

Cabinet

14 January 2013

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

In Attendance: J Bowerman (Northumbria Police)
A Caldwell (Age UK North Tyneside)
M Cushlow (NHS North of Tyne)
A Hodgson (Business Representative)
I Sidney (Young Mayor)
D Titterton (Voluntary Sector).

Apologies: Councillor E Hodson; L Gardiner (VODA) and
S Neill (Northumbria Police)

CAB158/01/13 Declarations of Interest

There were no declarations of interest made.

CAB159/01/13 Minutes

Resolved that the Minutes of the meeting held on 10 December 2012 be confirmed.

CAB160/01/13 Report of the Young Mayor

The Young Mayor updated Cabinet on recent activities he, the Young Cabinet and Youth Council had been involved with.

The Young Mayor had now selected his young cabinet and details would be made available to Cabinet members.

The Youth Council had begun to develop an action plan around the themes of Giving young people a voice, Mental Health, Bullying, Employment and future education, Drugs and Alcohol which were the topics that had received most votes on Youth Council training day. Further updates would be provided to Cabinet on these issues.

Two Youth Councillors had been nominated to the Regional Youth Work Unit for Positive Social Behaviour Awards. The Young Cabinet member for Environment had won his category of "inspiring young person".

A Member of the youth parliament was working with the participation team on the Active Citizens project, and the Young Mayor looked forward to welcoming international visitors, along with the Elected Mayor to North Tyneside next week.

The Young Mayor and several Youth Councillors had met with Police and Crime Commissioner Vera Baird along with other young people from the Northumbria policing area. They were asked to help in consulting wider with young people in their own communities to seek their views on their own priorities regarding policing and crime. They had consulted with young people from schools and colleges, football groups, scouts etc, so that North Tyneside young people could have a say about their priorities.

This would help shape the Police and Crime Commissioner strategy which was expected to be completed by March 2013.

The Young Mayor had met with members of the Primary Care Trust group to help judge the name of the new Children's unit which was being built as part of the new Cramlington hospital. A competition had been held in some schools and family events to gather ideas for a name.

He had also attended the official opening of Battle Hill Multi Use Centre and had met many of the young people who were using the facility. Some of the young people had applied to the Young Mayor's fund for new equipment for the Centre and he confirmed that they had been successful in receiving funding for a pool table and table tennis table.

The Young Mayor looked forward to driving his pledges forward with the support of his Young Cabinet and Youth Councillors.

The Mayor thanked the Young Mayor for his report.

CAB161/01/13 Report from Overview and Scrutiny Committee and its Sub Committees (All Wards)

There were no reports submitted by the Overview and Scrutiny Committee or any of its Sub Committees for this meeting.

CAB162/01/13 2012/13 Financial Management Report to 30 November 2012 (All Wards)

Cabinet considered a report detailing the budget monitoring position as at 30-November 2012, and included forecast outturn positions for 2012/13 for the General Fund, the Housing Revenue Account (HRA) and the Capital Plan, including a summary of schemes delivered. It also included an update on Schools' finances.

As at 30 November 2012, the forecast year-end position for the General Fund reflected in-year pressures of £1.637m. This compared with the position previously reported to Cabinet, which had indicated pressures of £1.959m. The forecast reflected the challenging conditions faced by councils nationally in managing increased demand in some areas and the potential impact of the recent severe flooding across the Borough. Services were developing plans and actions to ensure the budget was brought in on target.

The report also referred to revenue grants awarded since the previous report to Cabinet totalling £3.808m.

The HRA was forecast to have year-end balances at 31 March 2013 of £1.622m, which was £32,000 higher than budget. The higher than forecast balances were mainly as a result of higher opening balances due to the impact of previous years' financial performance (£837,000). £757,000 of the increased brought forward balances had been allocated to support the Station Road new build scheme, as agreed by Cabinet on 13 August 2012, the remainder would be applied in 2013/14.

Section 4 of Annex 1 of the report gave an update in respect of work in progress with regard to the national school funding reform.

The Capital Plan budget for 2012/13, adjusted for revisions at previous Cabinet meetings and in relation to additional borrowing of £1.087m, approved at the Council meeting on 26 July 2012, was £63.074m. Variations of £1.301m and reprogramming of £4.183m were proposed in the report. The report detailed some of the achievements in terms of delivery of projects in the first six months of the financial year, as well as summarising the level of spend on projects for the year.

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 budget monitoring position as at 30 November 2012, be noted; (2) the receipt of new revenue grants, set out in the report, be approved; (4) the level of spend on the Capital Plan as at 30 November 2012 be noted; and (5) the variations of £1.301m and reprogramming of £4.183m within the Capital Plan, be approved.

(Reason for decision – It is important that Cabinet continues to monitor performance against the budget, especially given the current level of financial pressures faced by the public sector. The variations to the Capital Plan will enable the use of grants awarded for 2012/13.)

CAB163/01/13 Regional Trading Standards Enforcement Team (All Wards)

Cabinet considered a report which sought approval for entering into an arrangement to enable and authorise Redcar and Cleveland Borough Council to investigate and undertake enforcement activity pursuant to specified Trading Standards legislation within North Tyneside.

The Council was appointed as the local weights and measures authority in the Borough of North Tyneside and as such was responsible for enforcing a wide range of primary legislation aimed at protecting consumers and legitimate business.

