

Cabinet

16 April 2012

Present: Mrs L Arkley (Elected Mayor) (in the Chair),
Councillors G Barrie, E Hodson, D Lilly, P Mason, LJ Miller,
Mrs JA Wallace and GC Westwater

In Attendance: A Caldwell (Age UK North Tyneside)
S Elliott (Business Sector)
L Gardiner (VODA)
J Hope (Young Mayor)
S Neill (Northumbria Police)
D Titterton (Voluntary Sector)

Also Present: Councillor J O'Shea

CAB182/04/12 Apologies

Apologies were received from Councillor Mrs P McIntyre and Mr C Reed (NHS North of Tyne).

CAB183/04/12 Declarations of Interest

The following declarations of interest were made:

Item 5 (a) – Review of the Personalisation Process in Adult Social Care – Report of the Overview and Scrutiny Committee

A Caldwell – personal interest – Age UK North Shields is a provider of services.

Item 6(b) – Progress report on North Tyneside Joint Action Plan for the delivery of the National Dementia Strategy

Councillor G Barrie –personal interest – Works in Psychiatry of Old Age Service for Northumbria Healthcare Trust

Item 6(c) – Section 117 Reserve

Councillor G Barrie – personal interest – Works in Psychiatry of Old Age Service for Northumbria Healthcare Trust

Item 6(d) – Alternative Management of Community Centres

A Caldwell – personal interest – Age UK North Shields is a potential tenderer.

Item 6(f) – 2012/15 Council Strategic Plan and 2012/13 Budget – Implementation Plan

G Haywood – Interim Chief Executive – prejudicial interest – Implementation Plan refers to contract for services for the Interim Chief Executive.

CAB184/04/12 Minutes

Resolved that the Minutes of the meeting held on 12 March 2012 and the Extraordinary Meeting held on 28 March 2012 be confirmed.

CAB185/04/12 Report of the Young Mayor

The Young Mayor presented her report, which detailed the following:

- The Young Mayor had been chosen to represent the Young Mayor's Network and young people from the North East region on a pilot for the Youth Select Committee on Transport. In relation to this she had attended a residential event in London. The Youth Select Committee's first topic would be "safe, affordable and accessible transport for young people".
- Area Youth Council meetings had been held during March in the four localities of the Borough. These had been linked to the adult Area Forums. Youth Councillors had provided details of topics/initiatives the Youth Council were involved with and had responded to questions raised at the previous area forum meeting. Positive links with Northumbria Police and North Shields Chamber of Trade had been formed. The Youth Council had received positive comments from residents, officers and elected members.
- Mark Strasshine had taken a lead role in the Youth Police Authorities Participatory Budgeting event which had taken place in March. 7 applications had been successful.
- The Youth Council had been working closely with Northumbria Police on research carried out on the perceptions that older people had of young people. Youth Councillors had given their views on how they thought the perceptions of older people could be changed.
- The launch of Marden Rocks had taken place in March at Marden Bridge Middle School.
- Auditions had been held over several days for bands wanting to perform at The Event on 7 July 2012. The line up would be confirmed shortly. The winner would be selected by the audience at the Event and will go on to perform at The Mouth of The Tyne Festival on 15 July 2012.
- The Young Cabinet Member for Environment had had a productive meeting with the Council's Head of Clean Neighbourhoods.
- Details were given of an initiative/project which the Young Cabinet Member for Environment hoped to take forward. 'Adopt a Roundabout' would see communities working together to improve a roundabout in their area. This would be a project which people of all ages and backgrounds could get involved with. It was hoped that funding to support the project could be accessed.
- The Young Cabinet Member for the Environment had also organised a big spring clean up with the help of the Council's Grounds Maintenance Team, Waldo the Dog and the Litter Bug. Eight bags of litter had been collected around the area of Whitley Bay metro station.
- The application to the Youth in Action European Fund had been successful. 70% of the cost of the planned youth exchange to Smøla would be funded. Youth Councillors would endeavour to raise funds to cover the remaining 30%.
- The Young Mayor, with the Young Cabinet Member for Health and Wellbeing had met with Professor Nick Reynolds from the Royal Victoria Infirmary to discuss possible research that would be carried out to study the lack of Vitamin D in young people and how best to engage with teenagers.
- The Young Mayor had met with a Careers teacher and Connexions Adviser from Longbenton to discuss ideas for improving the career aspirations of students. Many students had limited job awareness and it was felt important for this to be developed before Year 10 and certainly before work experience began. The discussion also covered how students would find it useful to visit the new technology industries on the River Tyne and that more employer visits generally would be beneficial. Visits by inspirational people to the college would also be

useful, especially those who had attended Longbenton in the past. The Young Mayor would continue to meet with careers staff until a strategy had been developed to improve the career aspirations of young people in the Borough.

The Mayor and Cabinet Members thanked Jade for her report and welcomed the work being undertaken. Alma Caldwell welcomed the proposed roundabout initiative and offered Age UK's assistance with the project including accessing possible funding. Simon Elliot also offered support from Procter and Gamble.

CAB186/04/12 Review of the Personalisation Process in Adult Social Care - Report of the Overview and Scrutiny Committee (All Wards)

The Cabinet received a report of the Overview and Scrutiny Committee Review of the Personalisation Process in Adult Social Care.

The report was presented by the Review Lead, Councillor J O'Shea.

Personalisation had been introduced in North Tyneside in April 2009. It had been described by the Department of Health as meaning that "every person who receives support, whether provided by statutory services or funded by themselves, would have choice and control over the shape of that support in all care settings". In practice Personalisation encompassed not only the allocation of a personal budget but also included the provision of services tailored to the needs of every individual, the provision of improved information and advice on care and support for families, investment in preventive services to reduce or delay people's need for care and the promotion of independence and self-reliance among individuals and communities.

