

Cabinet

13 August 2012

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

In Attendance: L Gardiner (VODA)
C Reed (NHS North of Tyne)
D Rose (Business Sector)

CAB49/08/12 Apologies

Apologies were received from J Hope (Young Mayor) and D Titterton (Voluntary and Community Sector).

CAB50/08/12 Declarations of Interest

The following declaration of interest was made:

Minute CAB73/08/12 – Change, Efficiency and Improvement Programme, Business and Technical Packages Procurement: Mr J Ritchie, Head of Finance declared a personal interest as his post was directly affected by the proposals.

CAB51/08//12 Minutes

Resolved that the Minutes of the meeting held on 9 July 2012 and the Extraordinary meeting held on 2 August be confirmed.

CAB52/08/12 Change, Improvement and Efficiency Programme – Business and Technical Packages Procurement – Overview and Scrutiny Recommendations

The Mayor explained that as this item would require the appropriate Exclusion Resolution, it would be considered at the end of the meeting.

CAB53/08/12 Reports from Scrutiny Committees

There were no further reports submitted by the Overview and Scrutiny Committee.

CAB54/08/12 Traffic Regulation Order – Proposed Residential 20 mph Zone –Briardene Area, Whitley Bay (St. Mary’s Ward)

Cabinet considered a report detailing objections received to a proposed 20mph speed limit zone on residential streets in the Briardene Area, Whitley Bay, bounded by the area of Claremont Road and The Links.

The Council was in the final year of a five-year programme to introduce 20mph zones in residential areas and outside schools in the borough. 20mph zones were an integral part of the Council’s Road Safety Strategy approved by Cabinet on 11 January 2010 (Minute CAB103/01/10 refers) along with a range of road safety measures including education, enforcement and infrastructure works.

The Highways Act 1980 required that all schemes involving a change in speed limit must be advertised on site and in the local press. This would enable members of the public to object to the proposal. Any objectors were first sent a detailed response and invited to reconsider their objection. Any objections not withdrawn were referred to Cabinet for its consideration.

Four objections had been received, with one being subsequently withdrawn.

Officers had responded to each objector and explained that as part of North Tyneside Council's policy on the reduction of accidents and speeding, a programme of 20mph zones in residential areas was being implemented in line with national best practice. The policy to introduce 20mph zones in residential areas was part of a proactive approach to keep the numbers of accidents low. Following discussions with local ward councillors it had been agreed to review the number of streets within the proposed 20 mph zone to see if there was a way to reduce the number of road signs. These changes had reduced the number of signs and therefore reduced the cost of the overall scheme.

The full text of the objections and officer responses to them were included in Appendix 1 of 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 the proposals.

Resolved that (1) the objections be set aside in the interests of road safety; and (2) the Traffic Regulation Order - 20mph Speed Limit Zone on Residential Streets in the Brierdene Area, Whitley Bay, as shown on the plan attached as Appendix 3 to the report, be approved.

(Reason for Decision – The 20mph speed limit zone is needed in the interests of road safety recognising that the proposals are part of the Council's adopted Road Safety Strategy.)

CAB55/08/12 Traffic Regulation Order – Proposed Residential 20mph Zone – Red House Farm Area, Whitley Bay (St. Mary's Ward)

Cabinet considered a report detailing objections received to a proposed 20mph speed limit zone on residential streets in the Red House Farm Area, Whitley Bay, on residential streets that adjoined Beaumont Drive and Red House Drive.

The Council was in the final year of a five-year programme to introduce 20mph zones in residential areas and outside schools in the borough. 20mph zones were an integral part of the Council's Road Safety Strategy approved by Cabinet on 11 January 2010 (Minute CAB103/01/10 refers) along with a range of road safety measures including education, enforcement and infrastructure works.

The Highways Act 1980 required that all schemes involving a change in speed limit must be advertised on site and in the local press. This would enable members of the public to object to the proposal. Any objectors were first sent a detailed response and invited to reconsider their objection. Any objections not withdrawn were referred to Cabinet for its consideration.

Five objections had been received, with one being subsequently withdrawn.

Officers had responded to each objector and explained that as part of North Tyneside Council's policy on the reduction of accidents and speeding, a programme of 20mph zones in residential areas was being implemented in line with national best practice. The policy to introduce 20mph zones in residential areas was part of a proactive approach to keep the numbers of accidents low. Following discussions with local ward councillors it had been agreed to review the number of streets within the proposed 20 mph zone to see if there was a way to reduce the number of road signs. These changes had reduced the number of signs and therefore reduced the cost of the overall scheme.

The full text of the objections and officer responses to them were included in Appendix 1 of 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 the proposals.

Resolved that (1) the objections be set aside in the interests of road safety; and (2) the Traffic Regulation Order - 20mph Speed Limit Zone on Residential Streets in the Red House Farm Area, Whitley Bay, as shown on the plan attached as Appendix 3 to the report, be approved.

(Reason for Decision – The 20mph speed limit zone is needed in the interests of road safety recognising that the proposals are part of the Council's adopted Road Safety Strategy.)

CAB56/08/12 Traffic Regulation Order – Proposed Residential 20mph Zone – Whitley Lodge Area, Whitley Bay (St. Mary's Ward)

Cabinet considered a report detailing objections received to a proposed 20mph speed limit zone on residential streets in the Whitley Lodge Area, Whitley Bay, bounded by the area of Claremont Road and Monkseaton Drive.

The Council was in the final year of a five-year programme to introduce 20mph zones in residential areas and outside schools in the borough. 20mph zones were an integral part of the Council's Road Safety Strategy approved by Cabinet on 11 January 2010 (Minute CAB103/01/10 refers) along with a range of road safety measures including education, enforcement and infrastructure works.

The Highways Act 1980 required that all schemes involving a change in speed limit must be advertised on site and in the local press. This would enable members of the public to object to the proposal. Any objectors were first sent a detailed response and invited to reconsider their objection. Any objections not withdrawn were referred to Cabinet for its consideration.

Six objections had been received, with one being subsequently withdrawn.

Officers had responded to each objector and explained that as part of North Tyneside Council's policy on the reduction of accidents and speeding, a programme of 20mph zones in residential areas was being implemented in line with national best practice. The policy to introduce 20mph zones in residential areas was part of a proactive approach to keep the numbers of accidents low. Following discussions with local ward councillors it had been agreed to review the number of streets within the proposed 20 mph zone to see if there was a way to reduce the number of road signs. The inclusion of Woodburn Drive within the zone had reduced the number of signs and therefore reduced the cost of the overall scheme.

The full text of the objections and officer responses to them were included in Appendix 1 of 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 the proposals.

Resolved that (1) the objections be set aside in the interests of road safety; and (2) the Traffic Regulation Order - 20mph Speed Limit Zone on Residential Streets in the Whitley Lodge Area, Whitley Bay, as shown on the plan attached as Appendix 3 to the report, be approved.

(Reason for Decision – The 20mph speed limit zone is needed in the interests of road safety recognising that the proposals are part of the Council’s adopted Road Safety Strategy.)

CAB57/08/12 Traffic Regulation Order – Proposed New Waiting Restriction, Percy Park Road, Tynemouth (Tynemouth Ward)

Cabinet considered a report detailing objections received to the proposed introduction of a limited waiting restriction within a section of parking bays on Percy Park Road, Tynemouth, outside Priory School.

In response to a request from the Tynemouth Business Forum the Council had carried out inspections of the parking bays on Percy Park Road outside Priory School and outside the shops opposite. The inspections had confirmed that usage during the day was predominantly long-stay parking, much of which appeared to be associated with the adjacent school. Following discussions with the Ward Members, the Council had carried out a consultation with the adjacent Businesses and residents regarding the proposed introduction of a limited waiting restriction within the bays during weekdays. Nine Businesses, the adjacent School and 2 residents had been consulted. 5 Businesses had responded in favour of the proposal; 2 businesses, 1 resident and the School had responded against the proposal. The results had been discussed with the Ward Members who had confirmed that they wished to proceed with the proposal as it would maximise use of the space during the week by encouraging a high turnover of parking.

