

Cabinet

11 February 2013

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

In Attendance: L Gardiner (VODA)
I Sidney (Young Mayor)
D Titterton (Voluntary Sector).

CAB189/02/13 Apologies

Apologies were received from Councillors P Mason and Mrs JA Wallace.

CAB190/02/13 Declarations of Interest

The following declarations of interest, in relation to Minute CAB195/02/13 were made:

Councillor D Lilly – Registerable Personal Interest as a Director of the North Tyneside Trading Company.

Councillor GC Westwater – Registerable Personal Interest as a Director of the North Tyneside Trading Company.

CAB191/02/13 Minutes

Resolved that the Minutes of the meeting held on 14 January 2013 and the Extraordinary Meeting held on 28 January 2013, reconvened on 31 January 2013, be confirmed.

CAB192/02/13 Report of the Young Mayor

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

- The first Youth Council meeting since the Young Mayor's election had taken place. Work had commenced to develop an action plan around the themes of "Giving young people a voice, Mental Health, Bullying, Employment and future education and Drugs and Alcohol.
- Welcoming visitors from St. Helens and Wales as well as Sri Lanka, Bangladesh and Pakistan. The visitors had been given details of how young people had a voice in North Tyneside and influenced the services they received.
- The 'Do Something Different Fund' which provided finance for young people's activities had received several applications from young people's groups. Applicants would be invited to give a presentation on their ideas with the merits of each being considered and funding awarded if appropriate.
- The launch of the Young Mayor's Blog which gave news and information from the Young Mayor.
- Production of a newsletter by Youth Councillors.
- Attendance at a Safeguarding meeting when concerns of young people had been discussed. Information from the work undertaken with the Police and Crime Commissioner had been shared.
- Attendance with the Young Cabinet Member for Health with researchers from Sips Junior High project. The project was being piloted in seven High Schools in

the Borough and was concerned with the alcohol drinking behaviour of teenagers. It was hoped that, subject to funding being available that the project could be introduced to all areas of the Borough.

- One of the Young Mayor's pledges was to promote sports opportunities. He had visited Hadrian Leisure Centre to view the facilities on offer. He looked forward to working with the Sports Development Team with the aim of encouraging more young people to become involved in sports.
- The Young Cabinet Member for Environment had discussed the Green Fingers Group's plans for improving some of the roundabouts in the Borough with the Cabinet Member for the Environment. Funding had been secured and it was hoped to complete the first roundabout over the next few months

The Mayor thanked the Young Mayor for his report.

CAB193/02/13 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.

CAB194/02/13 North Tyneside Strategic Partnership (NTSP) Update – Regeneration and the Skills Gap - Presentation (All Wards)

At the December meeting of the NTSP Executive the workshop discussion was around the Regeneration Priority of the Sustainable Community Strategy. The discussion had focused on the planned regeneration of the Borough and ensuring that people had the skills to meet future job demands.

Dean Titterton and Lisa Gardiner gave a presentation on 'Regeneration and the Skills Gap', which gave details of the NTSP Workshop held on 12 December 2012 on the theme of jobs growth and skills shortages.

Outcomes from the workshop were reported as follows:

- Young people respond better to people who are similar aged or not much older than them. There was a suggestion that peer mentors should be used who were no more than 50% older than them.
- Develop a system for employers to get into schools/colleges and for young people to visit employers.
- Provide more information for parents; provide information sessions via schools and colleges.
- Be clear about what young people can expect in North Tyneside, what they are entitled to in terms of good quality careers advice.
- Need to tailor schemes to the unemployed as well as young people.
- Need to develop work experience programmes.
- Can be difficult for small businesses so to stimulate a diverse range of opportunities within the borough we need to develop a package for employers from all sectors .

CAB195/02/13 North Tyneside Trading Company Strategic Business Plan 2013–15 and Annual Business Plan 2013-14 (Previous Minute CAB108/10/12) (All Wards)

(N.B. Councillors D Lilly and GC Westwater withdrew from the meeting for the duration of the discussion and voting on this item.)

Cabinet received a report seeking approval for the Strategic Business Plan 2013-15 and the Annual Business Plan 2013-14 for North Tyneside Trading Company Limited (NTTC) and for the provision of all necessary support to NTTC to pursue trading opportunities. The report also provided an update on the work undertaken since this matter was last considered by Cabinet in October 2012.

