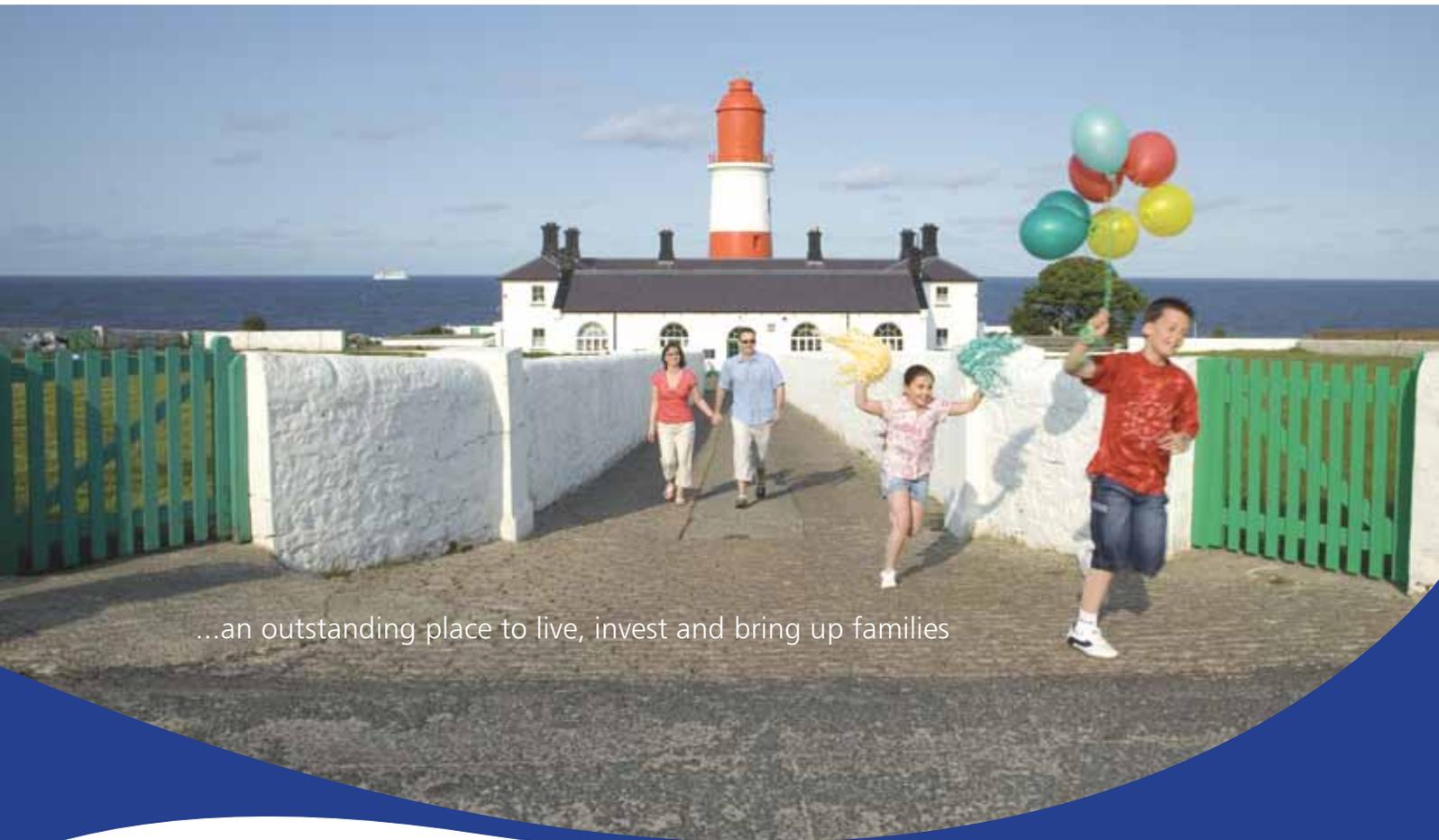


# Shaping our Future

## First Annual Report 2011-12



...an outstanding place to live, invest and bring up families



**South Tyneside Council**

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# Foreword

Despite being amongst the hardest hit local authorities in the country, we are still committed to delivering our vision that South Tyneside will be an outstanding place to live, invest and bring up families. To do this we have had to radically change how we operate as an organisation - while retaining our core values and unrelenting focus on the priorities of our residents.

