

## **Cabinet**

**10 December 2012**

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

**In Attendance:** A Caldwell (Age UK North Tyneside)  
M Cushlow (NHS North of Tyne)  
P Hedley Business Representative)  
S Neill (Northumbria Police)  
I Sidney (Young Mayor)

### **CAB138/12/12 Apologies**

Apologies were received from Councillor P Mason, L Gardiner (VODA) and D Titterton (Voluntary Sector).

### **CAB139/12/12 Declarations of Interest**

There were no declarations of interest made.

Councillor E Hodson informed Cabinet that he had predetermined issues relating to Minute CAB155/12/12 (Mini Golf Facility at The Links, Whitley Bay) and he would withdraw from the meeting for that item.

### **CAB140/12/12 Minutes**

**Resolved** that the Minutes of the meeting held on 12 November 2012 and the Extraordinary meeting held on 26 November be confirmed.

### **CAB141/12/12 Report of the Young Mayor**

Isaac Sidney, the recently elected Young Mayor who had taken up his post from 1 December 2012 was attending his first Cabinet meeting and presented his report which detailed the following:

He had attended the North Tyneside Strategic Partnership meeting, contributing to a workshop with partners and officers of the Council about careers advice and ensuring that North Tyneside prepared young people in the Borough for their future employment.

His own pledges were to work closer with public transport companies to achieve better transport links for everybody. Good links had already been made with Nexus and the British Youth Council's Youth Select Committee on Transport, which the previous Young Mayor had been involved in, and had put forward many good recommendations. He would work with others to ensure that the recommendations were put into action.

One of his pledges was to improve sexual health awareness in young people and he had already begun work at the One to One clinic, working with a group of young people from the Health Reference group on designing a new dvd on sexual health services. He also aimed to be involved in promoting sport facilities for young people and looked forward to working with the sports development team on this.

The elected Youth Council members had met on 8 December 2012 to take part in a training day. They had looked at the decision making structures of the Council, their own expectations, equality and diversity, action planning and had undertaken team building exercises.

During the training day, the Youth Council had agreed the following priorities for the year ahead:

- Giving children and young people a voice.
- Mental health services for young people.
- Drugs and alcohol awareness for young people.
- Tackling bullying.
- Curriculum around careers and skills for life.

The Young Mayor anticipated that he would be appointing his Cabinet over the next week.

The Mayor and Cabinet Members congratulated Isaac on his election and wished him every success in his term of office. The Mayor also referred to the support available to the Young Mayor from Cabinet Members, partners and officers.

### **CAB142/12/12 Report from Overview and Scrutiny Committee – North Tyneside Strategic Partnership (All Wards)**

The Cabinet received a report of the Overview and Scrutiny Committee in relation to the operation of the North Tyneside Strategic Partnership (NTSP).

At its meeting on 5 November 2012 the Overview and Scrutiny Committee received a report and presentation which gave an update on the work of the NTSP. This included the end of year performance report for the Sustainable Community Strategy. Members had received information specifically on membership of the NTSP, its structure and working model and the work of the theme partnerships.

Whilst considering the end of year performance report, Members noted that 'NI 154 - Net additional homes provided' had not been delivered on target for 2011/12. The Committee identified that there was a lack of representation from the housing sector on the NTSP to help deliver this target. It was also suggested that other organisations, such as Northumbria Healthcare Foundation Trust should be represented on the NTSP, as they would have significant contributions to the delivery of targets.

The Committee also commented that there was no involvement of Overview and Scrutiny in the NTSP and that more consultation with Members and residents/service users was required to ensure the Partnership had a community focus and a clear purpose.

Members noted the importance of Overview and Scrutiny monitoring the performance of the NTSP and had included in its work programme quarterly exception reports to inform the Committee of areas that were not on target. Members also requested (and had received) detailed reports on each of the theme partnerships.

The Committee concluded that it would be useful for a full review of the NTSP to be undertaken and recommended that Cabinet undertake such review in order to identify whether its current objectives and operating structure were fit for purpose and whether the membership contained the correct individuals to successfully deliver the set targets.

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

**Resolved** that the recommendation of the Overview and Scrutiny Committee be noted and a response be provided at a future Cabinet meeting.

### **CAB143/12/12 Report from Finance Sub Committee – Disposal of Acquired Dwellings (All Wards)**

The Cabinet received a report of the Finance Sub Committee detailing its concerns regarding the Council's policy on the disposal of acquired dwellings.

At its meeting on 21 November 2012, the Finance Sub-Committee received a report relating to capital receipts. This report included reference to three property transactions within the Housing Revenue Account which had been completed with capital receipts totalling £158,925. One of these properties was a vacant acquired dwelling.