Parking proposals were subject to statutory legal process under the Road Traffic Regulation Act 1984 and associated regulations. Schemes must be advertised on site and in the local press. This enabled members of the public to object to the proposal. Any objectors were first sent a detailed response and invited to reconsider their objection. Any objections not withdrawn were referred to Cabinet for its consideration.

In November 2011 a statutory Notice of Intention had been advertised relating to the proposed introduction of a restriction on the length of stay of 2 hours with no return within 2 hours on Monday to Friday between 8.00am and 6.00pm in the bays highlighted on the plan in Appendix 3.

Two objections had been received in response to the statutory Notice of Intention. Both objectors had responded against the proposal in the initial consultation.

In response to the first objection, Council officers had confirmed that scratchcard vouchers were available to businesses that they could distribute to customers. The scratchcards enabled parking for up to 3 hours and were not restricted to any specific zone so could be used in either Permit Zone TM1 or TM2. Inspections of the street included in these Permit Zones confirmed that there was a significant amount of available parking during weekdays. A further scratchcard option was also available to businesses that would enable the driver to park for up to 4 hours in the adjacent pay and display bays on Front Street.

The suggested 3 hour limit had been discussed with the Ward Members. However they felt that the 2 hour limit offered more benefits for the majority of businesses in this area. They also felt that the existing scratchcard options were adequate to accommodate the relatively small number of customers who needed to park for longer than the 2 hours offered in the bays.

In response to the second objection, Council officers had explained that the proposal only applied to daytime hours on Monday – Friday. The TM1 permit(s) could be utilised in any of the streets within this zone. The suggested permit exemption had been discussed with the Ward Members. However they felt that this may result in a number of the spaces being taken up by TM1 permit holders for the majority of the day. This would reduce the benefits offered by the proposal.

The full text of the objections and officer responses to them were included in Appendix 1 to 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 the proposals.

Resolved that (1) the objections be set aside in the interests of improved parking management within the area; and
(2) the Traffic Regulation Order – New Waiting Restriction, Percy Park Road, Tynemouth, as shown on the plan attached as Appendix 3 to the report, be approved.

(Reason for Decision – The New Waiting Restriction will maximise use of the space during weekdays by encouraging a high turnover of parking which will support the vitality and viability of the area.)

CAB58/08/12 North Tyneside Corporate Performance Report 2012/13 – Quarter 1 All Wards)

Cabinet received a report detailing the revised performance reporting framework and progress made in delivering the Council's plans for 2012/13. The report represented a different approach to performance management and aimed to capture progress against the Sustainable Community Strategy, the Council Plan and the agreed Budget.

The proposed performance reporting framework comprised:

- A quarterly progress report from the Senior Leadership Team which set out achievements against the Council's ambitions and a traffic light summary of the priorities contained in the Sustainable Community Strategy. The report for Quarter 1 was attached at Appendix 1 of the report;
- Detailed performance summaries relating to each priority, which set out progress against plans for the year, key performance indicators, relevant background

information, and signposts on how to obtain further detail. These summaries were currently being refined and would be published over the coming weeks;

- A refreshed council 'Data Store' which contained the latest directorate strategies, improvement plans, service plans and statistical information.

The revised framework gave a more comprehensive and transparent approach to reporting the achievements of the Council and the challenges being addressed.

In Quarter 1 of 2012/13 key achievements under each of the Strategic Partnership themes included:

- 1,000 new jobs announced by engineering firm Offshore Group.
- The Tyne and Wear Homes online Choice Based Lettings Scheme had gone live.
- Killingworth Children's Centre and George Stephenson High School judged "Outstanding" by Ofsted.
- Every beach in North Tyneside awarded a Blue Flag.

Further achievements under the headings Regeneration (Economic Growth), Quality of Life, Best Start in Life and 21st Century Council were outlined in the Senior Leadership's Team Quarter 1 Progress Report (Appendix 1).

Detailed assessments of progress against key priorities were produced separately and would be available on the internet before the end of September.

Resolved that the revised approach to reporting progress and the performance key achievements over the first quarter of the year against the Council's plans for 2012/13, be noted.

CAB59/08/12 North Tyneside Strategic Partnership – Exception Report Quarter 1 (April – June 2012) (All Wards)

Cabinet received a report which identified any performance issues in relation to the delivery of the objectives outlined in the North Tyneside Sustainable Community Strategy (SCS) 2010-13.

The refreshed SCS 2010-13, agreed by Cabinet on 14 June 2010 (Minute CAB08/06/10 refers) and subsequently approved by Council, set out a long-term vision for the Borough to 2030 and a strategy for the period 2010-13. Four priorities, all with equal weighting, had been identified as the focus of this Sustainable Community Strategy and would move the Council closer to achieving this vision. These were Regeneration; Quality of life; Best start in life; and Sense of place.

A total of 84 high level measures had initially been identified to monitor progress against the priorities and aims within the SCS 2010-13. These included a mix of national and local measures, as well as the measures which were contained within the Local Area Agreement 2008-11.

After the Government had announced the abolishment of the National Indicator Set at the beginning of October 2010, a review of the original 84 measures had been carried out to ascertain which ones were still available for reporting. Of the original set of measures 63 were still being collected. However, of these, 16 had either had a change of definition or a change in the methodology.

Of the total performance measures, 7 could be reported at the end of quarter one.

The following two performance measures had not achieved their Quarter 1 target:

NI016: Serious acquisitive crime rate (%). Quarter 1 target was 1.09% and 1.23% had been achieved.

NI065: Children becoming the subject of a child protection order for a second or subsequent time (%). Quarter 1 target was 10% and 23.6% had been achieved.

In each case comments and proposed actions were set out in the report.

The full list of performance measures was contained within Annex 1 of the report.

Cabinet considered the following decision option: to note progress as at the end of quarter one 2012/13 on delivery of the Sustainable Community Strategy 2010-13.

Resolved that (1) the North Tyneside Strategic Partnership Exception Report, Quarter 1 (April – June 2012), attached as Annex 1 to the report, be noted; and (2) the proposed actions to bring back on track those targets which are the Council's direct responsibility, outlined in the report, be approved and officers be authorised to work with partners to jointly deliver partnership targets.

(Reason for Decision - As the Accountable Body for the Sustainable Community Strategy 2010-13 the Council has a responsibility to ensure adequate governance arrangements are in place to manage performance and resources to deliver the agreed targets. Cabinet must therefore receive monitoring information on a regular basis and be assured that progress is being made to achieve the required outturn within available resources.)

CAB60/07/12 North Tyneside Strategic Partnership Update (All Wards)

Lisa Gardiner gave a presentation on the work undertaken by the North Tyneside Strategic Partnership Executive on welfare reform, which linked to the Quality of Life theme of the Sustainable Community Strategy. This had included a presentation on implications of the reforms by the Council's Revenues and Benefits Team. The main elements of the Welfare Reform Act were:

- Universal Credit
- Personal Independence Payment
- Housing Benefit changes
- Council Tax Benefit Scheme changes

The Executive had considered the impact of the proposed welfare reforms in North Tyneside, including:

- Impact on the delivery of the Quality of Life Theme
- Gaps in Proposed Action Plan
- Actions to develop Apprenticeships
- How the most vulnerable residents would continue to be supported

Actions agreed were:

- Development of a Pathway
- Consider required resources to support the Pathway
- Consider how to incentivise employers

- Joined up Communications
- Strategic buy-in from key partners

Work would continue on the issue.

The Mayor thanked Lisa for her presentation.

CAB61/08/12 School Term and Holiday Dates 2013/14 (All Wards)

Cabinet considered a report detailing the proposed school term and holiday dates for 2013/14, as set out in Appendix 1 to the report.

Not all authorities in the region had yet confirmed their term dates for 2013/14. However the proposed calendar was in line with published dates in Newcastle and Northumberland, and matched current proposals in other Tyne and Wear authorities.

In 2008 a short questionnaire had been circulated to 280 parent governors in North Tyneside requesting views on the preferred maximum and minimum length of term, and about the factors which were most important to parents. This exercise had been undertaken following discussion of the 2008/09 dates at Cabinet in August 2007, where members queried the 7-week summer break. Cabinet had resolved that parental views should be sought regarding the length of breaks within the school year.