We think it is important that colleagues in Whitehall understand how local authorities are responding to the changing economic and fiscal landscape, and how councils are adapting to the policy changes that have developed over the first two years of the coalition government. Over the last year, we have made efficiency savings of £35 million (on top of £20 million in the previous year) with no major service closures. We have now identified a further £20 million for 2012/13. This is an extraordinary level of savings for South Tyneside and it's thanks to the commitment of staff, elected members and partners that we've achieved it whilst continuing to deliver rapidly improving services to our residents.

Indeed, our recent budget consultation highlighted that our residents are significantly more satisfied with services for children, young people and older people compared with the national average. Residents also expressed high levels of satisfaction with South Tyneside as a place to live.

Whilst satisfaction has increased, complaints have reduced and we've helped 5,500 more people into the workplace over the last two years. Our investment in regeneration, housing and schools is amongst the highest of any council in the country and we now have robust economic growth and town centre regeneration plans to deliver a step-change in local prosperity. These are achievements that we are very proud of.

We have been impressed by the willingness of CLG to engage with local authorities, and we have been delighted to host visits of ministers and senior staff over the year. We are keen to maintain this strong 'two-way' working relationship - which hopefully provides you with a reliable sounding board, and gives us the chance to discuss opportunities and concerns. We look forward to working with you again in 2012-13.



**Councillor Iain Malcolm**  
Leader of the Council



**Martin Swales**  
Chief Executive

# Introduction

South Tyneside covers the towns of South Shields, Jarrow, and Hebburn, and the villages of Boldon, Cleadon and Whitburn. With a population of 151,600 we are bigger than authorities such as Reading, Slough and Redcar & Cleveland, and we cover a larger area than Southampton, Luton and Blackpool. Although our net revenue expenditure has decreased we still have a bigger budget than York, Bournemouth and Blackburn, and our headcount (excluding schools) of 2,392 makes us a larger employer than authorities such as Enfield, Stockton and Buckinghamshire.

We are also proud that South Tyneside has improved from 27th most deprived local authority in England to 52nd (out of 326) - a 25 place change. This puts us ahead of Newcastle (40), Gateshead (43) and Sunderland (44) in the North East.

We have a vision to make South Tyneside an outstanding place to live, invest and bring up families. Over the last 2 years we have achieved so much to help secure the future prosperity and wellbeing of our residents. We have made real and visible progress to regenerate the Borough, provide world class schools, new and better housing, more job opportunities and family friendly services.

Our commitment to further improving South Tyneside is stronger than ever. **Shaping our Future** is South Tyneside Council's futures programme to ensure delivery of our long term vision in the face of unprecedented financial and demographic challenges.

Our vision has led us to a focus on delivery in two key areas: growing the local economy and increasing jobs, and managing down demand for some of our most high cost services. The unprecedented financial challenges that we have faced - £75million of savings since 20-11 – has required fundamental change:

- **Less emphasis on passing tests** – and more emphasis on people and places
- **Less emphasis on cash shortages** – and more emphasis on efficiency and delivery
- **Less emphasis on analysis and targets** – and more emphasis on execution and delivery

Close political and managerial partnership has been key to our transformation. We have established a new strategic forum of members and officers to steer the organisation through these major challenges. SLMB ('Strategic Lead Member Briefing') met for 24 whole morning sessions in 2012 – a massive commitment from our elected members – and their vision and insight into the priorities of our residents ensured that we made the right decisions when reshaping our services.

In addition to this, our 'Strategic Leadership Group' of the Chief Executive and three Corporate Directors has delivered those huge efficiency savings while protecting customer-facing services, and carefully managing a 25% reduction in overall staffing. This included £700,000 of savings from top tier management and the deletion of the former corporate 'policy and performance' team with only a handful of compulsory redundancies. The Chief Executive personally implemented a 'recruitment gateway' process to challenge every single staffing proposal, and champion internal promotions and redeployment of existing staff. Throughout this challenging period we have worked hard to maintain very strong industrial relations.