Members had also received a report relating to building council homes, which was considered by Cabinet on 13 August 2012 (Minute CAB68/08/12 refers). This report gave information relating to the high demand for council homes as well as the cost to build new council homes.

The Sub-Committee had raised concerns regarding the Council's policy to sell off acquired dwellings, especially in light of the high number of people currently on the waiting list for council homes and the costs associated with building new homes. It felt that greater value for money may be provided if these acquired dwellings were to be refurbished and then added to the council homes stock.

Cabinet was requested to note the report and the Finance Sub-Committee's concern regarding the disposal of acquired dwellings.

**Resolved** that the report of the Finance Sub-Committee and the concerns detailed therein be noted and a response be provided to a future Cabinet meeting.

### **CAB144/12/12 North Tyneside Strategic Housing Partnership Plan 2013/14 (All Wards)**

Cabinet considered a report on the development of a Strategic Housing Partnership Plan for 2013/14 which highlighted recent achievements and set out key performance indicators and actions to be undertaken to deliver the strategic housing role. The draft Plan was attached as Appendix 1 to the report.

The Department for Communities and Local Government (CLG) had published guidance in 2008 called "The Strategic Housing Role of Local Authorities: Powers and Duties". The guidance emphasised the importance of the strategic housing role in addressing the housing needs of all residents across all tenures, to ensure long-term sustainable communities.

The Government's housing strategy 'Laying the foundations: A Housing Strategy for England 2011' set out the government's intended direction of travel for housing, its role in the wider economy and its contribution to social mobility. It also detailed ideas on the shape of housing provision that the government wanted to see, which involved the primacy of home ownership; social housing for those in most need; and an increasing role for the private rented sector.

At a local level, the North Tyneside Sustainable Community Strategy 2010-13 set out a long term vision to make North Tyneside a superb place to live, work and enjoy by 2030. It aimed to ensure that “Neighbourhoods are friendly, inclusive, safe and connected, offering a range of quality housing options and local facilities”. Its priorities included stimulating a good housing supply to meet need.

The North Tyneside Homelessness Strategy 2008-13 set out priorities for tackling homelessness, which included a focus on prevention and improving the supply of affordable homes. In August 2012 the Government released its strategy for preventing homelessness. North Tyneside’s Homelessness Strategy was currently being reviewed and a new strategy would be developed going beyond 2013.

The Council’s Empty Homes Delivery Plan 2012-15 aimed to encourage all empty home owners to bring their properties back into use and provide innovative solutions to help bring empty homes back into use and increase housing options in North Tyneside.

Cabinet considered the following decision options:

Option 1 – note the strategic housing work undertaken by the Council and its partners, as outlined in the Strategic Housing Partnership Plan for 2013-14.

Option 2 – refer the matter back to officers for further consideration, outlining the specific issues to be addressed.

**Resolved** that the strategic housing work undertaken by the Council and its partners, as outlined in the Strategic Housing Partnership Plan 2013/14, attached at Appendix 1 to the report, be noted.

(Reason for decision – the report and Plan recognises the significant amount of partnership working being conducted in the Borough and evidences major areas of activity planned for the next year.)

### **CAB145/12/12 Self- funding Models to Achieve the Development of Affordable Housing – Annitsford Farm (Camperdown and Weetslade Wards)**

Cabinet considered a report requesting approval for officers to explore self funding models to achieve the development of affordable housing and agreement to the consideration of land at Annitsford Farm being used as an exemplar location for such development.

Documents published to date in the course of preparing the Core Strategy indicated that, in addition to the number of new homes for which planning consent had already been granted, around 6,000 further new homes were required to assist in meeting the Borough’s housing need. The Core Strategy Preferred Options document suggested a number of key housing sites to meet most of this requirement, each able to deliver in excess of 100 new homes.

Annitsford Farm had been identified as one of the Preferred Options Key Housing Sites and was owned by the Council. It was the only large site within the emerging Core Strategy that was in public ownership. It represented a significant residential development opportunity to meet housing need within the north west of the Borough. It was currently estimated that the development period may be up to 10 years, depending upon market conditions and the property mix, however the proposed soft market testing would clarify the current market interest.

The Strategic Housing Market Assessment Key Elements Update 2011 identified an acute affordable housing shortfall of 479 homes per annum within the Borough which

the Council was seeking to address. Research indicated that, of the required new affordable units, 60% should be 1 and 2 bedroomed and 40% should be 3 and 4 bedroomed.

It was also considered that some of the future pressures anticipated through the implementation of the Welfare Reform Act 2012 would be mitigated by the securing of affordable homes.

