, the framework allows for a tapering grant to cover (part of) reasonable net revenue expenses over an agreed period. In this way the responsibility for these expenses passes to the organisation immediately, but they have the opportunity over a period to make decisions about how to spend their money. The tapering grant will be funded by monies provided by the developer of the St Crispins estate following the section 106 agreement in 2002.

To ensure the business plan submitted by CSN was fit for purpose it was robustly challenged by the council, including a detailed interrogation of the financial projections by a local authority accountant.

- 4.2.4 There is a risk that the newly appointed organisation may fail in whole or part in the near future. The likelihood of this is considered to be low, as the business plan has been scrutinised and in some cases amended to ensure that it is realistic. If despite this the organisation did fail, it would probably happen over time and the Council would be closely involved in attempting to

remedy the situation. The main impact would be in loss of community development opportunities and ultimately loss of access to the facility, which might require the Council to consider taking back the management responsibility or seeking an alternative provider. Within the lifetime of the Council's current Medium Term Financial Strategy this could be accommodated within budgets.

- 4.2.5 One of the major benefits of transferring responsibility to community organisations is their ability to innovate and to respond rapidly to local demand and need. Hence the Council has been concerned not to constrain unduly what these organisations can do. A consequence of this loosening of central control is that the development and use of some community centres may proceed in ways that the Council did not foresee, and possibly might not have chosen itself e.g. altering room hire charges. However, the management agreement remains as the definition of the minimum service required from the organisation in order that it can exercise these freedoms.
- 4.2.6 The 2002 section 106 planning agreement provides a sum of monies for ongoing repair and maintenance for the building and sports pitches during the term.

4.3 Legal

- 4.3.1 The content of the Framework (Appendix 2), the pro-forma lease and management agreement, and the content of this report have been checked from a legal perspective. The lease will be tailored to the individual premise's requirements but follows the model which has been successfully used for other community centres within the Borough which are run by CSN.
- 4.3.2 The pro-forma lease and management agreements contain clauses that retain for the Council the power to intervene should the community's interests be jeopardised, but that these powers would not be exercised unless that public interest was clear.
- 4.3.3 Reference has been made in paragraph 3.2.5 to the statutory requirements of section 123 of the Local Government Act 1972 regarding the value derived from a disposal of the asset by lease. A review against valuation advice will be undertaken to ensure that the statutory requirement is being met prior to completion of the lease.

4.4 Equality and Health

- 4.4.1 The Framework (Appendix 2) includes the requirement to ensure equality of access to community centres, in particular through the demand for evidence of
- “an appropriate documented equalities policy which ensures that its activities and the use of the centre(s) adequately reflects the diversity of the local population and does not discriminate unfairly against any group”,
- and that

“the Organisation must be able to account on an annual basis for how it has ensured the opportunity of fair and equal access to all members and groups within the local and wider community”.

4.4.2 In addition, the business plan application required applicants to present their equal opportunities policy. The recommended organisation did include such a policy in their business plan and the Council’s equalities expert has reviewed these and found them to be satisfactory.

4.4.3 With these safeguards in place, it is not considered that the proposals give rise to a significant risk of a negative equality impact.

4.5 Consultees (Internal and External)

4.5.1 The proposals have been considered by the Evaluation Panel, the Director of Customers & Communities and the St Crispins Project Board.

4.5.2 The members of the Evaluation Panel are:

- Partnerships & Communities Manager
- St Crispins Project Lead
- Group Accountant, LGSS

4.5.3 The members of the St Crispins Project Board are:

- Director Customers & Communities
- St Crispins Project Lead
- Partnerships & Communities Manager
- Senior Regeneration Project Officer
- Principal Estates Officer
- Environmental Services Manager, Direct Services
- Project consultant

4.5.4 Discussion on this project have taken place with Upton Parish Council on a number of occasions, including attendance at a parish council meeting.

4.5.5 The organisation, Community Matters, which supports the development of community organisations, was consulted on the draft framework and their comments have helped to shape it. There were a number of informal conversations with existing community centre management committees, which informed the framework.

- 4.5.6 Locality, Northampton Volunteering Centre, Enterprise Solutions Northamptonshire and Northamptonshire Community Assets Programme (NCAP) were also consulted on the Framework.
- 4.5.7 The lease proposals have been considered by an officer from the council's Asset Management team.

4.6 How the Proposals deliver Priority Outcome

- 4.6.1 Effectively run community centres have the potential to contribute towards many of the Council's corporate goals and priorities. In particular, the proposals will contribute towards the following priorities:

Priority 6 – Creating empowered communities: empower local communities with a greater capacity to become involved in community life. Increase capacity of our partners in the voluntary sector to better support communities. Community managed community centres.

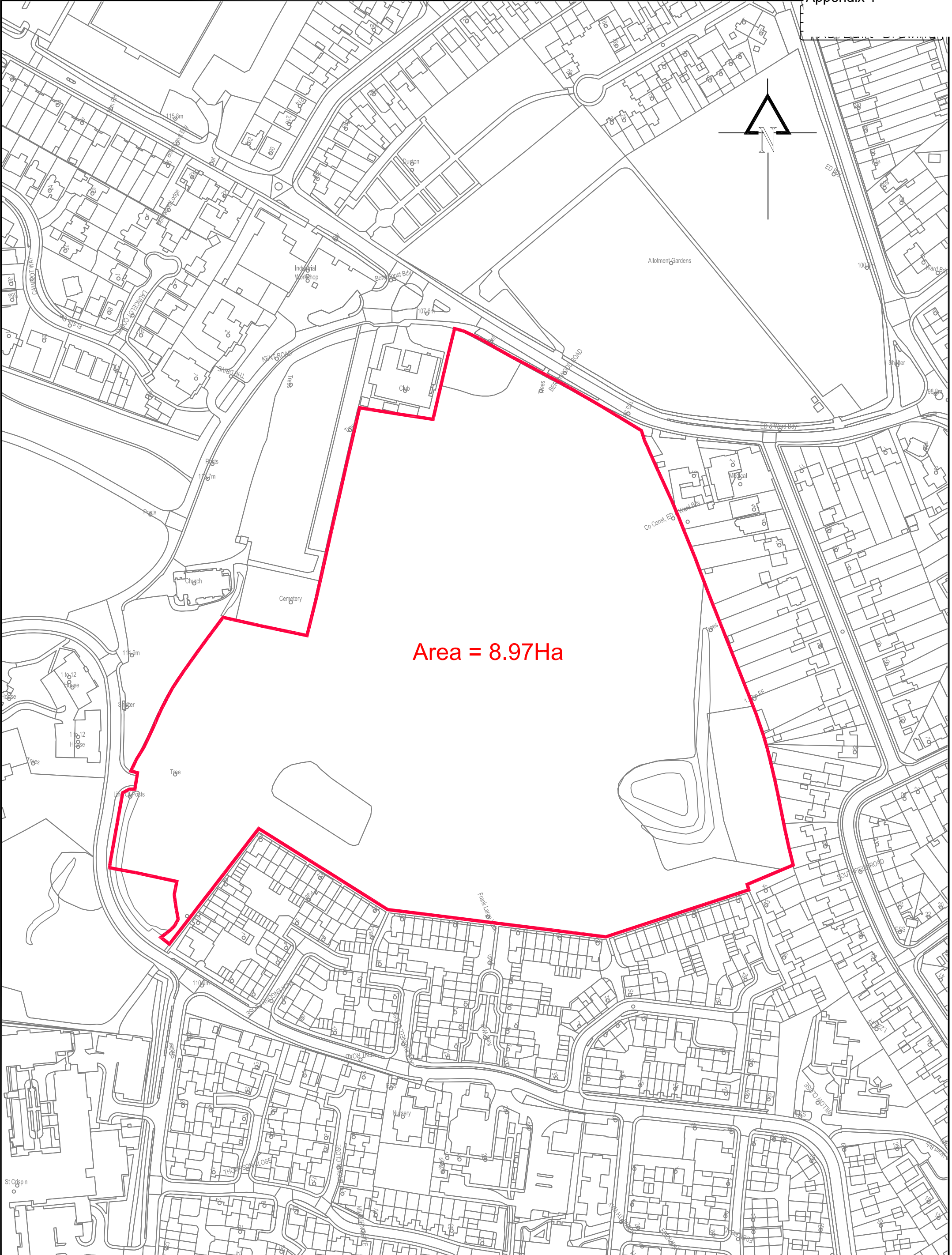
Priority 7 – Promoting health and well-being: promote the health and well-being of residents through continued support of leisure and sporting opportunities in local clubs.

Effectively run community centres should also provide a more direct relationship between the Council's expenditure and the achievement of results for communities – ie better value for money.

5. Background Papers

- 5.1 Report to Cabinet 8 July 2009 'Community Centres'
- 5.2 Report to Cabinet 9 June 2010 'Community Centres Task and Finish Group'
- 5.3 Report to Cabinet 3 November 2010 'Community Management of Community Centres'
- 5.4 Revised report to Cabinet 15 December 2010 'Community Management of Community Centres'.

Julie Seddon, Director of Customers & Communities



Area = 8.97Ha

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Proposed Lease to Community Spaces Northampton
 St Crispins Community Centre & Sports Pitches
 October 2016

No	Revision	Date



NORTHAMPTON
 BOROUGH COUNCIL
 Regeneration, Enterprise and Planning Directorate

Scale: 1:2000 At A3

Drawn	MJ	Oct 2016
Checked	KM	Oct 2016
Approved	KM	Oct 2016

Dwg No xxxx

Northampton Borough Council Framework for Future of Community Centres

The Council wants to support community organisations as true partners in achieving benefits for local communities, in part through their management of community facilities.

The Council recognises that successful relationships of this kind must be built on mutual trust, backed up by a mutually agreed, clearly understood set of responsibilities for both sides. The framework below sets out the process whereby arrangements for community centres that are fair, equitable and mutually beneficial to all parties, will be arrived at.

The Council will identify centres where there is known to be interest from the existing management committee in taking fuller responsibility for the centre. These will be progressed without undue delay, and provide examples for the remainder. The Council will then seek expressions of interest through a formal procurement process from organisations (the Council's preference will be for those which are charitable or community based) to take on leases for one or several of the Council's remaining estate of community centres.

1. **The Organisation must have a satisfactory governance document, approved by the Council.** This shall include
 - that the organisation is, or shall become within two years of the commencement of the lease, an incorporated body such as a charity, company or community interest organisation
 - appropriate procedures for safeguarding children and vulnerable adults, accounting for money and health and safety of staff and users of the centre(s)
 - an appropriate documented equalities policy which ensures that its activities and the use of the centre(s) adequately reflects the diversity of the local population and does not discriminate unfairly against any group.
 - the right of the Council to nominate at its discretion one or more representatives as observer(s) on the organisation's governing body. This right would be exercised only in case of serious concerns over the management of the centre

2. **There will be a formal lease of the building to the Organisation,** which shall set out the Organisation's responsibilities in regard to:
 - payment of the rent for the lease of the centre(s). This would be discounted to a notional rent which is below market value for the term of the lease on condition that the Organisation meets its SLA responsibilities
 - payment of all operating costs of the centre(s) including maintenance and decoration of the interior of the premises, all services (eg electrical and heating installations) together with all fittings, fixtures and equipment
 - payment of utilities bills and rates
 - insurance against loss of or damage to contents, third party risks and employer's liabilities
 - cleaning, caretaking and security of the building
 - all liaison with actual and potential users of the building, whether groups or individuals, and with other agencies and neighbours as necessary – this includes dealing with any complaints or disputes between any of these parties
 - providing reports and its business plan (see below) to the Council as appropriate

The Council shall be responsible for:

- maintenance of the structure and external fabric of the building
- insurance against rebuilding costs

3. **The Council and Organisation will jointly negotiate and agree a service level agreement (SLA)** for the life of the lease which will include a broadly-based demonstration of community benefits, in return for a discounted rental if the SLA is complied with. The SLA will provide that:

- community centre(s) and activities must be of benefit to both their local community and where appropriate the wider community of Northampton Borough and neighbouring areas
- activities may be of a community, social and commercial nature but the Organisation must be able to account on an annual basis for how it has
 - (a) ensured the opportunity of fair and equal access to all members and groups within the local and wider community;
 - (b) consulted and otherwise engaged with the community in developing its programme of activities; and
 - (c) made a strong contribution through activities held within the centre or through external activities funded by the Organisation to one or more of the following aspirations
 - the improved health and wellbeing of the community
 - improvements to the local environment to deliver safer, greener and cleaner communities
 - to have identified specific needs within the community and have responded through appropriately planned and delivered activities at the centre(s) or within their localities.

4. **The organisation shall produce a business plan**, initially covering at least a three year period and updated regularly thereafter, and shall provide a copy to the Council. The plan will show:

- how the organisation can deliver against the aspirations detailed in items 1 and 2 above
- how the organisation plans to become in due course operational on a self-funding basis following commencement of the lease. The Council recognises the organisation's right to make and use profits from the operation of the centre
- relevant targets and outcomes, with appropriate measures

Appendices
4



CABINET REPORT

Report Title	PUBLIC SPACES PROTECTION ORDER
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	16 November 2016
Key Decision:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Customers & Communities
Accountable Cabinet Member:	Cllr Mike Hallam
Ward(s)	All Wards

1. Purpose

- 1.1 To agree to implement a Public Spaces Protection Order (PSPO) for the Borough of Northampton. This new Order prohibits certain behaviours and creates criminal offences for persons who do not comply with the Order.

2. Recommendations

- 2.1 Cabinet approves the Public Spaces Protection Order as detailed in Annex 2 after considering the consultation responses at Annex 3
- 2.2 Cabinet notes that the draft PSPO in Annex 1, which was the subject of consultation contained restrictions on street entertainment (aka busking) that have not been included in the final PSPO recommended for adoption in Annex 2 following the results of public consultation
- 2.3 Cabinet approve that the Public Spaces Protection Order comes into force once all necessary signage has been put in place as per Annex 2

- 2.4 Cabinet approves a one-off supplementary estimate of £12k for the provision of signage, to be funded by a drawdown from the Community Safety Partnership reserve
- 2.5 Cabinet agrees that once implemented, the PSPO is monitored for 6 months and a report on its impact is brought back with recommendations on any amendments or additions if required

3. Issues and Choices

3.1 Report Background

- 3.1.1 On 12 October 2015, approval was given to enter into consultation in relation to implementing a Public Spaces Protection Order for the Borough and Town Centre of Northampton.
- 3.1.2 In October 2014, the Government implemented the Anti-Social Behaviour, Crime and Policing Act 2014 (the Act). The purpose of the Act is to give local authorities and the Police more effective powers to tackle a range of anti-social behaviour (ASB) issues, providing better protection for victims and communities.
- 3.1.3 Amongst these new tools and powers are Public Spaces Protection Orders (PSPO's), which are designed to stop all individuals or a specific group of persons committing anti-social behaviour in a public space. It is for each individual Council to determine what behaviour(s) they want to make the subject of a PSPO. However, the overarching consideration when considering a PSPO is whether the activity will have a detrimental effect on the quality of life of those in the locality.
- 3.1.4 There is a requirement to undertake a public consultation exercise, the statutory requirement is to consult with the chief officer of police, and the local policing body, for the area that includes the restricted area (see Annex 3a for responses received from statutory consultees), whatever community representatives the local authority thinks it appropriate to consult and the owner or occupier of land within the restricted area - Annex 3, 3a, 3b.
- 3.1.5 PSPO's will provide Councils with a flexible power to implement local restrictions to address a range of anti-social behaviour issues in public places in order to prevent future problems
- 3.1.6 Restrictions and requirements can be placed on an area where activities have, or are likely to have a detrimental effect on the quality of life of local people, is persistent or continuing in nature and is unreasonable. These can be blanket restrictions or requirements, or can be targeted against certain behaviours by certain groups at certain times.

The PSPO can:

- Prohibit specified things being done in the area
- Require specified things to be done in the area

The prohibitions or requirements can be framed so that they:

- Apply to all persons, or only persons in specified categories, or to all persons except those in specified categories
- Apply at all times, or only at specified times, or at all times except those specified

- Apply in all circumstances, or only in specified circumstances, or in all circumstances except those specified

The following conditions must be met before making the order:

- Activities carried out in a public place within the local authority's area have a detrimental effect on the quality of life of those living in the locality OR
 - It is likely that activities will be carried out in a public place within the area that will have such an effect
- and
- The effect, or likely effect of the activities:
 - Is, or is likely to be, of a persistent or continuing nature
 - Is, or is likely to be, such as to make the activities unreasonable and
 - Justifies the restrictions imposed by the notice

- 3.1.7 The Guidance is not specific on what can be included in a PSPO. The potential for their use is broad and flexible to allow a Council to cover individual circumstances in its area. A PSPO can cover multiple restrictions so one order could prohibit or promote such activities as the drinking of alcohol and keeping dogs on a lead. The PSPO can cover any publicly accessible space within the Council's area, including areas in private ownership to which the public have access.
- 3.1.8 The Order can be enforced by Police Officers, authorised Police Community Support Officers, authorised Council Officers and other designated persons, including officers under the Community Safety Accreditation Scheme, such as Neighbourhood Wardens.
- 3.1.9 Any interested person can challenge the validity of a PSPO in the High Court but the challenge must be made within six weeks of the Order being made. An 'interested person' means an individual who lives in the restricted area or who regularly works or visit that area.
- 3.1.10 A PSPO replaces existing provisions such as Designated Public Place Orders (DPPOs), which give powers to stop the drinking of alcohol in public places, and Dog Control Orders. Under the new Act, if not reviewed earlier, these will continue to be valid for a period of three years from when the provisions of the Act relating to PSPOs commenced.
- 3.1.11 A PSPO can be made for a maximum of three years. The legislation provides they can be extended at the end of the period, but only for a further period of up to three years. However, orders can be extended more than once. Local authorities can increase or reduce the restricted area of an existing order, amend or remove a prohibition or requirement, or add a new prohibition or requirement. They can also discharge an order but further consultation must take place for varying or discharging orders.
- 3.1.12 On 21 October 2015 Cabinet authorised the undertaking of consultation on the introduction of Public Spaces Protection Orders under the Anti-Social Behaviour, Crime and Policing Act 2014.

Outcome of Consultation

- 3.1.13 The Council engaged in a 12 week online public consultation via an open access online survey using 'Survey Monkey'. This was widely promoted through:

- Council's social media accounts
- Councillors
- Parish Councils
- Businesses
- Community Safety Partnership
- Council Officers
- Northamptonshire Office of Police & Crime Commissioner
- Northamptonshire Police
- Northamptonshire County Council
- Community Forums
- Residents Panel
- Members of the public
- Local press and media channels
- Town Centre BID
- Brackmills BID
- Northamptonshire Retail Crime Initiative (NRCI)
- Pubwatch

Paper questionnaires were also available upon request to enable those without internet access to have their say.

The consultation sought views on:

- Street Drinking and other intoxicating substances
- Urinating & defecating in a public place
- Begging in the town centre and Kingsley front shopping area
- Busking being restricted, with caveats on behaviour
- Dog fouling
- Dogs to be kept on leads in town centre
- Dogs to be kept on leads in children's play areas
- Dogs to be kept on leads in cemeteries

3.1.14 The public consultation ran from 30 June 2016 to 23 September 2016. A total of 185 online responses were received, with 5 responses being received from statutory agencies (Annex 3a)

3.1.15 The response to the consultation:

The majority of options/issues consulted on for inclusion in a PSPO were supported by the majority of respondents.

Urinating and defecating in a public place showing the greatest support with 99.4% of respondents agreeing it is detrimental to quality of life.

This was closely followed by dog fouling and the consumption of intoxicating substances.

However, busking received the lowest response with only 44.2% of respondents agreeing that it was detrimental to quality of life and 48.3% agreeing with the proposed restriction. The majority of comments received on busking stated that it added positively to the town centre ambiance, but there were negative comments about the quality of some buskers, and also the use of amplifying equipment.

Annex 3 details the consultation responses and the freestanding responses under Annex 3a and 3b.

3.1.16 There were some strong views in support of the proposals, and in some cases suggestions that the proposals were taken even further.

3.2 Choices (Options)

3.2.1 Do nothing –continue to enforce anti-social street drinking under the Designated Public Places Order and Dog Control Orders under the existing powers. These powers are time limited and can only be enforced under the current powers they were agreed under and will come to an end in 2017.

3.2.2 Adopt the PSPO as detailed in Annex 1. The PSPO will provide those in para 3.1.8 with broader powers to deal with a wide range of anti-social issues in a more effective manner.

3.2.3 Adopt revised PSPO (Annex 2) taking into account consultation results by removing clause VII, restrictions on street entertainment. The PSPO will provide those in para 3.1.8 with broader powers to deal with a wide range of anti-social issues in a more effective manner, but will not include busking.

4. Implications (including financial implications)

4.1 Policy

4.1.1 This approach supports the multi-agency Countywide Anti-Social Behaviour Policy 2015 that Northampton Borough council is signed up to.

4.1.2 The Crime and Disorder Act 1998 places a statutory duty on all local authorities to work in partnership with statutory, non-statutory, community and voluntary agencies to develop and implement strategies and policies for tackling crime and disorder.

4.1.3 Under Section 17 of the Crime and Disorder Act 1998, Northampton Borough Council has a statutory duty to 'exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it can to prevent crime and disorder'.

4.2 Resources and Risk

4.2.1 A PSPO can be enforced by both the Police and Council. The Council will be the agency to process the Fixed Penalty Notices (FPN's), regardless of which agency issues them. The approach to this will be agreed with the Police.

4.2.2 There is a financial implication in that the PSPO areas will require signage to allow enforcement to take place - cost is estimated at £12k at this stage. A one off supplementary estimate of this amount would require adding to the budget. This would be funded by a drawdown from the Community Safety Partnership reserve which has previously been approved by Cabinet / Council.

4.2.3 Any income generated by payment of FPN's must be directed back into management of the PSPO process.

4.3 Legal

- 4.3.1 The implementation of the PSPO can be challenged by any interested person within 6 weeks of the making of the Order. Any challenge is made at the High Court. A challenge can be made on the basis that the Council does not have the power to make the order, or that a requirement of the Act relating to PSPOs was not complied with. .
- 4.3.2 The process of implementing Public Space Protection Orders is being conducted through an appropriate and due process. Legal opinion has been sought and endorses the wording and validity of the Public Space Protection Order recommended for adoption at Annex 2.
- 4.3.3 Section 72 of the Anti-Social Behaviour and Policing Act 2014 requires the Cabinet as decision maker to pay particular regard to rights of freedom of expression and freedom of assembly set out in articles 10 (the right to freedom of expression) and 11 (freedom of assembly and association) of the European Convention on Human Rights ('ECHR') in considering the making any such order. The making of the said order is considered to be proportionate and will fulfil a legitimate aim of curbing anti-social behaviour in public places for the benefit of the law abiding majority and hence will not infringe Article 11 ECHR.

4.4 Equality and Health

- 4.4.1 An Equality Impact Assessment has been undertaken (Annex 4)
- 4.4.2 Incidents of ASB will continue to be dealt with in line with our equalities framework.
- 4.4.3 These legislative changes are designed to have a significant community impact in preventing and limiting anti-social behaviour.

4.5 Consultees (Internal and External)

- 4.5.1 See section 3.1.4, 3.1.12 -3.1.16 and Annex 3
- 4.5.2 Consultees on this report:

Director of Customers & Communities, NBC
Legal Services, LGSS
Finance, LGSS
Environmental Health & Licensing Manager, NBC
Environmental Services Manager, NBC
Northants Police
Cabinet Member for Community Safety, NBC
Town Centre Manager, NBC
Highways, KIER WSP

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 The restrictions detailed in the PSPO are related to nuisance, disorder, antisocial behaviour, litter, street fouling and impact negatively on public perceptions of the town. The proposals within the PSPO will contribute towards the NBC Corporate

Plan objectives of 'Invest in Safer, Cleaner Neighbourhoods' and 'Creating Empowered Communities'.

4.7 Other Implications

4.7.1 None

5. Background Papers

5.1 Anti-Social Behaviour, Crime & policing Act 2014; Reform of anti-social behaviour powers statutory guidance for frontline professionals

Debbie Ferguson
Community Safety Manager
Ext: 8731



Public Spaces Protection Order Covering the Borough of Northampton

Notice is hereby given that Northampton Borough Council ("the Council") proposes the following Public Spaces Protection Order under section 59 of the Anti-Social Behaviour, Crime and Policing Act 2014 ("the Act"):

1. The land described by the appendices map(s) being land in the area of the Council is land to which the Anti-Social Behaviour, Crime and Policing Act 2014 applies and will be protected by the making of this Proposed Order.
2. The Proposed Order may be cited as the Northampton Borough Council Public Spaces Protection Order for the Borough.