## Shaped to Deliver

We were keen to take advantage of the provisions in the recent **Localism Act** to review our local governance structure. The Council decided to retain the leader and cabinet model, while amending our cabinet portfolios to better reflect our corporate priorities (including, for the first time, a lead member for health and wellbeing). We have also established new 'performance panels' to strengthen the role of elected members in commissioning services and challenging the performance of external providers.

Alongside this, we have also refocused our South Tyneside Partnership, by establishing a 'best in class' Economic Regeneration Board to drive forward growth in South Tyneside; a new Health and Wellbeing Board to grip local health changes; and a Public Sector Board of chief officer-level representatives from all our key partners to identify synergies and efficiencies.



Signing South Tyneside pledge to children -  
L to R Mayor Councillor Eileen Leask, Helen Watson,  
Tim Loughton MP

## New Models of Service Delivery

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Within the council, we have streamlined our services around three strategic groups – Children, Adults & Families, Economic Regeneration, and Business & Area Management. In Children, Adults & Families we have established a new ‘commissioning unit’ to standardise how we commission ‘people’-facing services and deliver both efficiencies and improved outcomes for children and adults. We have developed a new Dementia Model to improve early identification and support, created new ‘lifelong’ disability services to improve transitions for service users, established a new combined Services for Young People structure, and our Adoption Service has been rated the second best in the country. With the launch of the **Troubled Families** programme we have an exciting opportunity to build on the progress we have made on strengthening our early intervention arrangements, by working with our partners to join up and reshape our services from the service user’s point of view - and reduce demand for high cost services.

With the transfer of **Public Health** to the Local Authority from 2013 we also have a great opportunity to shape the local health economy to address the ongoing challenge of health inequalities in South Tyneside. Our shadow Health and Wellbeing Board was cited by Department of Health as making great progress in bringing together local health commissioners with the Foundation Trust and emerging Clinical Commissioning Group, and we are one of the only authorities to appoint a cabinet member for Public Health & Wellbeing. Our ambition now is to mainstream public health thinking into all our services – from tourism to licensing to family services – and make ‘every contact a health contact’.

Alongside major investment in roads and footpaths, we are also implementing new Area Management arrangements that will integrate the range of street-based services – from refuse collection and grounds maintenance to community wardens and ASB teams – so that we can deliver ‘first fix’ solutions to residents’ queries. As with other parts of the council, this will involve a comprehensive programme of training and development so that our teams have the generic skills to deliver our vision for a ‘safe, clean and green’ South Tyneside.

# Innovation



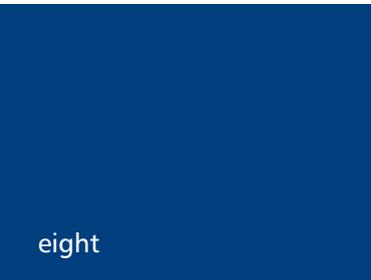
The **general power of competence** has been a welcome development, and has given us the assurance to innovate in the best interests of our residents – on everything from strengthening how we procure locally to securing new delivery partners for our children's and adults' services. Our Corporate Innovation and Efficiency group has led on a radical systematic programme of Service Reviews that have identified savings through scrutinising performance and best practice. We have also taken advantage of the sector-led improvement agenda to learn from colleagues elsewhere, and carried out major peer reviews of adult and children's services last year that were key milestones on our improvement journey.

This innovative approach has also led us to develop a pragmatic '**new operating model**' which uses customer insight to identify our priority outcomes, and is increasingly open-minded about whether public, private, or non-statutory sector partners are best placed to deliver them. This anticipated much of the government's 'open public services' agenda, and we are currently reviewing the 'infrastructure support' that we commission to support the local third sector and grow the supply base of social enterprises who can take advantage of new tendering opportunities. This will help us to respond to our obligations under the Public Services Social Value Act, and – following the Open Public Services White Paper, the SEN and Disabilities Green paper, and the forthcoming Adult Social Care White Paper – ensure that there is that wider range of providers in South Tyneside for those of our residents who use personal budgets to commission their care.