Consumer crime was local, regional, national and international and therefore crossed local authority boundaries. Following the publication in 2005 by the Department of Trade and Industry of a consumer strategy 'A Fair Deal for All – Extending Competitive Markets: Empowered Consumers, Successful Business', the Government had set out its commitment to provide funding for regional enforcement teams to more effectively tackle consumer related crime that crossed those locally defined boundaries. The aim was to focus attention on scams and fraudulent trading practices affecting the vulnerable within local communities but that had implications and impacts beyond these.

The remit of the Trading Standards Regional Enforcement Team (known as 'Scambusters') was to:

- Provide a flexible additional resource to enhance the capacity of Trading Standards to tackle cross border criminality;
- Improve liaisons with other enforcement agencies and drive forward the use of the National intelligence Model management tool used widely by the Police; and
- Develop, introduce and disseminate best practice.

In the North East of England, the Scambusters initiative was hosted by Redcar and Cleveland Borough Council with oversight from the National Trading Standards Board, with strategic direction provided from the 12 local authorities including North Tyneside.

Officers within the Scambusters team were directly employed by Redcar and Cleveland Borough Council and consisted of 3 Investigating Officers, a Business Support Officer and a Regional Intelligence Officer managed by a Regional Enforcement Manager.

The local benefit the team brought to North Tyneside was significant. The Council in effect had at its disposal an additional enforcement resource that it could task which was capable of working across boundaries, linked directly to a national network, and able to focus specifically on rogue traders and protecting the vulnerable.

The report provided National Statistics, recent Regional Enforcement Team successes and examples of casework carried out by officers in the North East.

The initiative had two main objectives:

- the protection of local, regional and national consumers / businesses from fraudulent and malicious trading practices originating within, or focusing on, the individuals and communities across the twelve local authorities within the North East. The regional team was currently involved in a number of active investigations or intelligence gathering activities.
- the continued development and enhancement of a regional enforcement resource, working alongside and in partnership with local Trading Standards Services, in a reactive and proactive manner, with the aim of tackling rogue trading practices.

Heading up the Regional Intelligence Liaison Group, comprising Trading Standards Intelligence Officers from each Local Authority Trading Standards Service, the Scambusters initiative was proactively using the National Intelligence “Memex” Database throughout the region. Aimed at creating a regional source of data which could be mined to target individuals and rogue businesses based in and operating across the North East, the Memex database also acted as a major source of accurate and reliable data allowing forward planning at regional and local level.

A Regional Intelligence Officer, based within and funded by the Scambusters team, was tasked with analysing intelligence and current trends to promote a proactive and co-ordinated approach to enforcement within the team and throughout the region.

In order to make better and more efficient use of the Scambusters team in the Borough, relevant officers from Redcar and Cleveland Borough Council required formal delegation of functions in order for them to lawfully lead investigations and enforcement activities in relation to specified consumer protection legislation. It was proposed that any such delegations would be subject to regular review.

In order to ensure clarity in respect of the operation of these arrangements, a draft protocol had been produced, attached as Appendix 1 to the report, which set out the processes and practices necessary to enable Redcar and Cleveland Borough Council and its officers to undertake investigations.

The delegation did not prevent North Tyneside Council’s Trading Standards Service from itself undertaking investigations in relation to the powers that it was proposed to delegate, rather it was the aim that the Scambusters regional team provided additional enforcement resource to carry out such investigations alongside the Council’s Trading Standards Service.

Cabinet considered the following decision options:

Option 1 – note the existence of the additional enforcement resource provided through the Regional Enforcement Team and to agree with the recommendation to delegate the specified functions as set out in the recommendations in section 1.2 to the report.

Option 2 - note the existence of the additional enforcement resource provided through the Regional Enforcement Team but to reject the recommendation to delegate the specified functions as set out in the recommendations in section 1.2 to the report.

Option 3 - To refer any of the matters arising in the report back to officers for further consideration.

Resolved that (1) the existence of the Regional Trading Standards Enforcement Project ('Scambusters') funded by the Department of Business, Innovation and Skills through the National Trading Standards Board to support cross border enforcement and that, in the North East of England, the project is led by Redcar and Cleveland Borough Council, be noted;

(2) the Council's enforcement function as a local weights and measures authority under the legislation specified in Appendix 1 to the report be delegated to Redcar and Cleveland Borough Council to enable it to undertake enforcement on behalf of the Council; and

(3) authority be delegated to the Head of Business and Economic Development (and, on a temporary basis pending the postholder to the said post joining the Authority, to the Head of Legal, Governance and Commercial Services), in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Cabinet Member for Community and Regulatory Services, to enter into a protocol with Redcar and Cleveland Borough Council for such purpose in relation to the enforcement function as a local weights and measures authority, and to deal with all ancillary matters consistent with the above resolutions.

(Reason for decision - The proposal seeks to add to the Council's existing resources by enabling the Trading Standards function to have access to a team of suitably skilled officers based within the Regional Enforcement Team to assist with the enforcement of fraudulent and malicious trading practices within the Council's boundaries but which have an impact further afield. The enforcement resource of the officers from the Regional Enforcement Team will enhance further the Council's capacity and provides a resource it would not otherwise have ready and available access to.)

CAB164/01/13 Response to Overview and Scrutiny – Kings Priory Consultation (Previous Minute CAB115/11/12)(All Wards)

Cabinet considered a report setting out a proposed response to a recommendation from the Overview and Scrutiny Committee in relation to the formulation of the Council's response to the Secretary of State for Education on the proposals to create Kings Priory School in Tynemouth as an academy school from September 2013.

