

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting7th March 2019

1. Title of Item/Report

Strengthening Probation

2. Record of the Decision

Consideration was given to a report on the proposed changes being introduced by the Ministry of Justice as part of a review of probation services 'Strengthening probation, building confidence'.

As part of the review the Ministry of Justice had decided to cease all contracts in 2020 and re-tender. The Council played an active role in the creation of the Community Interest Company, Achieving Real Change for Communities (ARCC) in 2014 and the report sought agreement to this support continuing.

The guarantee for the current contract comprised:

- the Annual Liability Cap of £10,560,000 and;
- the Guarantee Aggregate Liability Cap of £14,080,000.

The indication to date was that the Annual Liability Cap for the whole contract package area including Northumbria, was likely to be 30-35% of the total annual contract value, and the Guarantee Aggregate Liability Cap was likely to be 40-45% of annual contract value.

An indicative annual contract value was given by the MOJ for the DTV and Northumbria area of £26 million. However, the annual contract value was heavily caveated by the MOJ but based on the indicative amount, therefore it was likely that the Annual Liability Cap would be £7.8 – 9.1 million and the Guarantee Aggregate Liability Cap would be £10.4 – 11.7 million. A number of partners had indicated support in principle.

RESOLVED that:-

1. The content of the report be noted and the ARCC have continued support in the delivery of local probation services.
2. The provision of a financial guarantee up to the current maximum

of £4.886m (current total guarantee of £14.080m less subsidiary guarantees of £9.194m) as part of a revised contract bid by ARCC be agreed, subject to satisfactory subsidiary guarantees being provided to the Council by other partners in the bid (including other local authorities), and to being satisfied as to the financial viability of the ARCC bid and a risk assessment of the guarantee being invoked.

3. The final amount of the guarantee and any subsidiary guarantees be delegated to the Director of Finance and Business Services in consultation with the Leader of the Council.

3. Reasons for the Decision

To enable ARCC to progress its business planning for the future delivery of probation services and to maximise the chance of success for a future local bid.

4. Alternative Options Considered and Rejected

None.

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Nigel Cooke declared a personal non prejudicial interest in respect of agenda item 10 – Strengthening Probation as he was employed by TEWV NHS Trust.

Councillor Ann McCoy declared a personal non prejudicial interest in respect of agenda item 10 – Strengthening Probation as she was a member of TEWV NHS Trust.

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

Midnight, 15 March 2019

Proper Officer
11 March 2019