At its meeting on 29 September 2011, the Adult Social Care, Health and Wellbeing Sub-Committee had received a presentation titled '*Personalisation – A Step Back and a Look Forward*' from the Head of Adult Social Care and the Senior Manager for Strategic Planning and Business Transformation. The presentation had highlighted some of the challenges Adult Social Care faced in rolling out the Personalisation process and the Sub-Committee had decided to establish a Personalisation Sub-Group to review the process in North Tyneside, to understand how it could be improved for service users.

Following a number fact finding sessions, it was found that Personalisation was helping some service users have greater choice and control. It also identified a number of issues, such as transparency, timeliness and training, which formed the basis of the 15 recommendations made in the report.

The Mayor thanked Councillor O'Shea and members of the Sub Group for the report.

It was noted that Cabinet was required to consider the recommendations and provide a response within 2 months.

Resolved that (1) the scrutiny report on the Review of the Personalisation Process in Adult Social Care be noted; and
(2) a formal response from Cabinet be provided within two months.

(Reason for decision – to comply with Section 122 of the Local Government and Public Involvement in Health Act 2007).

CAB187/04/12 2012/15 Council Strategic Plan and 2012/13 Budget – Implementation Plan (All Wards)

At this point the Chief Executive explained that the Overview and Scrutiny Committee's comments on the Implementation Plan, together with a number of separate reports in relation to items appearing on the Implementation Plan, would be considered later in the meeting.

CAB188/04/12 North Shields Fish Quay Townscape Heritage Initiative Scheme Grant to Tyne and Wear Building Preservation Trust for the Old Low Light (Tynemouth Ward)

Cabinet received a report which sought approval to award a grant of up to £300,000 for the repair and restoration of the Old Low Light at Cliffords Fort from the Fish Quay Townscape Heritage Initiative Common Fund to The Tyne and Wear Building Preservation Trust.

Cabinet had approved the submission of a stage 2 application to the Heritage Lottery Fund (HLF) for a Townscape Heritage Initiative (THI) grant scheme for North Shields Fish Quay in October 2006. This had been approved by the HLF and a 'Common Fund' of £1m had been established made up of £412,500 Heritage Lottery funding and £587,500 Council capital funding. The Common Fund was a grant scheme which was open to the Council and external bodies to fund a range of building and public realm improvements to the conservation area. Grant applications were determined through the Fish Quay Heritage Partnership but the Council, as the accountable body for the Common Fund, had to also approve and administer the grant to ensure it met the overall contractual requirements of the HLF and secure the proper use of public funds.

The North Shields Fish Quay Townscape Heritage Initiative Scheme was a 5 year programme, which had started in April 2007 and was due to end in April 2012. However, a request for a 1 year extension to April 2013 was currently under consideration by the HLF to take account of delays in bringing forward some projects as a result of the recession.

The THI scheme identified sixteen target buildings, including one "critical project" which was Cliffords Fort and three other priority buildings, including the Old Low Light on Cliffords Fort, which was a prominent grade two-listed building.

The Tyne and Wear Building Preservation Trust was the lessee of the Council-owned Old Low Light at Cliffords Fort and had come forward seeking THI grant funding towards a £400,000 scheme to create a Fish Quay Heritage Centre with ancillary commercial uses including a café and conference rooms. The Heritage Centre Project had recently received feasibility funding from the Mayor's Big Society Community Investment Fund of £5,700 to help explore the potential for a heritage centre on the Fish Quay. The outcome of work undertaken by the Building Preservation Trust indicated the level of grant required to deliver the project was around £300,000. Under the contract that existed between the Council and the HLF, the Council would need to fund 58.75% of the cost as its contribution to the Common Fund, which amounted to £176,250. The balance would be funded by the HLF. Without the grant from the Common Fund the Heritage Centre and commercial activities that were essential to the long term business plan would not be delivered within the Old Low Light at Cliffords Fort and the building would remain vacant for the time being. Experience indicated that a building without a sustainable use was subject to underinvestment and poor

maintenance, to the long term detriment of the Fish Quay Management Strategy. It was understood that Tyne and Wear Building Preservation Trust would submit a formal grant application to the Fish Quay Heritage Partnership on 4 April 2012.

Included within the scheme costs was a proposal to install a lift requiring significant levels of internal and external work. Without a lift the upper floors of the building could not be brought into realistic and accessible use for the purposes proposed for as many people as possible.

Cabinet considered the following decision options: either to approve a grant of up to £300,000 to the Tyne and Wear Building Preservation Trust, or alternatively not to approve the grant.

Resolved that (1) the award of a grant of up to £300,000 from the Fish Quay Townscape Heritage Initiative Common Fund to the Tyne and Wear Building Preservation Trust to support the restoration of the Old Low Light, North Shields Fish Quay, be approved;

(2) the Head of Regeneration, Development and Regulatory Services, in consultation with the Head of Legal, Governance and Commercial Services and the Head of Finance, be authorised to issue a grant on terms approved by the Head of Legal, Governance and Commercial Services; and

(3) the Head of Regeneration, Development and Regulatory Services, in consultation with the Head of Legal, Governance and Commercial Services, be authorised to agree the terms of an extension to the Heritage Lottery Fund terms.

(Reason for Decision – Without the approval of Cabinet the grant cannot be offered and a key priority building in the Fish Quay Townscape Heritage Initiative Scheme will remain underused, with adverse implications for its future maintenance, and will not make a positive contribution to the regeneration of the area. The Heritage Centre could not go ahead in this building without this grant as extensive works are required. The Fish Quay Townscape Heritage Initiative Scheme would fail to live up to its full potential raising questions about other Heritage Lottery funded schemes currently the subject of applications by the Council.)

CAB189/04/12 Progress report on North Tyneside Joint Action Plan for the Delivery of the National Dementia Strategy (Previous Minute CAB16/06/11) (All Wards)

Cabinet considered a report on the progress made in relation to North Tyneside's Joint Action Plan for Delivery of the National Dementia Strategy, as requested by Cabinet on 13 June 2011.