At its meeting on 5 November 2012 the Overview and Scrutiny Committee had considered and endorsed a recommendation from the Children, Education and Skills Sub-Committee for submission to Cabinet, as follows:

"Overview and Scrutiny Committee recommend that Cabinet submit to Council for determination the Strategic Director for Children, Young People and Learning's recommended response to the Secretary of State on the proposals for Kings Priory School."

The Committee considered that the Kings Priory proposals would have a significant impact on the provision of education in the Borough and that therefore representations to the Secretary of State for Education should be determined by all elected Members of the Council.

An interim report regarding the Kings Priory proposals had been provided to Council on 25 October 2012. A further report was to be provided to Council, upon receipt of outstanding information, in particular in relation to the consultation process and the proposed admissions policy, to enable all Members to participate in an informed debate upon the proposals. The Elected Mayor, Cabinet Member and the Group Leaders had received briefings and participated in meetings concerning the proposals.

Cabinet considered the following decision options:

Option 1- Note the recommendation of Overview and Scrutiny Committee contained within the report to Cabinet dated 12 November 2012 but determine to take no action in respect of the recommendation.

Option 2 - Note the recommendation of Overview and Scrutiny Committee contained within the report to Cabinet dated 12 November 2012; and request the Strategic Director for Children, Young People and Learning to undertake consultation with the Group Leaders prior to the submission of the Council's representations upon the Kings Priory Proposals to the Secretary of State for Education.

The Cabinet Member for Children, Young People and Learning asked Cabinet to note that in responding to the consultations undertaken by the Woodard Academies Trust and the Governing Body of Priory Primary School, it was proposed that the same approach would be followed.

Resolved that (1) the recommendation of Overview and Scrutiny Committee contained within the report to Cabinet dated 12 November 2012, be noted; and (2) the Strategic Director of Children, Young People and Learning undertake consultation with the Group Leaders prior to the submission of the Council's representations upon the Kings Priory Proposals to the Secretary of State for Education.

(Reason for decision - under the Council's executive arrangements, Cabinet has responsibility for all matters of Council business except where otherwise provided for in law, in particular by the Local Authorities (Functions and Responsibilities) (England) Regulations 2000. Under these provisions, some Council functions are reserved to full Council, and others are shared between Cabinet and Council.

Making the Council's formal representations to the Secretary of State for Education is an executive responsibility. It is not a matter for determination by Council under the statutory split of responsibilities. The preparation of the response will be carried out by the Strategic Director for Children, Young People and Learning on behalf of Cabinet and will be subject to consultation with the Mayor and Cabinet Member for Children, Young People and Learning. Further consultation with Group Leaders could be undertaken if considered appropriate. Arrangements are already in place to enable Group Leaders to participate in discussions and for Full Council to debate the proposals. The views expressed through those forums may be taken into account in preparing the Council's representations to the Secretary of State.)

CAB165/01/13 Transfer of Public Health from North Tyneside Primary Care Trust to North Tyneside Council (All Wards)

Cabinet considered a report which detailed progress in relation to transferring public health functions from North Tyneside Primary Care Trust (PCT) to North Tyneside Council in line with the requirements of the Health and Social Care Act 2012.

The transfer would become effective on 1 April 2013 and from this date local authorities would have responsibility across all three public health domains for:

- leading investment for improving and protecting the health of the population and reducing health inequalities using the ring-fenced grant.
- ensuring plans were in place to protect the health of the population and ensuring an appropriate public health response to local incidents, outbreaks and emergencies.
- providing public health expertise, advice and analysis to Clinical Commissioning Groups (CCGs).

The local authority would also have a role in supporting, reviewing and challenging NHS commissioned immunisation programmes and national screening programmes.

Local authorities would be required to commission a range of mandatory and discretionary public health services, details of which were contained in Appendix 1 to the report. The Council would also have a responsibility from 1 April 2013 to provide public health advice to NHS Commissioners. The main focus was on providing a Core Intelligence Offer for North Tyneside CCG.

A North Tyneside Public Health Transition Group, comprising senior officers and managers, was overseeing the transition of public health from the “sender” organisation to the “receiver” organisation, to ensure a smooth transfer of functions and resources. The Transition Group had six work streams and under the agreed terms of reference operated as a Task Group of the Health Improvement Commissioning Board, chaired by the Director of Public Health which subsequently reported to the Shadow Health and Wellbeing Board via the Commissioning Executive.

The Group provided leadership and accountability for transition, and would manage any risks to the successful delivery of the Public Health Transition Plan (agreed by Cabinet in March 2012) and ensure that:

- The Council had a clear understanding of the contract transition process and the portfolio of contracts that would transfer to the Local Authority.
- The Council had assurance that the risks associated with the transfer of staff, contracts and commissioning responsibilities were being managed effectively.
- The Council had assurance that the grant allocation would cover the public health service contracts and staffing.
- Statutory responsibilities for Public Health were transferred smoothly without disruption to services and ensuring performance was maintained.
- All providers had a clear understanding of the contract transition arrangements and implications.

The report outlined the role and responsibilities of the Director of Public Health (DPH), as defined by statutory guidance. The DPH would be a statutory Chief Officer and would act as ‘the lead officer in a local authority for health and championing health across the whole of the authority’s business’. The DPH would be responsible for all the new public health functions of local authorities, including any conferred on local authorities by

regulation. They would also be required to produce an annual report on the health of the local population and would be statutory members of the Health and Wellbeing Board.