The responses to the survey undertaken did not indicate high demand for changes to the recognised pattern of term dates. However they did provide a useful indication of the factors that parents consider important. The key messages were that most parents would like no holiday to be longer than 6 weeks, no period of term time to be longer than 7 weeks, and that school holidays should take account of bank holidays, particularly those around Christmas and Easter.

Consultation with headteacher representatives and professional associations indicated that a major consideration for schools and school staff was consistency with neighbouring authorities. The preferred calendar tended to be similar to the Local Government Association (LGA) recommended model, except where the LGA version recommended a split week. It was the policy of some neighbouring authorities never to split a week, as this could result in reduced attendance. Consultation with headteacher representatives in North Tyneside had supported the approach of avoiding split weeks.

The proposed 2013/14 School Term and Holiday dates for North Tyneside schools were consistent with the LGA calendar, but adjusted to avoid any split weeks. In 2013/14, it was likely that all neighbouring authorities would use a consistent pattern of term dates. In November 2011, a number of services across the Council had participated in "1 Million Takeover Day". This annual event aimed to give children and young people the opportunity to work with adults for the day and get involved in decision making. An alternative term dates calendar had been created by two primary-age members of the Children's Council, and it had been agreed that this would be presented to Cabinet as an additional option. The children's alternative calendar was set out at Appendix 2 of the report. The contribution of Children's Council members to the term dates process had been extremely valuable.

Cabinet considered the following decision options:

Option 1 – approve the calendar detailed at Appendix 1. This would meet parent governor preferences with regard to no holiday being longer than 6 weeks.

The preference for holidays to take account of the Christmas and Easter bank holidays would also be achieved.

The calendar would not meet the preference for terms to be of equal length or each period of term time being no longer than 7 weeks. The proposed calendar gave 193 term days, of which 3 would be taken as teacher training days to be set at the discretion of the school. Two further training days would be taken from holidays or as twilight sessions, to fulfil the requirement for 190 pupil days and 5 training days.

Option 2 – approve the children’s alternative calendar. The children had taken account of the 190 required pupil days, the pattern of bank holidays, and use of schools as polling stations. Because schools used as polling stations would need to take one training day from term time, the children had ensured that 191 days were included in the calendar.

The children’s calendar had schools returning on 22 August 2013 after a four and a half weeks summer break. This would be agreeable to parents who considered the 6-week summer holiday was too long. However it would put the authority out of step with neighbours and could be disruptive to families whose members worked or learned in different boroughs. An August return could also cause problems for families who had already made holiday plans for August 2013. Also, GCSE and ‘A’ Level results were normally returned to schools in late August, and schools would have to manage ‘results day’ at the same time as the start of a new school year.

The children’s calendar also included a three week break at Christmas and a two and a half week break at Easter, and had an eight week period of term time in the second half of the Autumn term.

Option 3 – consider reducing the length of the long Autumn term in the recommended calendar. There were a number of options for reducing this, but each of these would involve significant revisions to the rest of the calendar, and would put the authority out of step with neighbours and would present difficulties in relation to training days and on schools used as polling stations.

Resolved that the school term and holiday dates for 2013/14, as set out in Appendix 1 to the report, be approved.

(Reason for Decision – the calendar includes many of the factors that parent governors see as important. It matches the pattern in surrounding authorities, and is likely to be the most acceptable to schools and families.)

CAB62/08/12 Trust Schools Admittance to the Tyne and Wear Local Government Pension Scheme (Previous Minute CAB35/07/12) (All Wards)

Cabinet considered a report detailing the arrangements for managing the protection of pensions for school-based support staff in schools that decided to change their category from Community School to Trust School (Foundation School with a Foundation) and, in doing so, acquire the North Tyneside Learning Trust as their Foundation.

At its meeting on 9 November 2009, Cabinet had approved Council membership of the school-led North Tyneside Learning Trust (Minute CAB 72/11/09 refers). The Trust provided a sustainable framework for long-term partnership between schools, employers, universities, further education providers and North Tyneside Council.

Cabinet had, at its meeting on 12 July 2010, approved support staff membership of the Tyne and Wear Local Government Pension Scheme (TW LGPS) for those schools acquiring the North Tyneside Learning Trust and changing their category from

community school to Foundation School with a Foundation (the Learning Trust) (Minute CAB27/07/10 refers).

At its meetings on 11 July 2011 and 9 July 2012, Cabinet had approved arrangements for a total of five further schools.

A further six schools: Burnside Business and Enterprise College, Marden Bridge Middle School, Monkseaton Middle School, Wellfield Middle School, Monkhouse Primary School and Westmoor Primary School now wished to join the Trust. Subject to the final consultation, each school had an implementation date of 1 October 2012.

If the governors of a school decided to change category to become a Trust school, the school, through its governing body, became the legal employer of all the school's teaching and support staff. Those staff were therefore no longer employees of the Council and would transfer to the employment of the governing body of the Trust school. This transfer was effected through a TUPE-like (Transfer of Undertakings – Protection of Employment) transfer. Whilst this form of transfer did not have the same requirements as a TUPE transfer, the Council and its community schools had consulted, including with unions and professional associations, as if it did have.

One of the consequences of a governing body decision to become a Trust school was in relation to support staff membership of the Local Government Pension Scheme (“the Scheme”).

A person may still be eligible, after transfer of their employment to a new employer, to be an active member of the Scheme if she/he was an employee of the governing body of a Voluntary School; a Foundation School; a Foundation Special School; any Technical School or other similar institute which was being assisted by a Local Education Authority. As these bodies were not Scheme Employers (previously referred to as a Scheduled Body), any membership had to be by virtue of Regulation 8 of the Local Government Pension Scheme (Administration) Regulations 2008.

The first step in the process was to confirm to the Pension Fund that the body was a Foundation School. This could be done by way of simply referring to the relevant legislation. For a person to be eligible for the Scheme, the Council must designate him/her, or the class of employees to which he/she belonged, as being eligible for membership to the Scheme.

The Council must also have the consent of the governing bodies of the schools as the Employer, to allow the Council to designate. This could be effected by individual governing bodies of the relevant schools writing to the Council to confirm this. The process under those Regulations did not require an Admission Agreement to be entered into.

In the light of the number of schools determining to join the Learning Trust, it was proposed that delegated authority arrangements be approved to grant future designations under the above Regulations.

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 Strategic Director of Children, Young People and Learning be authorised to designate, pursuant to Regulation 8 of the Local Government Pension Scheme (Administration) Regulations 2008, those schools-based support employees whose employment will transfer to the governing bodies of the schools participating in the North Tyneside Learning Trust detailed in the main body of this report, as being eligible for membership of the Tyne and Wear Local Government Pension Scheme; and

(2) delegated authority be given to the Strategic Director of Children, Young People and Learning, in consultation with the Cabinet Members for Children, Young People and Learning and Finance, to authorise future designations as necessary, pursuant to Regulation 8 of the Local Government Pension Scheme (Administration) Regulations 2008.

(Reason for Decision – to ensure school support staff of the named schools retain their right to be members of the Tyne and Wear Local Government Pension Scheme.)

CAB63/08/12 Weekly Collection Support Scheme (All Wards)

Cabinet received a report regarding submission of a Final Bid to the Department of Communities and Local Government with regard to the award of grants from the Weekly Collection Support Scheme and gave details of the bidding process and timetable.

The Chair of Council had agreed to this item not being subject to call-in as the deadline for bid submission to the Department of Communities and Local Government (DCLG) was 17 August 2012 and therefore within the call-in period for decisions made at this meeting. Failure to meet the deadline would mean that the bid would not be considered in the bid evaluation and funding allocation process. The Council would not therefore receive the funding to continue to support the weekly collection of residual waste, improve its waste collection infrastructure or funding to improve its waste minimisation and recycling activities.

The Weekly Collection Support Scheme was a three year fund from 2012/13 to 2014/15 but with a single round of bidding. The spend profile was up to £250m over three years: £50m in year one, and £100m in each of years two and three. At the outline bid stage the scheme was 100% oversubscribed by value.