The report detailed the improvements made toward supporting people with dementia and their carers in North Tyneside including the following:

- The Dementia Adviser Service – providing advice, information and signposting to people with dementia and their carers to provide opportunities for people with dementia to discuss their diagnosis and various aspects of living with dementia;
- additional opportunities for stimulating social activity, including 'Taking Part Workshops';
- the provision of a specialist community resource for people with dementia; and

- improved opportunities for training people who cared for and supported people with dementia.

The draft action plan had been presented to the North Tyneside Joint Commissioning Executive and the Long Term Conditions Partnership Board. Comments on the plan were currently being collated and the final plan would be published in April 2012. The draft plan was appended to the report.

The report also outlined future plans, including:

- Memory support service, which would be tendered in April 2012 and would commence in October 2012;
- Quality outcomes framework for assessing providers of residential and nursing care for older people in North Tyneside;
- Carers strategy for North Tyneside, which would include a range of measures to ensure that carers felt better supported and valued;
- Domiciliary care commissioning exercise; and
- Focussed work on dementia training for the Reablement team.

Cabinet considered the following decision options: either to agree the recommendations as set out in section 1.2 of the report, or alternatively to disagree with the proposals.

Resolved that (1) the further progress made in the development of services for people with dementia and their carers, as set out in the report, be noted; and (2) an annual update be provided to Cabinet regarding the progress of dementia support and services in North Tyneside through the Local Account.

(Reason for Decision –to continue to receive updates on the progress made towards improving and developing services for people with dementia and their carers and also to acknowledge the Draft Dementia Action Plan 2012/2013, which will continue to direct the improvements for people with dementia in North Tyneside.)

CAB 190/04/12 Section 117 Reserve (Previous Minute CAB43/08/11) (All Wards)

Cabinet considered a report which detailed the progress made by the Adult Social Care Team in advertising and inviting claims for reimbursement of charges incorrectly applied to individuals who had been subject to Section 117 aftercare services provided under the Mental Health Act 1983.

This followed recommendations made by the Finance Sub-Committee and considered by Cabinet at its meeting held on 8 August 2011.

Section 117 of the Mental Health Act 1983 (MHA) placed a duty on health services and councils to provide aftercare services for certain patients previously detained under the MHA because of a mental illness. Until 1999 all councils had charged individuals for those aftercare services; however, that practice was found to be unlawful by the House of Lords in 1999. The Council had followed Local Ombudsman guidance issued in a special report in July 2003 and had taken steps to pay refunds to those individuals who had been incorrectly charged for aftercare services, using a specific reserve set up for that purpose. At 20 July 2011, the balance on that reserve was £533,592.

From a review undertaken of the Council's records, some individuals known to the Council remained entitled to restitution in the sum of £42,310 in total. However, despite

extensive efforts it had not been possible to pay a refund to the estates or to relatives of the 79 other known individuals who had since died, and who would have been entitled to such a refund. An individual (or their estate) who had not already received a refund no longer had a legal right to make a claim as the time limit to do so had expired in 2009.

In line with the recommendations of the Finance Sub-Committee, an initial notice had been published in the Council's Widening Horizons Magazine in November 2011. As a result of this publication, one enquiry had been received, however this was found not to be a valid claim. This position had not changed by the agreed cut-off point of 31st December 2011.

Given the limited response it had been agreed by the Mayor and the Strategic Director for Finance and Resources that further notices be placed in the Newcastle Journal and the Evening Chronicle on 23 January 2012, and that the deadline for claims for reimbursement be extended to 17 February 2012. Despite the publication of these notices, there had been no further claims, or queries in respect of reimbursement received by Adult Social Care.

Cabinet considered the following decision options:

Option 1 - To transfer £491,282 of the £533,592 contained within the Section 117 Reserve, which related to individuals who were deceased, to the Strategic Reserve. The remaining £42,310 would be re-paid to those individuals who were still alive.

Option 2 - To use £491,282 of the £533,592 contained within the Section 117 Reserve, which related to individuals who were deceased, and create a Reserve earmarked specifically for Adult Social Care budget pressures in 2012/13.

Resolved that (1) the progress made by Adult Social Care as detailed in the report, be noted;

(2) £491,282 of the £533,592 contained in the Section 117 Reserve be transferred to the Strategic Reserve, the remaining £42,310 to be repaid to those individuals already identified as entitled to such financial restitution; and

(3) a report be submitted to the Finance Sub-Committee on the progress made and the agreed proposal with regard to the Section 117 Reserve, as outlined in the report.

(Reason for Decision – to ensure that the remaining balance of the Section 117 Reserve is used in line with the Council's Reserves and Balances Policy.)

**CAB191/04/12 Alternative Management of Community Centres
(Previous Minutes CAB164/03/11 and CAB165/03/11) (Howdon and Valley Wards)**

Cabinet considered a report which sought approval for the Council to undertake a procurement exercise in order to appoint providers to undertake alternative management arrangements for Howdon and Shiremoor Community Centres and obtain approval to grant a lease of the properties upon agreed terms to the preferred provider.

There were currently five Council-run Community Centres within North Tyneside. The White Swan Centre, Oxford Centre and John Willie Sams Centre were large, multi-purpose buildings that provided access to a wide range of Council and community services on one site. Howdon and Shiremoor Community Centres were smaller sites, with the major focus on community activities and use by voluntary and community sector organisations.

Community Centre provision had been reviewed in this context. The three large centres still had a key role to play in delivering direct Council services, including libraries and Customer Services. However, it was envisaged that the Community Centres at Shiremoor and Howdon would offer more scope as hubs of community-based and community-developed activities, if managed in an alternative way, e.g. by community organisations.

Both Howdon and Shiremoor Community Centres were valued community facilities. However, in recent years they had seen a need for invigoration and a greater impact on the communities they served. Discussions with users, members and representatives of the community and voluntary sector showed that there was an opportunity for a stronger partnership to develop the centres to meet local community needs, while providing a saving to the Council in relation to running costs.