By this Proposed Order

3. The effect of the Proposed Order is to impose the following conditions on the use of the land:

- (a) In this area any person who continues to carry out activities from which they are prohibited commits an offence namely;
 - I. Persons within the area (Appendix 1) will not ingest, inject, smoke or otherwise use intoxicating substances. Intoxicating substances being defined as substances with the capacity to stimulate or depress the central nervous system (i.e. alcohol, illegal drugs or psychoactive substances). Psychoactive substances - commonly referred to previously as 'legal highs' - but does not include tobacco or prescription medication.
 - II. Persons within this area (Appendix 1) will not have in their possessions any open containers of intoxicating substances as defined in paragraph 3(a)(I)
 - III. Persons within the area (Appendix 1) will not have any item that can be used to assist in the taking of intoxicating substances defined in paragraph 3(a)(I) above. This includes any device for smoking substances other than e-cigarettes, it also includes needles - save for those packaged and sealed by the manufacturer and stored in a hard case.
 - IV. No person shall urinate or defecate in any public place (Appendix 1); this does not include public toilets.
 - V. Persons within the town centre tennis racquet area (Appendix 1A) will not place themselves with the intention to make any verbal, non-verbal (excluding busking but subject to VII below) or written request from a standing, sitting or lying-down position for money, donations or goods – including the placing of hats or containers.
 - VI. Persons within the Kingsley shopping area (Appendix 1B) will not place themselves with the intention to make any verbal, non-verbal or written

request from a standing, sitting or lying-down position for money, donations or goods – including the placing of hats or containers for money

VII No person shall perform any type of street entertainment (also known as busking, which includes amplified or unamplified music & singing) that may cause a nuisance to nearby premises or members of the public within the town centre tennis racquet area (Appendix 1A). This includes obstructing the highway or shop entrances, using street furniture including public seats, lamp posts, statues and railings.

VIII Person who are in charge of a dog must remove its faeces from the land (Appendix 1) forthwith unless:

- a. there is reasonable excuse for failing to do so (not being in possession of a bag to remove the faeces would not be acceptable); or
- b. the owner, occupier or other person or authority having control of the land has consented (generally or specifically) to his failing to do so

IX A person in charge of a dog on land detailed below must keep the dog on a lead in:

- a. all children's play areas in public parks
- b. all cemeteries
- c. Northampton town centre (tennis racquet area, Appendix 1A)

(b) In this area any person who fails to comply with any activity within the Proposed Order would commit an offence if they fail to adhere to the following;

- i. Persons within the area will, on the request of a Police Officer, Police Community Support Officer or an authorised Council Officer surrender any open containers of intoxicating substances in their possession.
- ii. Persons within the area will, on the request of a Police Officer, Police Community Support Officer or an authorised Council Officer surrender any item used to assist in the taking of intoxicating substances and comply immediately with the reasonable request of the requestor to secure safe disposal of any needles in their possession not sealed and stored as directed in Paragraph 3(a)(III)
- iii. Persons within the area will, on the request of a Police Officer, Police Community Support Officer or an authorised Council Officer cease drinking alcohol and will dispose of or surrender any containers of alcohol in their possession.

*** Please see Appendix 2 'Exemptions' ***

4. A person guilty of an offence of failing to comply with the Proposed Order under Section 67 of the Act, is liable on summary conviction to a fine not exceeding level 3 on the standard scale (currently £1,000.00) or if in receipt of a Fixed Penalty Notice to a penalty of a maximum £100.00.

- i. No proceedings may be taken for the offence before the end of the 14 day period following the date of notice; and

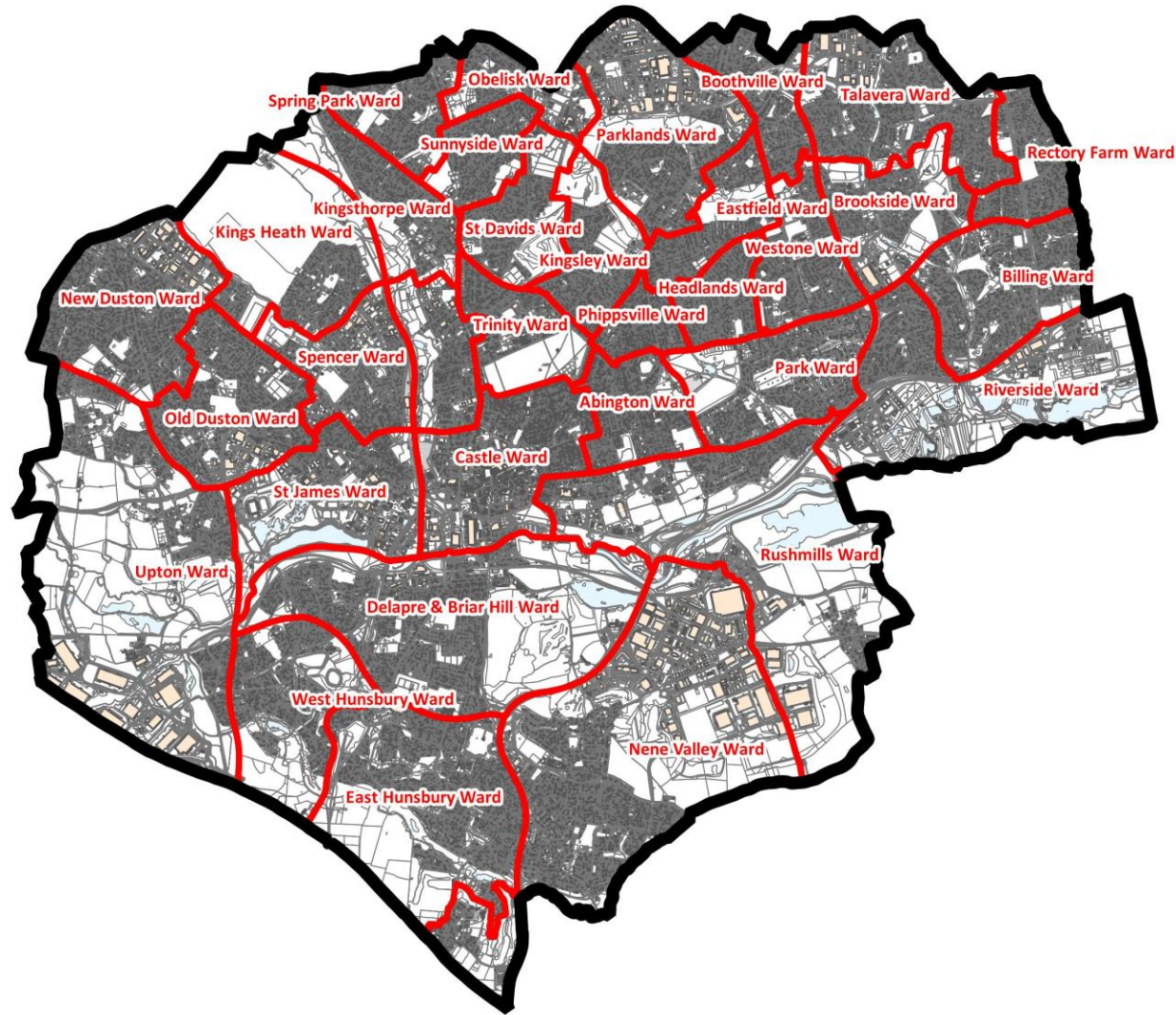
- ii. The person may not be convicted of the offence if the person pays the fixed penalty before the end of that period.

5. Any person who without reasonable excuse continues consuming intoxicating substances as defined in paragraph 3(a)(l) in the Order area when asked to desist by a Police Officer, Police Community Support Officer or authorised person from the Council under Section 63, or fails to surrender any intoxicating substance in his possession when asked to do so by a Police Officer, Police Community Support Officer or authorised person from the Council under Section 63 commits an offence and is liable on summary conviction to a fine not exceeding level 2 on the standard scale (currently £500.00) or if in receipt of a Fixed Penalty Notice to a penalty of a maximum of £100.00.

6. In consulting regarding this Proposed Order the Council has had particular regard to the rights of freedom of expression and freedom of assembly set out in Articles 10 and 11 of the European Convention on Human Rights.

Dated

Signed
David Kennedy
Chief Executive
Northampton Borough Council



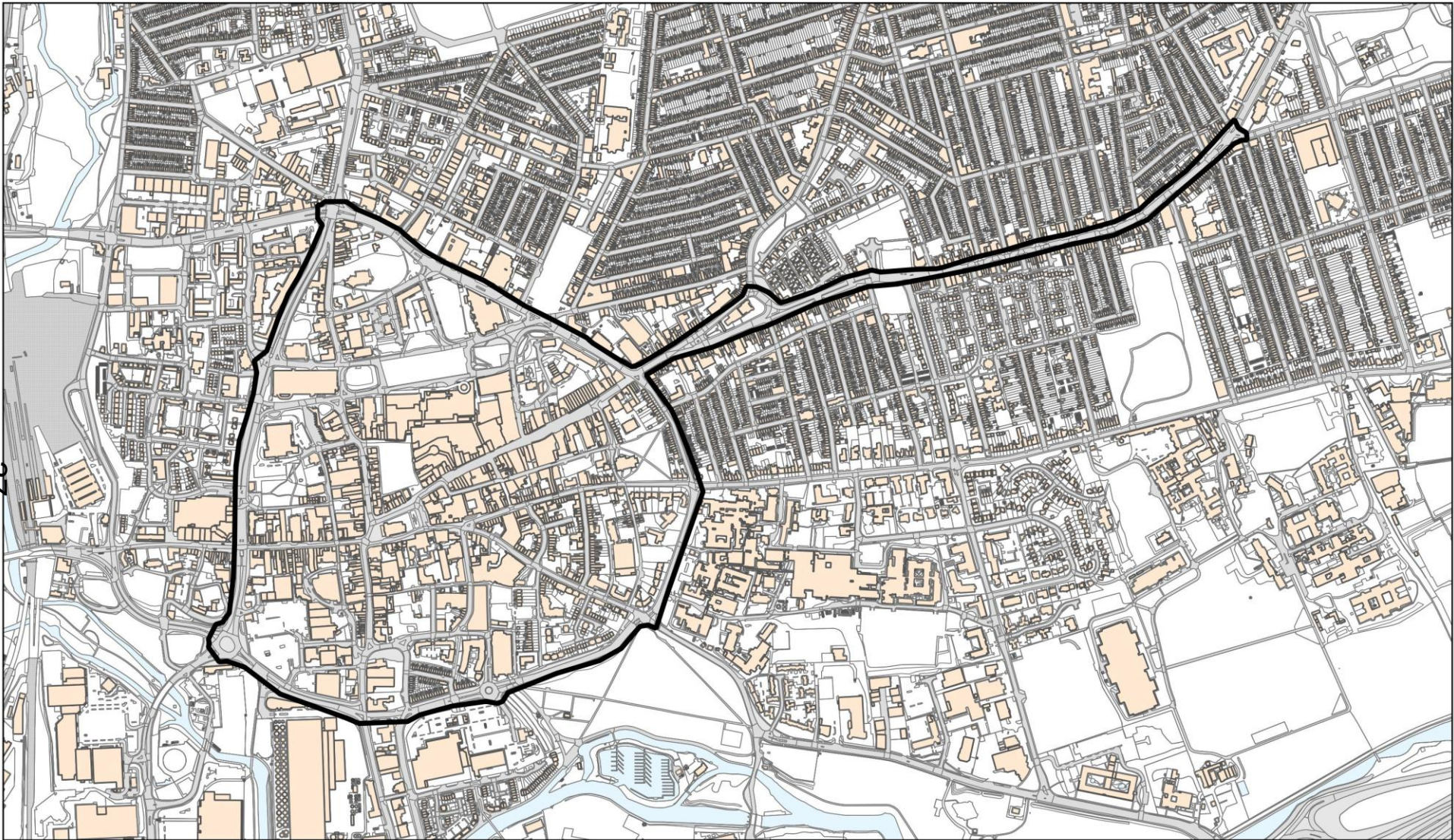
Title: **Appendix 1 - Northampton Borough & Ward Boundaries**

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Date: 01-04-2016

Scale: 1:68,417

Drawn by: S Heasman



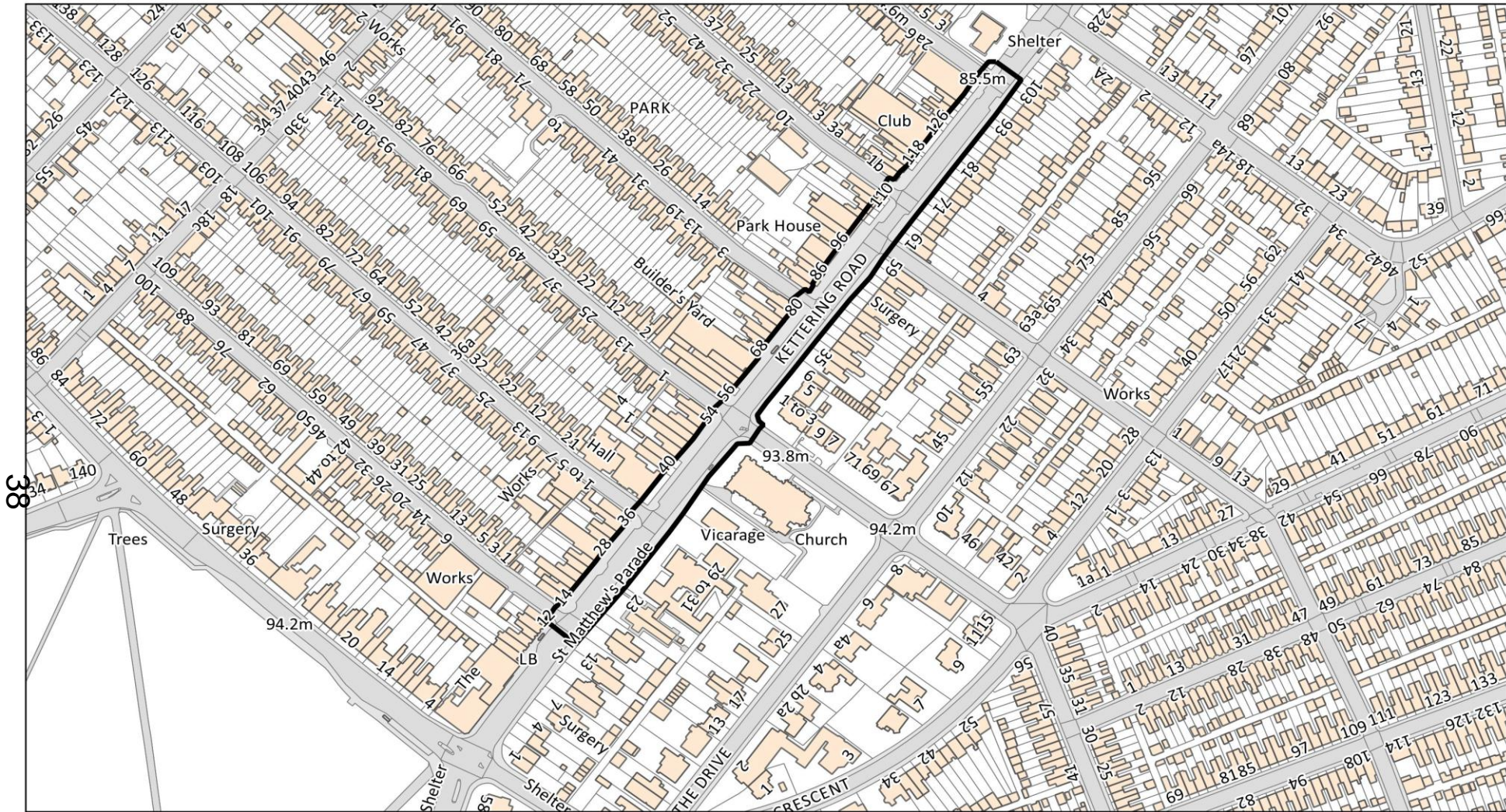
Title: **Appendix 1A - PSPO**

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Date: 01-04-2016

Scale: 1:10,000

Drawn by: S Heasman



NORTHAMPTON
BOROUGH COUNCIL

Title: **Appendix 1B - PSPO**

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Date: 01-04-2016

Scale: 1:3,000

Drawn by: S Heasman

Exemptions

1. Nothing in Prohibition I, (alcohol) shall apply to:
 - (a) Premises (other than council-operated licensed premises) authorised by a premises licence to be used for the supply of alcohol
 - (b) Premises authorised by a club premises certificate to be used by the club for the supply of alcohol;
 - (c) A place within the curtilage of premises within paragraph (a) or (b);
 - (d) Premises which by virtue of Pt 5 of the Licensing Act 2003 may at the relevant time be used for the supply of alcohol or which, by virtue of that Part, could have been so used within 30 minutes before that time;
 - (e) A place where facilities or activities relating to the sale or consumption of alcohol are at the relevant time permitted by virtue of a permission granted under s 115 of the Highways Act 1980 (highway-related uses)
2. A prohibition in the PSPO on consuming alcohol does not apply to council-operated licensed premises or land:
 - (a) When the premises or land are being used for the supply of alcohol; or
 - (b) Within 30 minutes of the end of a period during which the premises have been used for the supply of alcohol.
3. Nothing in Requirement VI & VII (removal of dog faeces & dogs on leads) shall apply to a person who:
 - (a) is registered as a blind person in a register compiled under section 29 of the National Assistance Act 1948; or
 - (b) is deaf, in respect of a dog trained by Hearing Dogs for Deaf People (registered charity number 293358) and upon which he relies for assistance; or
 - (c) has a disability which affects his mobility, manual dexterity, physical coordination or ability to lift, carry or otherwise move everyday objects, in respect of a dog trained by a prescribed charity and upon which he relies for assistance.



Public Spaces Protection Order Covering the Borough of Northampton

Northampton Borough Council ("the Council") makes the following Public Spaces Protection Order under section 59 of the Anti-Social Behaviour, Crime and Policing Act 2014 ("the Act"):

1. The land described by the appendices map(s) being land in the area of the Council is land to which the Anti-Social Behaviour, Crime and Policing Act 2014 applies and will be protected by this Order.
2. The Order may be cited as the Northampton Borough Council Public Spaces Protection Order for the Borough.

By this Order

3. The following conditions are imposed on the use of the land:
 - (a) In this area any person who continues to carry out activities from which they are prohibited commits an offence namely;
 - I. Persons within the area (Appendix 1) will not ingest, inject, smoke or otherwise use intoxicating substances. Intoxicating substances being defined as substances with the capacity to stimulate or depress the central nervous system (i.e. alcohol, illegal drugs or psychoactive substances). Psychoactive substances - commonly referred to previously as 'legal highs' - but does not include tobacco or prescription medication.
 - II. Persons within this area (Appendix 1) will not have in their possession any open containers of intoxicating substances as defined in paragraph 3(a)(I)
 - III. Persons within the area (Appendix 1) will not have any item that can be used to assist in the taking of intoxicating substances defined in paragraph 3(a)(I) above. This includes any device for smoking substances other than e-cigarettes, it also includes needles - save for those packaged and sealed by the manufacturer and stored in a hard case.
 - IV. No person shall urinate or defecate in any public place (Appendix 1); this does not include public toilets.
 - V. Persons within the town centre tennis racquet area (Appendix 1A) will not place themselves with the intention to make any verbal, non-verbal or written request from a standing, sitting or lying-down position for money, donations or goods – including the placing of hats or containers.
 - VI. Persons within the Kingsley shopping area (Appendix 1B) will not place themselves with the intention to make any verbal, non-verbal or written request from a standing, sitting or lying-down position for money, donations or goods – including the placing of hats or containers for money

VII. Persons who are in charge of a dog must remove its faeces from the land (Appendix 1) forthwith unless:

- a. there is reasonable excuse for failing to do so (not being in possession of a bag to remove the faeces would not be acceptable); or
- b. the owner, occupier or other person or authority having control of the land has consented (generally or specifically) to his failing to do so

VIII. A person in charge of a dog on land detailed below must keep the dog on a lead in:

- a. all children's play areas in public parks
- b. all cemeteries
- c. Northampton town centre (tennis racquet area, Appendix 1A)

(b) In this area any person who fails to comply with any requirement within the Order commits an offence if they fail to adhere to the following;

- i. Persons within the area will, on the request of a Police Officer, Police Community Support Officer or an authorised Council Officer surrender any open containers of intoxicating substances in their possession.
- ii. Persons within the area will, on the request of a Police Officer, Police Community Support Officer or an authorised Council Officer surrender any item used to assist in the taking of intoxicating substances and comply immediately with the reasonable request of the requestor to secure safe disposal of any needles in their possession not sealed and stored as directed in Paragraph 3(a)(III)
- iii. Persons within the area will, on the request of a Police Officer, Police Community Support Officer or an authorised Council Officer cease drinking alcohol and will dispose of or surrender any containers of alcohol in their possession.

This Order is subject to the Exemptions at Appendix 2

4. A person guilty of an offence of failing to comply with the Order under Section 67 of the Act, is liable on summary conviction to a fine not exceeding level 3 on the standard scale (currently £1,000.00) or if in receipt of a Fixed Penalty Notice to a penalty of a maximum £100.00.

- i. No proceedings may be taken for the offence before the end of the 14 day period following the date of notice; and
- ii. The person may not be convicted of the offence if the person pays the fixed penalty before the end of that period.

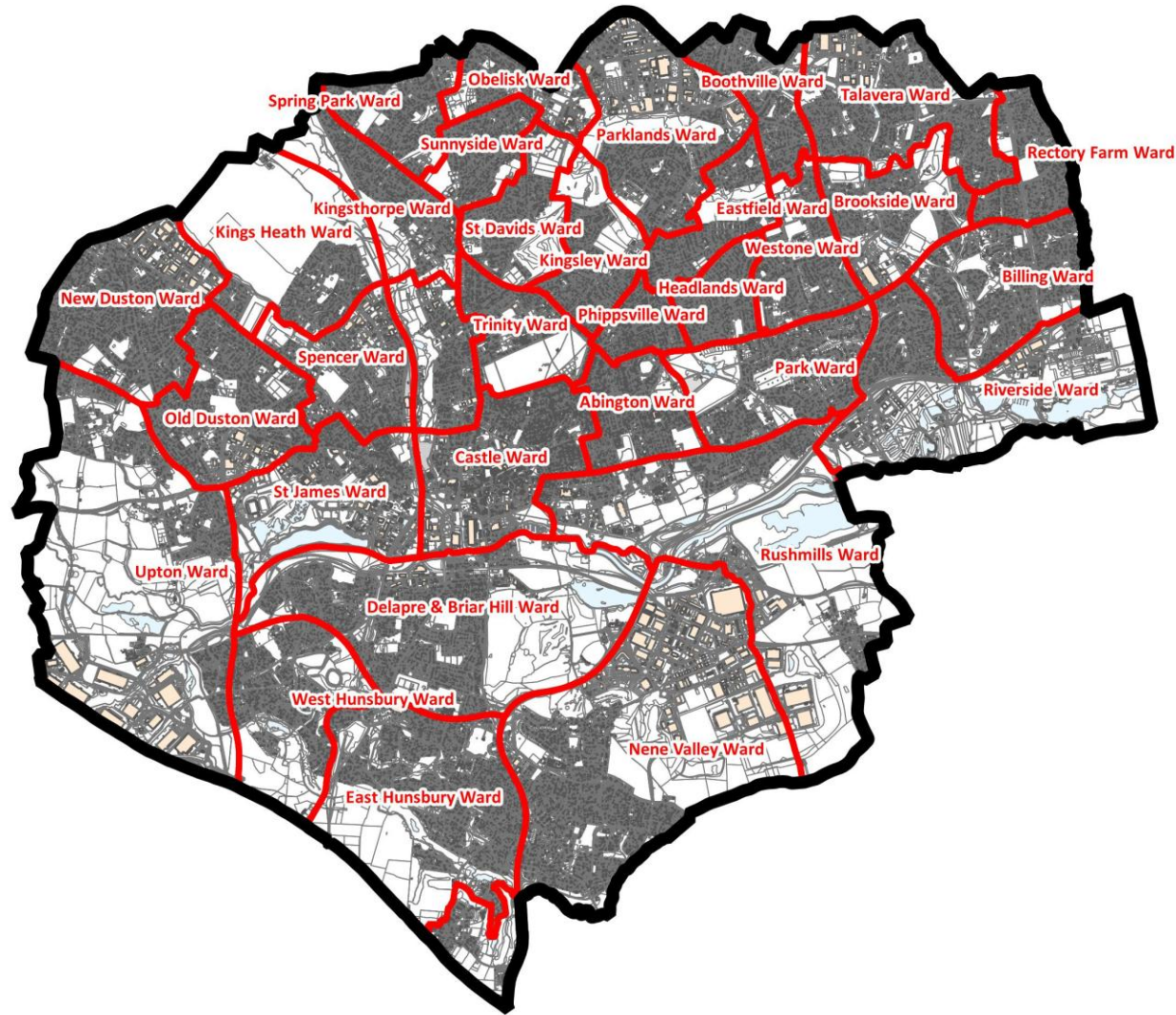
5. Any person who without reasonable excuse continues consuming alcohol in breach of this Order in the Order area when asked to desist by a Police Officer, Police Community Support Officer or authorised person from the Council under Section 63, or fails to surrender any alcohol in his possession when asked to do so by a Police Officer, Police Community Support Officer or authorised person from the Council under Section 63 commits an offence and is liable on summary conviction to a fine not exceeding level 2 on the standard scale (currently £500.00) or if in receipt of a Fixed Penalty Notice to a penalty of a maximum of £100.00.