The Weekly Collection Support Scheme was a challenge fund administered by the DCLG with the aim of supporting local authorities to:

- Introduce, retain or reinstate a weekly collection of residual household waste. In addition, these collections must be supplemented by a separate recyclables collection at least once a fortnight; or
- Propose improvements to an existing waste service which was already centred around a weekly residual collection, for example by improving environmental performance, increasing the affordability or sustainability of that service; or
- Add a weekly food waste (or organic waste) service to an existing fortnightly collection of residual household waste, where an authority could credibly demonstrate that this represented the preference of local people.

The Government was particularly keen to promote new technologies, the use of incentives schemes and promote better procurement and joint working. The more comprehensive a collection service was, the more likely it was to score well against the assessment criteria.

The scheme would only award funding over the three years to local authorities that committed to weekly collections for a minimum of five years from 2012/13. Local Authorities that successfully bid for funding would be offered a Section 31 (Local Government Act 2003) grant payment that they could use for either revenue or capital expenditure.

The Council's final bid to be submitted to the Weekly Collection Support Scheme was for up to £3.4 million of additional funding. The bid was for a four pronged approach to sustaining a weekly refuse collection service and improving recycling in the Borough, and was based upon receiving the full amount of funding. The four strands were: Retaining weekly collections – 'bridging the gap'; Harmonising weekly collections across the Borough; Delivering an incentives and awareness campaign; and Increasing the number of recycling 'on the go' bins across the Borough and buying a specialist vehicle.

The outcome of the bidding process was expected to be announced in October 2012. If successful a further report would be brought to Cabinet for the acceptance and allocation of funds.

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.

The Mayor thanked officers for their efforts in preparing the bid.

Resolved that delegated authority be granted to the Head of Environmental Services, in consultation with the Cabinet Member for Transport and the Environment and the Strategic Director of Finance and Resources, to prepare and submit a final bid to the Weekly Collection Support Scheme.

(Reason for Decision – it is a requirement of the bidding process to submit a final bid to the Weekly Collection Support Scheme.)

**CAB64/08/12 Northumberland Park – Heritage Lottery Fund Outcome
(Previous Minute CAB61/09/10) (Chirton, Preston, Riverside and Tynemouth
Wards)**

Cabinet received a report which requested approval to accept the offer of grant funding from the Heritage Lottery Fund in support of the regeneration of Northumberland Park, North Shields, subject to the Fund's grant conditions, which were detailed in the report.

The Council's Green Space Strategy had identified the Park as requiring some investment to improve its appearance. The Excellent Parks project was seeking to deliver outcomes for North Tyneside as set out in "Healthy Parks, Healthy People, Healthy Communities", the Parks Strategy for North Tyneside.

On 13 September 2010 Cabinet had approved the submission of a Stage 1 application to Heritage Lottery Fund for Northumberland Park. The application had been successful and the Council had been invited to develop a Stage 2 submission to Heritage Lottery Fund which was made on 28 February 2012. The bid included a full design report, conservation management plan, a 10-year management and maintenance plan, an activity plan and a project cost plans, which had been developed following an extensive programme of community engagement, as detailed in Appendix 1 of the report.

The aims of the Northumberland Park Master Plan were detailed in the report.

The Heritage Lottery Fund had offered a grant of £2.272m towards the three year capital project and the management and maintenance revenue costs. Acceptance of the grant would entail entering into a 10-year contract with the Heritage Lottery Fund governed by standard terms of grant, as detailed in Appendix 2 of the report.

The proposed capital project works were informed by a Conservation Plan and involved a full scheme of restoration, as well as the introduction of new features that would enable the Park to function better as a public space. The report gave details of the approved scheme of works.

A brief was currently being prepared for a proposed tendering process to procure an experienced external design team to complete the design works. This would allow work to start on site in late 2012. It would be a three-year capital project delivered by Kier North Tyneside Limited, with cost control being undertaken by an independent quantity surveyor, conversant in Heritage Lottery Fund schemes. Completion of capital works was expected in late 2015.

Cabinet considered the following decision options:

Option 1 – to agree the recommendations set out in section 1.2 of the report.

Option 2 – reject the grant offer and agree that the Council does not invest in the restoration of the Park.

Option 3 – reject the grant offer and instruct Officers to explore other options to restore the Park.

Resolved that (1) the offer of grant funding from the Heritage Lottery Fund to support the regeneration of Northumberland Park, as set out in Section 1.5.3 of the report, subject to the grant conditions set out at Appendix 2 to the report, be accepted; (2) the provision of up to £2,076,181 capital funding from the Council's Capital Investment Programme to match fund the offer of grant from the Heritage Lottery Fund be approved and the use of £0.088m from capital contingencies to support this project, be noted; (3) the revenue implications for the Council in accepting the grant, as set out in Section 2.1 of the report, and the requirement for this to be incorporated into the Council Strategic Plan and Budget Setting process for 2013-2016, be noted; and (4) authority be delegated to the Head of Cultural and Customer Services and Head of Regeneration, Development and Regulatory Services, in consultation with the Elected Mayor and Cabinet Member for Community and Regulatory Services, the Strategic Director of Finance and Resources and Head of Legal, Governance and Commercial Services, to take all necessary or appropriate steps to procure, deliver and implement the Northumberland Park project as described in the report, in accordance with the Council's Constitution, Contract Standing Orders and Financial Regulations.

(Reason for decision – acceptance of the Heritage Lottery Fund grant will provide the Council with the level of resources required to take forward the project as planned. Heritage Lottery Fund projects also attract additional publicity, both regionally and nationally. This will bring about the much-needed regeneration of useful community green space, promoting health and well-being of residents. The revitalised Park would act as a valued green space and link from Tynemouth Metro Station to the Fish Quay thereby encouraging wider regeneration and investment.)

Cabinet considered a report which requested approval to undertake a competitive tendering exercise in accordance with the Council's procurement rules, and to establish a Framework Agreement and an Accredited List for the provision of domiciliary care services across the Borough, as outlined in paragraph 1.5.7 of the report.

Domiciliary care helped people to live independently in their own home by providing care and support services that were flexible and responsive and designed to meet each individual service user's needs. It could be provided as an alternative or precursor to more dedicated support, to prevent a hospital admission or to support an early hospital discharge. The availability of high quality flexible domiciliary care support was seen as one of the cornerstones to enabling individuals to remain living independently at home for as long as possible and therefore there was a need to ensure that a robust home care market was procured and was sustainable in the longer-term.

The current framework contract for domiciliary care had been in operation for almost 5 years, and despite working relatively well overall, a pre-procurement service review suggested that some improvements to service delivery could be achieved by restructuring the current approach to commissioning the service. Additionally, the North Tyneside LINK had produced a report highlighting a number of key issues in respect of the current service model, which had been taken into account in terms of the proposed procurement exercise.

The report gave the background to the current contract which had been awarded in 2008 and subsequently extended for a further two year period in 2011 in line with the terms of the contract; details of the personalisation agenda and the benefits of personal budgets; information in relation to the local population and the demand for the service, both present and in the future; and the current and proposed future rates policy; reasons for the proposed changes; the requirements and proposed structure of the future service delivery model; and issues to consider when setting a future Rates Policy.

The current contract did not support children, disabled children or the parent/carers of disabled children, whose provision up until now had been provided by the in-house team due to the low volume of work. However, the new contract for service would be expanded to include support to this client group, allowing the in-house service to focus entirely on its reablement function.

Contracts would be underpinned by an outcomes based service specification and a robust performance and quality management framework, that would ensure that all customers, whether they received a directly managed service, or chose to take a direct payment and manage their own service, could be confident in terms of the quality of service that they could expect.

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 Head of Adult Social Care, in consultation with the Cabinet Member for Public Health and Adult Social Care, the Head of Legal, Governance and Commercial Services, the Strategic Director of Finance and Resources and the Principal Procurement and Commissioning Officer, be authorised to undertake a competitive procurement exercise and establish a Framework Agreement and Accredited List for domiciliary care services, for a period of two years with an option to extend for up to a further two years; and

(2) the Head of Adult Social Care be authorised to set a unit rate/s for the service, taking into account the need to ensure the future sustainability of the service as set out in paragraph 1.5.8 of the report.

(Reason for decision - this will enable Adult Social Care to put in place contracting arrangements with providers that broaden the provider base and offer more choice and control to service users in line with good practice and the personalisation agenda, increase the number of providers who can deliver a service which minimises the risk to the Council in relying on a small number of providers; and is complemented by a strong performance framework and contract management arrangements.)