The Council's tender specification would promote the principle of community involvement in any alternative management arrangements proposed. Tenders would be evaluated against key criteria, including community involvement and engagement in the future operation of the centres. Subject to Cabinet approval, the procurement process would deliver value for money as well as meeting the requirements of relevant procurement legislation and the Council's Contract Standing Orders.

The tender documentation would detail specific objectives on behalf of the Council to maintain Shiremoor and Howdon Community Centres as community facilities, including protection of tenure for existing tenants and community involvement. The respective Ward Members would continue to be regularly briefed on the proposals and would be engaged in the exercise going forward.

Cabinet considered the following decision options: either to agree the recommendations as set out in section 1.2 of the report to proceed with a procurement exercise, or alternatively to disagree with the proposals.

Resolved that (1) the Head of Cultural and Customer Services, in consultation with the Cabinet Member for Leisure, Culture, Tourism and Safer Communities, the Strategic Director of Finance and Resources and the Head of Legal, Governance and Commercial Services, be authorised to:

- (a) undertake the procurement and appointment of service provider(s) to deliver the management of Shiremoor and Howdon Community Centres and involve the community and voluntary sector in developing the procurement process;
 - (b) determine the duration of the contract(s);
 - (c) award contract(s) to the preferred provider(s); and
 - (d) deal with any ancillary matters arising from the above resolutions; and
- (2) the Senior Manager, Strategic Property be authorised to:
- (a) in accordance with the Officer Delegation Scheme, grant leases of the properties on negotiated terms and for a duration commensurate with the term(s) of the service contract(s); and
 - (b) deal with any ancillary matters arising from the above resolution.

(Reason for Decision – While both centres are valued facilities in the community, there is a need for invigoration of the centres and greater partnership working within the community to ensure they make a positive impact on the communities they serve. There is an opportunity for stronger partnership with community and voluntary sector organisations to develop the centres to meet local community needs.

Alternative providers may be eligible to apply for funding the Council is not eligible for and/or to achieve savings such as business rates relief, and therefore could potentially run the centres more efficiently than the Council is able to.

Alternative management of Howdon and Shiremoor Community Centres will realise up to £90,000 of savings in 2012/13, increasing to up to £180,000 in 2013/14 to reflect the full year effect of the transfer, as part of the Council's Change, Efficiency and Improvement Programme. If the centres remain with the Council, these savings would need to be realised in a different way.)

CAB192/04/12 Reinigorating Right to Buy (All Wards)

Cabinet considered a report which detailed key changes to the Right to Buy scheme and sought decisions on aspects of the revised scheme.

In "*Laying the Foundations: A Housing Strategy for England*" (November 2011) the Government announced its intention to increase the caps on Right to Buy discounts to enable more tenants to achieve their ambition for home ownership. The document also set out the Government's commitment to ensure that the receipts on every additional home sold under the Right to Buy were used to fund its replacement, on a one for one basis, with a new home for Affordable Rent.

The Government had announced its planned changes to the Right to Buy scheme, with details of how one for one replacement would work. These changes had taken effect on 2 April 2012. The key changes were as follows:

- An increase in the cap on the level of discount from £0.022m to £0.075m. The existing qualification period of 5 years as a public sector tenant and percentage discounts based upon the length of the tenancy, up to 60% for a house and up to 70% for a flat, remain unchanged.
- For every additional home sold under Right to Buy there was an expectation that it would be replaced by a new home for affordable rent, with receipts from sales recycled towards the cost of replacement.
- Local authorities would be able to retain the receipts for replacement housing provided they signed up to an agreement with Government that they would limit the use of the net Right to Buy receipts to 30% of the cost of the replacement homes.
- Councils would be able to deduct the necessary amount to cover debt from the receipt but would not be required to use this part of the receipt to repay loans.
- Councils would also be able to deduct a certain amount from receipts for the cost of withdrawn applications. Authorities would be able to retain £2,850 in London and £1,300 in the rest of England to cover the costs of administration.
- The Buy Back provisions would be retained and local authorities would be allowed to fund up to 50% of the cost of re-purchasing a former council home and up to a maximum of 6.5% of any additional net receipts (i.e. receipts available to support one for one replacement).
- The 'cost floor' had been extended from 10 years to 15 years; and councils could still apply for exemption from pooling arrangements (and therefore one for one replacement) for Right to Buy receipts from new social homes built after 2008. This would ensure that the costs incurred by the Council in developing a new home would be covered in full by the capital receipt through the cost floor arrangement, and retained locally. Without these changes, the Government

recognised there could be a financial disincentive for local authorities to provide new affordable rented homes in future.

As the Council was already at the debt cap it would be unable to borrow any additional resources and fund this from the future rental income in the short term. The Council would therefore need to find an alternative means of funding the shortfall directly from revenue or other resources, or alternatively would need to support a Registered Provider to do this on the Council's behalf.

There were inherent uncertainties in this area. In addition to the Council's ability to borrow being limited in the short term, it was also not possible to forecast the likely volume of RTB sales and therefore receipts. However options did exist for the Council to build affordable homes directly or through another social housing provider by "topping up" the RTB receipts with other resources. Potential sources of funding included the "Housing Building Fund" created in the 2012-2013 HRA Budget approved by Council from forecast saving between the actual interest rate achieved on the £128m additional debt and the budgeted rate at around £0.651m per annum and from the sale of land held by the HRA.

Where authorities did not wish to enter into such an agreement with Government, the remaining receipt would be returned to the Department for Communities and Local Government, and re-distributed for new affordable rented housing by the Homes and Communities Agency. Therefore, despite current uncertainty, it was proposed that the Council signed up to such an agreement as appropriate once the further detail was known.

The report set out worked examples of one for one replacement and gave details of rent implications of one for one replacements, pooling arrangements, the impact of changes on self-financing and persons sharing in the Right to Buy.

Cabinet considered the following decision options: either to agree the recommendations as set out in section 1.2 of the report, or alternatively to disagree with some or all of the proposals.