An opportunity had been identified to bring forward the provision of affordable homes by the potential for the use of a self funding model applied to specified Council owned land. It was therefore proposed that officers explore options for achieving a mixed tenure housing development on approximately 17.5 hectares of land at Annitsford Farm (detailed at Appendix 1 of the report). The land was currently leased out under the terms of a Farm Business Tenancy terminable on twelve months' notice. Discussions with the tenant farmer were ongoing with a view to securing possession. In the meantime, subject to Cabinet approval, a range of options to secure early delivery of affordable homes would be explored.

These options included delivering the development through a joint venture arrangement whereby the Council could benefit through an increase to Council housing stock and by managing any private rented homes built on the site. The securing of a joint venture partner would require an EU compliant procurement process. In these circumstances the aspiration would be to provide a much higher level of affordable housing across the development than the current requirement of 25% identified in the Strategic Housing Market Assessment Key Elements Update 2011. This would be subject to viability testing within the market.

Other options to be explored could be to expose the whole or part of the site to the market for development, or for the Council to develop the site for new homes itself which would require substantial financial resources. The agreed option would need to address the affordable housing shortfall and the current financial challenges facing all local authorities.

A development brief was being prepared which would consider the development potential of this key housing site and would assist in the achievement of a high quality development that demonstrated exemplar standards of sustainability. The development brief would form part of a future report for approval by Cabinet. The development brief would provide guidance on those issues which must be addressed within the development process such as access, layout and design and drainage solutions in relation to any flooding risk. It would also be relevant in informing any determination in respect of any future planning applications relating to this site.

The report outlined the key principles that would be promoted as part of the development proposals.

Cabinet considered the following decision options:

- Option 1 – agree the recommendations as detailed in paragraph 1.2 of the report.
- Option 2 – not agree the recommendations and retain the existing use of farmland on the Annitsford site in the short term.
- Option 3 – defer consideration of the proposal and seek further information on the proposals.

**Resolved** that (1) the land at Annitsford Farm, as shown on the plan at Appendix 1 to the report, be declared surplus to Council requirements in order to explore options for bringing the whole or part of the site forward for mixed tenure residential development;

(2) the Head of Regeneration, Development and Regulatory Services be authorised, in consultation with the Elected Mayor, the Cabinet Member for Housing, the Head of North Tyneside Homes, the Strategic Director of Finance and Resources and the Head of Legal, Governance and Commercial Services, to consider options to achieve mixed tenure housing development on the site;

(3) the Head of Regeneration, Development and Regulatory Services be authorised to commission further studies as required to inform the future viability of the site, in accordance with the Council's Contract Standing Orders and Financial Regulations;

(4) the Head of Regeneration, Development and Regulatory Services be authorised, in consultation with the Head of North Tyneside Homes, the Strategic Director of Finance and Resources and the Head of Legal, Governance and Commercial Services, to commence soft market testing with appropriate parties who could assist in the Council's aim of bringing forward the site for residential development, and consultation with neighbouring authorities; and

(5) a further report be submitted in due course, providing detailed conclusions of the soft market testing, investigations carried out and any risks associated with the project.

(Reason for decision – to enable the Council to assist towards meeting housing need in the Borough as demonstrated by the Strategic Housing Market Assessment. It could increase income to the Council through an increased supply of Council homes and the potential management of privately rented homes. The new affordable homes would be let to people from the housing register in housing need.)

### **CAB146/12/12 Weekly Collection Support Scheme –Grant Support from Department of Communities and Local Government (Previous Minute CAB63/08/12) (All Wards)**

Cabinet considered a report regarding the successful bid to the Weekly Collection Support Scheme and the allocation and acceptance of grant support from the Department of Communities and Local Government (CLG).

The Weekly Collection Support Scheme was a three year fund, administered by CLG, 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 scheme would award funding over the three years, but only 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 bid submitted by the Council to the Weekly Collection Support Scheme was for £3.36 million of additional funding. The bid included a four pronged approach to sustaining a weekly refuse collection service and improving recycling in the Borough. The four strands, detailed in the report, were as follows:

- Retaining weekly collections – ‘bridging the gap’ - £2.19m
- Harmonising weekly collections across the Borough - £0.30m
- Delivering an incentives and awareness campaign - £0.74m
- Increasing the number of ‘recycling on the go’ bins across the Borough and buying a specialist vehicle - £ 0.13m

To deliver the outcomes above the funding would be used:

- To pay for the additional vehicles and staff needed to collect waste weekly, over and above the resources that would have been needed if the Council opted to go to Alternate Weekly Collections.
- To provide replacement bins so that those residents who currently experienced a disproportionate amount of disruption would have standard rubbish bins. All collections would be able to be optimised, providing long-term savings from this investment.
- To invest in incentives, awareness and education to provide long-term savings as the outcome should be reduced waste and increased recycling, saving money and reducing the Council's carbon footprint.
- To invest in 'recycling-on-the-go' to increase recycling and provide disposal savings. The use of a specialist vehicle would also deliver further service efficiencies.