CAB66/08/12 House of Objects (All Wards)

Cabinet considered a report which detailed the current operational model of the House of Objects within the Council, and sought approval to support the development of alternative provision of the House of Objects as an externally funded project.

The House of Objects had been established in 2009 as a partnership between Community Services and Children, Young People and Learning Directorates, based at the Rising Sun Country Park. The project offered opportunities for children, young people and adults to access, work with and be inspired by, quality reclaimed materials. It provided a wide range of recycled, remnant or discarded materials and objects that were capable of being revived through the imagination and creativity of their users.

The plan had been to fund the project for a three year pilot period, assess its impact, then decide upon its future. Since the spring therefore, the appropriate officer team in discussion with the Cabinet Member and relevant external experts on funding and alternative models, had been considering a sustainable future for the House of Objects.

Having considered options which included continued Council mainstream funding and closure, the team had concluded a Community Interest Company presented the most appropriate way forward. Work carried out to date indicated that there was sufficient external interest to establish the House of Objects as a Community Interest Company. Such a company would be in line with the aims of the original project and be able to attract the kind of funding currently unavailable to a Council-funded service. In order to enable this to happen, the Council must cease funding the project.

It was anticipated that funding would cease from 30 September 2012 and the Company would be in place later in the autumn.

It was also proposed to grant a lease of the premises at the Park currently used for the purposes of the project, with a permitted user clause, in order to ensure that the property, once let, was used for educational purposes and for the benefit of the community.

A transition plan would be agreed to help any new organisation establish itself. This may include support to recruit a shadow board and establishing a transfer of responsibilities.

Cabinet considered the following decision options:

Option 1 - to disagree with the proposals and retain the House of Objects within the Council. This option would effectively mean the closure of the project as resources were not available within the current Council budget to continue to support the project.

Option 2 - to agree the recommendations as set out in section 1.2 of the report and seek to establish the House of Objects as a project operating independently of the Council.

Resolved that (1) provision of the House of Objects project as currently funded by the Council, be ceased;

(2) authority be delegated to the Head of Cultural and Customer Services, in consultation with the Head of Legal, Governance and Commercial Services, the Strategic Director of Finance and Resources and the Cabinet Member for Community and Regulatory Services, to take such steps as may be appropriate to assist in the establishment of an alternative service model; and

(3) authority be delegated to the Senior Manager – Strategic Property, in consultation with the Deputy Mayor, the Head of Legal, Governance and Commercial Services and the Strategic Director of Finance and Resources, to progress and agree the terms and grant of a lease of the property at the Rising Sun Country Park currently used by the project to a new occupier, and to deal with any ancillary matters arising.

(Reason for decision - it offers the prospect of continuing the service.)

CAB67/08/12 Local Council Tax Support (All Wards)

Cabinet considered a report which requested approval of a proposed draft Local Council Tax Support Scheme and to begin consultation on the draft scheme.

The Welfare Reform Act, which had received Royal Assent on 8 March 2012, included the abolition of Council Tax Benefit with effect from 1 April 2013. Once the Local Government Finance Act 1992 was amended by the Local Government Finance Bill, each billing authority in England was required to make a Council Tax reduction scheme that 'states the classes of person who are to be entitled to a reduction under the scheme'. This scheme would replace the current Council Tax Benefit Scheme.

The Council was required, before making a scheme, to consult any major precepting authority which had power to issue a precept, publish a draft scheme, and then consult such other persons as it considered were likely to have an interest in the operation of the scheme. Having then made a scheme, the Council was required to publish it. An outline plan of community engagement in relation to the scheme was appended to the report.

The Council would be provided with a fixed grant to deliver its own Localised Council Tax Support scheme. Indicative figures showed the reduction to be in the region of 10% which was estimated to be around £1.8 million less than was needed to deliver the current demand driven Council Tax Benefit Scheme. The Government had provided clear policy objectives and intended effects of the reform, which were detailed in the report.

The Government had outlined that the current indicative allocations of funding for localised Council Tax support were illustrative, and based on the best available current data. Final allocations would be based on revised forecasts of subsidised Council Tax Benefit expenditure, to be issued in the autumn of 2012. This would determine the total amount available to distribute, and 2011-2012 outturn data on subsidised expenditure,

due to be made available in the summer, which would determine the distribution between billing authority areas. Therefore it was likely that the final allocations would differ, both in amount and also in the relative distribution between authorities.

When designing a scheme the Council additionally should consider its responsibilities under the Child Poverty Act 2010; the Disabled Persons (Services, Consultation and Representation) Act 1986, and Chronically Sick and Disabled Persons Act 1970; and the Housing Act 1996 which gave local authorities a duty to prevent homelessness with special regard to vulnerable groups.

The scheme would provide support for pensioners based on national rules, that continued to support pensioners in the same way as the current Council Tax Benefit Scheme, ensuring that pensioners saw no loss because of this reform.

The Council's own Localised Council Tax Support scheme had to be in place by 31 January 2013. Failure to meet this deadline would mean a default scheme must be adopted by the Council which would be based on the current Council Tax Benefit scheme and the Council would need to find additional funding to meet the full cost of the default scheme.

A number of options had been considered to provide a Localised Council Tax Support scheme. For each option consideration had been given to the government grant, the policy objectives and the Council's duties. Details of six options were included in the report. They were based on the current Council Tax Benefit scheme qualifying conditions with Option 2 onwards including variations to liability levels eligible for support in order to meet the reduced funding levels. Option 6, whilst still using the current Council Tax Benefit scheme qualifying conditions, went further and proposed to remove Second Adult Rebate as well as increasing non-dependant charges.

The current Council Tax Benefit scheme made a wide provision that recognised the needs of those with children, caring responsibilities and those with a disability, as well as incentivising work and encouraging savings. The options considered for working age claimants contained all of those features, as detailed in the report.

It was noted that the Local Council Tax reduction scheme was a decision for full Council taken only after consultation on the draft scheme.

Cabinet considered the following decision options:

Option 1 – endorse for consultation any of the schemes set out at points 1.6.2 to 1.6.7 as detailed in the report. The recommended scheme option for consultation was scheme 6 - Pensioners only were protected from any loss in financial support due to this reform. Second Adult Rebate (SAR) was removed and non dependant charges were increased by 20%. All working age claimants would see a reduction in their entitlement to meet the reduced funding. With this option all working age claimants would be eligible for support based on 80% of their Council Tax liability. Those with a non-dependant charge would see an additional deduction. Those currently claiming and entitled to SAR, who did not qualify ordinarily for Council Tax Support based on their own income, would see a loss of support of up to 25% of their Council Tax liability

Option 2 – reject any of the proposed schemes for consultation and refer back to officers for further consideration. (Each of the options as set out was designed taking into consideration the indicative level of reduced funding and the responsibilities of the

Council. They were based on the costs of current caseload. If the funding was less than the indicative figure then all options may not be within the funding level).

Resolved that the Head of Finance be authorised to commence the consultation in respect of scheme 6 identified in section 1.6.7 of the report.

(Reason for decision – the proposed scheme mirrors the same criteria for entitlement that exists under the current Council Tax Benefit regulations. The scheme continues to maintain the beneficial elements of the current scheme as outlined in section 1.5.9 of the report.

Although the proposed scheme does not protect any groups of claimants from a reduction in support (apart from pensioners) along with scheme 2 the reduction in liability eligible for support is the lowest amount of all the options considered. It presents less financial impact on all working age claimants than had certain groups of individuals been protected from any loss.

Non dependant charges are increased by 20% under option 6. In 2011/12 the Department for Work and Pensions proposed that non dependant charges should increase annually, as prior to this date non-dependant charges had not increased for a number of years. It is also the intention of the national pensionable age rules to increase non dependant charges. Although the percentage increase is likely to be different between pensionable age and working age, introducing an increase would provide a fairer approach than not increasing the charge for working age claimants. The proposed 20% increase is in line with the proposed additional 20% of Council Tax liability claimants are being asked to contribute.