Resolved that (1) the changes to the Right To Buy Scheme, as detailed in the Department of Communities and Local Government publication "Reinvigorating Right to Buy and One for One Replacement - Information for Local Authorities", be noted; (2) the current Council policy, limiting the persons sharing in the purchase of a property to (a) those family members who are named on the tenancy agreement or, to (b) those who have lived in the property (as their only or principal home) for at least 12 months immediately prior to the Right to Buy application being made, be retained; (3) the Head of North Tyneside Homes, in consultation with the Cabinet Member for Housing, the Strategic Director of Finance and Resources and the Head of Legal, Governance and Commercial Services, be authorised to:

- (a) Enter into an agreement with the Government, as appropriate, to retain any net receipts from Right to Buy sales that may be used towards the provision of new affordable homes;
- (b) Apply for an exemption from the Department of Communities and Local Government for any new homes developed by the Council to be excluded from the Right to Buy pooling arrangements if they are subsequently sold; and
- (c) take all other appropriate steps or actions necessary or ancillary to implementation of reinvigorating the right to buy and one for one replacement arrangements, as described in the report, in addition to the matters specifically authorised pursuant to the report; and

(4) at least 50% of the “assumed” income from sales be set aside to repay debt and all of the attributable debt per additional sale, to assist in protecting the viability of the Housing Revenue Account Business Plan going forward, as set out in section 1.5.3.5 of the report.

(Reason for Decision – Restricting non qualifying members from joining in purchasing a property under Right to Buy will prevent potential abuse of the scheme and safeguard the Council’s assets.

By signing up to an agreement with the Government to use the Right to Buy receipts the Council would support the Council’s aim of developing new homes and retain a greater level of local decision making and control.

Applying for an exception from pooling receipts would ensure that the costs incurred by the Council in developing a new home would be covered in full by the capital receipt through the cost floor arrangement and retained locally. Without these changes there could be a financial disincentive for local authorities to provide new affordable rented homes in future.

Setting aside at least 50% of the “assumed” income from sales will help to protect the viability of the HRA Business Plan going forward. The balance of the assumed income could be used to “top-up” the 30% contributions for new “affordable” housing.)

CAB193/04/12 Public Service Pay (All Wards)

Cabinet received a report which detailed the options available to implement a payment of £250 to Council employees earning the full time equivalent of £21,000 or below.

The report gave the background to and reasons behind the payment, options for payment and possible implications which could arise. Budget provision had been made for 2012/13.

The payment could be consolidated and incorporated into the hourly rate of pay for the appropriate spinal column points on the pay and grading structures. As an alternative it could be paid as a separate element of pay.

Should the payment be consolidated there would be an impact upon the Council’s pay and grading structure and the job evaluation scheme that underpinned it for those employees on “Green Book” terms and conditions of employment. This would also impact on other pay and grading structures for Youth and Community Workers and Craft Workers. An alternative was to pay the £250 as a stand alone payment as a monthly payment spread over a 12 month period. This ensured that there were minimum risks around equal pay claims being generated by a more permanent change to pay and grading structures outside of national negotiating frameworks.

The payment would have to be paid to all jobs held by an individual rather than a one off payment per individual. It would also have to be paid pro rata to the hours worked per assignment.

The £21,000 threshold would affect full time employees on Spinal Column Point 24 and below on the pay and grading structure for employees on “Green Book” terms and conditions of employment.

There were employees receiving pay protection under the Council's agreed protection arrangements and a decision would have to be made as to whether they would receive the £250 on top of the protected salary, particularly if they were already over the £21,000 threshold. It was suggested that those employees on protection should not receive a further £250 if they were over the £21,000 threshold.

The Employer's Organisation when contacted had confirmed that the £250 was not an obligation on local government and that the national position remained the same which meant that it was up to local determination.

Under the Local Management of Schools a decision to make an additional payment of this nature to school support staff employed under "Green Book" terms and conditions of employment was a matter for each Governing Body. It was proposed that a consultation exercise was carried out with Schools in relation to making this payment to schools based staff.

Cabinet considered the following decision options: either to agree the recommendations as set out in section 1.2 of the report, or alternatively to disagree with some or all of the proposals.

Resolved that (1) £250 be paid to those employees earning £21,000 per annum or less as a stand alone payment, for each employment, paid over a 12 month period with an intended implementation date of 1 June 2012;
(2) the implementation be dependent upon the outcome of a consultation exercise with Schools in relation to school based employees who earn £21,000 per annum or less; and
(3) a further report be brought back to Cabinet on 14 May 2012 following consultation with Schools, in relation to school based employees, detailing the financial implications arising from the proposed implementation date of 1 June 2012 for the General Fund, the Housing Revenue Account and Schools.

(Reason for Decision – the award will enable the integrity of the national pay spines in relation to Green Book employees and Youth and Community Workers to be maintained including the job evaluation scheme that underpins the pay and grading structure that the Council has adopted. This ensures that there are minimum risks around equal pay claims being generated by a more permanent change to the pay and grading structure outside of the national negotiating framework. This will also maintain the pay and grading structure agreed locally for Craft Workers.)

CAB194/04/12 Property Considered Surplus to Council Requirements (Cullercoats, Longbenton, St. Mary's, Tynemouth, Wallsend and Whitley Bay Wards)

Cabinet considered a report that detailed a number of Council owned properties which had been identified for consideration as being surplus to requirements and available for sale. Any capital receipts obtained would contribute towards funding the Council's Capital Plan.

The properties detailed in Appendix 1 of the report were:

1. Cemetery Lodge, Whitley Bay
2. Land at Hudson Street/Beacon Street, North Shields
3. The site of the former Somervyl Court, Longbenton

4. Park House, Park Road, Wallsend
5. 18 Margaret Road, Cullercoats
6. 1-2 Hudleston, Cullercoats

A description of each of the properties was set out in the report.

Cabinet considered the following decision options: either to agree the recommendations as set out in section 1.2 of the report, or alternatively to disagree with some or all of the proposals.