NTTC had been established as a company limited by shares, with the Council as the sole shareholder. In addition a group structure had been put in place, with a subsidiary company (North Tyneside Trading Company (Consulting) Limited) wholly owned by NTTC as sole shareholder, created as a potential future vehicle for the delivery of services. Additional subsidiaries could subsequently be created as required. This structure had been adopted as it was understood to offer particular benefits including the facilitation of trading across different markets, appropriate separation of responsibilities and better management of risk.

NTTC, as well as its subsidiary company, had been formally incorporated at Companies House on 11 December 2012. The Articles of Association and Shareholder Agreement for NTTC were attached as Appendices 1 and 2 of the report.

The purpose of NTTC as specified within its Articles of Association was “to provide services to other public bodies; and any other customers (whether public bodies or not) as considered appropriate”. This would enable NTTC to pursue a wide range of trading activities, as opportunities arose.

The relationship between the Authority and NTTC was governed by a Shareholder Agreement, under which the Authority as sole shareholder was enabled to exercise control over key decisions and activities of NTTC.

The business of NTTC was to be managed by a Board of Directors consisting of two Cabinet members and two members of the Council’s Senior Leadership Team. Where business opportunities were identified, business cases would need to be formulated and submitted for approval at the appropriate level, before the opportunity could be taken forward.

The report detailed how decision making in relation to approval of business cases would be undertaken (with respect to anticipated trading turnover). All business cases would be required to identify:

- The objectives of the proposed business;
- The investment and other resources required to achieve those objectives;
- Any risks the proposed business might face and how significant these risks were; and
- The expected financial results of the proposed business, together with any other relevant outcomes that the business was expected to achieve.

Following incorporation, the inaugural board meetings for both NTTC and NTTC(C) had been held on 18 January 2012. The four directors for both companies had been appointed, being:

- Councillor George Westwater - Cabinet Member for Community and Regulatory Services;
- Councillor David Lilly - Cabinet Member for Children, Young People and Learning;
- Graham Haywood - Interim Chief Executive;
- Paul Hanson - Strategic Director for Community Services.

At their initial board meeting, the Board of NTTC had approved its Strategic Business Plan 2013/15 and Annual Business Plan 2013/14 and it had been agreed that they be submitted to Cabinet for approval. Subject to Cabinet approval of NTTC's Business Plans, its subsidiary company NTCC(C) would agree its own mirror Business Plans.

NTTC's Strategic Business Plan 2013 – 15, attached as Appendix 3 to the report, set out the mission and strategic ambitions of NTTC for the next two years and how it was anticipated that these would be delivered. Background information on the establishment of NTTC and its governance arrangements were included.

NTTC's mission was "To maximise opportunities to expand Council services and expertise into the public and private sector to generate profit for a public purpose." Its strategic ambitions were to:

- Create a corporate identity;
- Develop and bring together its portfolio of services;
- Maintain a unified, viable business through growth;
- Understand and test its potential to compete and deliver services; and
- Deliver high quality services to fulfil its contracts.

The Strategic Business Plan provided direction for NTTC and would guide its business development. It would be used to introduce NTTC to potential business partners, clients and stakeholders who wished to do business with it.

NTTC's Annual Business Plan 2013-14 was attached to the report as Appendix 4. The Plan developed the strategic ambitions contained within the Strategic Business Plan 2013 – 15 and set out NTTC's actions for 2013-14, as follows:

- Develop branding and design proposals including logo, marketing materials and correspondence templates;
- Define the scope of services to be offered to the market place through NTTC;
- Approach the market to supply a range of traded services;
- Explore all potential opportunities in the market place and develop NTTC's market profile and
- Identify, utilise and develop the skills experience and capacity of available resources.

Cabinet considered the following decision options:

Option 1 - approve the Strategic Business Plan 2013-15 and the Annual Business Plan 2013-14 for NTTC, and agree the provision of support to NTTC on the basis outlined.

Option 2 - agree one or more, but not all, of the above matters.

Option 3 - not approve any of the recommendations.

Resolved that (1) the Strategic Business Plan 2013-15 and the Annual Business Plan 2013-14 for North Tyneside Trading Company Limited, be approved; and (2) support be provided to North Tyneside Trading Company to enable it to pursue business opportunities, as envisaged in the said Business Plans, subject always to the State Aid limitations described in the report.