A summary of the main areas of expenditure per year of funding, and for the five years committed to for weekly collection was detailed in the report.

There would be an issue over the affordability of the weekly collection of rubbish after five years when no further support was available. Full commitment to the incentives and education campaigns and investment in recycling infrastructure could make this additional expenditure sustainable, provided all savings arising from those investments were ring-fenced to cover these additional collection costs.

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 the funding of £3.355m under the Weekly Collection Support Scheme be accepted and 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 use the funding allocated under the Scheme as detailed in the final bid.

(Reason for decision – to ensure the continuation of weekly rubbish collections for the next five years and deliver investment in the waste service that should make the outcomes sustainable beyond the three years of funding.)

### **CAB147/12/12 Council Housing Green Fund (Previous Minute CAB106/10/12)(All Wards)**

Cabinet considered a report which gave further consideration to the application of the Council housing "Green Fund" following a motion agreed by Full Council on 25 October 2012 which stated: "This Council notes that Cabinet has recently considered a report on the use of the "Green Fund" and approved the proposals and recommendations to install Voltage Optimisers. This Council therefore requests that the Cabinet reconsider their decision in light of the evidence available and then to submit a report to full Council for consultation, prior to any contracts being entered into, whether this technology is good value for money and will deliver meaningful energy savings for tenants." (Minute C80/10/12 refers).

Cabinet had agreed at its meeting on 8 October 2012 that voltage optimisers be fitted in 468 council homes until March 2014 utilising resources made available from the "Green Fund" at a cost of £234,000.

Over recent years the Council had invested significant monies in bringing homes up to the Decent Homes Standard and in increasing the energy efficiency of the Council's homes. A range of initiatives and projects had been delivered throughout the Borough.

These low cost and efficient measures had improved the energy efficiency of the Council's homes. The energy efficiency was measured using the Government's Standard Assessment Process (SAP) which had increased the SAP rating for North Tyneside's Council homes from 67 to 71.4 (between 2008 and 2012), placing North Tyneside in the top quartile of all local authorities for the energy efficiency of its homes. Further consideration of 'hard to treat' properties and properties constructed with solid walls were considered as part of the on-going Asset Management Strategy, with works being developed and commissioned where funding opportunities may arise.

The report provided an appraisal of the costs and benefits of the full range of available technologies to improve the energy efficiency of the Council's homes.

The market in the area of renewable technologies was developing at significant pace and changes in Government policy were opening up new opportunities to expand their use. Despite this the cost of installing many new technologies was still uneconomical across large numbers of homes as the capital cost remained high compared to the financial and carbon savings generated.

In conjunction with its partners E.ON Energy and North Tyneside Warmzone, the Council had discussed and reviewed some products that were suitable for installation within its homes which were both cost effective to install across large numbers of properties and provided energy savings for tenants. With this in mind six potential options had been identified for consideration. These were:

- Air Source Heat Pumps
- Ground Source Heat Pumps
- Solar Thermal
- Wind
- Voltage Optimisation
- Gas Savers

Details of the cost and benefit of each technology were set out in Appendix 1 to the report. The report also provided, for each of the six options, a summary of the initial capital cost compared to the savings made to allow a top level cost v benefit (£ spent compared to £ saved) assessment.

Following consideration of the varying technologies, their estimated cost and level of energy savings, it was clear that Voltage Optimisation was the most suitable option at this time, when comparing the capital costs against energy savings (per £ spent compared to per £ saved), and it was for this reason that this had been recommended to Cabinet on 8 October 2012.

While the effectiveness of Voltage Optimisers in a domestic setting had been questioned, for instance, in the background information to the motion which was considered by Council on 25 October 2012, the bulk of evidence suggested they were currently the most appropriate option. In arriving at this conclusion advice had been considered from a range of reputable sources, as referred to in section 1.10 of the report.

Electricity typically came into a property at a voltage of 245V. Many appliances had been designed to work at lower voltages and in some cases performance may even be



improved as well as extending the appliance lifetime. The Voltage Optimiser technology needed no change in lifestyle or behaviour to provide the level of savings identified.

Voltage Optimiser technology could produce a saving in electric bills but this depended on the type of electric equipment used in homes. Some electrical appliances were voltage dependent and would provide savings, but there were some that were not and would not produce a saving. Examples of the appliances were detailed in the report.

There was already a significant and developing market for the installation of domestic voltage optimisers. In the absence of proven technology and demonstrable outcomes these organisations would quickly become discredited and fail, which was not the case.