Resolved that (1) the properties detailed in the schedule attached to the report as Appendix 1, be declared surplus to Council requirements and available for sale by an appropriate method of marketing;

(2) the Senior Manager, Strategic Property (Estates and Valuation), in consultation with the Elected Mayor, be authorised to make minor amendments to the boundary of each property detailed in the schedule if necessary, as permissible within the scope of the Council's legal powers and/or as land owner;

(3) the Senior Manager, Strategic Property (Estates and Valuation), in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, be authorised to market each property and to accept the best bid consistent with the planning guidelines, where these are applicable;

(4) the Senior Manager, Strategic Property (Estates and Valuation), in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, be authorised to agree a minimum sale price acceptable to the Council in advance of an auction, where it is considered that this is the most appropriate method of sale for a property;

(5) the Senior Manager, Strategic Property (Estates and Valuation), in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, be authorised to agree the final terms of disposal if it is considered appropriate to sell a property by private treaty, subject to the sale price being considered best value;

(6) the Senior Manager, Strategic Property (Estates and Valuation), in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, be authorised to complete negotiations for the sale of each property in accordance with all relevant legal requirements, the Council's Constitution and Financial Regulations; and

(7) the Senior Manager, Strategic Property (Estates and Valuation) be authorised to deal with all ancillary matters arising that are consistent with the preceding resolutions.

(Reason for decision – this is considered to be the best way to achieve the level of capital receipts required to support the Council's Capital Plan 2012/13, and to deliver housing and business opportunities within the Borough.)

**CAB195/04/12 2012/15 Council Strategic Plan and 2012/13 Budget –
Implementation Plan – Comments of Overview and Scrutiny Committee (All
Wards)**

The Cabinet received a report which set out the comments of the Overview and Scrutiny Committee in relation to the draft Implementation Plan which the Committee had received at its meeting on 2 April 2012.

Cabinet were required to consider the report and comments and provide a response to the Overview and Scrutiny Committee within 2 months of this meeting.

Cabinet were advised that an addendum to the briefing note, which had been circulated to all Members on 26 March, had been issued to Members. The Addendum contained further legal advice from James Goudie QC on a particular aspect of decision-making, following a request from Overview and Scrutiny Committee for clarification of legal advice he had previously given to the Council.

Cabinet considered the comments of Overview and Scrutiny Committee page by page and asked a number of questions which were responded to appropriately.

Resolved that (1) the comments of the Overview and Scrutiny Committee be noted; and (2) a formal response from Cabinet be provided within two months.

(Reason for decision – to comply with Section 122 of the Local Government and Public Involvement in Health Act 2007).

CAB196/04/12 Community Based Trust Update and Trading Options (Previous Minute CAB115/12/11) (All Wards)

Following the agreement of the 2012/13 Budget and Council Plan and further work on the Community Based Trust Final Business Case, Cabinet received a report seeking approval to suspend work on developing a Community Based Trust and further explore the trading options available to the Council.

The report referred to the increased pension costs that would reduce the Change, Efficiency and Improvement programme saving arising from a Trust model and as a result the financial benefits of delivering Cultural and Leisure services via a Community Based Trust were less than those which had originally underpinned Cabinet's decision to create a Trust in December 2011.

The report set out alternative delivery models for Cultural and Leisure services, which could provide opportunities to reduce costs, generate savings, maximise income and / or identify new income streams as well as protecting frontline services. It also outlined the potential to explore trading options available to the Council more generally in respect of the provision of a range of Council activities and/or services, including the following:

- Contract with another public body.
- Council provision of recreational (cultural and leisure) services.
- Creation of a trading company.
- Creation of a community interest company.
- Using the general power of competence under the Localism Act.

The Council currently traded in or charged for a range of goods and services, and there was a range of ways in which the Council could expand the services it currently delivered to generate income, including the following:

- Consultancy services.
- Shared services.
- Additional Grounds and environmental services.
- Increasing the range of services to schools.
- Expanding housing and lettings services.

Cabinet considered the following decision options:

Option 1: To approve recommendation 1, the suspension of work on developing a Community Based Trust; and approve recommendation 2, to authorise the development of options for a trading structure for a range of the Council's activities.

Option 2: To approve recommendation 1, the suspension of work on developing a Community Based Trust; and not to approve recommendation 2, to authorise the development of options for a trading structure for a range of the Council's activities.

Resolved that (1) approval be given to the suspension of work on developing a Community Based Trust; and
(2) the Strategic Director for Community Services, in consultation with the Head of Cultural and Customer Services, the Cabinet Member for Leisure, Culture, Tourism and Safer Communities, the Strategic Director for Finance and Resources and the Head of Legal, Governance and Commercial Services, be authorised to develop options for a trading structure for a range of the Council's activities and services, for Cabinet's future consideration.

(Reason for Decision - Whilst delivery of services through a Community Based Trust would still deliver some financial and non-financial benefits, the rise in pension contribution rates would mean that the majority of the savings identified as part of the Change, Efficiency and Improvement programme would not be available and therefore the Business Case for a Community Based Trust has been substantially weakened.

A range of other trading options exist for the Council. Exploring these options could identify savings and/or income opportunities, as well as (in the case of Cultural and Leisure services) the non-financial benefits associated with the provision of services through a Community Based Trust.)

CAB197/04/12 Cultural and Customer Services Fees and Charges (Previous Minute CAB181/03/12) (All Wards)

Cabinet received a report on options available in relation to setting fees and charges for Cultural and Customer Services as reported to Cabinet on 28 March 2012.

The report outlined the background to the framework within which fees and charges were currently set. This included the use of differential pricing linked to the Ease Card Scheme which had and continued to provide the opportunity to implement discounts, offers and targeted pricing to ensure as far as possible, that all residents of North Tyneside were able to access the cultural services and activities of their choice. The proposals submitted as part of Cabinet's budget for 2012-13 had been put forward within the context of the previously approved framework.