6. In consulting regarding this Order before it was made the Council has had particular regard to the rights of freedom of expression and freedom of assembly set out in Articles 10 and 11 of the European Convention on Human Rights.

Dated

Signed

David Kennedy
Chief Executive
Northampton Borough Council



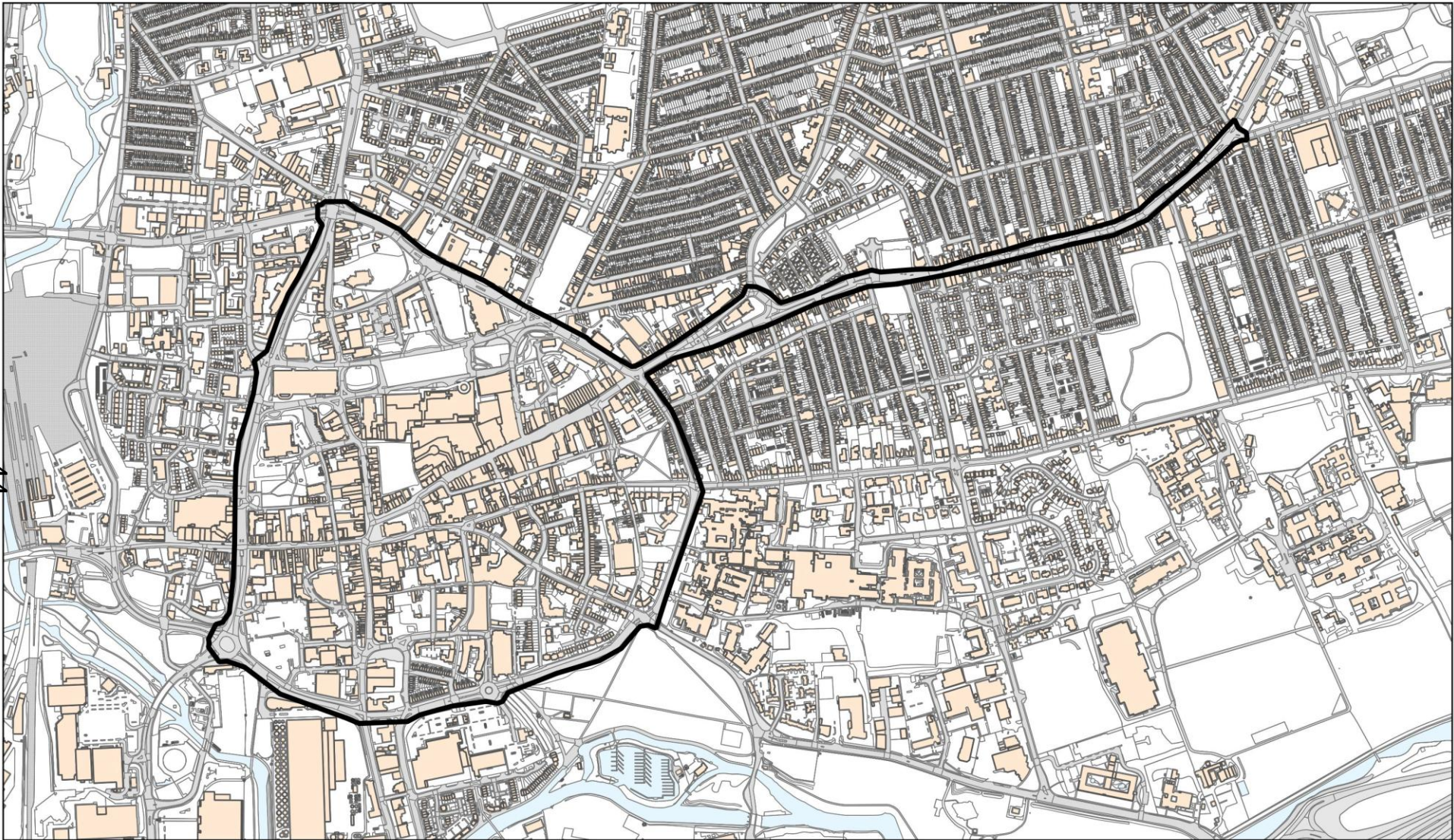
Title: **Appendix 1 - Northampton Borough & Ward Boundaries**

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Date: 01-04-2016

Scale: 1:68,417

Drawn by: S Heasman



NORTHAMPTON
BOROUGH COUNCIL

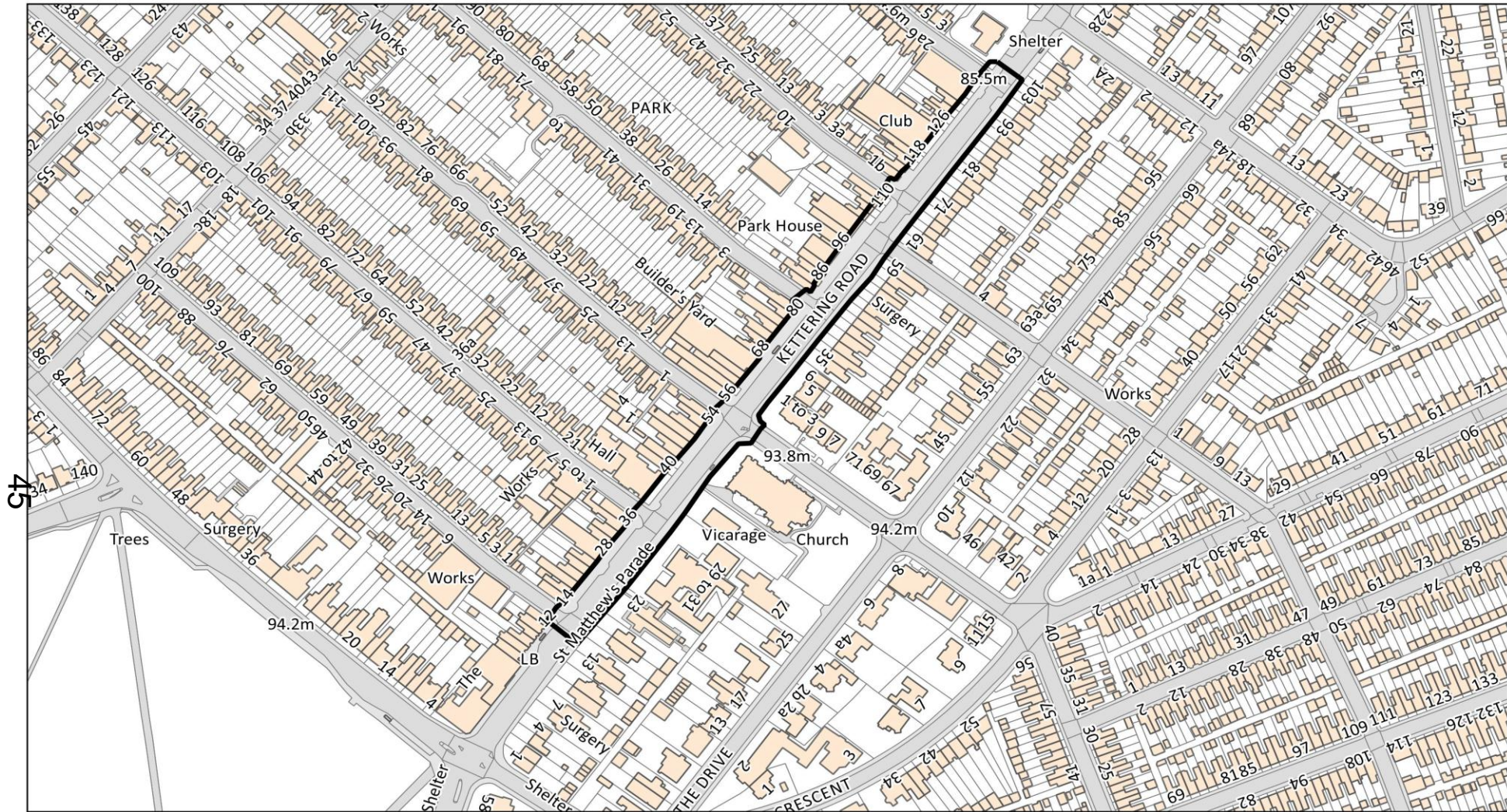
Title: **Appendix 1A - PSPO**

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Date: 01-04-2016

Scale: 1:10,000

Drawn by: S Heasman



45



Title: **Appendix 1B - PSPO**

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Date: 01-04-2016

Scale: 1:3,000

Drawn by: S Heasman

Exemptions

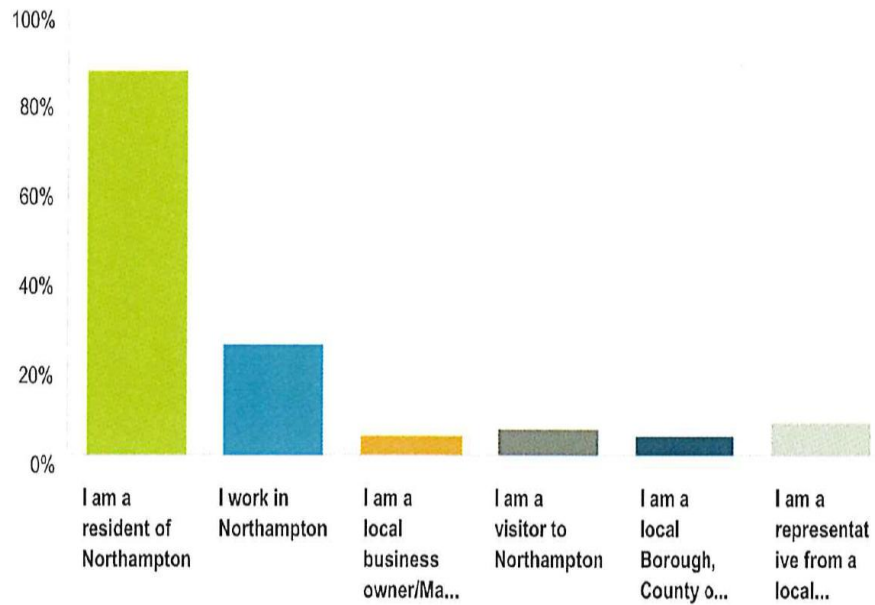
4. Nothing in Prohibition I, (alcohol) shall apply to:
 - (a) Premises authorised by a premises licence to be used for the supply of alcohol
 - (b) Premises authorised by a club premises certificate to be used by the club for the supply of alcohol;
 - (c) A place within the curtilage of premises within paragraph (a) or (b);
 - (d) Premises which by virtue of Pt 5 of the Licensing Act 2003 may at the relevant time be used for the supply of alcohol or which, by virtue of that Part, could have been so used within 30 minutes before that time;
 - (e) A place where facilities or activities relating to the sale or consumption of alcohol are at the relevant time permitted by virtue of a permission granted under s 115 of the Highways Act 1980 (highway-related uses)
5. A prohibition in the Order on consuming alcohol does not apply to council-operated licensed premises or land:
 - (a) When the premises or land are being used for the supply of alcohol; or
 - (b) Within 30 minutes of the end of a period during which the premises have been used for the supply of alcohol.
6. Nothing in Requirement VII & VIII (removal of dog faeces & dogs on leads) shall apply to a person who:
 - (a) is registered as a blind person in a register compiled under section 29 of the National Assistance Act 1948; or
 - (b) is deaf, in respect of a dog trained by Hearing Dogs for Deaf People (registered charity number 293358) and upon which he relies for assistance; or
 - (c) has a disability which affects his mobility, manual dexterity, physical coordination or ability to lift, carry or otherwise move everyday objects, in respect of a dog trained by a prescribed charity and upon which he relies for assistance

Annex 3 - Consultation Results

Draft Public Spaces Protection Order

Q1 Are you responding as a.....? Please tick all that apply.

Answered: 184 Skipped: 1



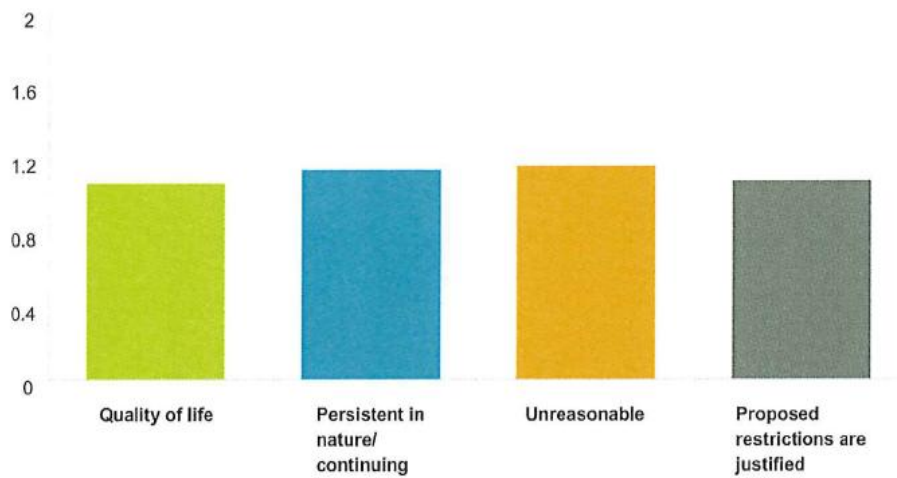
Answer Choices	Responses
I am a resident of Northampton	85.87% 158
I work in Northampton	25.00% 46
I am a local business owner/Manager	4.35% 8
I am a visitor to Northampton	5.98% 11
I am a local Borough, County or Parish Councillor	4.35% 8
I am a representative from a local community or voluntary group (please state name of group below)	7.61% 14
Total Respondents: 184	

* Question 2 has been omitted as it relates to postcodes for respondents *

Draft Public Spaces Protection Order

Q3 Do you feel that consumption of intoxicating substances in a public place, such as alcohol, drugs or psychoactive substances, where it leads to, or is likely to lead to, anti-social behaviour, has or is likely to have, a detrimental effect on quality of life, be persistent in nature, is unreasonable and that the proposed restrictions are justified?

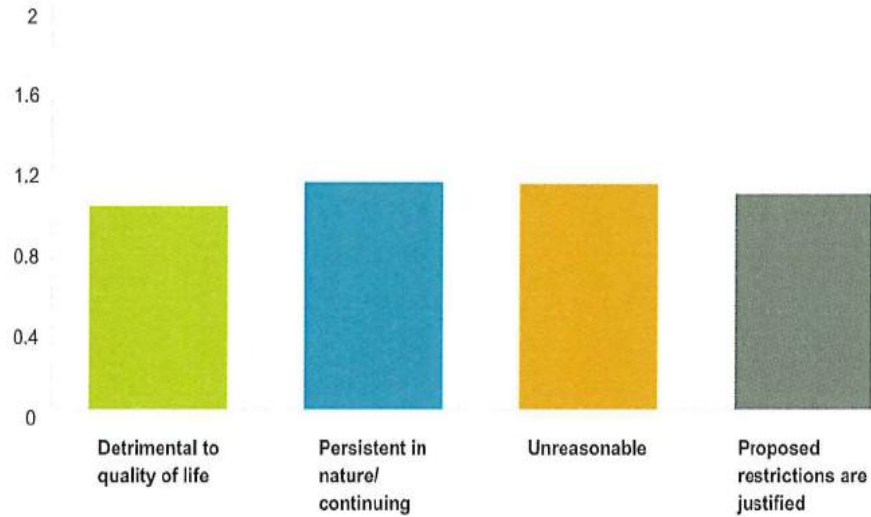
Answered: 183 Skipped: 2



	Yes	No	No opinion	Total	Weighted Average
Quality of life	93.92% 170	4.97% 9	1.10% 2	181	1.07
Persistent in nature/ continuing	90.91% 160	4.55% 8	4.55% 8	176	1.14
Unreasonable	86.36% 152	11.36% 20	2.27% 4	176	1.16
Proposed restrictions are justified	92.82% 168	6.63% 12	0.55% 1	181	1.08

Q4 Do you feel that urination and defecating in a public place has, or is likely to have, a detrimental effect on quality of life, be persistent in nature, unreasonable and that the proposed restrictions are justified?

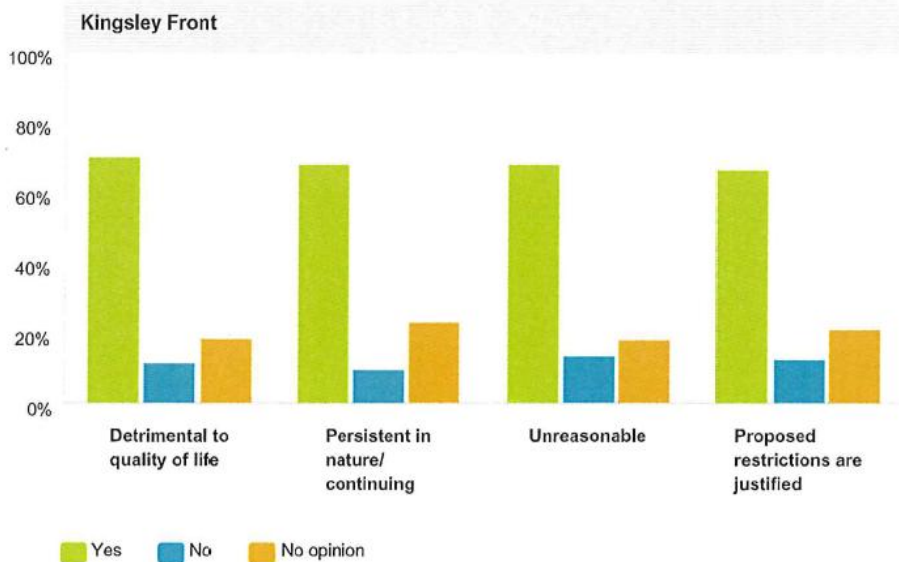
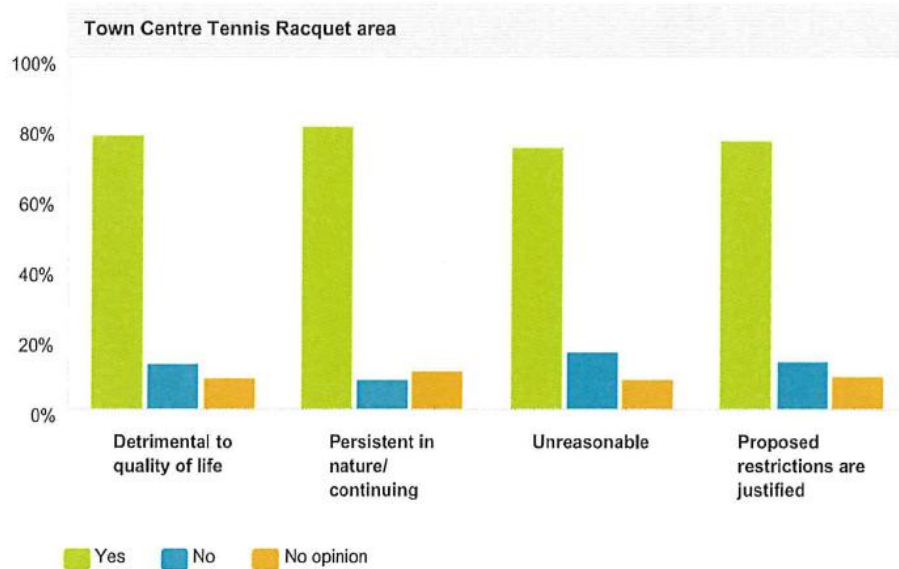
Answered: 181 Skipped: 4



	Yes	No	No opinion	Total	Weighted Average
Detrimental to quality of life	99.44% 177	0.00% 0	0.56% 1	178	1.01
Persistent in nature/ continuing	91.53% 162	3.95% 7	4.52% 8	177	1.13
Unreasonable	90.17% 156	7.51% 13	2.31% 4	173	1.12
Proposed restrictions are justified	94.38% 168	3.93% 7	1.69% 3	178	1.07

Q5 Do you agree that begging in the Town Centre Tennis Racquet area and the Kingsley front area (see maps)has, or is likely to have,a detrimental effect on quality of life, is of a persistent nature, unreasonableand that the proposed restrictions are justified?

Answered: 181 Skipped: 4



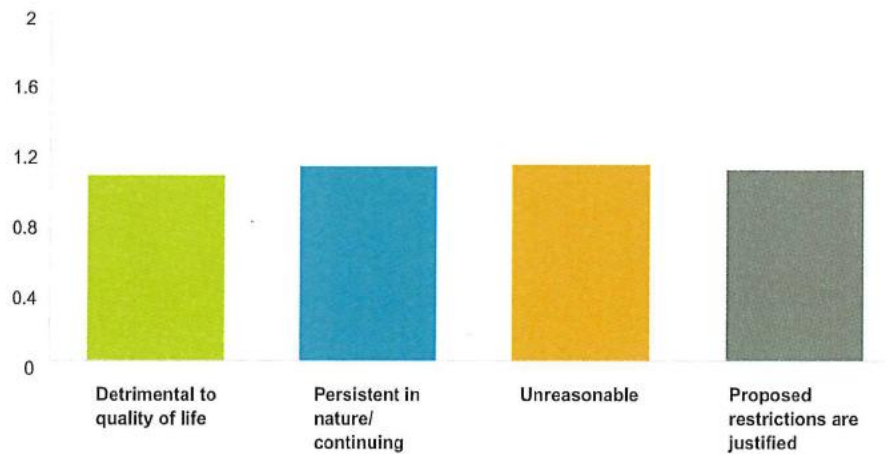
Town Centre Tennis Racquet area				
	Yes	No	No opinion	Total
Detrimental to quality of life	77.97% 138	12.99% 23	9.04% 16	177

Draft Public Spaces Protection Order

Persistent in nature/ continuing	80.34% 143	8.43% 15	11.24% 20	178
Unreasonable	74.71% 130	16.67% 29	8.62% 15	174
Proposed restrictions are justified	76.70% 135	13.64% 24	9.66% 17	176
Kingsley Front				
	Yes	No	No opinion	Total
Detrimental to quality of life	69.75% 113	11.73% 19	18.52% 30	162
Persistent in nature/ continuing	67.90% 110	9.26% 15	22.84% 37	162
Unreasonable	68.13% 109	13.75% 22	18.13% 29	160
Proposed restrictions are justified	66.67% 108	12.35% 20	20.99% 34	162

Q6 Do you agree that people in charge of a dog who fail to remove the dog's faeces from a public place has, or is likely to have, a detrimental effect on quality of life, be persistent in nature, unreasonable and that the proposed restrictions are justified?