The renewable technology and energy saving market was developing rapidly with the cost of technologies becoming more cost effective as research and development continued. It was therefore likely that capital costs would change and additional options and solutions would become available in the future. Officers would continue to review suitable products in the market place and identify and progress other alternative solutions as appropriate.

It was proposed that those homes with the highest concentrations of fuel poverty would be targeted first, subject to any technical considerations relating to the installations as identified in the Technical Limitations set out in Appendix 1 to the report.

Cabinet considered the following decision options:

Option 1 – agree the proposals and recommendations as set out in section 1.2 of the report.

Option 2 – not agree the proposals as set out in section 1.2 of the report.

Option 3 – refer the matter back to officers for further consideration of any specific issue(s).

**Resolved** that (1) the decision made by Cabinet on 8 October 2012 to install Voltage Optimisers in Council homes that have not directly benefited from the provision of solar panels, as described in the report, within the resources available from the Council Housing “Green Fund” be re-affirmed; and

(2) the report be referred to Council as requested in the Council motion agreed on 25 October 2012.

(Reason for decision – The installation of Voltage Optimisers is considered to provide the most cost effective solution at this time. It is clear that Voltage Optimisation is the most suitable product when comparing the capital costs against energy savings (per £ spent compared to per £ saved), and it is for this reason that this option should be pursued.

If other technologies were chosen the capital costs would be significantly higher meaning a smaller number of tenants could benefit from the installed technology.

It is envisaged that during 2012/13 Voltage Optimisers could be installed in 334 homes, with around 134 further homes benefiting in future years using current “Green Fund” finance. )

### **CAB148/12/12 Local Procurement Update (Previous Minutes CAB11/06/12 and CAB109/10/12) (All Wards)**

Cabinet considered a report detailing progress on engagement with key stakeholders on a range of issues important to local procurement, and feedback received through this process to date.

At its meeting on 11 June 2012, Cabinet had approved a draft set of commercial and procurement principles for consultation with interested stakeholders.

At its meeting on 8 October 2012, Cabinet had endorsed the work being undertaken in relation to the Council's approach to supporting local procurement and reducing the Carbon footprint whilst creating and supporting local employment and had agreed to receive an update report at its December meeting.

The report detailed the engagement which had been undertaken with a number of stakeholders interested in doing business with the Council. This engagement was still underway, and once concluded the outcomes would be used to inform the Council's new Procurement Strategy to be developed jointly with the Council's business partner, Balfour Beatty. The Procurement Strategy would recognise the importance of the whole range of the Council's commercial activity, including the local impact of procurement.

Using the experience of the Council, and feedback already obtained, Cabinet had considered what was important to customers, elected members, local business, and others in the way the Council did business. As part of understanding the needs and aspirations of those who sought to do business with the Council, engagement on the commercial and procurement principles had taken place. The consultation process had taken place via North Tyneside Business Forum; Voluntary and Community Sector; Wider Business Community; and Internal Officer Team workshops

Further details regarding the engagement process were detailed in the report.

North Tyneside Council was a large-scale local business and each year the Council spent over £150m in delivering services to the people of the Borough. While the focus was often on larger contracts the Council used over 4000 individual suppliers from straightforward office supplies to complex care packages.

Two key outcomes of the consultation were noted as follows:

- North Tyneside businesses constituted approximately one-eighth of the Council's supplier base, but received around one-third of Council spend. It was important to understand the real picture in helping local business, and see what opportunities existed.
- A "local supplier" had been defined in the past as a supplier based in the Borough of North Tyneside, identified through their postcode. However, moving forward there was a need to carefully re-define this to ensure that it encompassed suppliers that were able to deliver the economic and environmental objectives of the Council as part of their service delivery to the Council.

The main issues from the consultation raised by key stakeholders, the North East Chamber of Commerce and the voluntary and community sector were set out in the report.

The engagement was being used to inform the development of a new Procurement Strategy which would be submitted to Cabinet by March 2013, and which would specifically codify a range of measures introduced by the Council to support local procurement.

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 approach taken to identify and engage with a range of stakeholders who have an interest in doing business with the Council, be noted;

(2) the key outcomes from this engagement to date, and the main priorities and aspirations which stakeholders have so far communicated during the engagement process be noted; and

(3) the outcomes from the engagement and the views of stakeholders are reflected in a new Procurement Strategy for the Council, to be submitted to Cabinet by March 2013.