The DPH would be the person elected members and senior officers would consult on a range of public health issues, including emergency preparedness to concerns around access to local health services. The DPH would work closely with the Strategic Director of Children, Young People and Learning, the Strategic Director of Community Services and colleagues in the NHS to integrate commissioning. The DPH would work with the new Police and Crime Commissioner to promote safer communities.

The formal accountability of the public health ring-fenced grant rested with the Chief Executive, but it was expected that day-to-day responsibility for management of the grant would be delegated to the DPH.

At present the Council had two employees who were recharged to the PCT for their work in public health commissioning of drug treatment services. On 1 April 2013 eight staff, including the Director of Public Health, would be transferred from the PCT to the Council. Two additional specialist public health staff would be recruited in 2013/14 to ensure that the Council could meet the mandatory provision in relation to public health responsibilities. The transfer discussions and consultation were underway and the PCT staff concerned had already been assigned to North Tyneside Council and relocated within Quadrant to facilitate the transition. The public health service would include Public Health Specialists, public health commissioning managers, and specialist health intelligence officers.

The new public health role for local authorities required an understanding of public health issues across all Council services and successful integration of the public health team in order for a local public health system to develop. A clear vision for how the new public health system would work with and beyond the local authority was an essential starting point for designing an operating model. The vision for North Tyneside was:

- Reduced health inequalities, improved health outcomes and better integration of health and social care which would be achieved through more cost effective delivery of evidence based programmes.
- Public health integrated with every Council function so that Heads of Service and Service Managers took action to improve health.
- The public health delivery system included all statutory partners and contracted providers.

Following an assessment of the options for the public health operating model within the local authority, the preferred option was an 'integrated' model in which public health responsibilities were distributed across the Council, while public health specialist advice and commissioning expertise was provided through a 'core team'.

The 'North Tyneside Public Health Operating Model' would provide public health leadership through an Office of the Director of Public Health and integrated, evidence-based commissioning through the core team. The core public health team would include the specialist public health staff under the leadership of the DPH, which would be responsible for commissioning and where appropriate providing the mandatory public health services.

Selected discretionary services would be jointly commissioned by the Public Health Team working with Commissioning Teams in Children Services and Adult Social Care, which would form an Extended Public Health Team.

To ensure cross sector engagement the DPH had convened a Health Improvement Commissioning Board which included senior Council officers, CCG representation and other stakeholders. The Health Improvement Commissioning Board reported to the shadow Health and Wellbeing Board via the Commissioning Executive. Two commissioning support groups had been established, one for children's health improvement services and the other for adult health improvement services.

The majority of contracts would be transferred to North Tyneside Council from the PCT and extended for 2013-14. This extension was to ensure continuity of provision, and such extension to be undertaken in accordance with the Council's Contract Standing Orders. The Council would assume full responsibility for contract management including payment and performance monitoring.

Current providers, partners and other key stakeholders were being notified by the PCT of these changes to the commissioning arrangements. The Director of Public Health would develop the Council's commissioning intentions for 2013/14, and this would be the subject of a separate report to Cabinet. Current providers would be notified of the Council's intentions in relation to commissioning future services. Soft market testing may be undertaken with the current and potential providers in order to formulate the specification.

The DPH had developed a North Tyneside Health Improvement Commissioning Strategy (as detailed in Appendix 2) which described the Council's public health commissioning responsibilities and outlined the health improvement commissioning intentions in the transition period and beyond. The Strategy also identified the underpinning principles and process for reviewing current public health services and future health improvement requirements. Public health commissioning would be undertaken within the context of the Joint Strategic Needs Assessment, Health and Wellbeing Strategy priorities and the Council's commissioning framework and process of procuring services, in order to ensure that the ring fenced public health grant was used effectively to secure the best health outcomes for the population of North Tyneside.

There was a need to move beyond the practical steps of transition with new and innovative models of delivery. There was an opportunity for a complete transformation of the delivery agenda, demonstrating the most effective and efficient use of the public health ring fenced grant and ensuring that there was no double funding of services.

A public health ring fenced grant would be allocated to the local authority based on North Tyneside PCT's historic spend 2010/11 as provided to the Department of Health (DH) by the PCT. The Cabinet Member for Public Health and Adult Social Care reported that in 2013/14 the Council would receive £10,417,000 and in 2014/15 £10,807,000 for public health services. A 'Health Premium' would also be available from 2015/16 to incentivise health improvement. The criteria had yet to be determined but it was likely to include performance against key indicators in the Public Health Outcomes Framework.

The grant could only be spent on activities whose main purpose was to improve the health and wellbeing of the local population, including protecting their health and reducing health inequalities. The duty to secure best value would also apply.

A shadow Health and Wellbeing Board had been established in North Tyneside in November 2010 to enable the Council to develop its role to meet new Government legislation on the future of health and social care services. Health and Well Being Boards would have statutory responsibilities (detailed at Appendix 3 to the report) from

April 2013. They would have the primary aim of promoting integration and partnership working between the NHS, social care, public health and other local services, to improve democratic accountability.

It was anticipated that regulations governing Health and Wellbeing Boards would be published by the Government in January 2013, and detailed terms of reference and procedure rules would be prepared once the regulations came into effect.