Second Adult Rebate is paid where other adults living with the claimant who is not their partner, have a low income. Many of the claimants who are entitled to SAR would not qualify for Council Tax Benefit as their income is too high. As the proposed scheme is aimed at providing support to those in financial need, it would seem unrealistic to continue to provide support to those who do not need it, simply because other adults in their household are on a low income. Council Tax Support would still be available to those Council Tax payers whose income is sufficiently low to qualify.

By keeping the reduction in support to the lowest amount possible, this will help claimants manage the impact on their income, many of which will also have to deal with other reductions to their benefits that also come into effect from April 2013.

There will be an impact on the Collection Fund as additional Council Tax will need to be collected from all working age claimants, many of whom do not currently pay any Council Tax. However the proposed scheme keeps the contribution as low as possible for all working age claimants and it is hoped by keeping the reduction low, the impact on collection will be minimised.)

CAB68/08/12 Property Considered Surplus to Council Requirements (Benton, Killingworth, Monkseaton South and Northumberland 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. Dorset House, Wallsend
2. 22/23 Wilson Terrace, Forest Hall
3. Land adjacent to Forest Gate, Palmersville
4. Land at Cauldwell Avenue, Monkseaton

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

Cabinet considered the following decision options: either to approve the sale of all of the properties detailed in the schedule at Appendix 1, or alternatively to approve the sale of some of the properties/land detailed in the schedule.

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:

- (i) market each property and accept the best bid consistent with the planning guidelines, where these are applicable;
- (ii) 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;
- (iii) 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; and
- (iv) complete negotiations for the sale of each property in accordance with all relevant legal requirements, the Council's Constitution and Financial Regulations; and

(4) 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.)

CAB69/08/12 2012/15 Council Strategic Plan and 2012/13 Budget - Implementation Plan (Previous Minute CAB38/07/12) (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 (in summary) a number of proposals contained within the agreed Budget 2012/13 and Council Strategic Plan 2012/15.

The report identified where decisions were to be taken at this and subsequent Cabinet meetings and there was a separate report on the agenda that dealt with one of those items. The Implementation Plan, if approved would need to be amended after Cabinet had reached decisions on that report.

Cabinet considered the following decision options: either to agree the revised Implementation Plan and to it being further updated in the light of decisions taken at this meeting, or alternatively to disagree with the revised actions in the Implementation Plan.

Resolved that (1) the revised Implementation Plan be approved; 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 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.)

CAB70/08/12 Council Strategic Plan and Budget Proposals - Apprenticeships (Previous Minute CAB218/05/12) (All Wards)

Cabinet considered a report which detailed alternative sources of funding for the development of the apprenticeship programme with particular reference to the Armed Services, as requested by Cabinet on 14 May 2012.

Consultation to explore alternative funding options had been undertaken with the National Apprenticeship Service and the Skills Funding Agency. Both organisations had confirmed that there was no additional funding available to support the further development of the Council's apprenticeship programme.

The cost associated with apprenticeships remained subject to national agreement as set out in the report submitted to Cabinet on 14 May 2012.

Bidders for the Business and Technical Packages had included in their proposals investment in Apprenticeship Schemes. It was therefore suggested that consideration of the report was deferred to allow discussions with the Preferred Bidders to see if the limited Council funding could in some way be matched with the Preferred Bidder's investment funds to create a more substantial North Tyneside Apprenticeship Scheme.

Cabinet considered the following decision options:

Option 1 - Agree to take no action in relation to increasing support for Apprenticeships.

Option 2 – Agree to provide £83,719 to support the further development of the Council's apprenticeship programme, in accordance with Cabinet's original proposals, with a particular focus on supporting the Armed Forces returning to employment.

Option 3 - Agree to defer consideration of the report to allow a further report to be brought back to Cabinet after discussions have taken place with the Preferred Bidders for the Business and Technical Packages with a view to creating a more substantial Apprenticeship Programme.

Resolved that consideration of the report be deferred to allow a further report to be brought back to Cabinet after discussions have taken place with the Preferred Bidders for the Business and Technical Packages with a view to creating a more substantial Apprenticeship Programme.

(Reason for decision - it will potentially create a more substantial Apprenticeship Programme to assist more residents of North Tyneside.)

CAB71/08/12 Exclusion Resolution

RESOLVED that under Section 100A(4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 2 of Schedule 12A

of the Act, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 3 and 4 of Part 1 of Schedule 12A to the Act.

CAB72/08/12 Building Council Homes (Battle Hill and Northumberland Wards)

Cabinet considered a report which outlined the opportunities available to develop new Council homes within North Tyneside. This was a step toward developing a range of further actions and opportunities that the Council would be investigating to achieve the necessary growth to address the shortfall in the range of the housing offer, the housing need across North Tyneside and potential partnerships available with key stakeholders.

The report set out the options available to develop new Council homes in the Wallsend area. The Wallsend area was a key priority from a regeneration perspective and was in line with the priorities set out in the Council's Local Investment Plan developed in consultation with the Homes and Communities Agency.

The report detailed options for Cabinet to consider in relation to new build property, where the new build could be sited, rent levels and possible funding streams.

Option 1 – Do nothing – The option would not address the reducing availability of Council homes generally, the demand for this type of housing tenure, the demographic projections for North Tyneside, and the Council's ambition to build new Council homes to meet housing needs.

Option 2 – Build new homes on the sites identified as potentially suitable for the new build – The Council could not afford to build out all options utilising current funding. However, the Council could maximise development on 2 sites. A qualitative appraisal of the site options had been carried out to determine the most appropriate sites and detailed in Appendix 3 of the report.

If option two was approved, then a decision would be required on the way forward. The report detailed two proposals for the building of new homes.

Resolved that (1) the Strategic Director of Finance and Resources and the Strategic Director of Community Services be authorised, in consultation with the Head of Legal, Governance and Commercial Services, the Elected Mayor and the Cabinet Member for Housing, to enter into negotiations with the leaseholders for the purchase of the remaining terms of the lease of the site in the area marked on the site plan in Appendix 1 on page 213 of the agenda papers;

(2) the development of 12 new homes on the site referred to in Resolution (1) above be progressed, subject to agreeing acceptable terms with the leaseholders for the purchase of the remaining terms of the lease;

(3) the cost of the development of the 12 new homes on the site referred to in Resolution (1) above be met as detailed within section 2.1 of the report;

(4) the development of 8 new homes at the site identified in plan reference NZ3168SW, attached to the report, be progressed during 2013/14 with appropriate finance being made available as part of the Council's HRA budget and financial planning framework;

(5) In the unlikely event that terms for the site referred to in Resolution (1) above are not agreed, the resources identified in section 2.1 of the report be made available to support the alternative development on the site referred to in Resolution (4) above;

(6) the buildings referred to in the report on the sites identified in the plans reference NZ3168SW and NZ3067NW attached to the report, be decommissioned at the earliest opportunity and the necessary steps be taken to re-house the remaining tenants;

(7) the consent of the Secretary of State for Communities and Local Government be sought to exclude any newly developed homes from the Right to Buy Pooling arrangements;

(8) rents on the new homes developed be set at the restructured rent level in line with Government guidance on social rents but the policy on rent setting on new housing developments by the Council be kept under review in the light of changing circumstances; and

(9) the Head of North Tyneside Homes, in consultation with the Head of Legal, Governance and Commercial Services and the Strategic Director of Finance and Resources, be authorised to take all necessary or appropriate steps to give effect to the preceding Resolutions, in compliance with the Council's Constitution, Financial Regulations, Contract Standing Orders and any other relevant requirements.

(Reason for Decision – The sites are in key areas and support the Council's regeneration ambitions and are in line with the Local Investment Plan; the assessment of sites identified the sites referred to in Resolutions (1) and (4) above as the most suitable for early housing development; both sites can be achieved within the anticipated resources available; The site referred to in Resolution (1) is a cleared site in the Council's ownership and, subject to a satisfactory negotiation with the leaseholders on buying out the remaining term of the lease can be developed quickly; An early decision on the decommissioning of the buildings referred to in Resolution (6) above will enable officers to commence the re-housing of the remaining tenants from these buildings. It would enable the site identified in Resolution (4) to be prepared for redevelopment during 2013/14. Preparations could also be undertaken at the site referred to in plan reference NZ3067NW, with the site being available for a potential Council housing development at a later stage or for future sale.)