(Reason for decision - approval of the Strategic Business Plan and the Annual Business Plan will provide the strategic basis for NTTC to move forward to seek out business opportunities and commence trading for profit, and will support the Authority's objective to expand service delivery into the public and private sector. Provision of a reasonable level of support to NTTC as trading opportunities are explored will assist in this process.)

CAB196/02/13 North Tyneside Corporate Performance Report – Quarter 3 (October – December 2012) (All Wards)

Cabinet considered a report which detailed progress against each of the Council's priorities, the impact that work to date had had for residents of North Tyneside and key activities for the quarter ahead.

The performance report, attached as Appendix 1 to the report, comprised a quarterly progress report from the Senior Leadership Team setting out achievements against the Council's ambitions and a traffic light summary of performance against the priorities set out in the Sustainable Community Strategy.

More detailed performance summaries relating to each priority, which set out progress against plans for the year, key performance indicators, relevant background information, and signposts on how to obtain further detail were located on the Council's data store.

Cabinet considered the following decision option: to note the key achievements over the second quarter of the year against the Council's plans for 2012/13.

Resolved that the key achievements over the third quarter of the year against the Council's plans for 2012/13, as set out in the Senior Leadership Team's Quarter 3 Progress report to 31 December 2012, at Appendix 1, be noted.

CAB197/02/13 North Tyneside Strategic Partnership – Exception Report 2012/13 – Quarter 3 (October – December 2012) (All Wards)

Cabinet considered a report which detailed performance issues in relation to the delivery of the objectives outlined in the Sustainable Community Strategy (SCS) 2010-13.

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

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

Of the total performance measures, 24 could be reported at the end of Quarter 3, three of which had not achieved their target, as follows:

- NI016: Serious acquisitive crime rate (%). Quarter 3 target was 3.27% and actual was 3.51%.
- NI065: Children becoming the subject of a Child Protection Plan for a second or subsequent time (%). Quarter 3 target was 10.0% and actual was 13.1%.

- NI092: Narrowing the gap between the lowest 20% in Early Years Foundation Stage Profile and the rest (%). Quarter 3 target was 27.5% and actual was 31.4%.

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

The full list of performance measures was contained in Appendix 1 of the report.

Cabinet considered the following decision option: to note the North Tyneside Strategic Partnership Exception Report Quarter 3 (October – December 2012) and approve the proposed actions to bring back on track those targets which are the Council's direct responsibility and authorise officers to work with partners to jointly deliver partnership targets.

Resolved that (1) the North Tyneside Strategic Partnership Exception Report – Quarter 3 (October-December 2012), be noted; and (2) the proposed actions to bring back on track those targets which are the Council's direct responsibility be approved and officers be authorised to work with partners to jointly deliver partnership targets,.

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

CAB198/02/13 Response to the Overview and Scrutiny Recommendation to Review the North Tyneside Strategic Partnership (Previous Minute CAB142/12/12) (All Wards)

Cabinet considered a report which provided a response to the recommendation made by Overview and Scrutiny Committee at their meeting on 5 November 2012 to review the North Tyneside Strategic Partnership (NTSP).

The Overview and Scrutiny Committee had received a report and presentation on the work of the NTSP. This included the end of year performance report for the Sustainable Community Strategy 2010/13 which reviewed performance for 2011/12 against the priorities outlined in the Strategy. The Committee had concluded that it would be useful for a review of the NTSP to be undertaken 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. The Committee had therefore recommended that Cabinet undertake a full review of the NTSP.

The NTSP had last reviewed its structure and operation in December 2011. As a result of this work Executive members had agreed a new operating model and a number of recommendations, which were detailed in the report. The current model had been in operation since 2011 and in March 2013 the NTSP Executive would come to the end of its first cycle of meetings to consider each of the priorities of the Sustainable Community Strategy.

The current Sustainable Community Strategy 2010-2013 would be refreshed in 2013, and it was therefore timely that the governance structures around the Strategy, including the NTSP Executive were reviewed in conjunction with this process. This would ensure that the Partnership was fit for purpose and reflected the changing priorities of the Borough. A timetable for the refresh process was currently being developed and would

include engagement with all relevant stakeholders and the public. The aim was for a refreshed Sustainable Community Strategy to be in place by the end of December 2013.