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 process of transferring public health resources, workforce and responsibilities to the Council be noted:

(2) the governance arrangements and assurance mechanisms in place to manage the transition be noted;

(3) a Public Health Operating Model within the Council post April 2013, as set out in the report, be approved;

(4) the process for transferring public health contracts to the Council for 2013-14 be noted; and

(5) the principles for future commissioning of public health contracts be approved and Cabinet receive a further report detailing the commissioning intentions for 2013/14.

(Reason for decision – to appraise Cabinet of transition plans and governance arrangements so that it is assured that the change is being managed in line with national guidance and milestones).

CAB166/01/13 Review of Decision to Introduce a Subscription for a Garden Waste Collection (All Wards)

Cabinet considered a report which requested a review of the decision to introduce a subscription for garden waste collection in accordance with a resolution agreed by full Council on 27 September 2012 (Minute reference C64/09/12 item (vii)).

As part of the 2012/13 budget setting process a £20 subscription had been introduced for the collection of garden waste. A summary of the information supplied by officers to Cabinet, the Budget Study Group and Overview and Scrutiny Committee was attached at Appendix 1 to the report.

Prior to the introduction of the garden waste subscription there were 68,000 households in the current scheme, with around 50,000 active participants. The service provided fortnightly collection from early March to the end of November, approximately 20 each year. Information relating to publicity for the introduction of the subscription and arrangements for residents to subscribe and for receiving payment and answering residents' queries was set out in the report.

A breakdown of the costs incurred to date was detailed in the report. Total spend was £25,109.

As of 6 December 2012 19,236 properties had subscribed to the scheme, with 19,622 bins (several properties had multiple bins) bringing in an income of £392,440. Over 78% had made payments using a credit or debit card, 21% had paid by cash and 1% by cheque.

As at 6 December 2012, 193 written complaints from residents had been received and 74 requests had been received to remove unwanted brown bins.

As part of the 'Voice your Choice' budget consultation events a question was asked, "*Do you think there should be a charge for garden waste*" – Yes / No. Out of 434 questionnaires, 82% said that there should not be a charge for garden waste. However, many thousands of customers had gone ahead and paid the subscription.

The report outlined the following decision options, including in each case the benefits, risks and costs, for Cabinet's consideration:

Option 1 – Continue with the current subscription service as planned.

Option 2 - Remove the charge and refund all those who have subscribed from December 2012 (19,236 properties as at 6 December).

Option 3 - Retain existing payment as a one-off charge for access to the service for a pre-determined period: either 2 years, 3 years or 4 years, and then reconsider the position with regard to a subscription for the service at that time.

Option 4 - Reinstate the free service from November 2013 after the first paid for collections have been completed.

The report gave a summary of the impact on existing and future budgets, depending on which option was agreed.

The Mayor stated that she had listened to residents' concerns about the charge following the consultation referred to above, and had reviewed the overall resource position in environmental services, in the light of the successful bid for funding from the Government for the retention of weekly bin collections.

She therefore proposed that the charge should be removed and had requested officers to report to her by 28 January with details of how the Council would refund the money already paid.

Resolved that Option 2 – removal of the charge and refund all those who have subscribed to the scheme – be approved.

(Reason for decision – to respond to residents' concerns about the charge for garden waste collection and taking into account a review of environmental services budgets and priorities. In addition, Option 2 has the following benefits:

- Composting rate maintained
- Reducing landfill costs
- Sustained user satisfaction)

CAB167/01/13 Alternative Management and Development of St. Mary's Lighthouse and Visitor Centre (All Wards)

Cabinet considered a report requesting approval for the Council to undertake a procurement exercise in order to appoint a provider to undertake alternative management and development arrangements for St Mary's Lighthouse and Visitor Centre and obtain approval to grant a lease of the properties upon agreed terms to the preferred provider.

The proposal to explore alternative management options had been agreed as part of the Council's Council Plan and Budget Setting Process for 2012/13. Consideration had

previously been given to alternative management in public consultation meetings around the Community Trust proposals.

Working in partnership was critical to the development of key heritage assets in the Borough. In addition, experience elsewhere suggested that arrangements for alternative management by a third party could be a successful route to service improvement and greater investment.

St Mary's Lighthouse and Visitor Centre is an iconic building on the Borough's coastline forming a key part of North Tyneside's tourism offer. The venue offered a unique view of the coastline from the top of the lighthouse tower. The site attracted a footfall of up to 80,000 visitors annually. During the year April 2011 to March 2012 the service had delivered a programme of over 30 events and activities at the Lighthouse/Visitor Centre. In the same period the team had also delivered a range of educational activities to 4,500 children engaged in learning outside the classroom, including the history and heritage of the Lighthouse and island, natural history and environmental awareness.

The venue hosted a range of bespoke children's parties each year and was also licensed for weddings and civil ceremonies and had been growing in popularity, only limited by tidal access.

The Council's tender specification would promote the need to deliver a strong visitor attraction and educational offer as part of any alternative management and development arrangements. The tender documentation would detail specific objectives on behalf of the Council to maintain St Mary's Lighthouse and Visitor Centre as a tourist attraction, community venue and educational service. The respective Ward Members would continue to be regularly briefed on the proposals as they were taken forward.

Subject to obtaining Cabinet approval, the appointment of a partner to manage St Mary's Lighthouse and Visitor Centre would deliver value for money. Expressions of interest would be sought from organisations to manage and develop the Lighthouse and Visitor Centre. The duration of the contract and lease terms would be negotiated, but it was anticipated that these would be subject to a 5 year minimum term.