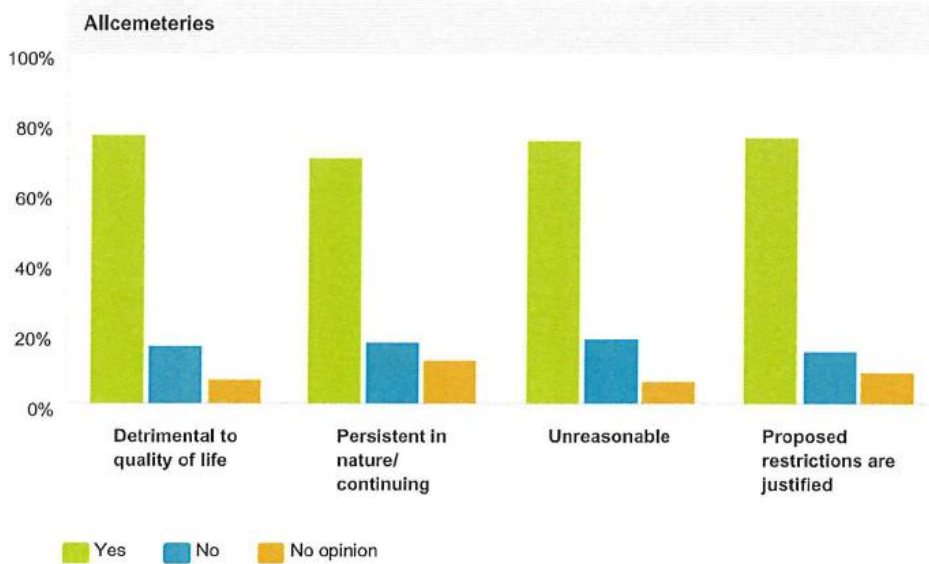
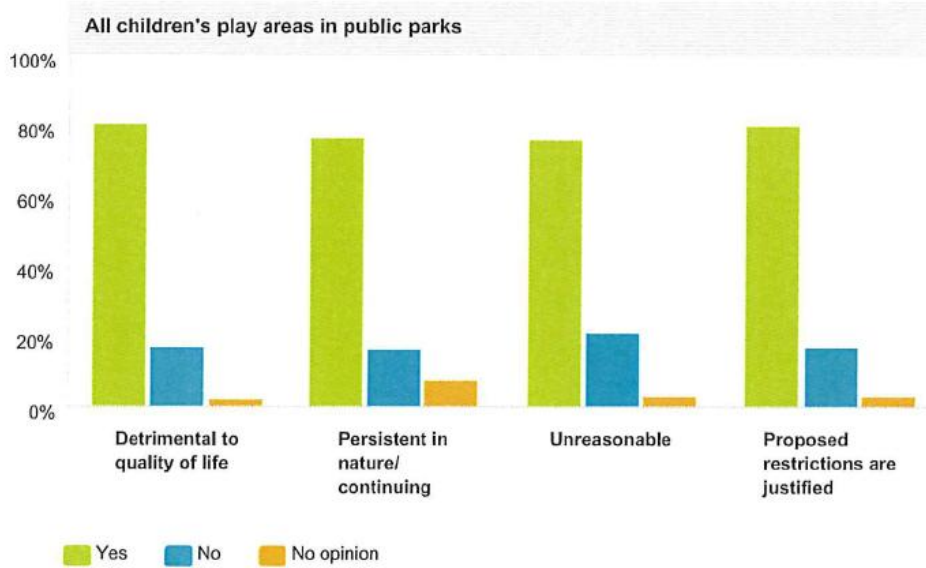
Answered: 182 Skipped: 3



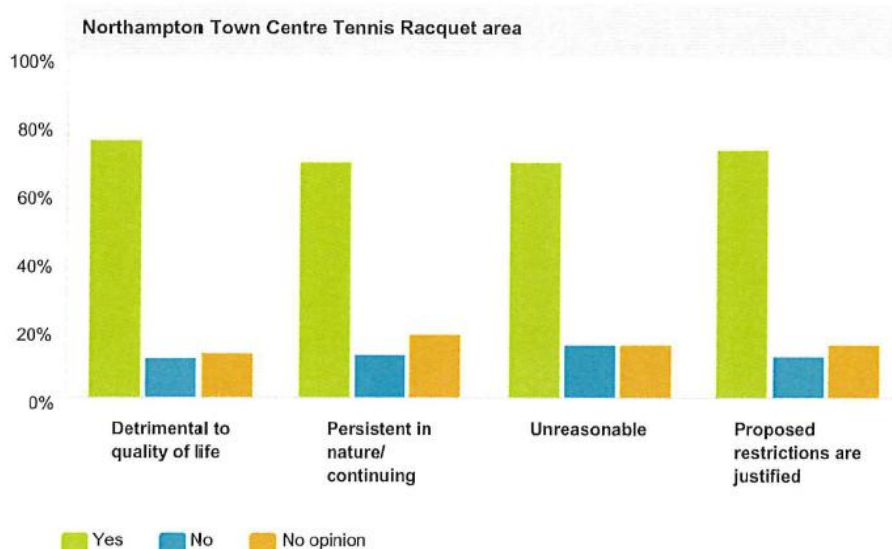
	Yes	No	No opinion	Total	Weighted Average
Detrimental to quality of life	96.11% 173	2.22% 4	1.67% 3	180	1.06
Persistent in nature/ continuing	92.22% 166	4.44% 8	3.33% 6	180	1.11
Unreasonable	90.45% 161	7.30% 13	2.25% 4	178	1.12
Proposed restrictions are justified	92.78% 167	5.00% 9	2.22% 4	180	1.09

Q7 Do you agree that, in the following areas, people in charge of dogs allowing the dog to be OFF the lead has, or is likely to have, a detrimental effect on the quality of life, be persistent in nature, unreasonable and that the proposed restrictions are justified?

Answered: 183 Skipped: 2



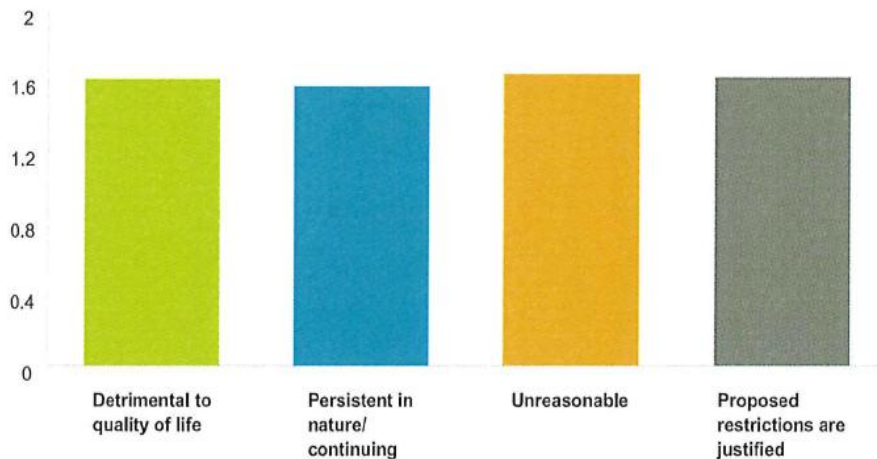
Draft Public Spaces Protection Order



All children's play areas in public parks				
	Yes	No	No opinion	Total
Detrimental to quality of life	80.56% 145	17.22% 31	2.22% 4	180
Persistent in nature/ continuing	76.40% 136	16.29% 29	7.30% 13	178
Unreasonable	76.14% 134	21.02% 37	2.84% 5	176
Proposed restrictions are justified	80.23% 142	16.95% 30	2.82% 5	177
Allcemeteries				
	Yes	No	No opinion	Total
Detrimental to quality of life	76.61% 131	16.37% 28	7.02% 12	171
Persistent in nature/ continuing	70.00% 119	17.65% 30	12.35% 21	170
Unreasonable	74.85% 125	18.56% 31	6.59% 11	167
Proposed restrictions are justified	76.02% 130	15.20% 26	8.77% 15	171
Northampton Town Centre Tennis Racquet area				
	Yes	No	No opinion	Total
Detrimental to quality of life	75.64% 118	11.54% 18	12.82% 20	156
Persistent in nature/ continuing	69.03% 107	12.26% 19	18.71% 29	155
Unreasonable	68.83% 106	15.58% 24	15.58% 24	154
Proposed restrictions are justified	72.61% 114	12.10% 19	15.29% 24	157

Q8 Do you agree that unregulated street entertainment (also known as busking, which includes amplified or unamplified music and singing) has, or is likely to have, a detrimental effect on the quality of life, be persistent in nature, unreasonable and that the proposed restrictions are justified?

Answered: 183 Skipped: 2



	Yes	No	No opinion	Total	Weighted Average
Detrimental to quality of life	44.20% 80	50.28% 91	5.52% 10	181	1.61
Persistent in nature/ continuing	52.81% 94	37.64% 67	9.55% 17	178	1.57
Unreasonable	44.75% 81	46.96% 85	8.29% 15	181	1.64
Proposed restrictions are justified	48.33% 87	41.11% 74	10.56% 19	180	1.62

Annex 3a

Responses received from statutory consultees

Inspector, Northamptonshire Police (North East Sector, Northampton)

I am happy with the content as per our previous discussions.

Inspector, Northamptonshire Police (South West Sector, Northampton)

Happy to support the suggestions within the PSPO although we need to be clear on expectations regarding enforcement and leads

There will be an enforcement protocol in place that will provide guidance to those authorised to enforce the PSPO

Northamptonshire County Council Community Safety

This looks good. The only other thing I would consider in relation to V and VI of the PSPO would be around individuals placing themselves with the intention to do those things.

Northamptonshire County Council Highways:

Having read the order it looks very comprehensive. The only comments I have are in connection with street entertainment.

It says a person can ask for money other than buskers (3(a)(V)) which implies busking is allowed but in 3(a)(VII) no person shall busk if they cause a nuisance including obstructing the highway, but all buskers are technically obstructing the highway.

Also no other person other than a busker can ask for money, but what about persons performing carols or the Salvation Army band neither are classed as busking activities.

Hardingstone Parish Council:

Hardingstone Parish Council agree with the proposals set out in the consultation.

Annex 3b

Question 9: Do you have any comments to add regarding what impact the above activities have on your quality of life:

PSPO's are a waste of time & public money as no one will implement them!

makes you scared of going out

What will you do about Charity Chuggers? And what will you do about the rip-off merchant running ice-cream & burger vans, and cafes, in public parks and other public places that do not offer fair value for money. What will you do about the vested interests in such enterprises?

Can you do anything to stop the charity people from stopping me whenever I walk through the town? These people make me think twice about coming to shop in Northampton. You never see them in the shopping centres so MK more attractive when they are all out in force!

Why can we not drink alcohol outside Frank Large walk if we are responsible? Does all of Frank Large walk constitute a children's play area, or just the play equipment? In which case you need to fence this off as there are thousands of dog walkers who use this area to exercise their dogs off lead and value the ability to do so.

I know a number of old people who will not now go to the shopping precinct in the tennis racquet area because of the practices which this proposed PSPO is intended to outlaw

Been distressed by unleashed dog; dog faeces add to the general disgraceful dirty and unkempt areas throughout the whole of Northampton

Begging on Fish St, Homeless people sleeping on my doorstep on Fish St, People urinating on my door step on Fish St and the buskers and music on Abington St can be heard in my flat and sometimes it's all day and every weekend.

Betting shops should have the same rules applied as public houses as people congregate consume alcohol and make noise and drop litter. Collins st corner staff say it has nothing to do with them.

i would say that paragraph 3 clause 6 be changed from kingsley shopping area to ALL SHOPPING AREAS INCLUDING....

Dogs must still be allowed to have some off lead areas in residential areas.

All of the above are fully covered by existing legislation. To enact what are basically geographically defined ASBOs would be unworkable and counter-productive, simply displacing the activities outlined above to places where they can be less surveilled. This is placebo legislation of the worst kind.

Busking enhances the quality of life. Level of amplified should be set.

Intimidation

The proposed PSPO should also include the area from the town centre along Kettering Road to Kingsley Front.

I had to stop using the Central library due to loud proselytising and music. The smell of urine in certain areas of the town is one reason I don't come to town .

Look at busking designated patches.

Fed up with dog faeces in public areas!

The smell of urine on the steps from campbell st car park is appalling and will put people off from visiting the town centre

I believe it is everyone's right to enjoy the open spaces without the view spoiling it for the many

Begging should be restricted in all public places. Dogs off the lead should not be allowed in any public place. We must ensure that dog poo bins are available and emptied regularly. Consumption of alcohol or being under the influence of alcohol or drugs in a public place should be dealt with severely. Adults should be setting an example to each other and the younger community. Begging lowers the reputation of the town centre.

Do not focus on town centre only. Levels of litter and dog fouling is disgraceful

Re consumption of intoxicants in the proposed areas, the problems will simply be moved elsewhere and there is no indication of what might be done to help those people likely to be punished other than adding to their problems by fining them, when they are extremely unlikely to be able to pay.2On restrictions on dogs in childrens play areas - that is fine in those Parks where the play areas are fenced off- what about those parks where there is no fencing eg Hunsbury Hill park?

why are the needy/homeless driven to have to beg?

I am a dog owner who always picks up .But never ever see people who don't pick up fined.

Areas where dogs can be let off leads should be made available but away from e.g. children's play areas

Amplified busking in town centre appears to have a positive affect on those around and brings a good atmosphere.

Here in Kingsthorpe, we are already suffering from the attention of beggars. I fear that enforcement in the areas covered in Items V. And VI. will exacerbate our local problem, causing a migration of "pan-handlers" onto Kingsthorpe front. Please can the Kingsthorpe shopping area be added to the list.

All the above make the town look more of a tip than it mostly already does, the above PSPO must be Implemented

Busking in the town centre has become intolerable. Also street charity fund raisers should be limited under this order

Anti-social behaviour can make life very unpleasant for the majority of residents and if not addressed can lead to the public avoiding certain areas.

Can you add ridng motorbikes illegally in local parks, bridlepaths and green areas

I would like to qualify no. 8. Licensed buskers should be a strategy for enhancing the street scene and ambience of the town centre. We need more shared space for cyclists. I have observed that where they are allowed they behave with more respect to pedestrians.

I am not sure the benefit of a blanket order. There are already other orders which relate to individuals that can clearly stop this behaviour.

Upton Public Open Spaces are not maintained or adopted by Council. If you want to put these public orders in place there, adopt the Public Open Spaces like you've done for all other areas in Northampton.

I heard a violinist busking last week in town and it was lovely. We should be rewarding people who are using their skills to raise money. Maybe offer the chance for people to officially busk in the town square and make it like Covent Garden and culturally and musically diverse.

Please could you add a section on cycling on paths, anti-social and dangerous, especially to the elderly. Thank you.

Non amplified busking as ordered under pedestrianisation in 1985 is antisocial but non amplified music is acceptable.

No, apart from stepping in dog poo!

We should encourage music and entertainment in the streets

The construction of your questions is confusing. How can I make a judgment that something is going to be 'persistent in nature/continuing' before it has happened? It might be over in 10 mins or last 10 hours there is no way of knowing.

8. 'Good' entertainment can add spice and vitality to a town centre (sadly lacking in Northampton). Part of the reason I live in an outlying village and rarely visit the town centre is because of all the aspects of questions 1 to 7 and as a 'Northamptonian' that is very sad.....

Not nice at all having to keep a look out for dog mess in public parks because irresponsible owners cannot be bothered to clear it up. Proposals are welcomed.

I believe dogs should be on a lead in all areas of a public park.

There are not enough police officers around to prevent unsociable behaviour which is on the increase.

Northampton town is dirty - not the fault of the BC, but those commercial premises who allow smokers to dispose of their waste outside the shop. Northampton has become an ashtray.

Need to consider re-commissioning of public toilets please.

The activities covered in this survey reduce the attractiveness of the town for visitors and businesses

Should the restrictions on begging also apply to unregulated charity and business person's in a public place?

Some of the buskers add to the street scene, but some who collect for animal charity or cannot sing/play do not. Providing dogs are kept under control on a lead & do not defecate within the

fenced children's play areas they should be allowed to be off their lead in the rest of the open space.

restrict to unamplified music and singing

Drinkers leaving their cans and broken bottles causes injury to my grandchildren and my dog, not picking up after dogs it's disgusted there is someone around where I live who never picks up even when on the pavement beside the school. Human waste is worse it happens occasionally along the school fence.

I believe the members of the public would welcome these interventions.

Busking, adds to the vibrancy of the town, ever been to Quebec?

selling the big issue would be caught under the begging PSPO but it is selling a good magazine and assisting homeless people. All the beggars/homeless people should be assisted by social services not criminalised.

Living in East Park Parade, I have experienced people urinating, defecating and begging on the boundary of my home

Please define begging. How will PSBO affect Big Issue sellers, and people collecting for charities or other causes? How will PSBO affect political campaigners, street theatre, etc?

Dog poo is a problem, lack of public toilets means people may be forced to urinate in public places, especially disabled people. Deffication should not be necessary in Public places

Please deal with the beggars, charity parasites, buskers and especially the offensive bagpipist on Abington Street every Saturday.

There needs to be a proportionate approach to street drinking, the likes of the auctioneers pub needs to have their external drinking area removed as it a magnet for anti social behaviour. Also for parks, it needs to be proportionate.

Makes me happy to hear music from buskers and if benefit housing was adequate then peopke would not need to beg or sleep roufh

None but I can understand that it would be different for some

Just that if these restrictions are put in place they are actually enforced.

Probably uunsupervised dogs has had the greatest impact in Abington Park.Closely. Followed by dog

fouling and unsociable drinking, this is generally worse in summer. As regards urination, small children do sometimes have to go. I would hope restoration of toilets in the children's play area would be a high priority. As regards busking, a lot depends upon the quality of the musician/s as to whether it is a nuisance! Yes the problem of begging can be a problem, but I would hope if you take these measures; there would be additional council support for the homeless.

I disagree with criminalising homelessness and begging

The new psychoactive legislation does nothing to prevent simply possession of substances. Our kids are ruining their lives and we need to be tougher on the consequences of use.

The street drinking and did fouling having empty cans all over the place and lazy people not clearing the doggie do da and children are treading in it

Broken glass in surrounding area. Not safe for children or dogs.

Your document for dogs on leads does not include current identified spaces such as Abington Park Band stand part which is clearly marked dogs on leads this should be added as frequently ignored by some

The Protection Order must be implemented to maintain a decent standard of living. If not standards will deteriorate even further.

Its sad that there are fewer and fewer spaces where people can walk with dogs- simply because of a minority of ignorant and selfish owners.

I feel there are too many cars in the town centre and if they build more student flats and a picture house we don't need there will be more people. There are plenty of spaces near colleges. People dropping cigareets and deliberately turning into drop in for youth and homeless.

Area around closed toilets are drinking spots, need watching.

What about the noise of the amplified music (so called) in the High Street, Northampton

I constantly get drunk kids knocking at my front door. They leave mess everywhere and have no respect for the area I live in. It's not only kids though. Alot of the time there's drunken adults around who urinate up people's garden fences and cars and it's just rude. I feel very afraid to even walk out of my own front door.

Young teens gathering and drinking alcohol making it uncomfortable for families with young children to go to play areas near tesco mere way

People not picking up behind their dog is bad in this area (NN5), also so is the littering bad

Dog fouling, causes great nuisance, my son cannot play in certain areas as it is awful

I have been shocked by the levels of anti-social behaviour in Northampton in recent years, with seemingly little action taken by the authorities. Earlier in the year there was continual aggressive begging in Abington Street, apparent rough sleeping in the town centre etc with no obvious intervention. We look like a town that just doesnt care. This order needs to be part of a raft of measures that tackles some of the underlying issues. Are the boundaries on the map (streets not labelled in the appendix) arbitrary? What will stop the problem moving outside of the area but still persisting, particularly in local parks? What are the authorities doing to tackle the problems rather than just move it out of sight?

I rent an office in the town centre outside the Grovenor Centre entrance on Abington Street and i'm subjected to the daily noise of the buskers and street performers with their amplified system. Doesn't seem fair to me that I have to endure that along with the other business owners in my building.

Dogs not on lead, and owners who don't pick up faeces should be fined on the spot, but who would police it?

Although I have answered yes to these questions there will always be exceptions to the rule. For example why are people begging and how can Borough, organisations and individuals help.

St James also suffers with high levels of anti social behaviour, including drinking, drug taking and begging, so I would like the following clause inserted to reflect this problem within the final document; VII Persons within the Kingsley shopping area (Appendix 1C) will not make any verbal, non-verbal or written request from a standing, sitting or lying-down position for money, donations or goods – including the placing of hats or containers for money

Not being able to walk a well behaved and trained dog off lead is detrimental to the dog and owner. We live where we do (and have done for many years) enjoying exercising dogs, and this must not be stopped – it affects our rights to walk too.

What MOST destroys my quality of life, is councils continually having a go at dog owners and treating us as though we are criminals! Unless you want to face charges of discrimination, you need to leave us alone OR treat everybody else (eg, litterbugs) equally, rather than letting them get away with their crimes or just tidying up after them. You also need to ban CHILDREN from specific areas, if you're going to ban dogs. You are promoting hatred between societal groups, which directly conflicts with your obligations under the Public Sector Equality Duty (PSED). I am DISGUSTED that you are targeting people who have to beg, as well. If you want to reduce the number of people living on the streets, provide adequate hostels and shelter for them (DOG FRIENDLY!), and the proper counselling and treatment if they have alcohol or drug problems. I am disgusted that the council is mis-applying the law to persecute specific groups in society and to discriminate so openly against them.

These restrictions are not needed on these minor issues too PC.

Criminalising dog owners and walkers or introducing orders to criminalise ownership or day walking because of a very small minority who are inconsiderate spoils the enjoyment of those vast majority whom are responsible. It inhibits the dogs a chance to run around and get adequate exercise and to interact with other dogs which is at the centre of having a well rounded dog. Curtailing natural behaviour contravenes one other legislation or act of parliament rather than a voluntary money making exercise such as PSPO's.

Stop persecution of dog and owners have you got more important things to deal with on your high salaries!

Safe areas should be provided for dog walks to allow their dogs off lead where they cannot get out ie dog parks, both for multiple dogs and for single dogs only

Have had issues with dogs off lead coming up to my dog and hurting him, which has led to one of mine having a fear of other dogs. I personally really like buskers as they bring life into the centre. They make my life much better.

Common sense should be attached to all of the above regarding actions taken or not taken. I have come across buskers that should be paid for entertaining and selling CDs because they've been so good. I have also been offended by buskers as they have been loud, untuneful and even spitting, which I believe they most definitely should deserve punishment. Public spitting isn't just offensive, it is a way that diseases can be spread. Urination in public places is disgusting (with the obvious exception of anyone that has a medical condition leaving them with a level of unawareness of needing to go and having to run quickly and discretely behind a bush) it once again is offensive and unhealthy. Dogs in parks and public places off lead as long as the owner is in control of them is good, but you also have to bear in mind that some children are ignorant as far as how to behave around dogs is concerned and will run up to them and pull them around, so following the idea of Rushden town council could be of benefit. There is a children's play area that is fenced and secure and also a dogs play and running off lead area that is fenced off and secure. The rest of the park is

dogs on leads but rightly so, not picking up poo is unacceptable anywhere around the park . The use of drugs should carry harsher punishment even for smaller amounts purely because the problem is so out of hand. Alcohol consumed in public places inappropriately (re not a glass of beer or wine at a picnic or drank outside at a bistro, isn't a positive thing for anyone. Littering should also attract a penalty especially in our parks and public spaces.

I walk my dogs off lead and do not wish this to be restricted as I am in full vocal control of them

Fines for fouling should start at £20 then if they get caught again they should increase.

all dogs should be on leads everywhere especially on the street and parks

This needs to include St James

Northampton town centre is dump mainly due to street drinking tramps n goths in the centre screeching n looting around, anything to get this shifted would improve the centre

Dog faeces is a damn nuisance in public parks where children are playing. Dangerous too

To have to walk past several aces in the town to get to work, all I am confronted with is human faeces. It's disgusting, you report it, yet this lovely council will take weeks to move it, where are the wardens?

Street drinkers have made my life very stressful, because I cannot relax in my own home knowing that only yards from my front door there are groups of people drinking, shouting, urinating and behaving in an anit social manner for hours every day.

Would like to see the removal of amplified music the bsukers use as it is far too loud and does not reflect what proper busking is about

I love the buskers in the town centre on a Saturday, they IMPROVE my quality of life. In general, I think this is a consusingly written survey and that most people won't understand what you are asking. A lot of the things you are trying to include are covered by other laws anyway (eg begging), so why add another one? Which law would take precedence if someone were to be prosecuted?

I would just like to say how genuinely happy I am to see something being put in place to regulate Northampton town centre in particular. This behaviour does have an affect on all our life's and actually friends of mine have had to deal first hand with these issues as people outside McDonald's areas have attacked multiple friends of mine before due to I assume their drunkenness. It's a dangerous place Northampton town centre now and something should be done. I just hope if this order is put in place, that the police will use it rather than just let it carry on happening. I'm not actually from Northampton I'm here for university but the impact it's had on my life, I can't comprehend how bad it must be for everyone else that lives here and has to watch their beloved town centre turn to shambles.

Appendix 4

Equality Impact Assessment

Part 1: Screening

When reviewing, planning or providing services Northampton Borough Council needs to assess the impacts on people. Both residents and staff, of how it works - or is planning to – work (in relation to things like disability). It has to take steps to remove/minimise any harm it identifies. It has to help people to participate in its services and public life. “**Equality Impact Assessments**” (EIAs) prompt people to think things through, considering people’s different needs in relation to the law on equalities. The first stage of the process is known as ‘screening’ and is used to come to a decision about whether and why further analysis is – or is not – required. EIAs are published in line with transparency requirements.