CAB73/08/12 Change, Efficiency and improvement Programme, Business and Technical Packages Procurement (All Wards)

(Mr J Ritchie, Head of Finance, withdrew from the meeting for the duration of the discussion of this item).

At its extraordinary meeting on 2 August 2012, Cabinet had considered reports which detailed the procurement process undertaken for the Business and Technical packages, the 'Final Solutions' received in the procurement of partner organisations and the outcome of the evaluation, which indicated whether the Final Solutions received met the contract award criteria specified by the Council; and also proposals in relation to the retained client functions. Cabinet had been minded to agree the recommendations as detailed in the reports, pending consideration of comments received from the Overview and Scrutiny Committee at its Extraordinary meeting on 6 August 2012.

Cabinet now received a report of the Overview and Scrutiny Committee arising from its meeting held on 6 August 2012, and the final reports in relation to the selection of preferred bidders and the client functions.

(a) Report of the Overview and Scrutiny Committee

Cabinet considered a report which detailed the comments and queries of the Overview and Scrutiny Committee in relation to the Change, Efficiency and Improvement Programme, Business and Technical Package Procurement Reports which had been made at its meeting on 6 August 2012.

The comments and issues raised by the Overview and Scrutiny Committee were as follows:

- copies of the questions raised at the meeting of Cabinet on 2 August 2012 were requested;
- request to inspect the Project Risk Register;
- post appointment of preferred bidder, Member Workshops should be held to assist in the explanation of the contractual arrangements;
- post appointment of preferred bidder, a full list of the assets to be transferred to the Partner at the commencement of the contract be provided;
- post appointment of preferred bidder, details of contract termination costs be provided;
- post appointment of preferred bidder, details of Key Performance Indicators (KPIs) be provided;
- post appointment of preferred bidder, confirmation requested regarding the nature of the breaches of KPIs that would trigger termination of the contract at year 10 rather than an extension to year 15;
- concerns raised that Cabinet had failed to respond fully to the Council Motion of 26 July 2012, referred to in section 1.2 (d) of the report;
- concerns raised at the lack of clarity in the report regarding termination of the contract;
- need to ensure that there were clear KPIs, Value for Money and benchmarking data prior to the contract being signed;
- concerns raised regarding limited specialist knowledge in local government finance shown by each of the bidders, and noted that the Head of Finance would be subject to a TUPE transfer to the successful bidder;
- assurances requested that appropriate skills were matched to the duties required for the Client team posts and that a report be provided to the Committee on the process undertaken to secure such skills were identified and any gaps noted.

Cabinet was required to consider the report and recommendations and provide a response to the Overview and Scrutiny Committee within 2 months.

Resolved that (1) the comments submitted by the Overview and Scrutiny Committee for consideration by Cabinet, be noted; and
(2) authority be delegated to the Elected Mayor, in consultation with the Chief Executive, the Strategic Director of Finance and Resources, the Head of Regeneration, Development and Regulatory Services and the Head of Legal, Governance and Commercial Services, to agree and submit the Cabinet response to the comments raised by the Overview and Scrutiny Committee.

(b) Selection of Preferred Bidders

Cabinet considered a report which detailed the procurement process undertaken for the Business and Technical packages, the 'Final Solutions' received in the procurement of partner organisations and the outcome of the evaluation, which indicated whether the Final Solutions received met the contract award criteria specified by the Council.

The report contained additional information to that contained in the report to the Extraordinary Cabinet meeting held on 2 August 2012, in response to some of the comments raised by the Overview and Scrutiny Committee, as follows:

- section 1.1 – new paragraph (g) referring to the comments of the Overview and Scrutiny Committee;

- section 1.2 – additional wording in paragraph (d) in relation to Cabinet’s consideration of the Council motion;
- section 1.5.1 – additional information about the implications of an in-house bid
- sections 1.5.35 and 1.5.39 – additional information in relation to performance indicators and termination of contracts
- additional sections 1.5.49 and 1.5.50 relating to the Council motion;
- section 2.2 – additional information about the responsibilities of Cabinet as decision maker in respect of the business and technical packages.

Cabinet had agreed on 13 February 2012 to move forward with a Shared Service arrangement for Internal Audit and Risk Management with Northumberland County Council, which had been piloted during 2011/12. Whilst this would achieve the required level of savings for this service area, the other services being looked at for sharing (eg Finance, Revenue and Benefit Services) were found to not lever the significant levels of savings that the Council required through its CEI Programme. In addition, the Council had examined the implications of an in-house solution which had been shared with all Members in December 2011. This was felt to be an unsustainable option in terms of service delivery. The decision had therefore been taken to move to a Partnership procurement exercise to test the market.

At its meeting on 14 November 2011 (Minute No.CAB98/11/11) Cabinet had approved and granted delegated authority to the Strategic Director of Finance and Resources, in consultation with the Elected Mayor, the Chief Executive, the Head of Legal, Governance and Commercial Services, the Head of Regeneration, Development and Regulatory Services, and the Senior Strategic Human Resources Manager to undertake a procurement exercise covering both the Business and Technical Packages (the “Project”). An officer project team (the “Project Team”) had been set up to undertake the procurement of partner organisations to deliver the services included in the Business and Technical Packages.

The project had the following objectives:

- Investment in the services affected by the Project;
- Job protection for the existing workforce;
- Growth opportunities for the services in a wider marketplace leading to the creation of additional jobs within the Borough;
- Financial efficiencies of at least £4.9 million within the first three years of the partnerships (£2.2 million from the Business Package and £2.7 million from the Technical Package) and ongoing efficiencies thereafter subject to future financial pressures;
- Efficiencies in relation to the Council’s use of office accommodation by the co-location of a partner provider within the Borough; and,
- Improved performance of the services.

The report also requested Cabinet’s consideration of the following Council Motion, agreed on 26 July 2012 (Minute No.C50/07/12):

‘This motion calls on the Cabinet to delay the outsourcing process. The reason to request the delay is that the decision will affect service delivery for the next 10 -15 years and as such the Mayor should allow the full Council to consider and debate a detailed analysis of the whole risks of outsourcing. It will allow more time to research the potential Bidders and identify any risks, but it also allows the Cabinet the opportunity to assess any potential in-house options which will allow the savings to be made.’

Cabinet considered the following decision options:

Option 1(a) – Appoint Bidder 2 for the Business Package and Bidder 2 for the Technical Package being appointed as the Council’s “Preferred Bidder” and final adjustments in relation to the contract documentation being undertaken leading to financial close and contract mobilisation. This would include resolution of all outstanding points as identified in the Preferred Bidder Letter of Appointment, entering into of formal contractual relationships including a long term Partnering Agreement.

This would also mean the remaining Bidders would be advised they had not been appointed as Preferred Bidder and no further contract development would be undertaken with them unless commercial and financial close with the Preferred Bidder could not be achieved in accordance with the Council’s requirements. The remaining Bidders would be appointed as “Reserve Bidders” and further contract development would be undertaken with them should commercial and financial close not be achieved with the Preferred Bidder in accordance with the Council’s requirements.

This option would allow the Project to progress in line with the current timetable and resource commitments.

Option 1b – Appoint Bidder 2 for the Business Package and Bidder 2 for the Technical Package being appointed as the Council’s “Preferred Bidder” and final adjustments in relation to the contract documentation being undertaken leading to financial close and contract mobilisation. This would include resolution of all outstanding points as identified in the Preferred Bidder Letter of Appointment, entering into of formal contractual relationships including a long term Partnering Agreement.

This would also mean the remaining Bidders would be advised they had not been appointed as Preferred Bidder and no further contract development would be undertaken with them. The remaining Bidders would not be appointed as “Reserve Bidders”.

This option would allow the Project to progress in line with the current timetable and resource commitments; however it was not the recommended option.

Option 2 – Defer the decision and specify any additional actions Cabinet required the Project Team to undertake prior to Cabinet’s approval of the selection of Preferred Bidder.

This option was likely to extend the Project procurement timetable, delaying the intended Contract start date, provisionally set for October 2012, incurring additional project costs and not achieving the in-year project savings. This option would be in line with the request from Council on the 26 July 2012. However any lengthy delay may result in bidders withdrawing from the process and/or legally challenging on the basis that they had a legitimate expectation that contracts would be awarded within the timescales set by the Council.