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) authority be delegated to the Head of Cultural Services, in consultation with the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services, the Elected Mayor and the Cabinet Member for Community and Regulatory Services, to:

- (a) undertake the procurement and appointment of a service provider to deliver the management and development of St Mary's Lighthouse and Visitor Centre;
 - (b) determine the duration of the contract;
 - (c) award the contract to the preferred provider; and
 - (d) deal with any ancillary matters arising from the above resolutions; and
- (2) authority be delegated to the Client Manager - Property to:
- (a) grant lease(s) of the property on negotiated terms and for a duration commensurate with the terms of the service contract; and
 - (b) deal with any ancillary matters arising from the above resolution.

(Reason for Decision – St Mary's Lighthouse and Visitor Centre is a valued and successful visitor attraction for the borough. However, there is a need to expand and develop the service to increase footfall and the coastal tourist offer. The site is in need

of investment and modernisation to ensure it can deliver the best customer and educational experience.

An alternative provider may be eligible to apply for funding the Council is not eligible for, and/or to achieve savings such as business rates relief, and therefore could potentially run the Lighthouse and Visitor Centre more cost-effectively than the Council is able to.

Alternative management of St Mary's Lighthouse and Visitor Centre is anticipated to realise £50,000 of savings in 2013/14 in line with the Council's Change, Efficiency and Improvement programme target. If management of the Lighthouse and Visitor Centre remains with the Council, these savings would need to be realised in a different way.)

CAB168/01/13 Procurement of a Partner to Access External Funding to deliver Energy Efficiency Works in Cross Tenure Homes within North Tyneside (All Wards)

Cabinet considered a report which requested approval to undertake an EU-compliant procurement exercise to identify a preferred partner to access external funding, such as Energy Company Obligation (ECO) funding, to deliver energy efficiency works to cross-tenure homes within North Tyneside.

The Climate Change Act 2008 introduced a statutory target for the UK to reduce its carbon dioxide emissions by 80% by 2050, with an interim target of 34% by 2020 (against a 1990 baseline).

Cabinet had agreed a number of strategies and plans that demonstrated commitment to reducing carbon dioxide emissions in North Tyneside, and reducing carbon dioxide emissions in the domestic sector was a key objective of these strategies.

A key mechanism for reducing carbon dioxide emissions across the Borough was to promote energy efficiency in the domestic market. Over the past four years the Council had done this through working in partnership with Warm Zone Community Interest Company to deliver the North Tyneside Warm Zone (NTWZ) scheme.

Since 2008, NTWZ had completed nearly 19,000 insulation measures (predominantly cavity wall and loft insulation) in over 15,000 cross tenure homes in North Tyneside. However, the private sector funding for the scheme, provided through the Carbon Emission Reduction Target (CERT) supplier obligation, had ended in December 2012. Therefore, the NTWZ scheme had stopped delivering CERT funded insulation measures at the end of November 2012.

In order to continue the Council's excellent track record of delivering energy efficiency works in the domestic sector, officers had explored emerging legislation and subsequent funding opportunities.

The Energy Act 2011 made provision for the development of a Green Deal and a new Energy Company Obligation (ECO) to replace CERT. Through the ECO, the Government had placed a legal obligation on the 'big six' energy companies requiring them to promote measures which improved domestic energy efficiency, reduce carbon dioxide emissions and reduce the cost to households of heating their homes.

The Government would set an overall target, which was then apportioned to the energy companies according to their market share. Companies met their targets by promoting the uptake of energy saving solutions, such as insulation, to household consumers.

The Department of Energy and Climate Change (DECC) estimated that approximately £1.3 billion per year in funding would be provided for domestic energy efficiency measures by the 'big six' energy companies.

Soft market testing had indicated that at least two of the 'big six' energy companies would be willing to work with the Council to deliver ECO funded energy efficiency works in homes across North Tyneside, either by directly managing a scheme or by working through a managing agent. Therefore the procurement exercise specification would allow the preferred partner to be one of the 'big six' energy companies or a managing agent who could attract and manage funding from one of these companies.

The match funding provision, detailed in the report would attract external funding as it would contribute to achieving higher levels of carbon dioxide emission reduction for the obligated energy companies.

It was anticipated that the range of measures would deliver leverage of between £5 and £10 for every £1 invested by the Council. The level of ECO funding received was different for each measure delivered. Therefore, careful analysis of potential measures was needed to determine the level of ECO funding that could be expected.

The funding would be used to deliver energy efficiency measures in homes across North Tyneside in the affordable warmth, carbon and carbon saving communities obligation categories of ECO. At this stage the majority of the value of the work would be expected to be spent on solid wall insulation, hard to treat cavity insulation and boiler replacement.

The actual delivery of the energy efficiency measure was likely to be undertaken by a number of specialist providers. They would be appointed by the preferred partner and act as subcontractors to them. In the selection of the partner due consideration would be given to how any subcontractors could support the local economy.

Carbon dioxide emissions in North Tyneside overall had fallen by 19% between 2005 and 2010. The largest source of the decrease was in relation to Industry and Commerce, where emissions had decreased by 30%, due to a shift in the nature of industry in the Borough and the increased awareness of the need to and benefits from reducing energy consumption by many organisations.

A wide range of energy efficiency measures were available under ECO funding which would reduce carbon dioxide emissions within the domestic sector. ECO funding could be used to most effectively target those households in fuel poverty for installation of suitable energy efficiency measures.