A helpful guide to equalities law is available at: www.northampton.gov.uk/equality. A few notes about the laws that need to be considered are included at the end of this document. Helpful questions are provided as prompts throughout the form.

1 Name of policy/activity/project/practice	Public Places Protection Order
---	--------------------------------

2. Screening undertaken (please complete as appropriate)	
Director of Service	Julie Seddon
Lead Officer for developing the policy/activity/practice	Debbie Ferguson
Other people involved in the screening (this may be people who work for NBC or a related service or people outside NBC)	Director of Customers & Communities, NBC Legal Services, LGSS Finance, LGSS Environmental Health & Licensing Manager, NBC Environmental Services Manager, NBC Northants Police Cabinet Member for Community Safety, NBC Town Centre Manager, NBC Highways, KIER WSP

3. Brief description of policy/activity/project/practice: including its main purpose, aims, objectives and projected outcomes, and how these fit in with the wider aims of the organisation.

- A Public Spaces Protection Order (PSPO) allows a local authority to introduce a series of measures into a defined locality.
- The proposed PSPO will bring in measures to control and restrict certain activities, in particular the consumption of psychoactive substances, consumption of alcohol in public (other than in licensed premises), public urination and defecation, busking, begging, dog fouling, fly-posting and the sale of cars on public highway.
- This is a legal order that can last for up to three years and it will prohibit a number of activities.
- If an element of this order is breached, the outcome could be that the individual is issued with a fixed penalty notice for £100 or fined up to a maximum of £1000 if at court.
- The Cabinet agreed on the 21 October 2015 that they wanted to progress a consultation on proposals to introduce a Public Space Protection Order for Northampton.
- Consultation ran from 30 June 2016 to 23 September 2016

4 Relevance to Equality and Diversity Duties

A Public Spaces Protection Order is designed to stop all individuals or a specific group of persons committing anti-social behaviour in a public space. This Order replaces some elements contained in existing legislation such as Designated public Places Order and Dog Control orders, which are already being enforced.

If you have indicated there is a negative impact on any group, is that impact:

No – all individuals/sections of the community will be dealt with in the same manner. Incidents of ASB will continue to be dealt with in line with our equalities framework

Legal?

N/A

Please explain:

5 Evidence Base for Screening

Equality Human Rights Commission

<http://www.equalityhumanrights.com/resources/case-studies-of-how-organisations-are-using-the-duties/case-studies-equality-impact-assessments/>

Section 72 of the Anti-Social Behaviour and Policing Act 2014 requires the Cabinet as decision maker to pay particular regard to rights of freedom of expression and freedom of assembly set out in articles 10 (the right to freedom of expression) and 11 (freedom of assembly and association) of the European Convention on Human Rights in considering the making any such order. The making of the said order is considered to be proportionate and will fulfil a legitimate aim of curbing anti-social behaviour in public places for the benefit of the law abiding majority and hence will not infringe article 11 ECHR.

6 Requirements of the equality duties:

(remember there's a note to remind you what they are at the end of this form and more detailed information at www.northampton.gov.uk/equality)

Will there be/has there been consultation with all interested parties?

- The Cabinet agreed on the 21 October 2015 that they wanted to progress a consultation on proposals to introduce a Public Space Protection Order for Northampton.
 - The Council engaged in an 8 week online public consultation via an open access online survey using 'Survey Monkey', run from 30 June 2016 to 23 September 2016
 - Councils social media accounts
 - Councillors
 - Parish Councils
 - Businesses
 - Community Safety Partnership
 - Council Officers
 - Northamptonshire Office of Police & Crime Commissioner
 - Northamptonshire Police
 - Northamptonshire County Council
 - Community Forums
 - Residents Panel
 - Members of the public
 - Local press and media channels
 - Town Centre BID
 - Brackmills BID
 - Northamptonshire Retail Crime Initiative (NRCI)
 - Pubwatch
 -

Are proposed actions necessary and proportionate to the desired outcomes?

Yes/No Public Spaces Protection Order is designed to stop all individuals or a specific group of persons committing anti-social behaviour in a public space

Where appropriate, will there be scope for prompt, independent reviews and appeals against decisions arising from the proposed policy/practice/activity?

Yes/No The implementation of the PSPO can be challenged by any interested person within 6 weeks of the making of the Order, the challenge is made at the High Court. Anyone who is directly affected by the making of the PSPO can challenge the order

Does the proposed policy/practice/activity have the ability to be tailored to fit different individual circumstances?

Yes/No Public Spaces Protection Orders provide the opportunity to address specific problems in specific areas and create an 'Order' to enable appropriate and proportionate action to be taken.

Where appropriate, can the policy/practice/activity exceed the minimum legal equality and human rights requirements, rather than merely complying with them?

The making of the said order is considered to be proportionate and will fulfil a legitimate aim of curbing anti-social behaviour in public places for the benefit of the law abiding majority and hence will not infringe article 11 ECHR.

From the evidence you have and strategic thinking, what are the key risks (the harm or 'adverse impacts') **and opportunities** (benefits and opportunities to promote equality) this policy/practice/activity might present?

	Risks (Negative)	Opportunities (Positive)
Race		There is no evidence that the 'Order' will impact on any specific person based on their race
Disability	Mental Health issues and physical disability will be taken into account by officers. The restriction on the consumption of alcohol could also affect those that are alcohol dependant. The proposed 'Order' will not bring in any new powers in this area and will simply replace the existing Designated Public Spaces Protection Order.	The 'Order' may well have the opposite effect and encourage those that are drug/alcohol dependant to engage with the support that is available and this in turn will deliver health benefits.
Gender or Gender Identity/Gender Assignment		There is no evidence that the 'Order' will impact on any specific person based on their gender
Pregnancy and Maternity (including breastfeeding)		There is no evidence that the 'Order' will impact on any specific person based on pregnancy or maternity. If required pregnant women will be referred into safeguarding mechanisms
Sexual Orientation		There is no evidence that the 'Order' will impact on any specific person based on their sexual orientation
Age (including children, youth, midlife and older people)		Young people will be referred into safeguarding mechanisms. In some cases parent/guardian of under 16's will be spoken to
Religion, Faith and Belief		There is no evidence that the 'Order' will impact on any specific person based on their beliefs or religion
Human Rights	There is a high impact on a number of groups that are	The 'Order' has been proposed due to the volume

	<p>likely to be affected. For example those involved in street entertainment may feel that their human rights have been impacted (freedom of expression). The consultation process has provided the opportunity to capture their views.</p>	<p>of incidents that are occurring that are having a significant impact on the peoples quality of life. The introduction of this 'Order' will have a positive impact on residents, businesses, and visitors to the town.</p>
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7 Proportionality

All cases will be treated on an individual basis, and any decisions reached will be within existing legislative guidelines. Use of the PSPO powers and advice given will be recorded in pocket note books and on ECIN's data base. The information will be analysed to determine whether the implementation of the powers has had a disproportionate effect upon the equality factors.

Enforcement action will always be seen as a last resort. Through the multi-agency groups and individual case management, support and intervention will continue to be offered.

8 Decision

Set out the rationale for deciding whether or not to proceed to full impact assessment

Full Equality Impact Assessment is not required as all sections of the community are treated the same. The proposed restrictions will impact positively on people whose protective characteristics are impacted upon by the anti-social behaviour the order is designed to address

Date of Decision:

We judge that a full impact assessment is not necessary since there are no identified groups affected by these changes.

1. Equality Duties to be taken into account in this screening include:

Prohibited Conduct under The Equality Act 2010 including:

Direct discrimination (including by association and perception e.g. carers); Indirect discrimination; Pregnancy and maternity discrimination; Harassment; third party harassment; discrimination arising from disability.

Public Sector Duties (Section 149) of the Equality Act 2010 for NBC and services provided on its behalf: (due to be effective from 4 April 2011)

NBC and services providing public functions must in providing services have due regard to the need to: **eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity and foster good relations between different groups.** 'Positive action' permits proportionate action to overcome disadvantage, meet needs and tackle under-representation.

Rights apply to people in terms of their "Protected Characteristics":

Age; Gender; Gender Assignment; Sexual Orientation; Disability; Race; Religion and Belief; Pregnancy; Maternity. But Marriage and Civil Partnership do not apply to the public sector duties.

Duty to "advance equality of opportunity":

The need, when reviewing, planning or providing services/policies/practices to assess the impacts of services on people in relation to their 'protected characteristics', take steps to remove/minimise any negative impacts identified and help everyone to participate in our services and public life.

Equality Impact Assessments remain best practice to be used. Sometimes **people have particular needs** e.g. due to gender, race, faith or disability that need to be addressed, not ignored. NBC must have due regard to the **duty to make reasonable adjustments** for people with disabilities. NBC must **encourage people who share a protected characteristic to participate in public life** or any other activity in which their participation is too low.

Duty to 'foster good relations between people'

This means having due regard to the need to **tackle prejudice** (e.g. where people are picked on or stereotyped by customers or colleagues because of their ethnicity, disability, sexual orientation, etc) and **promote understanding**.

Lawful Exceptions to general rules: can happen where action is proportionate to achieve a legitimate aim and not otherwise prohibited by anything under the Equality Act 2010. There are some special situations (see Ch 12 and 13 of the Equality Act 2010 Statutory Code of Practice – Services, Public Functions and Associations).

2. National Adult Autism Strategy (Autism Act 2009; statutory guidelines) including:

3. to improve how services identify and meet needs of adults with autism and their families.

4. Human Rights include:

5. Rights under the European Convention include not to be subjected to degrading **treatment**; **right to a fair trial** (civil and criminal issues); **right to privacy** (subject to certain exceptions e.g. national security/public safety, or certain other specific situations); **freedom of conscience** (including religion and belief and rights to manifest these limited only by law and as necessary for public safety, public order, protection of rights of others and other specified situations); **freedom of expression** (subject to certain exceptions); **freedom of peaceful assembly and to join trade unions** (subject to certain exceptions); **right not to be subject to unlawful discrimination** (e.g. sex, race, colour, language, religion, political opinion, national or social origin); **right to peaceful enjoyment of own possessions** (subject to certain exceptions e.g. to secure payment of taxes or other contributions or penalties); **right to an education**; **right to hold free elections by secret ballot**. The European Convention is given effect in UK law by the Human Rights Act 1998.

Appendices

2



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Environmental Services Re-provision - Selection of Service Delivery Option
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	19 th October 2016
Key Decision:	Yes
Within Policy:	Yes
Policy Document:	No
Directorate:	Customer and Communities
Accountable Cabinet Member:	Cllr Alan Bottwood
Ward(s)	Borough Wide

1. Purpose

- 1.1 The purpose of this report is to approve the choice of a service delivery option for the future delivery of environmental services when the current arrangement comes to an end on 5th June 2018.

2. Recommendations

That Cabinet:

- 2.1 With effect from 6th June 2018, agrees to Contract Out Environmental Services to an external provider selected through an OJEU procurement process.
- 2.2 Delegates authority to carry out the OJEU procurement process to the Director of Customers and Communities, in consultation with the Cabinet Member for Environment.

- 2.3 Approves a supplementary estimate to create a budget for the OJEU procurement process of up to £400,000, to be funded from the 'Delivering the Efficiency Plan' reserve, in accordance with paragraph 4.2.8.
- 2.4 Requires quarterly update reports on progress against the programme to Cabinet.

3. Issues and Choices

3.1 Report Background

- 3.1.1 For the purposes of this report, services that sit under the environmental services banner are waste and recycling, street cleansing and grounds maintenance, including maintenance of parks and allotments, and other ancillary services.
- 3.1.2 Environmental services also currently include some highway services for which the council and Northamptonshire County Council (NCC) have agreements in place, namely tree maintenance, grass cutting, weed spraying and shrub maintenance on highway land and services to Northampton Partnership Homes (NPH), namely grass cutting, litter picking and shrub maintenance.
- 3.1.3 It will be determined at a later stage of this project whether the services referred to in paragraph 3.1.2 will continue to be provided within the council's environmental services contract.
- 3.1.4 Until June 2011, environmental services were delivered in-house.
- 3.1.5 On 9th February 2011, following a robust procurement process (the then) Cabinet took a decision to enter a joint contract with Daventry District Council (DDC) with Enterprise Managed Services Ltd (EMS).
- 3.1.6 EMS was acquired by Amey PLC in April 2013, however this change in company ownership has no direct bearing on the current contractual relationship between NBC/DDC and EMS.
- 3.1.7 The contract between NBC/DDC and EMS was for a period of seven years, with the option to extend for an additional seven years, subject to the agreement of all three parties to the contract. DDC has already taken the decision not to extend the contract and the option to extend for this reason falls away without the need for NBC to undertake the otherwise necessary evaluation of the extension option.
- 3.1.8 The environmental services contract will therefore expire on 5th June 2018.

Commissioning Options Evaluation Process

- 3.1.9 In order to put a new environmental service in place from 6th June 2018, the Council needs to decide how it wishes the service to be delivered in the future. This has necessitated the requirement to undertake a robust evaluation of potential service delivery options.

3.1.10 The Council worked closely with waste industry experts, Eunomia Research & Consulting Ltd (Eunomia), to undertake a commissioning options review. The Executive Summary of their Report is attached at Appendix 1 of this report. Their full report contains commercially sensitive information and is therefore a confidential background paper available to Members of the Council under the guidance of the Borough Secretary. Where appropriate, information has been extracted from the Eunomia Report into this Cabinet Report.

3.1.11 At the start of the commissioning options review, it was determined that a single package covering all services was likely to deliver best value for reasons of synergy and economies of scale.

3.1.12 A high level evaluation of a long list of service delivery options was then undertaken. This was used to develop a short-list of the three options, which were then appraised in detail against the criteria of cost and quality/risk. Cost was given a weighting of 40% and quality/risk was given a weighting of 60%.

3.1.13 A brief description of the three short-listed options is provided below:

- Contracting Out – going back to the market to conduct a new procurement exercise.
- Insourcing – bringing the services in house to be delivered through a Direct Services Organisation (DSO) or similar.
- Local Authority Company (LAC) – delivering the services using a local authority owned company, either starting a new company or using an existing company founded by another authority.

3.1.14 Before the detailed option evaluation could commence, it was necessary to undertake a preliminary process to model and benchmark the current household waste collection service against agreed waste collection options in order to select the most appropriate service baseline to carry forward to the commissioning options stage.

3.1.15 The detailed options appraisal was undertaken in two stages as set out in paragraph 3.1.16 below (figure 1). Stage 1 entailed determining the baseline position for the waste collection services (as per paragraph 3.1.14) and stage 2 consisted of the commissioning options review.

3.1.16 Fig 1 - Key Modelling Stages



3.1.17 A Target Operating Model (TOM) had previously been developed to enable risks to the continuity of the environmental services contract to be mitigated. It was decided that the TOM was of sufficient robustness to be used to create the baseline for street cleansing and ground maintenance services.

Cost Modelling

3.1.18 Detailed financial models were developed so that each commissioning option could be compared against key cost components.

3.1.19 A key conclusion of this step of the review was that all three delivery options are likely to deliver a more expensive service than the current contract.

3.1.20 The analysis was subject to extensive challenge from the Council's Finance service to ensure the assumptions made were reasonable and robust, in particular around the differences between the options.

3.1.21 The analysis appeared to conclude that the contractor is currently delivering the service at a loss, which was confirmation of what the Council already understood the case to be.

3.1.22 The assumption for the commissioning options review was made that the predicted loss in the current contract arising from the modelling is not carried

forward into a future contract and thus the modelled service cost increased compared to the current contract.

3.1.23 Results of the cost modelling indicated relatively small differences in cost between all three options, the difference between each being insufficient to differentiate between them with a high level of confidence, in any case, but particularly so, once even a small margin of error is allowed for.

3.1.24 The Local Authority Company (LAC) option delivered the lowest modelled cost solution for running environmental services, partly because it avoids the generation of profit for a private sector contractor, whilst operating with unit labour costs similar to those in the private sector.

3.1.25 However, it must be noted that the low cost of the LAC is also due to a working assumption about the treatment of staff pensions which would be highly sensitive to the Council choosing to take a different approach to staff pensions than the lowest cost option that has been modelled, and to changes in required pension contribution levels.

3.1.26 The Contracting Out option delivered a higher modelled cost to that of the LAC and a comparable modelled cost to Insourcing. The estimated cost associated with this option is sensitive to the profit margin that the market would be seeking which it is not possible to predict with a high level of certainty.

3.1.27 The Insourcing option delivered a modelled cost solution which is marginally higher than the Contracting Out option and is therefore the most expensive modelled solution overall.

Quality/Risk Assessment

3.1.28 The methodology used for the qualitative assessment of the commissioning options review is based on a detailed risk analysis of key criteria predominantly focused on the following strategic aspects:

- budget certainty and financial risk
- flexibility and control
- performance
- market conditions
- best value
- operational risk, and
- pension contribution and pension scheme provided to the workforce.

3.1.29 The quality/risk assessment concludes that the Contracting Out option performed best in the quality and risk assessment by some margin. The LAC option was middle ranking in the assessment, and the Insourcing option performed less well than the other two options.

Overall Results – Options Comparison

3.1.30 The two criteria of cost and quality/risk were subsequently combined into a single 'score' using the agreed weighting, as per paragraph 3.1.11, to determine the overall ranking as set out in Table 1.

Table 1: Overall Results

Criterion	Cost *	Quality and Risk **	Total	Rank
LA Company	40	55	95	2
Contracted Out	39	60	99	1
In-house	38	52	90	3
Notes:	<p><i>* For cost, the points achieved by each option are determined as follows: the maximum number of points are awarded to the option achieving the lowest modelled cost solution and the other options are awarded points using a deviation from the lowest scoring option.</i></p> <p><i>**For quality and risk, the points achieved by each option are determined as follows: the maximum number of points are awarded to the option achieving the lowest quality/risk score and the other options are awarded points using a pro-rata assessment of the difference between the maximum available risk score and the lowest achieved risk score.</i></p>			

3.1.31 A sensitivity test of the weighting agreed for the two criteria of cost and quality/risk was also undertaken by considering a scenario where a 50/50 weighting is applied to the two criteria and a scenario where the cost criteria is weighted more than the quality/risk criteria. The sensitivity test concluded that the ranking shown in Table 1 is unchanged.

Commissioning Options Review - Conclusion

3.1.32 The commissioning options review provides a very robust analysis of a wide range of data, but there is inevitably a margin of error due to a variety of factors that have a level of inherent uncertainty associated with them over the lifetime of this type of contract.

3.1.33 The overall conclusions of the commissioning options review must be viewed with the reality of paragraph 3.1.32 in mind.

3.1.34 Overall the process identifies that the Contracting Out option delivers the best result overall and the best balance of benefits and risks, although this is only marginally so and therefore any service delivery option would be a suitable commissioning option for the Council from a cost and quality/risk perspective.

Audit

3.1.35 To add an additional layer of assurance to the commissioning options review process, the Council's internal auditors, PWC, undertook a short, sharp review. The executive summary of their report is attached at appendix 2.

3.1.36 The field work for the audit was completed in September and it was therefore used to inform the outcome of the commissioning options review process. It focused on the robustness of the process which the Council followed to appraise the options for renewing the Environmental Services contract; and the adequacy and completeness of the evidence on which the decision is to be made.

3.1.37 Particular attention was paid to ensuring decision makers could be assured of the rigour of the financial analysis and the assumptions that underpinned the modelling.

3.1.38 The overall conclusion of the audit was that the governance process was robust.

Procurement

3.1.39 The selection of Contracting Out as the preferred option for the delivery of future environmental services requires the development of a procurement strategy and an associated procurement process.

3.1.40 To deliver the procurement strategy/process it will be necessary to appoint expert consultancy support, through the Council's proper procedures.

3.1.41 In addition to the support referred to in paragraph 3.1.36 above, both internal and external resource will be required to carry out a successful procurement of environmental services, from areas such as environment, finance, legal, HR, and assets.

3.1.42 The procurement will need to be carried out through an OJEU procurement process.

3.1.43 The procurement will be undertaken in full accordance with the Council's corporate governance procedures. The programme will continue to be led by the Management Board, acting as the Programme Board, and a cross-discipline Project Team led by the Director.

3.2 Choices (Options)

- 3.2.1 Cabinet could choose, with a high level of confidence, any of the three service delivery options that have been evaluated for the future delivery of environmental services.
- 3.2.2 No option strongly emerges as being significantly better than either of the other two.
- 3.2.3 In light of the outcome of the commissioning options review and after consultation with the Director of Customers and Communities, Cabinet has expressed its preference to further Contract Out environmental services.
- 3.2.4 Cabinet has been advised by officers including the Chief Executive, the Director, Borough Secretary and Chief Finance Officer that this is a reasonable choice for it to make given the close ranking of each option that has emerged from the evaluation process and the allowance that should be made for a margin of error.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 There are no policy implications directly arising from this report.

4.2 Resources and Risk

- 4.2.1 The cost of the current environmental service contract for NBC is £6.9m per year.

Commissioning Options Review – Cost

- 4.2.2 It should be noted that the commissioning options review is not an exercise that is intended to predict the future cost of environmental services as there are a range of factors that are not yet known, or are yet to be determined, which will have a major impact on future cost, e.g. recycling credits, performance standards, service design.

- 4.2.3 There are however some key financial differences between service delivery options that will have either a positive or negative impact on cost, e.g. profit margin, overheads, pension contributions. The purpose of the commissioning options review (from a cost perspective) is to provide a high level comparison based on these variable cost factors.

Commissioning Options Review - Risk

- 4.2.4 Risk was determined to be a major factor to be considered in selecting the preferred commissioning option. Therefore, to augment the assessment of risk contained within the qualitative assessment, a detailed risk assessment of

key strategic criteria was carried out. A summary of the outcome is set out in the table at paragraph 3.1.30.

Procurement

- 4.2.5 To develop and deliver the procurement strategy/process it will be necessary to appoint expert consultancy support, through the council's proper procedures. Other internal and external resource will also be required from areas such as Environment, Finance, Legal, HR, and Assets.
- 4.2.6 The estimated cost of implementing the Contracting Out service delivery option is £280,000, which compares favourably to the one off cost assumptions for the other two commissioning options. This figure is an estimate and actual costs may be higher or lower than this sum.
- 4.2.7 In order to ensure a high level of consultation and communication with all stakeholders across the town it is estimated that a budget of £120,000 is put in place. Again, this figure is an estimate and actual costs may be higher or lower than this sum.
- 4.2.8 It is therefore proposed that a total budget of up to £400,000 is established from reserves, to be spent as appropriate and necessary for all and any aspect of the project to ensure its successful delivery.
- 4.2.9 These costs to be funded from the 'Delivering the Efficiency Plan' reserve and in year service underspend, and monitored by the Programme Board.
- 4.2.9 The Chief Finance Officer sits on the Programme Board.

4.3 Legal

- 4.3.1 The commissioning options review has had the benefit of ongoing legal oversight. The Borough Secretary is on the Programme Board.
- 4.3.2 The commissioning options review itself, and the decision arising from it to select Contracting Out as the preferred service delivery option, is legally sound.
- 4.3.3 The forthcoming procurement will require a high level of legal advice and support. An experienced set of legal advisers will be appointed and will be put in place in good time to ensure sound progression of the procurement process and a sound outcome to the Contracting Out process.

4.4 Equality and Health

- 4.4.1 An equality impact assessment (EIA) has been undertaken and has been used to inform the recommendations of this report.
- 4.4.2 There will be full compliance with relevant equalities legislation as service design and service standards are developed and implemented and a further EIA will be undertaken as the process progresses.

4.5 Consultees (Internal and External)

- 4.5.1 A community engagement framework has been developed to ensure stakeholders are fully involved in the environmental services re-provision process. The community engagement framework is drawn from a broad range of stakeholder groups, including Resident Associations, Parish Councils, Friends Groups, Park Management Committees, partner agencies, Councillors and staff.
- 4.5.2 In addition to the consultation undertaken via the community engagement framework, an Ipsos MORI survey has been commissioned. The survey entailed 1,000 interviews with residents from across Northampton which sought their views on various aspects of environmental services. Once fully completed, the Ipsos MORI survey information will be used to inform service design going forward.
- 4.5.3 A Cabinet Advisory Group was set up, at the request of the Leader of the Council, to oversee the environmental services re-provision process. The decision to involve key elected members from all political parties reflects the strategic importance of environmental services to the future of Northampton.

4.6 How the Proposals Deliver Priority Outcomes

- 4.6.1 Environmental Services contribute to 'Creating Empowered Communities' in Northampton by making Northampton cleaner, greener, tidier and more attractive.