(Reason for Decision – to enable the views of stakeholders to be reflected in a new Procurement Strategy for the Council, to be submitted to Cabinet by March 2013. This will recognise the impact of local procurement, and the new Strategy which will codify the range of measures already introduced by the Council during 2012/13 to support local business, previously reported to Cabinet on 8 October 2012, and also any new initiatives identified as necessary to progress or reflect the aspirations through the engagement process, once this is concluded.)

### **CAB149/12/12 Seaton Burn Recreation Ground (Weetslade Ward)**

Cabinet considered a report which requested approval of proposals for the leasehold transfer of Seaton Burn Recreation Ground to Barmoor Ltd in order to secure investment in new and improved leisure facilities for the benefit of residents of Seaton Burn and the wider community.

The ownership of Seaton Burn Recreation Ground had been transferred to the Council in 2003 by the Trustees of Seaton Burn Miners Recreation Ground. The Ground was now held by the Council in Trust on behalf of the Coal Industry Social Welfare Organisation (CISWO), which was a Registered Charity. A plan of the ground was attached as Appendix 1 to the report.

Facilities within the ground included a cricket pitch, football pitch, bowling green and car parking facilities. There was also a pavilion which accommodated changing and ancillary facilities for the users of the leisure facilities. The pavilion was currently in poor condition and required a substantial level of investment to bring it up to modern standards.

Barmoor Ltd owned the land which surrounded the ground as detailed on the plan. The company had recently secured outline planning permission to develop leisure facilities across the land within its ownership and that of the Council. These facilities included a 36 bay golf driving range; a 9 hole par 3 “pitch and putt” golf course; a golf clubhouse; 10 all weather 5-a-side football pitches and changing rooms; a replacement changing pavilion; a children’s play area; and a new car parking facility.

The planning permission required the retention of the cricket pitch, bowling green and football pitch. A further Reserved Matters application would be required to address the detail of layout, scale, appearance and landscaping.

Barmoor Ltd had offered to take a long leasehold interest in the recreation ground from the Council in order to develop out the leisure facilities in accordance with the planning permission. The company would then enter into sub-lease arrangements with an operator of the golf driving range, course and clubhouse, and a separate operator of the five-a-side football facility who would also take responsibility for the management of the new pavilion.

The detailed terms of the lease would be the subject of further negotiation but it was expected that it would need to be for a period in excess of 60 years to justify the substantial level of investment in the project.

Barmoor Ltd was a company established specifically to develop out the land at Seaton Burn. The company had purchased the adjacent land approximately four years ago to demonstrate this commitment. The Board members also had extensive experience in property development within North Tyneside and the wider region.

Tied in with the planning permission there was an associated Community Use Agreement which ensured that members of the public would continue to benefit from the improved facilities.

The benefit to the Council with this arrangement would be that a new pavilion would be made available to the existing cricket, football and bowling clubs on the same basis and same rates as they currently paid. Charges would increase in subsequent years in line with other charges made by the Council elsewhere for similar facilities. These charges would be reviewed after five years.

The Community Use Agreement ensured that the golf and 5-a-side facilities were made available to schools and other community groups at agreed times free of charge. Before the Council could lease the ground to Barmoor Ltd, the formal consent of the CISWO was required. This organisation had already confirmed agreement in principle to the arrangements because of the benefits the proposal would bring to residents of Seaton Burn and the wider community. Their formal approval would also depend upon the Council obtaining an order approving the disposal from the Charity Commission.

It was intended that the Council would benefit from a rental income as part of the leasehold arrangement. This may comprise of a base rent with a profit share arrangement. The amount of financial benefit to the Council would remain uncertain until CISWO and the Charity Commission confirmed their conditions for providing consent to the ground being transferred. There would also be an additional benefit to the Council because current grounds and facilities maintenance costs currently borne by the Council would be met by Barmoor Ltd from the date of transfer.

As the Lease would be in excess of 7 years and the land comprised open space it would be necessary to advertise the leasehold disposal in accordance with Section 123 of the Local Government Act 1972.

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 Council's land at Seaton Burn Recreation Ground, shown hatched on the plan attached to the report, be declared surplus to requirements and available for transfer by way of a long leasehold interest to Barmoor Ltd;  
(2) the Client Manager - Property be authorised, in consultation with the Head of Regeneration, Development and Regulatory Services, the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, to negotiate and agree the terms of a leasehold transfer of the land at Seaton Burn Recreation Ground to Barmoor Ltd in accordance with all relevant legal requirements, the Council's Constitution and Financial Regulations; and  
(3) the Client Manager – Property be authorised, to deal with all ancillary matters arising that are consistent with the preceding resolutions.

(Reason for decision – to secure the delivery of investment in new and improved leisure facilities within Seaton Burn Recreation Ground for the benefit of local residents and the wider community. The Council will also benefit from a rental income and a small annual saving on grounds and facilities maintenance costs.)