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) an EU-compliant procurement exercise be undertaken in order to identify a preferred provider to access external funding, such as Energy Company Obligation funding, to deliver energy efficiency works to cross-tenure homes within North Tyneside;

(2) the Head of Environmental Services and the Head of North Tyneside Homes, be authorised in consultation with the Head of Legal, Governance and Commercial Services, the Strategic Director of Finance and Resources, the Elected Mayor, the Cabinet Member for Transport and the Environment and the Cabinet Member for Housing, to undertake a procurement exercise to identify a preferred provider for the above purposes in accordance with all applicable procurement rules, including authority to undertake the following:

- a. Determine the most appropriate procurement process, including the scoping of the exercise;
- b. Approve the specification, the procurement documentation and other contract terms;
- c. Determine the duration of the contract;
- d. Approve the evaluation criteria;
- e. Oversee the project procurement and delivery; and
- f. Award the contract and manage the contract monitoring process.

(Reason for decision – Procurement of a suitable partner will:

- Leverage in external funding – it is anticipated that the range of measures will deliver leverage of between £5 and £10 for every £1 invested by the Council.
- Reduce CO₂ emissions – a wide range of energy efficiency measures are available under ECO funding which will reduce carbon dioxide emissions within the domestic sector.
- Reduce levels of fuel poverty – ECO funding will be used to target those households in fuel poverty and households which are in receipt of certain benefits.)

CAB169/01/13 Report of the Flooding Task and Finish Group (Previous Minute CAB116/11/12) (All Wards)

Cabinet considered a report which gave an update on the work of the Flooding Task and Finish Group and presented its final recommendations.

In reaching a draft set of recommendations for the Task Group, consideration had been given to the work of the four sub groups that had been established to support the Task Group and the outcomes agreed to be important to residents and businesses and also identifying practical steps to be taken in each area. Those outcomes were as follows:

Visible Preparation and Management

The residents, communities and businesses of North Tyneside needed to be able to see that the Council and its partners played their appropriate part in preparing for flooding and managing surface water in a manner that mitigated the risks of pluvial flooding. North Tyneside residents and businesses needed to see that the Council and partners took flooding seriously and worked hard to mitigate the risks.

Community Awareness and Resilience

The Council and its partners, especially the Community and Voluntary Sector needed to work together to help residents, communities and businesses understand the risks, the intelligence available to them and what they could do to be resilient to flooding. North Tyneside residents and businesses needed to feel they knew how to cope.

Understood Response Priorities

The Council and other Category One Responders under the Civil Contingencies Act 2004 had clear response priorities. For the Council that was the protection of the elderly and the vulnerable. It was clear that was sometimes at odds with other partners' priorities which might be to open the road network for example. North Tyneside residents and businesses needed to understand the priorities in a response situation and act accordingly.

Visible Partnership and Accountability

The Council and its partners needed to be seen to work together and to be accountable for their performance in this area. North Tyneside residents and businesses needed to understand who was acting on their behalf and what responsibilities those organisations had.

The 24 recommendations of the Task and Finish Group were set out in Appendix 1 to the report. They were presented in the order they needed to occur in managing surface water, drainage and flooding events.

The Mayor clarified that the references to Langdale school site in sections 1.5 and Appendix 1 to the report should in fact read Langley school site. She thanked everyone who had taken part in the Task Group and its Sub Groups and looked forward to the early implementation of the recommendations.

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 Task and Finish Group's Final Recommendations and Next Step Report, attached at Appendix 1 to the report, be approved; and (2) the Council's Lead Officers identified in the Action Plan at Appendix 1, Annex C, be authorised, in consultation with the Elected Mayor, to take forward the necessary actions to progress the respective activities attributed to them in the Plan.

(Reason for decision – to ensure that the recommendations of the Flooding Task and Finish Group move forward quickly.)

CAB170/01/13 Shared Internal Audit and Risk Management Service between North Tyneside Council and Northumberland County Council (Previous Minute CAB151/02/12) (All Wards)

Cabinet considered a report which gave an update on progress that had been made in implementing the shared Internal Audit and Risk Management Service between North Tyneside Council and Northumberland County Council (NCC), explained the next steps required to implement the final phase of the shared arrangements and secure maximum benefits for both councils, and outlined the detailed consultation that had taken place with staff and Trades Unions as part of this process.

In accordance with the decision of Cabinet on 13 February 2012, North Tyneside Council's Chief Internal Auditor had continued to project manage the implementation of the shared service, on behalf of both councils. This officer had also moved into the role of shared Chief Internal Auditor, delivering for both councils, at a slightly earlier date than planned (February 2012). A number of additional management roles had also been performed for the benefit of both councils.

The Chief Internal Auditor had ensured that all required responsibilities of the Internal Audit and Risk Management service had been properly discharged at both councils. The shared service was providing opportunities to deliver a number of benefits for both councils, including a more efficient and streamlined assurance function, sharing of good practice, development of a centre of excellence for the region, and a clear customer focused approach linking good governance directly to the achievement of organisational goals.

2012/13 had been a transitional year in the development of the shared arrangements. Work performed during the year had allowed gathering of additional business intelligence on current ways of working within Internal Audit and Risk Management at each council, and more detailed examination of the benefits to be gained from shared working by both councils. Team members from both councils had supported this process, leading on a number of project workstreams, which would form the basis of detailed working practices for the shared team moving forward. However, it had become clear that to gain maximum benefit from the shared service, it was essential to now move to greater integration and co-location of the teams, as the basis for delivery of a true shared service.