5. Background Papers

Eunomia – Commissioning Options Review, October 2016 (partly exempt for commercial reasons)

Internal Audit Report 2016/17 – Environmental Services

Julie Seddon, Director of Customers and Communities

Appendix 1

Environmental Services Re- provision Project

Commissioning Options Review

Report for Northampton Borough Council

Joe Papineschi
Maxine von Eye
David Pietropaoli
Sarah Kemp

10th October 2016

Report for Julie Seddon, Northampton Borough Council

Approved by



.....

Joe Papineschi
(Project Director)

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Acknowledgements

Our thanks to Northampton officers and staff at Amey for providing the data used in this report.

Disclaimer

Eunomia Research & Consulting has taken due care in the preparation of this report to ensure that all facts and analysis presented are as accurate as possible within the scope of the project. However no guarantee is provided in respect of the information presented, and Eunomia Research & Consulting is not responsible for decisions or actions taken on the basis of the content of this report.

Executive Summary

Eunomia Research & Consulting (Eunomia) has been commissioned by Northampton Borough Council (the council) to support the following areas of the Environmental Services Re-provision Project. This is a project set up to identify the most suitable commissioning option for the future delivery of the council's environmental services and to subsequently implement the preferred commissioning option by June 2018 through:

- 1) providing project management functions;
- 2) supporting market research and community engagement activities;
- 3) undertaking a review of agreed commissioning options; and
- 4) advising the political and officer leadership group on the selection of the preferred commissioning option.

This report summarises the outcome of stages 3 and 4 above.

The importance of the engagement with senior officers and the political administration cannot be understated within the context of a commissioning options review project. Eunomia is a market leader in the review of commissioning options and the impartial and objective support is based on the use of models and tools developed over many years that have undergone continuous refinement and testing. However, the decision on commissioning options cannot become entirely focused on the modelling detail. Engagement with senior officers and the political administration is crucial to the success of such a project, so that the emerging evidence from the modelling can be tested and discussed at the right level. This also helps to ensure that the qualitative assessment and the operational and political issues with each option can be explored together.

Ultimately, the implementation of any new commissioning options will entail a major operational and cultural change for the council and decisions on the service commissioning route for universal front-line services as the environmental services are complex. The commissioning options modelling cannot identify a fundamentally 'best' option and is intended instead to serve as a decision-support framework to help members and senior officers arrive at the right and balanced decision for the council.

The council and Eunomia agreed that the following commissioning options would be considered and appraised as part of this project:

- Contracting out – going back to the market to conduct a new procurement exercise.
- Insourcing – bringing the services in-house to be delivered through a Direct Services Organisation (DSO) or similar.
- Local Authority Company (LAC) – delivering the services using a local authority owned company, either starting a new company or using an existing company founded by another authority.

Eunomia assessed the three commissioning options against two primary criteria:

- cost; and quality and risk.

Cost Modelling

Eunomia created detailed financial models so that each commissioning option could be compared based on variations in key cost components.

Financial pressure on the council, which is only likely to increase over the next few years, sets a key part of the context for decisions on future commissioning of environmental services. The main factors driving the results of the financial modelling relate to differences in assumptions on unit labour costs and corporate overheads and profit.

The key assumptions that drive the cost modelling are described below:

- Workforce pensions: the outsourced option pension costs are assumed to remain 'as is', whereas the in-house option is based on 100% enrolment in the LGPS. The LAC option is somewhere in between, albeit considerably closer to 'as is' than LGPS. In reality, enrolment rates may be different to those assumed. Pension policy for the LAC could also be set by the council and could be more or less generous than assumed. These assumptions drive a considerable proportion of the cost difference between the options.
- Corporate overhead and profit: assumptions here are estimates based on the kinds of target margin that the market aims to achieve, but are clearly somewhat speculative. In practice, the procurement process generates a wide range of results, with many recent contracts operating at lower margins.
- Productivity: all options are assumed to achieve the same underlying service delivery productivity. For labour intensive services such as these, variations in productivity can make a significant difference to service cost. Many believe that the private sector generally delivers greater productivity and that competitive procurement processes drive efficiency. There is no evidence from the market as a whole that one option generally delivers better value for money, so the 'no productivity difference' assumption avoids distortion of the financial model.

The results of the cost modelling show that:

- the LAC option delivers the lowest modelled cost solution for running the environmental services;
- the Contracting Out option delivers a modelled cost that is approximately £400k higher per year than the LAC; and
- the In-sourcing option delivers a modelled cost solution which is marginally higher than the Contracting Out option.

Another key conclusion of this step of the review is that all three commissioning options are likely to deliver a more expensive service than the current contract cost. Eunomia's approach to the development of the cost model was to build a bottom-up model of the service to reflect the current commission and this stage of the analysis concluded that the contractor is likely to be delivering the service at a significant loss, which is a confirmation of what the council already understands to be the case. Future commissions assume to cover the cost of the service (i.e. the loss is not carried forward into a future contract), and thus the service cost increases compared to the current contract.

Quality and Risk Assessment

The methodology used for the qualitative assessment of the commissioning options review is based on a risk assessment of criteria developed with officers and the Cabinet Advisory Group.

The quality and risk assessment concludes that:

- the Contracting Out option performs best in the risk assessment by some margin;
- the LAC option performs reasonably well in the risk assessment; and
- the In-sourcing option performs worse than the other options in the risk assessment.

The rationale for the scoring achieved by the options is as follows:

- **Financial and Overspend:** For the contracted out option, the contractor bears overspend risks. Management in the in-house option may not be subject to the same commercial pressures to manage budgets and deliver profits, and in any event the council bears the overspend cost risk. For the LAC option, whilst the council still bears the overspend risk, the LAC management and commercial mind-set may be more likely to keep costs in check.
- **Flexibility and Service Change:** Service change in the contracted out option would involve contract negotiations, whereas in the other options, change would be easier to implement, although considerable flexibility can be built into contracts.
- **Performance:** The contracted out option may be more likely suffer poor performance since the council has less direct control over the delivery of the services and the contractor is motivated by profit as well as customer service.
- **Expertise acquisition:** The contracted out option would involve selecting a contractor with the relevant experience. For the in-house option it would be necessary to recruit highly experienced management which presents a risk; a LAC may be a somewhat more attractive proposition for experienced candidates.
- **Market conditions:** There is a risk of attracting few bidders and having low levels of competition in the contracted out option, but the LAC and in-house options be exposed to the labour market for key talented senior managers and be impacted by reduced buying power in the procurement of key service assets.
- **Best Value:** For the contracted out option, it is assumed that the competitive tender process would result in a contract price that demonstrably provides Best Value to the council through market testing, while the LAC and in-house options do not undergo a procurement process and are therefore less certain to represent best value.
- **Political Stakeholders:** based on soundings taken, it is assumed that the political stakeholders are neutral on all commissioning options and do not rule out any option.
- **Operational Risks:** The contractor largely bears operational risks in this option, but for the LAC and in-house options, operational risks are ultimately the responsibility of the council.

Emerging Commissioning Option

The two criteria of cost and quality and risk are subsequently combined into a single 'score' using the weighting agreed with senior officers and the Cabinet Advisory Group:

- cost – 40%; and
- quality and risk – 60%.

The application of the weighting determines the overall ranking presented in Table E - 1.

Table E - 1: Overall Results – Comparison of Options

Criterion	Cost	Quality and Risk	Total	Rank
LA Company	40	54	94	2
Contracted Out	39	60	99	1
In-house	38	51	89	3
Notes:	<i>We applied a normalisation to the scores achieved by each option on the basis of a deviation from the lowest scoring option, so that the lowest modelled cost option achieves 40 points and the lowest risk scoring option achieves 60 points. The other options score points in proportion to the lowest scoring option.</i>			

Eunomia carried out a sensitivity test of the weighting agreed by considering a scenario where a 50/50 weighting is applied to cost and quality/risk and a scenario where the cost criteria is weighted more than the quality and risk criteria. The sensitivity test concluded that the ranking shown in Table E -1 is unchanged.

The commissioning options review concludes that the Contracting Out option delivers the 'best' result overall and could be selected by the council as the preferred commissioning solution. It must be stressed however that, taking into account the cost modelling results, the LAC option would also represent a viable solution for the council.

The selection of the Contracting Out option would also deliver the 'best' balance of benefits and risks to the council:

- A well understood solution with predictable implementation costs and timetable;
- The ability to transfer most of the financial risks to the selected contractor; and

The opportunity to attract competition during the procurement process to secure best value and to deliver an innovative contract.

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Internal Audit Report 2016/2017

Environmental Services

**Northampton
Borough Council**

FINAL

October 2016



Click to launch



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Audit Committee



Executive summary (1 of 4)



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Summary of findings

We have reviewed the governance and decision making processes in place supporting the Council's assessment of the re-provisioning of its environmental services. Background to the project and a summary of the work undertaken is set out in Appendix A. Our key observations are set out below.

Overall governance processes

From discussions with key stakeholders, attendance at a Project Team meeting and review of project management documentation, it appears that the governance processes put in place around the project are robust and include, for example:

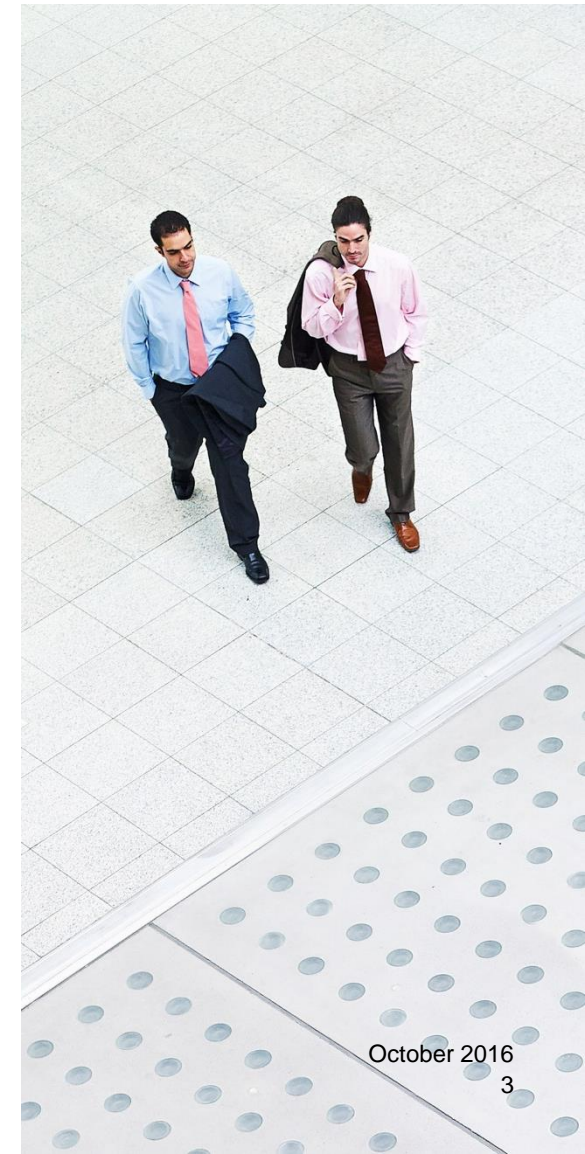
- good reporting structures to regularly highlight project performance, risks, progress and potential issues;
- involvement in the project from key areas of the Council, including operations, finance, HR, legal, community and assets in Project Teams and Programme Boards;
- mechanisms in place to ensure good linkage and accountability between these groups;
- capture and tracking of minutes and actions; and
- terms of reference to define the activities and roles of each group.

Certain aspects will need to be finalised as the Council moves into the delivery phase of the project, such as developing the Business Case for the chosen commissioning option, defining appropriate objectives, benefits and performance indicators and updating the project plan accordingly.

As in all projects of any size and complexity, the proof of pudding with governance arrangements is the ability to sustain them meaningfully throughout the project; there are always risks here, including changes in personnel, distraction and business. The Council will need to keep this project under regular review.

Decision making process

The recommendation to the Programme Board and Cabinet will be based on a combination of financial modelling supported by an external consultant (Eunomia), a qualitative assessment of what the Council wants from the service (flexibility, cost certainty etc) and consultation with the community to get their views.



Executive summary (2 of 4)



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Financial modelling

Eunomia has supported the Council by completing cost modelling around different service configurations and service delivery models to provide an indicative cost for the preferred commissioning solution. This financial modelling has been based on a build-up of costs for the current service, as provided by the incumbent, along with assumptions such as financing options, pension arrangements, recycling levels, expected profit margins etc.

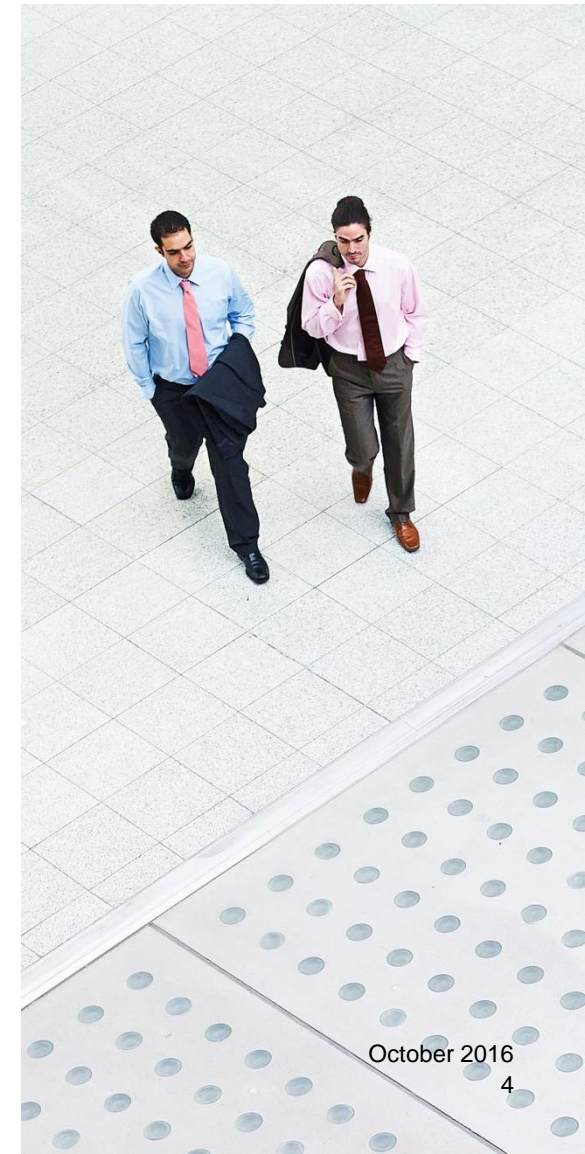
From our attendance at the Project Team meeting and review of Eunomia's presentations, it was not clear what assumptions had been used in modelling each of the potential commissioning options, or how those assumptions changed from one option to the next. We also noted that at the time of our review, there had been limited involvement from the Council in determining/agreeing/challenging these assumptions as part of the cost modelling process.

We understand that the purpose of this exercise was not to prepare a detailed costing of a future service and that subsequent to our review, further work has been undertaken with Eunomia to understand the model they have used and how, at a high level, the assumptions impact the result of that process.

However, we believe it would be beneficial for the Programme Board to understand what key assumptions have been used in preparing the indicative costs so that they are clear on what basis the figures have been prepared and what decisions around the service these assumptions show so that the recommendation put forward to Cabinet off the back of these financial indicators is as informed as possible.

Commissioning costs and assumptions

We have discussed with Eunomia outcome of the commissioning options modelling, based on consideration of three options, being a return to in-house provision of the service, continuing to out-source to service to a third party or creation of a Local Authority Company ('LAC') to provide the service going forward. We have considered the reasonableness of the approach followed and information used and believe it would be advisable for the Council to consider the following points:

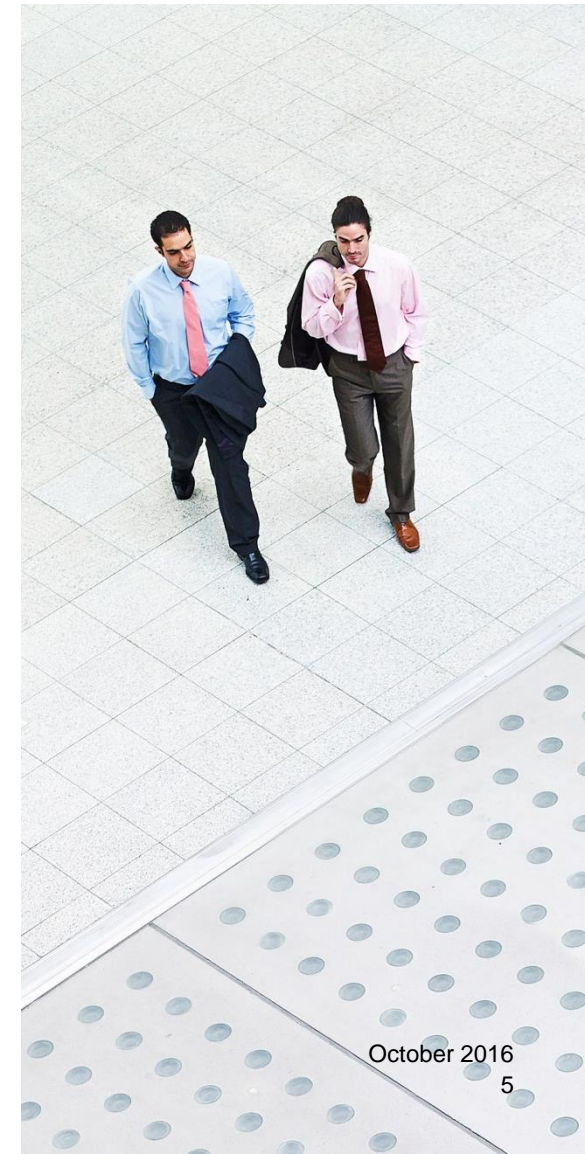


Executive summary (3 of 4)



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- * The commissioning options modelling indicates that the difference in annual cost between the out-source option and the LAC of £400k equates to the profit made by a contractor as underlying operating costs are consistent between the two scenarios. We would note that this represents a relatively low margin for risk against a service which has historically been seen to suffer from cost overruns.
- * An out-sourced solution comes with the ability to transfer risk that is not offered by the LAC option, with the profit element being the cost to the Council associated with the transfer of the risk of managing cost overruns or service issues. The lower price for the LAC model therefore needs to be viewed in this context. It also allows for no consideration of the risk retained by the Council which, depending on further more detailed analysis of the underlying costs, could be more than the cost differential projected by Eunomia.
- * As the commissioning of a LAC would be a new model for the Council, and would not involve the underlying experience of a professional contractor, it would be expected that some cost should be considered for the management of risk which we believe could lead to an increased projection for the LAC above that presented by Eunomia.
- * We would also note that whilst a LAC can operate on a non-profit basis, this does not necessarily mean that prudent management of the LAC would not involve generating some surplus which will help manage the risk and allow for future investment in innovation or transformation. Our discussions with Eunomia have not suggested that any surplus is projected in their costs.
- * Eunomia has not factored in any transformation or development of the delivery model. Whilst this is appropriate for like for like comparison of new models against the current spend, if the Council has any ambition to transform the services in the future, the cost modelling does not reflect the fact that the cost of transformation may be different under each model.
- * The cost modelling exercise provides a clear indication of the relative expense of the different commissioning options. However, it does not provide any indication of the relative risks (or transfer of risk) and opportunities that each option can present (such as the access to increased buying power, or technological advances with an out-source option) which can have significant cost implications. We believe this to be a key consideration in any decision making process that needs to be carefully assessed and clearly identified when communicating any recommendation.



Executive summary (4 of 4)



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Qualitative assessment

A key aspect of the commissioning option decision for the Council has been consideration of the qualitative aspects of the service delivery – what kind of service does the Council want, how flexible does it need to be, what certainty is required over the service cost and what control does the Council want over its delivery.

In order to assess the Council’s views, Eunomia has shared a number of key questions with the Project Team. Responses to those questions drove a recommendation of the most appropriate commissioning option from a qualitative perspective. We noted that it would be beneficial for the output of this exercise to be shared with the Programme Board to ensure that the Board members were also in agreement with this assessment, particularly as it has been agreed that the weighting of qualitative/cost in terms of the overall recommendation is 60/40. We understand that these responses were shared with the Programme Board at its meeting on 22 September.

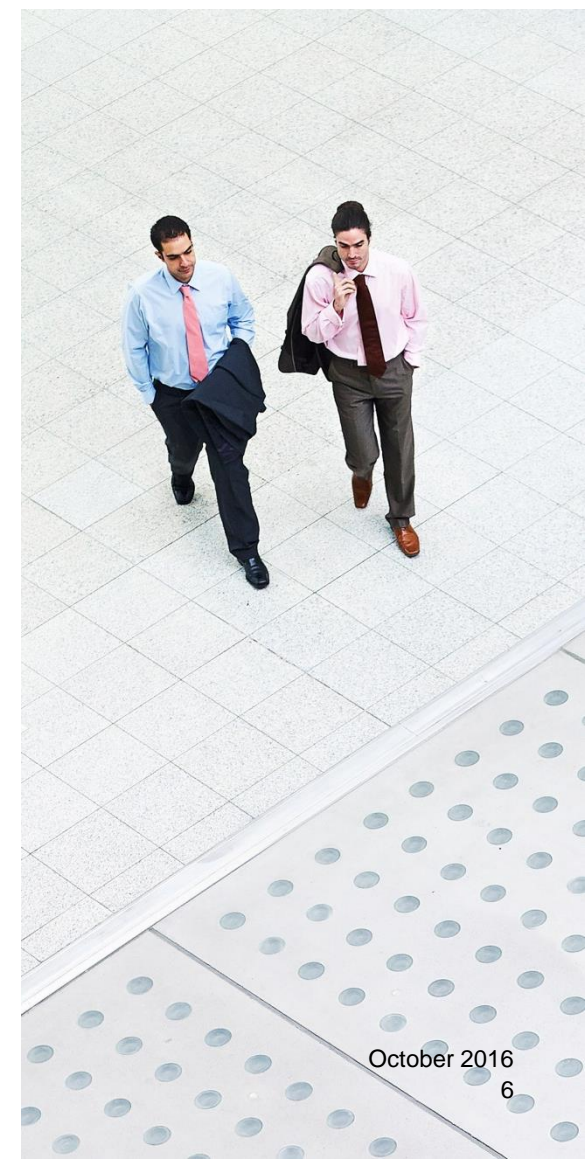
Scope of work

We have undertaken this review in line with our agreed terms of reference. However, as agreed with Julie Seddon, we have not been required to attend the Programme Board to observe the governance process at this level and or reviewed Eunomia's final presentation on the output of the cost modelling as presented to the Programme Board, or the Cabinet report.

Overall conclusion

The governance processes in place around this stage of the project is considered robust, although as the project moves into the next stages of implementation and mobilisation, it will be important that these sustained.

It is also important that there is sufficient clarity over the information used to support the decision around the preferred commissioning option. This includes ensuring that there is visibility over the assumptions used to drive the cost modelling, that the qualitative assessment truly reflects the Council’s requirements of the service and that appropriate consideration is given to the respective risks and opportunities presented by each commissioning option. These factors were not all clear to the Programme Board at the time of our review.



Background and scope (1 of 2)



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Background

Northampton Borough Council (“the Council”) currently outsource their environmental services contract to Enterprise Managed Services Limited (“Enterprise”). The contract includes a range of outsourced services including refuse collection, recycling, street cleansing and grounds maintenance. The seven year contract was awarded in June 2011 on behalf of Northampton Borough Council and Daventry District Council.

The Council is currently determining the most appropriate option for the future provision of the Environment Services contract, by looking at three service delivery options: a full retender and external procurement exercise; bringing the service back in house or establishing a Limited Company. This is a complicated decision involving a significant financial commitment and numerous different inputs. The Council have engaged a third party provider, Eunomia, to help assess the service configuration options based on both a qualitative and quantitative information, and also need to consider the findings from consultations with the general public. The Environmental Services team are preparing an options paper which will be presented to Cabinet in October 2016.

The Council has established a project to identify and implement its preferred commissioning option for the future provision of the service. Stage one of this project - the ‘Definition’ stage – is to obtain Cabinet approval of the preferred service configuration and service delivery model. Given the expiry of the current arrangement in June 2018, it is key that this decision is made by mid October 2016 to allow sufficient time to implement and mobilise the preferred solution, as part of subsequent phases to this project.

We have been requested, as part of the Definition stage, to assess the robustness of the process followed by the Council to appraise its options for the service and to consider the adequacy and completeness of the evidence upon which this decision will be made.