The Community Right to Bid provisions in the Localism Act were also timely for us. We are currently carrying out a strategic review of our asset base, looking for innovative ways to create a sustainable estate that delivers the right services through accessible 'Community Hubs'. We have secured £10 million from the sale of redundant buildings, and working with elected members, partners and the community, we have developed an Asset Transfer Programme which has community empowerment and social integration at its core. We have already successfully transferred a youth centre to a thriving local social enterprise and we have developed an asset transfer policy to encourage more community organisations to come forward.



Topping Out...from left: Eric Pickles MP; Council Chief Executive Martin Swales; Neil Rogers President of Government and Health, BT Global Services; Tom de la Motte, Managing Director, Miller Construction and Garry Hope, Operations Director, North, Miller Construction.



## Prosperity

We know that only by delivering a prosperity uplift in South Tyneside will we make a sustainable impact on our most complex social challenges. South Tyneside is located on the intersection of two of the region's major economic arteries – the river Tyne and the A19 motorway – and the recently opened second Tyne Tunnel at Jarrow gives us a real advantage. Indeed, the North East is the only region in UK with a positive balance of trade and we are determined to play on these strengths in manufacturing exports.

We are also the home of the Port of Tyne, the Tyne Tunnel, and a range of successful businesses in high growth sectors, particularly advanced engineering and manufacturing. So we have worked hard to ensure that the strategic importance of South Tyneside is recognised in the plans to grow the region's economy.

We have also strengthened our relationship with national influencers in Whitehall and beyond. We have been instrumental in the creation of both the **North Eastern LEP** and Enterprise Zone, which will have key benefits for South Tyneside in terms of growth in off-shore wind and advanced manufacturing sectors. We are also exploring a new partnership with our neighbours in Sunderland to develop **shared services** and jointly make an impact on our common economic priorities.

As the **lead authority for Newcastle Airport** we have always recognised the value of the airport to the region's economy and the opportunity it presents to market the region internationally. We have also taken the lead on EU engagement on behalf of the region's local authorities to develop new ways of using our influence in Brussels, and making sure that the region is well-positioned to benefit from new European funding opportunities.

# Jobs and Local Spend

Despite the challenging national economic picture, we have made encouraging progress over the last two years. **Over 5,500 more residents are now in the workplace** compared with January 2010, with 3,400 fewer unemployed. Our **strategic partnership with BT** goes from strength to strength. The Secretary of State for Communities and Local Government opened their new £10 million Business Centre in South Shields in 2011 – the centrepiece of ambitious regeneration plans for our riverside – and BT South Tyneside have now created 600 new jobs in the borough (well ahead of their 350 target at this point in the contract), safeguarding a further 387.

We recognise the key role that our procurement service has in stimulating the local economy, so our **'Supply South Tyneside'** initiative has committed the local authority to increasing how much it procures locally by £50 million – with a target of £80.5 million local spend by 2017. This has been supported by regular 'open for business' events to encourage local suppliers to tender for commissions. The new green incubator at One Trinity Square will complement our strengths in advanced manufacturing to support fledgling business to enter the low-carbon and renewables market.

Because our residents spend only 3.7% of their disposable income in the borough, we have also developed projects to maximise the impact of the 'South Tyneside Pound'. Our 'Shop Local' campaign, new leisure developments, and regeneration plans for the centres of Hebburn and South Shields are making South Tyneside an attractive place to come and visit.



## Destination marketing

'River, Seashore and more' is our destination Marketing Campaign to capture the imagination of residents, tourists and business leaders, and transform the image of the borough by highlighting our amazing coastline, natural heritage and leisure facilities. The television advert (<http://www.visitsouthtyneside.co.uk/>) is the first phase of our campaign to promote South Tyneside on a regional, national and international scale.

Whilst we face significant financial challenges as a local authority, we know that many South Tyneside people face their own challenges too. We recognise that foreign holidays are beyond the reach of many local families, so we have made a decision to continue to deliver our popular free summer entertainment festival, and support events of significant national importance such as the Queen's Jubilee and the 2012 Olympics.

Investment in events and leisure facilities has also stimulated the local economy. The regeneration of our promenade has led to new business investment in pubs, cafes and accommodation along our seafront; and the development of a new leisure pool at Pier Parade and plans for an iconic new art gallery will further strengthen our tourism offer.