Option 3 – Instruct the Project Team to abort the current OJEU procedure and to search for other or new potential providers by issuing a new/revised OJEU notice and requesting new expressions of interest.

This option had similar implications as option 2 with greater risk of claims by bidders for abortive costs.

Option 4 – Abort the Business and Technical Packages in their entirety.

All costs incurred so far would be written off and negotiations over settlement fees with the strategic advisers would be needed. There would be significant risks of abortive costs claims by the bidders above. Aborting the process may result in bidders legally challenging this decision on the basis that they had a legitimate expectation that contracts would be awarded within the timescales set by the Council.

Under this option, alternative in-house improvements would need to be made to the services in order to meet the current budget. This would require significant investment from the Council, in particular in ICT, to drive out service efficiencies.

Option 1(a) was the recommended option.

The Mayor thanked everyone who had been involved in the procurement process.

Resolved that (1) the progress of the Business and Technical Packages procurement to date, as set out in the report, be noted and the progression of the Business and Technical Packages procurement to preferred bidder stage, this being the final phase of the Competitive Dialogue process, be approved on the following basis:

- (a) Approval be given to the Project Team's recommendation to appoint Bidder 2, whose Final Solutions were identified as representing the most economically advantageous tender in the tender evaluation process, as the Council's "Preferred Bidder" and to progress the Business Package to the preferred bidder stage, with Bidder 1 being the reserve bidder;
 - (b) Approval be given to the Project Team's recommendation to appoint Bidder 2, whose Final Solutions were identified as representing the most economically advantageous tender in the tender evaluation process, as the Council's "Preferred Bidder" and to progress the Technical Package to the preferred bidder stage, with Bidder 1 being the reserve bidder; and
 - (c) the remaining Bidders in both the Business and Technical Packages be held and formally appointed as the "Reserved Bidder" pending the outcome of the contract award to the Preferred Bidder at the end of the Preferred Bidder stage and be kept informed of the key developments in the Preferred Bidder stage;
- (2) the Council enter into long term partnering arrangements with the partnering organisations identified in the procurement of the Business and Technical packages and it be agreed that the partnering agreement to deliver the services within the Business and Technical Packages meets those objectives within the Council's Sustainable Community Strategy for 2010 - 2013 as identified in section 1.5 of the report;
- (3) delegated authority be granted to the Strategic Director of Finance and Resources, in consultation with the Elected Mayor, the Chief Executive, the Head of Legal, Governance and Commercial Services, the Head of Regeneration, Development and Regulatory Services, and the Senior Strategic Human Resources Manager to:
- (i) reach financial close with the appointed Preferred Bidders in relation to all outstanding matters, none of which relate to price or risk, and to enter into the necessary long-term contractual relationships through the Partnering Agreement and all other ancillary documentation; including the taking of all necessary steps consistent with the principles of these recommendations and in accordance with the Council's contract standing orders and financial regulations to give effect to the above arrangements; and
 - (ii) effect, in accordance with the Constitution of the Council, the Council entering into all such documentation and the signing of any of such documents requiring to be executed under hand, and/or where required, by the affixing of the seal to documents required to be executed as a deed and that in each case, by the act of so doing to agree and approve those such documents as the final form to be entered into on behalf of the Council and any amendments made to such documents subsequent to this delegated authority; and

- (4) the Council Motion of 26 July 2012 be noted and:
- (i) the requested delay be rejected for the reasons detailed in Paragraphs 1.5.48 and 1.5.49 of the report; and
 - (ii) a report on the risks of outsourcing be submitted to the Council meeting on 27 September 2012 for full Council's consideration.

(Reason for Decision – Delivery of the Project in accordance with Option 1a will enable the Council to deliver the services whilst securing job protection, increased growth, financial investment and delivering financial efficiencies.

The procurement process and evaluation has identified that whilst both of the solutions received in each Package have satisfied the Council's specification and objectives, one of the two Bidders in each of the Business and Technical Packages has demonstrated the solutions and commercial offers contained in its Final Solution best meet the Council's requirements and contract award criteria as specified in the tender documentation. As a result the recommended Bidders should be appointed as Preferred Bidders to continue to the Preferred Bidder stage and to achieve eventual financial close and contract award by the Council. Having a reserve bidder will ensure that the Project will proceed in the anticipated timescales should financial close not be achieved with the Preferred Bidder.)

(c) Change Efficiency and Improvement Programme Business and Technical Package Procurement – Client Functions

Cabinet considered a report which sought approval for the proposals for the retained client functions pursuant to the Change, Efficiency and Improvement Programme and the implementation of the Business and Technical Packages and appropriate delegations in order to implement the necessary arrangements.

A minor error had appeared in Appendix A to the report issued for the Extraordinary Cabinet meeting held on 2 August 2012. Under 'Finance and Procurement', '1 client officer' should have read '2 client officers'; and under 'Revenue, Benefit and Customer Services', '1 client officer' should have read '2 client officers'. A revised report had been issued, incorporating those amendments.

As Cabinet had approved the appointment of Preferred Bidders for the Business and Technical Packages, the retained client functions and arrangements to support this service delivery model needed to change. The focus would be to ensure the development of strong and sustainable partnership arrangements, alongside ensuring service delivery performance from the Partner(s) was managed and that the six objectives set out by Cabinet at its meeting on 14 November 2011 were met.

The report also detailed the proposed senior and other management arrangements that would be needed to effectively oversee the new ways of working, following a review undertaken by the Chief Executive, Strategic Director of Finance and Resources and the Head of Regeneration, Development and Regulatory Services.

The roles and responsibilities of the client teams were to ensure that the delivery of those services in the Business and Technical Packages were timely, within budget and compliant with the Key Performance Indicators set out in the contractual arrangement proposed. The client team would ensure that all work set out in accepted business cases was also compliant with both national and Council policies and embraced the same standards expected by all.

Working with Members remained a key responsibility at a Ward level and especially with the Elected Mayor, Cabinet Members and Chairs of Committees.

Cabinet considered the following decision options:

Option 1 – approve the recommendations set down in paragraph 1.2 of the report. (This would ensure a smooth transition and mobilisation of the partnership(s)).

Option 2 – defer the decision. (There was no reason for deferral.)

Option 3 – propose alternative arrangements for consideration by the Chief Executive, Strategic Director of Finance and Resources and the Head of Regeneration, Development and Regulatory Services.

Option 4 – leave the service arrangements as currently configured. (This would not be cost effective or efficient and would make managing delivery of the contract and partnership interface difficult to manage on a day to day basis.)

Option 1 was the recommended option.

Resolved that (1) the proposals in relation to the retained client functions for both the Business and Technical Packages, to be effective from 1 September 2012, be approved;

(2) the deletion of the Head of Finance post from the Senior Leadership Team structure with effect from the contract start date, to reflect the proposals in relation to the Business Package be approved and it be noted that the retained Strategic Finance functions will report directly to the Strategic Director of Finance and Resources;

(3) the deletion of the Head of Regeneration, Development and Regulatory Services post from the Senior Leadership Team with effect from 31 December 2012, to reflect the proposals in relation to the Technical Package and allow time for transition and handover, and the creation of the Head of Business and Economic Development, be approved; and,

(4) a recruitment process is commenced with a view to making a permanent appointment to the proposed new post of the Head of Business and Economic Development and authority be delegated to the Chief Executive to take all steps necessary in accordance with the requirements of the Local Authorities (Standing Orders) (England) Regulations 2001 and the Council's Constitution for the recruitment and selection process to proceed.

(Reason for Decision – To enable the smooth transition, mobilisation and subsequent management of the contract(s) and partnership(s) for the Council and support the delivery of the overall Change, Efficiency and Improvement Programme and governance arrangements to be put in place in relation to the Business and Technical Packages.)

CAB74/08/12 Date and Time of Next Meeting

6.00 pm on Monday 10 September 2012.

Minutes published on Tuesday 14 August 2012.

With the exception of Minute CAB63/08/12, 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 22 August 2012.

The decision contained in Minute CAB63/08/12 is not subject to call-In and can be implemented immediately.