Using our subject matter experts, we will critically review the option paper to ensure that consideration has been given of all the typical elements and that the conclusions reached are supported by the evidence base. We will understand and review the governance arrangements that are in place to support the decision and ensure that these are being adhered to.



Background and scope (2 of 2)



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Scope

We have completed a short, sharp review during the time critical period between the data being gathered ready for the project team and a decision being reached on the preferred option(s). Our assessment has focused on the robustness of the process which the Council has followed to appraise the options for renewing the Environmental Services contract; and the adequacy and completeness of the evidence on which the decision will be made.

Using our waste management subject matter experts we have:

- critically reviewed the cost modelling process to ensure that the recommendations are supported by appropriate evidence; and
- assess the inputs to the cost modelling process to identify any significant gaps.

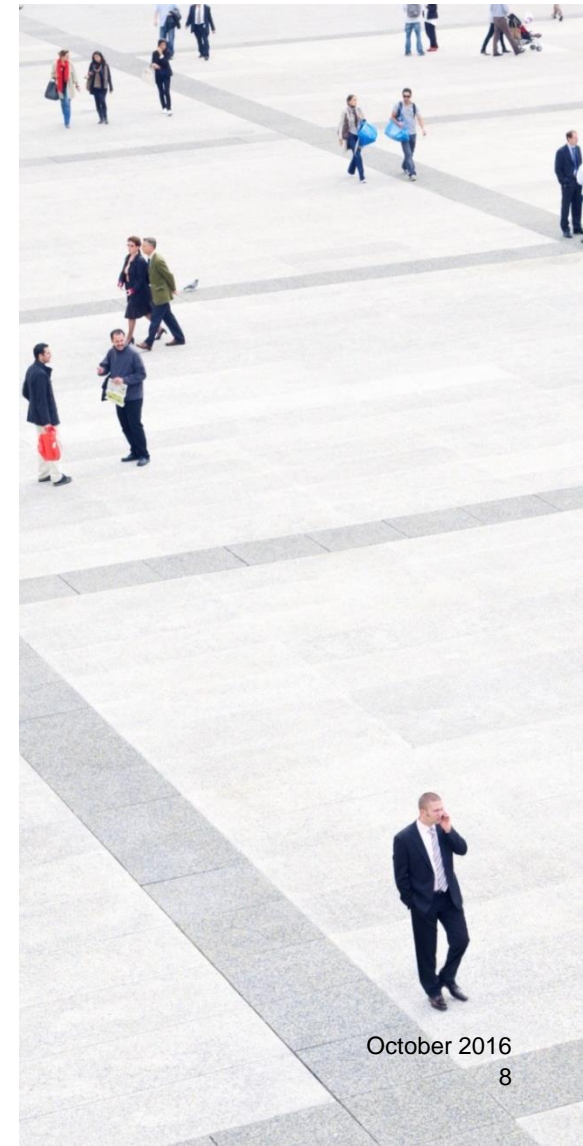
Additionally, we have:

- reviewed the decision making process for robustness;
- reviewed the adequacy of information for enabling the Council to make an informed decision;
- understood the governance arrangements in place and reviewed the current progress; and
- attended one Project Team meeting to observe the governance process in practice.

Limitations of scope

The scope of our work will be limited to those areas outlined above. We are not providing an assurance opinion on this work. Our review has been focused on the process which has been followed in assessing the options available to the Council in relation to the Environmental Services contract. We are not forming any view on the overall conclusion reached by the Council.

It should also be noted that we have not, as part of this review and on the instruction of the Council, attended the Programme Board meeting where a decision was made on the preferred commissioning option, reviewed the final report prepared by Eunomia or reviewed the Cabinet paper.



Current year findings (1 of 4)

Governance processes

94

1

Observations

The Council has established a strong governance process to support this project. Given the high profile of this service, both in terms of the significant financial cost over the contract term and the level of community interest, it is important that there is a robust decision making process in place. In particular, we noted that:

- A Project Team, Programme Board and Cabinet Advisory Group/Community Steering Group have been formally established, are governed by terms of reference which set out accountability, responsibilities, attendees and logistics and are attended by a representative spread of key stakeholders across key functional areas of the organisation, community and employee base
- The project is managed by a dedicated project manager, supported by detailed project plans, risk assessments and budgets and minutes from each meeting are captured. Project 'Highlight reports' are shared at each meeting, capturing factors impacting the plan or budget, new risks etc.
- Clear linkage has been established between the members of the Project Team and Programme Board to ensure that the Programme Board members are sufficiently informed, involved and engaged in their respective areas and have visibility of the key decisions, assumptions and activities impacting their areas.
- While the Highlight reports are part of the LGSS suite of programme assurance tools, a more detailed project plan, project risk register, issues and action logs have been implemented by the Eunomia project manager to support greater visibility over the project progress.

Current year findings (1 of 4)

Governance processes

95

1

Areas to consider

At the Definition stage, it is worth noting that:

- The project’s focus is on reaching the Cabinet decision point by the mid October deadline so the detailed project plan, risks and issues are all geared around what deadlines need to be hit to achieve this and what could de-rail the process eg delays in the receipt of information from Enterprise, Cabinet disagreeing with the recommendation from the project teams etc. There has been no assessment, at this stage, of other risks associated with the service itself e.g. whether a suitable out-sourced provider would bid or whether suitably skilled personnel could be recruited for the in-house solution. This assessment will be conducted once the decision has been made around which option to pursue.
- There is no detailed Business Case for this first stage of the project. The final report from Eunomia on the recommended commissioning option will form the basis of the Business Case for the rest of the project, and there will be the need to refresh this ‘Business Case’ as the project continues.
- These governance processes need to be sustained meaningfully throughout the project to manage risks such as changes in personnel or the business. The Council will need to keep this project under regular review.

Current year findings (2 of 4)

Visibility of financial assumptions

96

2

Observations

Significant reliance is being placed on the experience of Eunomia in supporting this project and the outcome of the Definition phase, particularly in modelling the indicative cost for each commissioning option.

Underlying each of the options is a series of assumptions – such as how the acquisition of assets will be financed, what decision the Council will take in respect of pensions in each scenario, the extent of food waste collection etc. These assumptions will impact the indicative cost of delivery, and could therefore potentially impact the decision around choice of commissioning option.

We have seen evidence, through a review of meeting minutes and discussions with key stakeholders, of some challenge around these assumptions. However, there has been limited visibility to the Council during the process of the specific assumptions driving each of the options. The results of the commissioning cost modelling were presented to the Project Team for the first time on 15 September, but it was not clear what assumptions had been made, or how these assumptions changed from one scenario to the next. It was therefore difficult to understand what key decisions would need to be made by the Council in each option, for example, whether to allow employees to join the Council pension scheme or not.

There has also been limited involvement from Finance during the process in the run up to the Eunomia presentation in terms of agreeing or challenging these assumptions. While Eunomia have been engaged due to their knowledge of the sector and previous experience in this area, it is considered necessary that the Council has sufficient involvement in this part of the process to ensure that:

- they are properly engaged in the outcome of the cost modelling and are fully committed to the recommendations being made to the Programme Board and Cabinet
- local knowledge of the service, its current delivery and outcomes are appropriately brought into the decision making process – we have seen some evidence of challenge in this area
- the financial consequences of any decision are understood and have been considered, from a sensitivity perspective (ie what impact might changes in the assumptions have on the cost modelling output)
- assumptions are aligned to the Council’s objectives in this area

Current year findings (2 of 4)

Visibility of financial assumptions

97

2

Observations (continued)

Timescales have been tight in terms of turning around the cost modelling exercise. From a decision on baseline service configuration through to presentation of the results of the commissioning option modelling to the Project Team was only one week. While we understand that the modelling is being used to provide indicative costs only to inform the Definition phase, there is a need to ensure that the Council has been adequately involved in this part of the process as significant decisions (such as the option to kick off a complex procurement process should the out-source option be chosen) will be made of the back of this analysis.

Areas to consider

In order to address this:

- Finance should spend time with Eunomia to understand the model and its underlying assumptions in more detail so that the Council is comfortable that the assumptions made are reasonable and reflect their circumstances. We understand this has been undertaken since our review.
- A summary of the key assumptions should be shared with the Programme Board to support their review of the output from the cost modelling exercise.

Current year findings (3 of 4)

Commissioning costs and assumptions

86

3

Observations

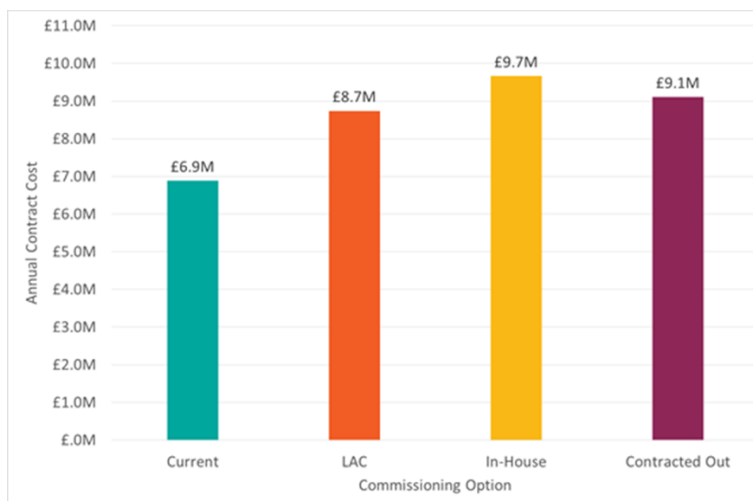
In considering the Council’s approach to developing indicative costs for the various commissioning options, we have discussed with Eunomia the approach followed and assumptions used to calculate the current environmental services contract costs and the three other proposed commissioning options.. We have used, as a basis for this discussion, Eunomia’s report shared on 27 September (as set out opposite). It should be noted that this was the latest version of the costs available at that date, although it was understood from Eunomia that the costs were still subject to amendment.

In modelling the three commissioning options, Eunomia modelled the base annual cost of delivering the current service, using a bottom-up approach. This approach involved using the baseline service configuration model agreed with the Council, estimating the cost of the services using the current contractor, Enterprise's costs and applying assumptions on productivity, staff, vehicles, overheads, margins and other cost items. These assumptions were assessed against industry knowledge and benchmarks to derive this base annual cost.

Using this base annual cost, Eunomia applied broad assumptions to arrive at the costs of the three commissioning options:

- For the LAC option, it was assumed that most LAC staff will not be on Local Authority pension, and that there would be a zero profit margin;
- For the In-House option, it was assumed that all staff would receive Local Authority pensions.
- For the Contracted Out option, it was assumed that a profit margin and corporate overhead were applied, but minimal staff on Local Authority pension.

In all cases, Eunomia has informed us that upfront costs (e.g. company setup/ procurement) were beyond the scope of the cost modelling and has therefore not been included in these annual costs.



Current year findings (3 of 4)

Commissioning costs and assumptions

66

3

Areas to consider

Based on our discussion with Eunomia and a review of the cost outputs of the commissioning options modelling we believe it would be advisable for the Council to consider the following points:

- Eunomia has indicated that the difference between the out-source option and the LAC option costs is the profit made by a contractor with the underlying operating costs being consistent between the two scenarios in their modelling. We would note that the modelled profit of £400k represents a relatively low margin for risk against a service which has historically been seen to suffer from cost overruns. We would also note that an out-sourced solution comes with the ability to transfer risk that is not offered by the LAC option. The price will be contractually agreed, with the profit element being the cost to the Council associated with transferring the risk of management of cost overruns or service issues. The lower price for the LAC model therefore needs to be viewed in this context. It allows for no consideration of the risk retained by the Council which, depending on further more detailed analysis of the underlying costs, could be more than the cost differential projected by Eunomia. As an example, a single additional vehicle (a 26 tonne RCV) could cost up to or over £75,000 to purchase.
- As the commissioning of a LAC would be a new model for the Council, and would not involve the underlying experience of a professional contractor, it would be expected that some cost should be considered for the management of risk which we believe could lead to an increased projection for LAC above that presented by Eunomia.
- We would also note that whilst a LAC can operate on a non-profit basis this does not necessarily mean that prudent management of the LAC would not involve generating some surplus which will help manage the risk and allow for future investment in innovation or transformation. Our conversations with Eunomia have not suggested that any surplus is projected in their costs above.

Current year findings (3 of 4)

Commissioning costs and assumptions

100

3

Areas to consider (continued)

- In discussing the approach Eunomia have taken, they have indicated that they have not factored in any transformation or development of the delivery model over and above that included in the base case. Whilst this is appropriate for like for like comparison of new models against the current spend, if the Council has any ambition to transform the services in the future, the costs projections above do not reflect the fact that the cost of transformation may be different under each model. This again is linked to the difference in risk transfer and access to wider expertise that an out-sourced solution may present as opposed to a LAC model. Whilst these risks can be mitigated this would involve a more detailed understanding of the operating structure and mobilisation plan of any new LAC to determine the extent to which the risks are managed.
- The commissioning costs output when presented in the diagram provides a clear indication of the financial implications of the relative expense of the different commissioning options. However, it does not provide any indication of the relative risks (or transfer of risk) and opportunities that each option can present (such as the access to increased buying power, or technological advances) which can have material cost implications. We believe this to be a key consideration in any decision making process that needs to be carefully assessed and clearly identified in any recommendation communications.

Current year findings (4 of 4)

Qualitative decision making process

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4

Observations

A robust process has been followed to determine what is important to the Council from their environmental service – such as flexibility, cost certainty, value for model etc. Through a workshop forum, the Programme Board provided input into how these factors should be prioritised and the relative weighting of this aspect of the decision; the outcome being that qualitative assessment would have a weighting of 60% vs 40% for the outcome of the financial modelling.

In order to assess the Council’s views, Eunomia has shared a number of key questions with the Project Team. Responses to those questions drove a recommendation of the most appropriate commissioning option from a qualitative perspective.

Areas to consider

We note that it would be beneficial for the output of this exercise to be shared with the Programme Board to ensure that the Board members were also in agreement with this assessment, particularly as it has been agreed that the weighting of qualitative/cost in terms of the overall recommendation is 60/40.

We understand that these responses were shared with the Programme Board at its meeting on 22 September 2016.

Appendix A: Background to the project and work completed

Appendix B: Terms of reference

Appendix C: Limitations and responsibilities

Appendices

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Appendix A: Background to the project and work completed

Background to the project

The primary purpose of the Definition stage of the project is to reach a decision on the preferred commissioning option for future environmental services provision. To support this process, the Council has appointed an external consultancy firm, Eunomia, to provide a project manager to support the delivery of this phase, and to provide sector advice and expertise around modelling service configuration and delivery options through use of an internally developed model.

The Definition stage has consisted of the following:

- Determination of a 'baseline' service configuration – acknowledging that the current service provision is not considered fit for purpose, consideration has been given to six potential configurations with Eunomia modelling each to give an indicative cost. This phase was completed prior to the start of our internal audit review.
- 103 • Determination of a preferred commissioning option – with a decision over service configuration, the indicative cost of providing the service in-house, via an out-source provider or through a Local Government Company has been assessed using a bottom up approach to the cost based on current Enterprise costs and assumptions made by Eunomia based on sector experience
- Qualitative assessment of the service – the Council has considered it's priorities for the service in terms of flexibility, value for money, cost certainty etc to help drive a decision over commissioning options
- Community views – given the nature of the service being offered – including waste collection, recycling and street cleaning – it has been important to get the views of the local community around what they want from the service and would be willing to accept.

The overall decision from this phase will be a recommendation to Cabinet over the preferred commissioning option and will take account of both the financial and qualitative assessment with the community views overlaying – but not taken priority over – these aspects. Indicative costs will not be shared at this point. Once the Cabinet decision has been made, this will provide the direction for the remainder of the project, the implementation and mobilisation of the new service in June 2018.

Appendix A: Background to the review and work completed (continued)

Activities undertaken

In order to understand, in more detail, the governance and decision making process in place to support the delivery of this Definition stage of the Environmental Service re-provision project, we have undertaken the following activities:

- Met with Julie Seddon, as Business Change Manager, to understand the governance and decision making process in place around the project
- Met with David Pietropaoli, Programme Manager, to obtain a more detailed understanding of the governance process
- Met with Stuart Johnston, LGSS Finance and supporting the Project Team in this area, to understand how the Council has been involved in the finance related activities supporting the option modelling process
- Discussed with David Pietropaoli and Maxine von Eye of Eunomia the approach adopted to the cost modelling exercise to understand the methodology adopted
- Reviewed key documentation including terms of reference for each group, minutes of meetings held, programme plans, risk registers, copies of presentations provided by Eunomia and documentation to support the appointment of Eunomia as the Council’s consultants for this project
- Attended the 15 September Project Team meeting, where the outcome of the service delivery model assessment was presented to see, first hand, the governance process in operation

As part of this process, we have fed back our observations on the process, on a real time basis, to Julie Seddon to ensure that our recommendations could be incorporated into the process. Our observations from these activities are set out in section 3 of this report.



Background and objectives



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Background and objectives

Northampton Borough Council (“the Council”) currently outsource their environmental services contract to Enterprise Managed Services Limited (“Enterprise”). The contract includes a range of outsourced services including refuse collection, recycling, street cleansing and grounds maintenance. The seven year contract was awarded in June 2011 on behalf of Northampton Borough Council and Daventry District Council.

The Council is currently determining the most appropriate option for the future provision of the Environment Services contract, by looking at three service delivery options: a full retender and external procurement exercise; bringing the service back in house or establishing a Limited Company. This is a complicated decision involving a significant financial commitment and numerous different inputs. The Council have engaged a third party provider, Eunomia, to help assess the service configuration options based on both a qualitative and quantitative information, and also need to consider the findings from consultations with the general public. The Environmental Services team are preparing an options paper which will be presented to Cabinet in October 2016.

Using our subject matter experts, we will critically review the option paper to ensure that consideration has been given of all the typical elements and that the conclusions reached are supported by the evidence base. We will understand and review the governance arrangements that are in place to support the decision and ensure that these are being adhered to.



Scope and approach (1 of 2)



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Scope and approach

We will complete a short, sharp review during the time critical period between the data being gathered ready for the project team and a decision being reached on the preferred option(s). Our assessment will focus on the robustness of the process which the Council has followed to appraise the options for renewing the Environmental Services contract; and the adequacy and completeness of the evidence on which the decision will be made.

Using our waste management subject matter experts we will:

- critically review the options paper to ensure that the recommendations are supported by appropriate evidence; and
- assess the inputs to the options paper to identify any significant gaps.

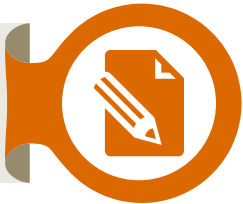
Additionally, we will:

- review that the decision making process for robustness;
- review the adequacy of information for enabling the Council to make an informed decision;
- understand the governance arrangements in place and review the current progress; and
- attend the Project Board meeting(s) to observe the governance process in practice.

Deliverables

On completing this work we will issue a short report, summarising our assessment and identifying recommendations for improvement.

Scope and approach (2 of 2)



Limitations of scope

The scope of our work will be limited to those areas outlined above. We will not be providing an assurance opinion on this work. Our review will be focused on the process which has been followed in assessing the options available to the Council in relation to the Environmental Services contract. Our work will not endorse the overall conclusion reached by the Council.

Approach

Our approach is as follows:

- Undertake a desktop review of the available information (including the options paper);
- Walkthrough the process which the Council has followed (including stakeholder interviews as required); and
- Review the evidence available to support the decision.



Our team and key contacts



Our team

Name	Role	Contact details
Richard Bacon	Head of Internal Audit	richard.f.bacon@uk.pwc.com 0121 265 5492
Gill Collins	Contract assurance specialist	gillian.m.Collins@uk.pwc.com
Nick Lane	Waste subject matter expert	nicholas.lane@uk.pwc.com

Key contacts – Northampton Borough Council

Name	Title
Glen Hammons	Section 151 Officer
Julie Seddon	Director of Customers and Communities

Implications on the Internal Audit Plan

The estimated fee for this work is £15,000 - £17,000. The 2016/17 internal audit plan approved by the Audit Committee on 27 June 2016 includes provision for a 10 days review into the Environmental Services contract. This review will utilise the specialist day rate included in the engagement contract and the allocated days in the internal audit plan will be used to partially offset the cost of this review.



Timetable and information request



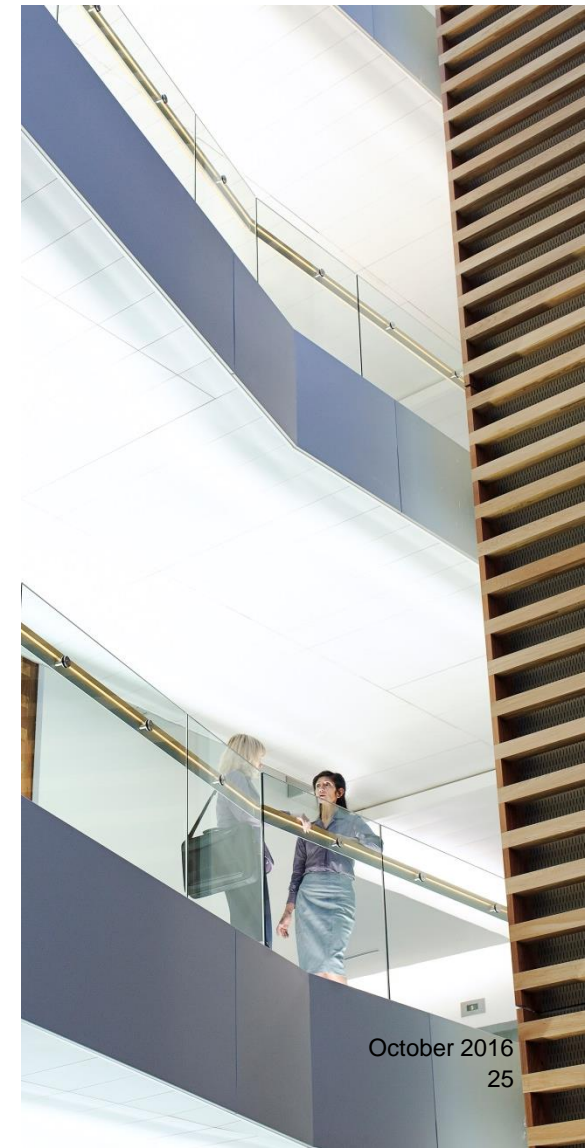
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Timetable

Fieldwork start	15 th September 2016
Fieldwork completed	29 th September 2016
Draft report completed	29 th September 2016
Final report completed	7 th October 2016

Agreed timescales are subject to the following assumptions:

- All relevant documentation, including source data, reports and procedures, will be made available to us promptly on request. If any can be provided by in advance of fieldwork starting this should be provided; and
- Staff and management will make reasonable time available for interviews and will respond promptly to follow-up questions or requests for documentation.



Appendix C: Limitations and responsibilities

Limitations inherent to the internal auditor’s work

We have undertaken this review subject to the limitations outlined below:

Internal control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- The design of controls may become inadequate because of changes in operating environment, law, regulation or other changes; or
- The degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management’s responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management’s responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.

This document has been prepared only for Northampton Borough Council and solely for the purpose and on the terms agreed with Northampton Borough Council in our agreement dated 19 May 2016. We accept no liability (including for negligence) to anyone else in connection with this document, and it may not be provided to anyone else.

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Appendices
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NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	The Northampton Armed Forces Community Covenant Annual Progress Report
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AGENDA STATUS PUBLIC

Cabinet Meeting Date:	
Key Decision:	No
Within Policy:	Yes
Policy Document:	No
Directorate:	Customers and Communities
Accountable Cabinet Member:	Cllr Anna King
Ward(s)	Non-specific

1. Purpose

- 1.1 This is the fourth annual report to Cabinet advising of progress on the actions arising from the Northampton Armed Forces Community Covenant Action Plan which have been implemented by the council and its public, community, voluntary and private sector partners, in support of the Armed Forces, since the covenant was approved by Cabinet on 13th February 2013 and by Full Council on 11th March 2013.
- 1.2 This report also advises Cabinet of proposed future actions to be delivered in support of the Northampton Armed Forces Community Covenant Action Plan.

2. Recommendations

- 2.1 That Cabinet affirms its continuing support for the Northampton Armed Forces Community Covenant and notes progress to date and proposed future actions.