### **CAB150/12/12 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 five items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

### **CAB151/12/12 Property Considered Surplus to Requirements (Chirton, Collingwood, Northumberland and Weetslade 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.

A description of each of the properties/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 Client Manager – Property be authorised:

- (a), in consultation with the Elected Mayor, to make minor amendments to the boundary of each property detailed in the schedule if necessary, as permissible within the Council's legal powers and/or as land owner;
- (b) in consultation with the Head of Regeneration, Development and Regulatory Services, the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, to market the properties, where applicable, and to accept the best bids;
- (c) in consultation with the Head of Regeneration, Development and Regulatory Services, the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, 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;
- (d) in consultation with the Head of Regeneration, Development and Regulatory Services, the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, 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;
- (e) in consultation with the Head of Regeneration, Development and Regulatory Services, the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, to complete negotiations for the sale of each property in accordance with all relevant legal requirements, the Council's Constitution and Financial Regulations;
- (f) 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.)

### **CAB152/12/12 Weetslade Employment Site (Weetslade Ward)**

Cabinet considered a report which requested approval of proposals in relation to the transfer of land at Weetslade Employment Site from the Homes and Communities Agency (HCA) and to consider options for development by a specified developer who had put forward a proposal to the Council or another appropriate developer.

Cabinet considered the following decision options:

Option 1 – To accept the transfer of land from the HCA to the Council and to declare the assembled land surplus to requirements and available for onward disposal to the developer identified in the report for employment use.

Option 2 – To decline the offer of transfer of land from the HCA and to retain land currently within the Council's ownership in the short to medium term.

**Resolved** that (1) the transfer of the ownership of land at Weetslade Employment Site from the Homes and Communities Agency (HCA) to the Council, be approved;  
 (2) the Council's land within Weetslade Employment Site and any land subsequently transferred to the Council by the HCA be declared surplus to requirements and available for onward disposal to the developer identified in the report or another appropriate developer;  
 (3) the Client Manager - Property, in consultation with the Head of Regeneration, Development and Regulatory Services, the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, be authorised to negotiate and agree the final terms of land transactions required to bring forward the development of Weetslade Employment Site in accordance with all relevant legal requirements, the Council's Constitution and Financial Regulations; and  
 (4) the Client Manager - Property 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 development of Weetslade Employment site and to secure a substantial level of employment opportunities within the Borough.)

### **CAB153/12/12 Wallsend Customer First Centre and Library (Previous Minute CAB112/12/10) (Wallsend Ward)**

Cabinet considered a report which sought authority to progress the delivery of the Wallsend Customer First Centre (CFC) as previously agreed by Cabinet on 13 December 2010, as part of the Council's commitment to the regeneration of its town centres and River Tyne North Bank within which Wallsend town centre was located. It also contributed to the delivery of the North Tyneside Libraries Vision.

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 progress made to date in developing a preferred option for the delivery of the Wallsend Customer First Centre, be noted;  
 (2) the Client Manager - Property, in consultation with the Head of Regeneration, Development and Regulatory Services, the Head of Cultural Services, the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, be authorised to negotiate and agree Heads of Terms and any subsequent lease for the delivery of the Wallsend Customer First Centre within the former Co-op building in the town centre, ensuring best consideration is achieved for

the Council, subject to approval of the revenue growth required in 2013/14 and 2014/15, as set out in the report, through the Financial Planning and Budget process and compliance with all relevant legal and budgetary requirements identified in the report; and

(3) the Head of Legal, Governance and Commercial Services, in consultation with the Head of Regeneration, Development and Regulatory Services, the Client Manager – Property, the Head of Cultural Services, the Strategic Director of Finance and Resources and the Elected Mayor, be authorised to enter into an appropriate legal agreement to show commitment by the Council for the progress of initial works for the Customer First Centre, with potential abortive cost payment of up to the maximum amount specified in the report for these works should the Council withdraw from the project, which will be met from Central budgets in 2012/13, if required.

(Reason for Decision – It provides evidence of the Council’s commitment to deliver a Customer First Centre within Wallsend town centre, which will complete the provision of CFC facilities across all of the Borough’s town centres. It will assist the regeneration of Wallsend town centre and the long term sustainability by increasing the footfall and providing a first class facility for staff and residents.)

### **CAB154/12/12 Quality Homes for Older People – Approval of Preferred Bidder (Previous Minute CAB128/02/10) (All Wards)**

Cabinet considered a report which detailed the outcome of the evaluation of the final tender proposals submitted by the two remaining bidders for the delivery of the Quality Homes for Older People project.

The report gave an update on progress since the last report on 8 February 2010 and sought agreement to the selection of a preferred bidder to undertake the project and to determine the parameters for working towards financial close and contract award for the project.