The report set out a table which showed the total estimated additional income under the Consumer Price Index (CPI) based increase for Sport and Leisure and Allotments as outlined in the agreed Budget, and in the Cabinet's original proposals. There were no figures for the Arts Service as there were currently no charges to apply CPI to and the Budget had removed the Cabinet's proposed increase in charges or subsidy reduction for Sports Pitches, Bowling Greens and the Rising Sun Country Park.

The Change, Efficiency and Improvement Programme business plans indicated that £80,000 additional income could be achieved for Sport and Leisure and £16,000 for allotments. The estimated additional income based upon Cabinet's proposals in the sums of £150,529 for sport and leisure and £21,000 for allotments being used to

manage existing service pressure and any potential income shortfalls/reduction in demand as a result of increasing prices. The figures assumed the same level of business and user numbers as in 2011/12 and were based upon a 12 month period. The level of actual income achieved would be dependent upon the agreed implementation date.

A general description of each service area affected was set out in the report, together with Cabinet's original proposals.

Cabinet considered the following decision options:

Option 1 - Agree to the increases in fees and charges as set out in the Council's agreed Budget for 2012/13.

With this option all relevant charges within sports pitches, bowling greens and The Rising Sun Country Park would remain at 2011/12 prices. From a customer perspective this would be a positive decision. Also with this option all Sport and Leisure and The Rising Sun Country Park fees and charges would increase by CPI at 3.5% rounded up and down to the nearest 10p. The twelve month effect of this would be approximately £74,901, the majority of this being generated from the Indoor Sport and Leisure service. The level of actual income achieved would be dependent upon the agreed implementation date. However this option did not address the current high levels of subsidy for the use of sports pitches and bowling greens. In addition this option would not generate any additional income which would help contribute to managing service pressures and any income shortfalls.

Option 2 - Increase fees and charges in line with Cabinet's original proposals.

The budget agreed by Council assumed no additional fees and charges income so any additional income generated from this option could be used to contribute to managing ongoing service pressures and any income shortfalls across the Cultural and Customer Services grouping. The twelve month effect of this was approximately £193,529. The level of actual income achieved would be dependent upon the agreed implementation date. This option addressed the current high levels of subsidy for the use of sports pitches and bowling greens.

Resolved that approval be given to Option 2 set out in the report, ie to increase fees and charges in line with Cabinet's original proposals.

(Reason for Decision - to contribute to managing ongoing service pressures and any income shortfalls across Cultural and Customer Services).

**CAB198/04/12 North Shields Customer First Centre (Previous Minute
CAB181/03/12) (Riverside Ward)**

Further to the Implementation Plan agreed by Cabinet on 28 March 2012, a report was submitted in relation to the proposal within agreed Budget for 2012/13 and the Council Strategic Plan for 2012/15 to defer the North Shields Customer First Centre project for 12 months.

The report outlined the implications associated with the deferral of this project and the extended use of the temporary arrangements for the relocation of the library, customer services and housing advice team, costs and implications for customers.

In the first two full months of operation (January and February 2012), usage statistics showed that there were approximately half the amount of visitors to the relocated library at the former North Shields Business Centre and half the number of items issued compared to January and February 2011.

Accommodation at 105 Howard Street was being used for Customer Services and the housing advice team, and was substantially smaller than Unicorn House and the planned re-development within the library building. There were therefore fewer informal and formal interview spaces and a smaller waiting area.

This was having the following impacts:

- Customers were waiting longer to be served;
- The potential for increased aggressive behaviour due to lack of space and fewer safety features for staff;
- Fewer options to continue with partnership working, both internally and with other organisations such as Citizens Advice Bureau;
- Customer Services was unable to continue with the joint project with the Revenues and Benefits team involving assessing benefit applications at the frontline;
- The Housing Advice team were having to utilise interview facilities at other customer service centres within the borough which had cost and time implications for staff travelling between sites;
- Customers who needed to seek advice from the Housing Advice team may need to travel to alternative sites; and
- Potential health and safety issues for staff arising from the use of small and cramped interview facilities. This would give rise to ongoing concerns for staff health and safety because of the poor security arrangements and difficulties in securing compliance with Display Screen Equipment legislation.

The report identified the following implications as a result of the delay in agreeing the development of the existing North Shields Library site, or finding a suitable alternative:

- Unable to support the Council's commitment to provision of a Customer First Centre within each area of the Borough;
- Potential negative impact on the regeneration of the North Shields Town Centre;
- A continued lack of community space and limited options for partnership working;
- The Library and Customer Services would not be able to develop services as planned due to a lack of space and facilities, therefore would not be able to meet the objectives for continued development and delivering excellent customer service;
- Additional costs based on the need to upgrade elements of work at Howard Street based on the issues raised in the report linked to health and safety issues;
- Extra running costs associated with two buildings, no efficiency savings regarding using one building or carbon reduction associated with enhanced design;
- Unable to deliver planned efficiencies in existing premises costs and building management savings;

- Two buildings, North Shields Business Centre and 105 Howard Street, were taken out of the commercial property portfolio business support provision in an area of economic need;
- Potential loss of rental yield associated with the two properties;
- Detrimental impact on Baronsgate proposals for redevelopment of Beacon Centre via the loss of a robust anchor tenant; and
- General loss in business confidence.

Any delay in an alternative and improved site being completed would have a direct impact on customers in that the Library Service in North Shields would be much more limited than previously. There was a concern that the longer the Library was in temporary accommodation, the more likely it was that a proportion of customers would not return. This would also impact on income for the service, as North Shields Library had the biggest collection of DVDs and CDs for hire in the borough.

It was anticipated that changes arising from the Welfare Reform Act 2012 may lead to an increase in the number of customers seeking advice in relation to Benefits and Housing. The need to increase rent collections from a higher percentage of current tenants could also have a significant impact on the increase of customers accessing the frontline service. This would further exacerbate the current shortage of space.