3. Issues and Choices

3.1 Report Background

- 3.1.1 In May 2011 the Secretary of State for Defence published the Armed Forces Covenant. The Covenant is intended to be a moral obligation between the Nation, the Government and the Armed Forces. A key element of it is the Community Covenant which is a voluntary statement of mutual support between a civilian community and its local Armed Forces Community. The aim of the Covenant is to encourage local communities to support the Armed Forces in their area and to promote understanding and awareness amongst the public of the issues that they face.
- 3.1.2 For the purposes of the Armed Forces Covenant, Armed forces personnel means a person who is serving in the regular forces or a person who has served in the regular forces within five years of the date of their application for an allocation of social housing under Part 6 of the Housing Act 1996, and within five years of discharge.
- 3.1.3 It also refers to bereaved spouses and civil partners leaving Services Family Accommodation following the death of their spouse or partner. It also covers serving former members of the Reserve Forces who need to move because of a serious injury, medical condition or disability sustained as a result of their service.
- 3.1.4 The principle behind the Covenant is that the Armed Forces Community should not face disadvantage because of its military service. In some cases, such as the sick, injured or bereaved this means giving consideration to enabling access to public, voluntary or commercial services that civilians do not receive.
- 3.1.5 The Covenant covers issues such as housing, education and welfare support after military service has ended.
- 3.1.6 118 REME is based in Northampton at Clare Street and this has been enhanced over the last two years. The council has strong civic links with C Company and The Royal Anglian Regiment (the successors to the Northamptonshire Regiment).
- 3.1.7 On 3rd October 2012, Cabinet agreed to support the signing of the Armed Forces Covenant. The 3rd October report instructed officers to develop proposals indicating what actions the Council could take to give effect to the principles of the Covenant in Northampton.
- 3.1.8 The Northampton Armed Forces Community Covenant was subsequently approved by Cabinet On 13th February 2013 and by Full Council on 11th March 2013.
- 3.1.9 On 4th March 2013 there was a formal signing ceremony for the Community Covenant when representatives of the Armed Forces, the Council, the

charitable and voluntary sector and the civilian community of Northampton added their signatures to the covenant in recognition of their commitment to the Northampton covenant.

3.1.10 The actions and initiatives arising from the Northampton Armed Forces Community Covenant, which are being implemented by the council and its partners in support of the armed forces in Northampton, have been incorporated into an action plan.

3.1.11 A multi-agency steering group has been established to keep the action plan under regular review, to manage and monitor its delivery and to add new actions as they are identified and agreed.

3.1.12 The action plan includes activities to deliver against the themes in the covenant, which are housing, health and wellbeing, education & training, access to council services and support, benefits and tax, recognition and assistance.

3.1.13 Key actions that have been completed since the action plan was established include:

- Ongoing induction and training process established with frontline staff. At induction and in recruitment process employees will have the relevant skills and experience having received training in selection, equalities and diversity standards.
- Updated links added to support and information available for armed forces and their families on the intranet for staff.
- Updated website for the public developed with support and advice, including links to partners, including; NHS CCG, RBL, SSAFA, Goodwill Solutions etc
- Directory of support services for veterans has been developed and promoted to GP practices, on the GP's Pathfinder system and also hard copies in the surgeries.
- Briefing arranged for GPs in November 15, by Combat Stress. 400 GPs were present. Referral rates are now down to 16 days for referral to being seen by the mental health team.
- Support provided to the County Community Covenant for a funding application to create a County wide post to progress the work and reach of the Covenant. This post would focus on marketing, research, web presence, and would look to strengthen engagement in the county at a local level.
- An area for a memorial garden has been identified in St. Katherine's Park for the Royal British Legion to develop and maintain. The space that has been identified is directly under a CCTV camera, and there is adequate lighting. The RBL have now cleared the growth and tidied up the site. Some of the homeless people who were frequenting the site have helped with the clearance.

- 'No Second Night Out' - Introduce new initiatives to tackle rough sleeping amongst ex-Armed Forces personnel.
- Adaptations and disabled facilities grants provided to disabled war veterans.
- A programme is in place to identify and make appearance improvements to War graves across the town.
- £1,000 of funding was obtained to support the delivery of Armed Forces Day 2016

3.1.14 Armed forces events that have taken place in the last 12 months include:

- Remembrance Sunday church service and parade, 8th November 2015.
- HMS Laforey Parade, 3rd April.
- Mobbs Memorial Match at the Saints, 13th April.
- The annual ANZAC Day ceremony at Towcester Cemetery, April 2017. Organised by the Western Front Association and attended by the Mayor.
- Armed Forces Day, 25th June in the Market Square, with a Parade around the town center, which included serving troops, veterans and cadets. There were marching bands, a Rock Choir, stalls and various activities on the day.
- An Evening of Commemoration marking the Battle of the Somme and the involvement of the Northamptonshire Regiment and Northampton people with readings, exhibitions and performance was held at the Abington Park Museum, 30th June.
- Laying up the regimental colour of the 2nd Battalion, The Royal Anglian Regiment on Saturday 30th July 2016.

3.1.15 Forthcoming armed forces events include:

- Observe the silence on the 11th November 2016 at 11am at the Memorial
- Remembrance Sunday Service 13th November 2016
- 2017 will be the 50th Anniversary of 118 REME coming to Northampton and an event will be organised to mark this.
- The annual ANZAC Day ceremony at Towcester Cemetery, April 2017.
- Armed Forces Day, Saturday 24th June 2017.
- 31st July 2017 will be the 100th anniversary of the death of Edgar Mobbs DSO and this will be marked in an appropriate manner.
- WW1 Towcester Road Remembrance Service

3.2 Choices (Options)

- 3.2.1 On 13th February 2013, Cabinet approved the Northampton Armed Forces Community Covenant and its associated action plan. Cabinet can choose whether it wishes to continue support the covenant.
- 3.2.2 Cabinet can choose which actions and initiatives it wishes to see implemented in the coming year.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The Northampton Armed Forces Covenant sets out the council's policy on support and assistance to the Armed Forces in Northampton.

4.2 Resources and Risk

- 4.2.1 Resource implications arising from proposed actions and initiatives will be met from within existing budgets or from monies secured from external funding applications.
- 4.2.2 A national grant scheme has been established which enables local projects to bid for funding as part of local Community Covenant arrangements. Bids for funding need to be considered by local signatories to a Community Covenant, before then being submitted to the Ministry Of Defence for consideration by their Community Covenant Grant Panel.
- 4.2.3 The stated aim of the Community Covenant Grant Scheme is to 'financially support projects, at the local level, which strengthen the ties or the mutual understanding between members of the Armed Forces Community and the wider community in which they live'.
- 4.2.5 Consideration will continue to be given to how the national grant scheme can be used to advance the Northampton Armed Forces Covenant.

4.3 Legal

- 4.3.1 There are no legal implications directly arising from this report. Legal and professional advice has been sought in relation to specific actions to ensure what is proposed is in accordance with relevant statutory provisions and council policy.

4.4 Equality

- 4.4.1 The Northampton Armed Forces Covenant makes a positive contribution to the equalities agenda in Northampton for the Armed Forces. All proposed actions and initiatives have been appropriately screened to achieve maximum positive impact for the Armed Forces community and to ensure there are no unintended negative consequences.

4.5 Consultees (Internal and External)

- 4.5.1 The military and their key community representatives, SSAFA and the Royal British Legion, were consulted on the Northampton Armed Forces Community Covenant. The council's key public, community, voluntary and private sector partners have also been consulted.

4.6 How the Report Delivers Priority Outcomes

- 4.6.1 This report is consistent with the broad aims of the council's Corporate Plan and has the potential to contribute to a wide range of the Council's priority outcomes.

Background Papers

The Armed Forces Covenant – MOD May 2011

Report to Cabinet, 13/2/13 – Northampton Armed Forces Community Covenant

Report to Full Council, 11/3/13 – Northampton Armed Forces Community Covenant

Julie Seddon, Director of Customers and Communities

Appendix - 1



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Transfer of Assets to Parish Councils
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	16 th November 2016
Key Decision:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Regeneration, Enterprise & Planning
Accountable Cabinet Member:	Cllr Tim Hadland, Member for Regeneration, Enterprise and Planning
Ward(s)	Various

1. Purpose

- 1.1 This report seeks authority to commence negotiations with Parish Councils to transfer Council assets, primarily areas of land and open space, in order to facilitate their local management.

2. Recommendations

- 2.1 That approval be given to commence negotiations with Parish Councils for the disposal of assets by way of long leases in the outline form set out in Appendix 1 (attached).
- 2.2 That approval be given to the Chief Executive in conjunction with the Chief Finance Officer and the Borough Secretary to agree the terms of any asset transfer to Parish Councils as appropriate, in consultation with the Cabinet Member for Regeneration Enterprise and Planning.

- 2.3 That on any proposed transfer of land or property to a Parish Council, Officers be instructed to formally consult the Ward Councillor/s for the area in which any such land or property falls.
- 2.4 That it be noted that should terms be agreed for the proposed transfer of any assets to Parish Councils, that Cabinet will be asked to make the final decision in all cases.

3. Issues and Choices

3.1 Report Background

- 3.1.1 Northampton Borough Council (NBC) own areas of land within Parishes including monuments open space and parks which are managed and maintained by NBC
- 3.1.2 NBC charges special expenses to its residents as part of its Council Tax charge. This special expense charge is primarily used to contribute to the costs of maintaining parks and open spaces in the Borough. Because these smaller parks and opens spaces are not evenly distributed across the borough, the special expense charge (unlike the main council tax element) differs across the parished areas of the Borough.
- 3.1.3 Some Parish Councils have expressed an interest in taking ownership of some of these areas of open space in order to manage and maintain them locally.
- 3.1.4 The responsibility for maintaining these areas, and the funding of that maintenance, would be transferred to the Parish Councils. This may require increases in the Parish Precept unless that can be accommodated within their existing budgets.
- 3.1.5 NBC would no longer have the responsibility for management and maintenance and would no longer charge special expenses for these areas.
- 3.1.6 The Council has established policy to support community asset transfer, having previously implemented a programme for the transfer of Community Centres. However this policy only related to Community Centres and it is therefore necessary to establish the framework within which discussions with Parishes can be held

3.2 Issues

- 3.2.1 A number of the assets which will be considered for transfer will comprise Public Open Space and therefore a proposal to dispose by way of long lease will need to be advertised in accordance with s123 of the Local Government Act 1972 (LGA). Any representations received from this advertisement will need to be considered. Reports provided pursuant to recommendation 2.4 of this report will include provisions for such consideration. Cabinet should note from the Appendix to this report that it is proposed that open space status be protected in the terms of any disposal.

3.2.2 Transfers to the Parish Councils will need to satisfy the best value provisions of the LGA and accordingly. NBC will therefore need to demonstrate that best value has been obtained or that the transfer helps to secure the economic social or environmental well-being of its area. The proposal is that disposals should be at a peppercorn rent. This may, in some cases, amount to an undervalue against a strict 'open market' valuation of the asset however the Council has the benefit of a general consent from the Secretary of State for such disposals if the undervalue is less than £2million (which it will be in all cases) and the proposal contributes to promoting economic, social or environmental wellbeing in its area. It is considered that placing maintenance of this sort of asset in the hands of the local community through its Parish Council is justifiable as contributing to social and environmental wellbeing.

3.3 Choices (Options)

3.3.1 Allow NBC officers to discuss with the Parish Councils the option to transfer open space assets to the Parish Councils together with the responsibility to manage and maintain these assets. NBC would therefore no longer charge special expenses for this land. There would be no obligation for the Parishes to agree any transfer. This is the recommended option.

3.3.2 Do not allow officers to hold these discussions. If this was the case then these areas of open space would remain the property of NBC and NBC would continue to be responsible for managing and maintaining this land..

4. Implications (including financial implications)

4.1 Policy

4.1.1 This report does not set Policy.

4.2 Resources and Risk

4.2.1 Should assets be transferred pursuant to this report it is anticipated that there would be a reduction in the costs to NBC of management and maintenance however there would also be a discontinuance of special expenses charged which it is anticipated would result in a broadly neutral financial position for NBC.

4.2.2 Should there be an interest from Parish Councils in this matter (which there is in some cases), and were NBC to decide not to facilitate the transfer, there would be a risk of undermining the close working relationship between NBC and Parish Councils within the Borough.

4.2.3 It is proposed that the terms of the lease of assets to Parishes contain flexible provisions for termination so that both parties can reconsider the matter at a future date should any unforeseen problems arise from the transfer of responsibility.

4.2.4 There is a risk that, should the asset be transferred Parishes may not carry out maintenance as required. This risk has been mitigated within the proposed

transfer structure outlined in Appendix 1 by giving NBC the ability to terminate the lease and take back possession.

- 4.2.5 NBC's ability to transfer some assets may be restricted by title or legal constraints. This risk is mitigated as full title information will be considered before the transfer of any asset is submitted to Cabinet for approval.

4.3 Legal

- 4.3.1 The legal implications of Section 123 LGS 1972 have been covered in paragraph 3.2 of this report.

- 4.3.2 The Council's lawyers would carry out the legal transfers should these be agreed.

- 4.3.2 The Council's lawyers would draft any necessary notices required in compliance with S123 LGA as described above.

4.4 Equality and Health

- 4.4.1 Provisions for the maintenance of access by the public in no less measure than is afforded currently will be included in the transfers or provided by separate agreement.

4.5 Consultees (Internal and External)

- 4.5.1 Parks Services have been consulted on the proposed process of negotiation recommended by this report. Parks Services, Finance, Legal and Governance will be consulted on any reports produced as under Section 2.4 of this report.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 The proposals contained in this report could increase input from residents in the management and maintenance of local assets.

4.7 Other Implications

- 4.7.1 We are not aware of any other implications arising from the recommendations contained within this report.

5. Background Papers

- 5.1 File, reference ATransparishGMM / 03, which contains *exempt* information of *commercial sensitivity*.

Report Author: David Kennedy, Chief Executive

Contact: 01604 838725

Cabinet Report Transfer of Assets to Parish Councils

Outline Structure of Transfer

- **Tenure:** *Long Lease 25 years*
- **Protection:** *Outside the L&T Act protection*
- **Payment:** *To be determined*
- **Rent:** *Negotiated to achieve reflect the need to ensure best value disposal*
- **Use:** *Restricted to existing use (change of use would require a change to the lease terms to be agreed)*
- **Alienation:** *Assignment to successors in title to the Parish Council only*
- **Determination:** *Mutual right to determine by either party upon 3 months' notice*
- **Other Matters:** *All existing rights and reservations in title to be reflected in the lease.*
- **Upkeep:** *Tenant to be responsible for all outgoings including any rates, and the costs of maintenance and repair duties to be detailed in a management agreement if required.*

Appendices
1



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Finance Report to 30 September 2016
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	16 November 2016
Key Decision:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Management Board
Accountable Cabinet Member:	Cllr B Eldred
Ward(s)	N/A

1 Purpose

- 1.1 The purpose of this report is to assist Cabinet in monitoring the delivery of the Corporate Plan within the agreed capital and revenue budgets for the General Fund (GF) and Housing Revenue Account (HRA).
- 1.2 To inform Cabinet of the latest forecast outturn position for the Council's capital programme for 2016-17 and changes to the Programme approved under delegated powers

2 Recommendations

- 2.1 That Cabinet reviews the contents of the report and appendices, and identifies actions to be taken to address any issues arising from it.
- 2.2 That Cabinet note the supplementary estimates funded by reserves transfers for the 2016-17 General Fund Revenue Budget as detailed in Appendix 1.

3 Issues and Choices

3.1 Report Background

- 3.1.1 This report presents the Council's key financial exceptions for the year to date, together with changes in the revenue budget and capital programme.
- 3.1.2 The report also brings forward any capital appraisals and variations for noting and approval.

3.2 Key Financial Indicator Exceptions

Dashboard Indicator Description	Variation from Budget	
	General Fund	Housing Revenue Account
	£000	£000
Controllable Budgets	(394)	(348)
Debt Financing and Recharges	(369)	42
Total	(763)	(306)
Net transfer to/(from) reserves	0	306
Total	(763)	0

3.3 General Fund Revenue Budget

3.3.1 Supplementary Estimates

- 3.3.1.1 Supplementary Estimates can be funded or unfunded. A funded Supplementary Estimate occurs where there is additional expenditure identified which can be funded from a funding source that is not included in the existing budgets. Examples of this type of funding source is external funding or use of an earmarked reserve which was set up for this purpose; the funding source used for this purpose cannot be working balances.
- 3.3.1.2 Supplementary estimates funded by reserves transfers for the 2016-17 General Fund Revenue Budget are as detailed in Appendix 1.

3.3.2 General Fund Revenue Budget (Blue)

3.3.3 The following table summarises the major variations from budget for the General Fund.

Service Area	£000
Asset Management	107
Major projects and Enterprise	(48)
Head of Planning	(284)
Housing	116
Borough Secretary	52
Director of Customers & Communities	(598)
Corporate	260
Controllable Total	(394)
Debt Financing	(369)
Total	(763)

Budget Managers are working to mitigate the pressures on their budgets and bring forecasts back in line with budgets.

3.3.3.1 Asset Management

Forecast overspend mainly relates to additional temporary staff covering vacant positions and professional services to carry out valuations. Offset by overachievement of NNDR rebates following challenges.

3.3.3.2 Head of Planning

Forecast underspend is due to the higher level of development control income for the whole year offset by a drop in anticipated building control income due to market conditions.

3.3.3.3 Head of Housing and Wellbeing

Forecast overspend is mainly due to additional costs for agency staff in Housing Options and Advice, Home Adaptations and Housing Standards.

3.3.3.4 Director of Customers and Communities

Overall forecast underspend reflecting additional deductions made through the Environmental Services Contract and additional car parking income.

3.3.3.5 Corporate

Forecast overspend due to additional costs for Bed and Breakfast and the use of temporary accommodation at County Chambers.

3.3.3.6 Corporate Debt Financing

Forecast underspend due to lower Interest on borrowing and lower MRP charges due to repayment of borrowing on short-life assets during 2015-16 and carry forward of some capital expenditure into 2016-17.

Controllable HRA Revenue Budget (Blue)

3.3.3.7 The forecast underspend position on the HRA of £306k relates mainly to staff vacancy savings within NPH and lower expenditure on the maintenance of communal gas heating systems. In line with September Cabinet decision it should be noted that £2m has been vired from the Revenue Voids Management Budget to the HRA Capital Programme to help fund a programme of additional units and help to ensure that the Council fully utilises the retained 141 Right to Buy receipts it currently holds.

3.4 Capital Programme

3.4.1 General Fund Capital Programme

3.4.1.1 The General Fund Capital Programme remains at £21.9m, unchanged over the last two months. As at the end of September the forecast expenditure for the year is £20.0m, around £1.9m below the budget for the year. This includes £1.1m forecast carry forwards and £0.8m underspends. The most significant forecast variances are:

- Forecast underspend of £770k on the St Giles Street public realm improvements. The cost of completing these works was less than originally budgeted. The Council will consider how best to use this underspend. Any future schemes will be subject to a report to Cabinet seeking approval or the monies may be used to finance the existing programme as capital receipts, outlined in paragraph 3.4.1.4 below, are behind forecasts.
- Forecast carry forward of £400k in relation to Disabled Facilities Grants, due to a decreased level of demand in 2016/17.
- Forecast carry forward of £439k on the Central Museum Redevelopment project due to delayed access to the Old Gaol Block.

3.4.1.2 The capital programme includes large and complex schemes such as the Vulcan Works and Delapre Abbey. Whilst these schemes are not forecasting any variance against the 2016/17 approved budgets as at the end of September, the risks inherent in these schemes mean that some variances are possible. Any variances identified during the remainder of the financial year will be reported to future Cabinet meetings.

3.4.1.3 It will be proposed as part of the 2017/18 budget process that the governance of the capital programme is tightened in order to ensure that cost estimates are robust before schemes are commenced. The detail of these proposals is currently under development.

3.4.1.4 The financing of the capital programme assumes that around £5m of capital receipts will be received during 2016/17. It is not now expected that these will all be received in year, although on the assumption that they will be received next year, and given the expected carry forward of expenditure, the existing programme can be funded. This position does however reinforce the need to not add new schemes unless absolutely necessary.

3.4.1.5 Any further additions to the capital programme, including further strategic property purchases, will be subject to the development of a robust business case. In line with Financial Regulations, any proposed additions to the programme greater than £250k and/or requiring additional funding from Council resources, will be brought to Cabinet for approval.

3.4.2 HRA Capital Programme

3.4.2.1 The approved HRA Capital Programme has been increased by £2m to £38.85m. This increase is as a result of the virement from the HRA Revenue Budget for Voids management. In line with what was reported to September Cabinet this additional capital funding will support schemes that contribute towards the provision of additional social housing as part of the Governments 141 RTB Receipts initiative.

3.4.2.2 141 Right to Buy Receipts

It was reported to September Cabinet that the Council has, since April 2012, been able to retain a proportion of its RTB receipts after signing up to a formal agreement with the DCLG. As at 31 March 2016 the Council has not had to pay over any of the retained receipts but was under increasing pressure to use the balance of receipts within the terms of the agreement. These retained receipts must be spent on re-provision of social housing within 3 years of receipt.

For quarter 2 the Council will have to pay back £26,190 of receipts to the Treasury with interest of approximately £3,700 The Council is working closely with Northampton Partnership Homes to mitigate the risk of any further retained 141 capital receipts, in quarter 3 and future quarters, being paid back. Work is continuing to identify and bring forward a mix of RTB Buybacks and schemes that will bring additionality to the HRA stock base, addressing the housing need of the Borough.

3.4.2.3 As reported to September Cabinet discussions are still ongoing with the Government on the Local Growth Fund Dallington project. Delays in start on site are likely to see a re-phasing of works into 2017/2018 with budget of £8.3m being rolled forward into this year. As reported previously further update will be provided to a later Cabinet.

3.5 Choices (Options)

3.5.1 Cabinet is asked to note the reported position financial position.

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3.5.2 That Cabinet note the transfers from reserves for the 2016-17 General Fund Revenue Budget as detailed in Appendix 1.

4 Implications (including financial)

4.1 Policy

4.1.1 The Council agreed a balanced budget for the Capital Programme and Revenue Budgets for both the General Fund and the HRA in February 2016. Delivery of the budget is monitored through the budget monitoring framework.

4.2 Resources and Risk

4.2.1 This report informs the Cabinet of the forecast outturn positions for capital and revenue, for both the General Fund and HRA, as at the end of September 2016. It also highlights the key risks identified to date in delivering those budgets and where performance measures are significantly over or under performing.

4.2.2 There will be an on-going impact in future years if any of the savings within the 2016/17 budget are not achieved, particularly where services move outside the direct control of the Council.

4.2.3 All schemes included in the capital programme, or put forward for approval, are fully funded, either through borrowing, internal resources or external funding arrangements.

4.3 Legal

4.3.1 There are no specific legal implications arising from this report.

4.4 Equality and Health

4.4.1 There are no specific equalities implications arising from this report.

4.4.2 A full Community/Equalities Impact Analysis has been completed for the 2016/20 Budget and is available on the Council website.

4.5 Consultees (Internal and External)

4.5.1 Heads of Service, Budget Managers and Management Board are consulted as part of the budget monitoring process on a monthly basis.

4.6 How the Proposals Deliver Priority Outcomes

4.6.1 Performance monitoring (financial and non-financial) by exception and using it to improve performance is good practice in terms of efficient and effective management. It contributes directly to the priorities of sustaining “effective and prudent financial management” and being “an agile, transparent organisation with good governance”.

4.7 Other Implications

4.7.1 There are no other implications arising from this report.

5 Background Papers

5.1 Cabinet and Council Budget and Capital Programme Reports February 2016

Management Board, c/o David Kennedy, Chief Executive, 01604 837726
Glenn Hammons, Section 151 Officer, 01604 366521

General Fund (Revenue) Supplementary Estimates 2016/17

Earmarked Reserves 2016/17 to Finance Supplementary Estimates - Approved Drawdowns to end September 2016

Date:	Value Requested	Earmarked Reserve:	
		Name:	Comments
10/05/16	10,000.00	Tree Maintenance (formerly PES Reserve)	To fund improvements to the parks, such as small projects not large enough to be capital
22/08/16	128,000.00	ES Re provision (formerly PES Reserve)	To fund the cost of community engagement and consultants fees, incurred as part of the Options Appraisal Process

**Approved by Cabinet
Awaiting reserve drawdown request**

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Date approved by Cabinet:	Value (£)	Earmarked Reserve:	
		Name:	Comments
07/09/16	Up to 39,362	Emergency Funding for Refuges	In line with the Cabinet report of 7th September 2016, to fund the Council's share of the 'bridge funding' for the Refuges, in the event that Government funding is not forthcoming for 2016/17 .
13/07/16	Up to 500,000	Recovery of Sixfields monies	In line with the cabinet report in July 2016 work continues to recover monies assigned to the Council from NTFC and through the Liquidation of 1st Land Limited.

There have been no unfunded supplementary estimates in 2016/17