Cabinet also received a presentation on the key aims of the project; details of the evaluation of the two bidders that had been undertaken; and some illustrations of the proposed new and refurbished dwellings.

Cabinet considered the following decision options:

Option 1 – To accept the recommendations set out in paragraph 1.2 and agree to appoint Bidder B as the preferred bidder of the Authority to deliver the Quality Homes for Older People project, and the associated recommendations, without committing to the Authority to take the planning-related judicial review risks, as detailed in the report.

Option 2 – To accept the recommendations set out in paragraph 1.2 and agree to appoint Bidder B as the preferred bidder and associated recommendations, on the basis that the Authority takes the planning-related judicial review risks as detailed in the report.

Option 3 – Not accept the recommendations set out in paragraph 1.2 and not appoint Bidder B as the preferred bidder and the possible abortion of the project in its entirety.

**Resolved** that (1) Bidder B be selected to go forward in the procurement process as the Authority’s preferred bidder for the delivery of the Quality Homes for Older People project, and Bidder A be invited to be reserve bidder;

(2) the changes to the land transactions and the updated list of sites included in the project, as set out in Table 1 at paragraph 1.5.1 of the report, be noted;

(3) the Head of North Tyneside Homes, in consultation with the Elected Mayor, the Cabinet Member for Housing, the Cabinet Member for Finance, the Cabinet Member

for Public Health and Adult Social Care, the Strategic Director of Finance and Resources, the Strategic Director of Community Services and the Head of Legal, Governance and Commercial Services, be authorised to:

- (a) finalise and submit a Pre-Preferred Bidder Final Business Case to the Homes and Communities Agency and central Government to enable the release of PFI credits in support of the project and to “sign off” the Authority’s proposed appointment of a preferred bidder;
  - (b) finalise the project and contract documentation with the preferred bidder through to the stage of commercial and financial close on terms that are acceptable to the Authority within the affordability budget range agreed by Cabinet and to take final decisions and agree the documents giving effect to the Quality Homes for Older People project and the resolutions set out in paragraphs 1.2.1 to 1.2.3 of the report, without committing the Authority to planning permission related judicial review risks;
  - (c) take all necessary actions and agree all necessary and ancillary documentation to implement and give effect to paragraphs 1.2.1 to 1.2.3 of the report;
- (4) further reports be received as necessary to progress and finalise project arrangements to financial close and contract award;
- (5) the financial implications of the project, detailed in paragraph 2.1 of the report, be noted and the appropriate financial provision in the Authority’s Housing Revenue Account budget for these costs be approved and a specific Quality Homes for Older People PFI Reserve Account be set up; and
- (6) the maximum additional annual Authority contribution for the Housing Revenue Account, as set out in the report, be approved, noting that this amount has been built into the 30 year HRA Business Plan, including an estimate of inflation, and the 2013/14 budget, as set out in the report.

(Reason for Decision - Bidder B is the bidder with the final tender solution which has achieved a higher score than the unsuccessful bidder in the tender evaluation process using the published evaluation criteria. Bidder B is therefore identified as the bidder offering the most economically advantageous tender for the project. This represents a value for money option for the Authority.)

### **CAB155/12/12 Mini Golf Facility at the Links, Whitley Bay (St Mary’s Ward)**

(Councillor E Hodson withdrew from the meeting for the duration of the discussion on this item).

Cabinet considered a report which detailed three options for the continued operation and improvement of the mini golf facility at The Links, Whitley Bay, as shown hatched on the plan attached as Appendix 1 to the report. A supplementary report was also submitted containing additional information for Cabinet’s consideration.

**Resolved** that (1) Option 3 detailed in the report be approved in relation to the operation of the mini golf Facility at The Links, Whitley Bay; and

(2) the Head of Cultural Services, the Client Manager – Property and the Head of Legal, Governance and Commercial Services, in consultation with the Elected Mayor and Cabinet Member for Community and Regulatory Services be authorised to progress this matter with the tenant at the earliest opportunity.

(Reason for decision – this is considered to be the best way to ensure that the mini golf facility and any additional permitted cafe use is operated to the Council’s satisfaction.)



**CAB156/12/12 Date and Time of Next Meeting**

6.00pm on Monday 14 January 2013.

**CAB157/12/12 Mr K Wilson, Head of Regeneration, Development and Regulatory Services**

The Mayor stated that this was the last meeting of Cabinet attended by Ken Wilson, Head of Regeneration, Development and Regulatory Services before he retired from the Council. On behalf of the Council, the Mayor thanked him for all of his work and services to the Council.

**Minutes published on Thursday 13 December 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 21 December 2012.**