# River *Seashore* and **more...**

eleven





## Investment in skills

We have worked with our key Economic Regeneration Board partners on our 'Sector Growth Strategy', setting out in detail the skills our residents need to compete in the changing local jobs market, and how our plans for job creation will exploit the full potential of the North East Enterprise Zone.

Despite our best ever GCSE results – the most improved in the region – with a 5 GCSE (A\*-C) pass rate (including English and maths) up from 53.9% to 57.9% (UK average 58.9%) we know that we need to do more to meet the challenge of youth unemployment. Recognising the impact that this can have on a person's life chances, our Economic Regeneration Board and Health & Wellbeing Board have both selected this as a priority.

We are developing a 'compact' between schools, colleges and local employers to explore the possibility of an 'area-based curriculum' for South Tyneside. We are also strengthening our 'enterprise offer' for schools to increase entrepreneurial and vocational skills in children and young people. We want such an offer to secure the buy-in of major local employers to new education to employment pathways, and ensure that our school-leavers have the skills that local employers need.

So we have also brought together Jobcentre Plus, the National Apprenticeship Service, and local training providers with our business partners to maximise apprenticeship opportunities for our young people, and create 575 new employment opportunities for the 18-24 year olds currently on Job Seekers Allowance.

# Planning and housing

The Localism Act's new **freedoms and flexibility around planning** have also been welcome. We have a strong track record in delivering a Local Development Framework ahead of schedule, and, with the revocation of the Regional Spatial Strategy, this has now evolved into our own local plan. We have already provided comprehensive online guidance on the new neighbourhood planning rules, and we are thinking creatively about the opportunities to link the Community Infrastructure Levy to our transport investment strategy.

In housing we have secured £73.5 million to transform '**non-traditional**' dwellings, alongside a £7 million scheme to build 71 affordable homes in Hebburn, and a £3.9 million solar-powered social housing project – the biggest in the UK – in Reed Street, South Shields.

The **reform of social housing regulation** has led us to review our allocations policy to meet the needs of our population and identify target groups; while the changes to **homelessness legislation** have allowed us to discharge our homelessness duty into the private rented sector. As well as helping us to avoid using B&Bs, this change in policy has delivered a saving of over £220,000 which we have used to reinvest in homelessness prevention services.

Our new housing panel of elected members will help to scrutinise the performance of South Tyneside Homes (our housing 'ALMO') as well as the range of supported housing and tenancy support services that we commission. By establishing a new tripartite arrangement between ourselves, the ALMO and a tenant scrutiny panel (and making budget and performance information available to tenants) this will also help us to meet the new guidelines in the Localism Act on the co-regulation of social housing.



Ed Davey MP, Secretary of State for Energy and Climate Change, on his visit to South Tyneside Homes' £40m programme to renovate non-traditional homes.

To meet the shortfall of affordable homes, we have developed an innovative scheme to bring private rented accommodation back into use. Using a combination of our own capital investment, HCA funding and planning gain from an executive housing development we have invested £700,000 in a range of initiatives. Alongside the use of empty dwelling management orders, this has included a private sector leasing scheme where we provide loans to, and manage properties on behalf of, private landlords to bring their properties up to scratch.



## The future

Although knowing our three year settlement gives us some degree of certainty, we are realistic about the challenge that we still face. Change is now a constant in public services, but we do recognise the importance of stability for our staff, who have been through a very turbulent period. We have made a strategic decision to slow the rate of job losses and focus explicitly on how we manage demand for our services at the point of entry.

Our senior officer team are working alongside elected members with pace and energy to bring forward ambitious redesign plans that will ensure that we deliver the next phase of our ambitious 'shaping our future' programme.

This includes the exciting next phase of our **capital investment plan**. Between 2012 and 2017 we will be investing over £312million in regenerating our town centres and leisure facilities, our housing and highways, and our schools community hubs – alongside plans to consolidate our staff in fewer locations by radically rationalising our civic buildings.

The closeness of our members and officers to our residents means that we will always keep things 'real'. So we will continue to focus on their priorities: by investing in roads and footpaths; balancing the needs of the environment with the community's expectation of weekly refuse collection; and freezing council tax levels in recognition of the pressures that households face in these challenging times.

We understand the challenge, but working together with members and our regional and national partners we are determined that South Tyneside Council will remain shaped to deliver a better future for our residents.