The inability to continue with the scheme to assess benefit applications at the frontline would have a detrimental effect on the provision of services to customers and on the Council's commitment to 'get it right first time' and deal with issues at the 'first point of contact'.

Although the current facilities were adequate in the short term, the Council's Health and Safety team had outlined that use of the premises for longer than six months may require additional spend, to address ongoing concerns for staff health and safety because of the poor security arrangements and difficulties complying with Display Screen Equipment legislation, which would increase the cost of the overall project.

Utilising 105 Howard House and the Business Centre as separate facilities longer term would permanently split the various Customer Service functions over separate buildings, negating the objective of a Customer First Centre and the principles set out in both the 2007 Customer Service Centres Delivery Plan and subsequent 2011-15 Customer First programme.

The report indicated that a number of alternative methods for financing this project may be available to the Council, and that Cabinet may wish to consider requesting officers to explore funding options that did not require Council borrowing in 2012/13.

Cabinet considered the following decision options:

Option 1 - To take no action in relation to the proposal set out in the Strategic Plan and Budget for 2012/13 to defer the proposed redevelopment of the North Shields Library site for 12 months.

Option 2 - To consider the implications of deferring the decision to proceed with the North Shields Customer First Centre as outlined in Sections 1.5.2, 1.5.3, 1.5.6 and 1.5.7 of the report and determine what action, if any, they may wish to take in order to mitigate these, in accordance with the recommendations listed.

Resolved that (1) the Head of Cultural and Customer Services, in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services, the Elected Mayor and the Cabinet Member for Finance, be authorised to explore alternative funding options for the North Shields Customer First Centre project;

(2) in the event that such alternative funding is identified, without the need for borrowing by the Council in 2012/13, the Head of Cultural and Customer Services, in consultation with the Strategic Director for Finance and Resources, the Head of Legal, Governance and Commercial Services, the Elected Mayor and the Cabinet Member for Finance, be authorised to implement the North Shields Customer First Centre project in accordance with the scheme described in the report to Council dated 24 November 2011 (as cross referred to the Customer Services Centres Delivery Plan approved by Cabinet in November 2007 and the Customer First Strategy agreed by Cabinet in December 2010), and in this report; and

(3) in the event that such alternative funding is not available, the matter be referred to Council for further consideration of Cabinet's request for authority for the Council to undertake prudential borrowing, in accordance with the report to Council of 24 November 2011 referred to above.

(Reason for Decision – as set out in sections 1.5.2, 1.5.3, 1.5.6 and 1.5.7 of the report).

CAB199/04/12 Committee Teas (Previous Minute CAB181/03/12) (All Wards)

Cabinet received a report which outlined proposals for the level of provision of refreshments for meetings of the Cabinet, Council and its committees/sub-committees in the light of the reduction in the budget for 'committee teas' from £27,000 to £10,000 per year.

It was proposed that refreshments be provided in future to the formal meetings of the Cabinet, Council and its committees/sub committees as set out in Appendix 1 to the report.

The proposals set out in the report were based on the current commencement times of meetings. To date Committee teas (comprising a sandwich service with soup, cake, fruit and beverages for committees and sub committees and a varied hot buffet service with cake, fruit and beverages for full Council meetings) had been provided for all meetings commencing at 6.00pm or later, with beverages only provided for meetings commencing during the daytime.

Cabinet considered the following decision options:

Option 1 - The provision of a varied hot buffet service with beverages for full council meetings only, similar to that provided in recent months. However, if this option was to be approved there would be insufficient funding to provide either food or beverages for any of the other meetings within the reduced budget.

Option 2 - A sandwich service with soup, cake, fruit and beverages could be provided for full council meetings; a sandwich service with beverages for evening Cabinet, committee/sub committee meetings; and beverages only for day time meetings.

The proposed refreshment provision maintained refreshments for all formal evening meetings and beverages for all formal daytime meetings.

The proposals were in keeping with the experience in many other local authorities which had reduced expenditure on the provision of refreshments for committee meetings in recent years.

Resolved that option 2 outlined in section 1.6 of the report be approved in relation to the provision of food and beverages for formal meetings of the Cabinet, Council and its committees/sub-committees.

(Reason for decision - Option 2 allows for the provision of refreshments at all formal meetings of the Cabinet, Council and its committees/sub committees, but still achieving the required budget reduction).

CAB200/04/12 2012/15 Council Strategic Plan and 2012/13 Budget – Implementation Plan (Previous Minute CAB181/03/12) (All Wards)

Cabinet received a progress report on the delivery of items in the Budget 2012/13 and Council Strategic Plan 2012/15 - Implementation Plan. The Implementation Plan, attached at Appendix 1 to the report, listed a number of proposals contained within the agreed Budget 2012/13 and Council Strategic Plan 2012/15.

This Plan identified where decisions were to be taken at this and subsequent Cabinet meetings and there were separate reports earlier in this agenda that dealt with some of those items. The Implementation Plan, if approved, would need to be amended in the light of decisions taken by Cabinet on those reports. The revised Plan would then be referred to the Overview and Scrutiny Committee for its consideration and the Committee's comments submitted back to Cabinet.

Cabinet considered the following decision options:

Option 1: Cabinet agree the revised Implementation Plan and agree that it be further updated in the light of decisions taken at this meeting.

Option 2: Cabinet does not agree the revised actions in the Implementation Plan.

Resolved that (1) approval be given to the revised Implementation Plan; and (2) the Chief Executive, in consultation with the Elected Mayor, be authorised to update the Implementation Plan to reflect the decisions in relation to the Plan taken earlier at this meeting.

(Reason for decision - to enable relevant work on the Implementation Plan to be taken forward in accordance with the timescales identified in the Plan).

CAB201/04/12 Date and Time of Next Meeting

6.00 pm on Monday 14 May 2012.

Minutes published on Thursday 19 April 2012.

The effective date for implementation of decisions contained within these Minutes (unless called in by 3 Non-Executive Members for consideration by the Overview and Scrutiny Committee) is 27 April 2012.