In 2012/13, cashable efficiencies had been planned for both councils from the shared arrangements (a saving of £0.129m was planned in the 2012/13 budget for North Tyneside Council, while approximately £0.065m has been achieved in year for NCC). In addition, roles, responsibilities and assurance requirements at both councils had been reviewed, and the proposed reorganisation had been subject to detailed consultation with staff and Trades Unions. This review had identified further savings likely to save NCC approximately £0.250m per annum from 2013/14 onwards, whilst delivering an enhanced service to customers. Plans to realise these identified efficiencies within NCC were being put in place ahead of the final phase of the shared service.

Following extensive consultation with staff at both councils, and Trades Unions at a local and regional level, the reorganisation of existing services and final phase of the shared service could now be concluded. The report gave details of what this would involve, including the co-location of the Internal Audit and Risk Management teams of both councils together at Quadrant.

Cabinet considered the following decision option; to note the information contained in this report, which presented an update on the previous decision of Cabinet regarding a shared Internal Audit and Risk Management service (13 February 2012).

The Cabinet Member for Finance thanked the Chief Internal Auditor and staff for their work in developing the shared service.

Resolved that (1) the progress made in implementing a shared Internal Audit and Risk Management service, in accordance with the decision of Cabinet on 13 February 2012, be noted;
(2) the next steps to be taken as part of the final phase of the implementation of this shared service be noted; and
(3) it be noted that the requirements of Section 113 of the Local Government Act 1972, regarding the duty to consult when placing staff at the disposal of other local authorities, have been fully complied with as part of a detailed consultation process.

(Reason for decision - to allow the shared Internal Audit and Risk Management service to progress in accordance with the decision of Cabinet on 13 February 2012, and the cashable efficiencies planned in the 2012/13 budget to be realised.)

CAB171/01/13 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 item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

CAB172/01/13 Education Capital Investment – Longbenton Voluntary Aided Schools (All Wards)

Cabinet considered a report seeking approval of the outcomes of the formal procurement exercise to establish the new build St Stephen's Roman Catholic and St Bartholomew's Church of England Primary Schools on the former Goathland Primary School site and to accept the tender deemed to offer the best value for money for the Council.

Cabinet considered the following decision options:

Option 1 - Formally receive the report and agree to all of the recommendations as set out in paragraph 1.2 of the report.

Option 2 - Formally receive the report but decline to agree with its recommendations.

Option 3 - Formally receive the report and agree to all of the recommendations as set out in paragraph 1.2 above, but substitute the proposal to use unsupported borrowing to bridge the funding gap, with an allocation from contingencies.

Resolved that (1) the selection of Bidder B as the Authority's preferred bidder for the delivery of the new twin campus education accommodation on the former Goathland Primary School site be approved;

(2) the requirement that under paragraph 4(1) and (3) of Schedule 3 to the School Standards and Framework Act 1998 (the 1998 Act), the Authority is obliged to provide a new site in addition to or instead of the school's existing site and to transfer the Authority's interest in the new site and in any buildings on the site which are to form part of the school premises to the trustees (of the school) to be held on trust for the purposes of the school, be noted;

(3) the financial implications of the project set out in paragraph 2.1 of the report, and each party's share of contribution towards the total project costs as detailed in section 2.1.3 of the report, be noted, and the contributions from the Diocesan Authorities of each school (St Stephen's Roman Catholic Primary School and St Bartholomew's Church of England Primary School) be approved;

(4) authorisation be sought from full Council for unsupported borrowing to bridge the identified funding gap as detailed in the report, in advance of securing capital receipts, to assist with the delivery of the project, as empowered pursuant to the general power of competence under section 1 of the Localism Act 2011 and the specific power under paragraphs 4(7) and 8 of Schedule 3 to the 1998 Act;

(5) subject to securing the said approval of full Council and to securing annual formulaic capital allocations from the DfE, the Strategic Director of Children Young People and Learning, be authorised, in consultation with the Elected Mayor, the Cabinet Member for Children, Young People and Learning, the Cabinet Member for Finance, the Strategic Director of Finance and Resources, and the Head of Legal, Governance and Commercial Services, to:

- a. accept the tender from Bidder B as received on 9 November 2012 and evaluated in line with the previously published evaluation criteria contained in the Instructions to Tender and formally appoint Bidder B as the preferred bidder;
- b. finalise the contribution documentation with the Diocesan Authority and Governing Body of the two schools to regularise the funding of the project;
- c. finalise the project documentation and award the construction contract for the delivery the project in favour of the preferred bidder; and
- d. take all necessary actions and agree all necessary and ancillary documentation to implement and give effect to paragraphs 2.2.1 to 2.2.6 of the report and the signing of all necessary and ancillary documentation in accordance with the Authority's Constitution and Contract Standing Orders.

(Reason for decision - to enable the Authority to progress with the appointment of a preferred bidder and appoint a developer to deliver the new build school accommodation for the two schools.

The option of funding the financial gap through contingencies (per Option 3) is not considered to be viable because the purpose of the contingency fund is to cover unforeseen expenditure. If the contingency fund were earmarked for this project in 2013/14 and 2014/15, this would remove any flexibility from the Authority's capital budget.)

CAB173/01/13 Date and Time of Next Meetings

6.00pm on Wednesday 16 January 2013. (Extraordinary Meeting)

6.00pm on Monday 28 January 2013 (Extraordinary Meeting)

Minutes published on Thursday 17 January 2013.

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 25 January 2013.