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 recommendation of the Overview and Scrutiny Committee be accepted and the North Tyneside Strategic Partnership be reviewed in line with the refresh of the Sustainable Community Strategy.

(Reason for decision - this will ensure that the governance structures are up to date and appropriate for the new Sustainable Community Strategy.)

CAB199/02/13 Response to Finance Sub-Committee – Sale of Acquired Properties (Previous Minute CAB143/12/12) (All Wards)

Cabinet considered a report which responded to a report submitted to Cabinet on 10 December 2012 by the Finance Sub-Committee, outlining the concerns of the Sub Committee regarding the Council's policy to sell off acquired dwellings.

At a meeting of Cabinet on 14 June 2010 a report on properties surplus to requirements had been considered. At the time there were 106 acquired properties within the Borough located within areas of private housing. It had been proposed that these properties should be declared surplus and sold by the Council as and when they became vacant.

At its meeting on 21 November 2012 Finance Sub Committee had raised concerns regarding the Council's policy to sell off acquired dwellings, especially in the light of the high number of people currently on the waiting list for Council homes and the costs associated with building new homes. The Sub-Committee felt that greater value for money may be provided if these acquired dwellings were refurbished and then added to the Council homes stock.

The acquired properties were located in areas where there were high proportions of owner occupied stock making them particularly saleable assets. This also made them particularly attractive to sitting tenants under the rejuvenated Right to Buy scheme.

Under the existing proposal pursuant to Cabinet's decision on 14 June 2010 each of the properties were valued and sold on the open market for their full open market value with no discount. Since this time 5 properties, detailed in the report, had been sold on the open market with a total value of capital receipts of £338,036. A further 3 properties, detailed in the report, were under offer.

The rejuvenated Right to Buy scheme had come into operation on 1 April 2012 and since this time 47 homes had been sold, with an average sale price of just under £44,000. The average percentage discount on these properties had been 51% and the average discount awarded was £44,767.

If the average discount of 51% was applied to the acquired properties sold on the open market the selling price would have been £165,637. As a consequence of selling the properties on the open market the Council had potentially gained an additional £172,399 in the form of a capital receipt.

Where properties were sold under the Right to Buy provisions there was a requirement to pool 75% of the receipt back to the Government. Within the self financing settlement the Government made assumptions about the level of likely sales based upon the Right to Buy scheme that existed at the time and the estimated income the Government would

receive. For North Tyneside it was assumed that 40 homes per annum would be sold, with the income levels to the Government being based upon sale values and discounts available during 2011/12 i.e. a maximum discount of £22,000.

The Government had then introduced the rejuvenated Right to Buy scheme which increased the levels of discounts available and therefore reduced the capital receipt available from each sale. The Government had not adjusted its income target, thereby requiring the Council to achieve significantly higher sales to generate the same income targets.

With regard to any receipt generated from the sale of a vacant property the Council was now able to retain 100% of the receipt provided that it was targeted towards maintaining decent homes or HRA regeneration activity.

In both cases it was considered prudent to set aside sums equivalent to the debt allocated on each property to repay debt.

In the case of the sale of a vacant property on the open market it would still leave a significantly higher proportion of the value of each property to allocate to the HRA Capital Plan. These projections had been built into the HRA Capital Plan, and would help to fund the overall Plan, as well as some of the new build.

Receipts generated from Right to Buy sales over and above those originally assumed under self-financing had now to be targeted toward the provision of new homes in line with the Right to Buy agreement the Council had signed up to with DCLG. The Right to Buy receipts could only be used to fund up to 30% of the cost of each new build home.

Impending Welfare Reform changes were likely to increase the demand for smaller properties and with this in mind it was suggested that Cabinet may wish to consider whether it would be more appropriate to retain an individual property where there was a particular housing need, the property was in a reasonable state of repair and the capital receipt was not required to support the HRA Business Plan.

Cabinet considered the following decision options:

Option 1 – amend the policy of selling acquired properties on the open market when they become vacant, so that consideration is given to the sale or retention of an acquired property on an individual basis by the Head of North Tyneside Homes in consultation with the Elected Mayor and the Cabinet Member for Housing.

Option 2 - Maintain the status quo and retain the policy of selling acquired properties on the open market to the highest bidder as they become vacant.

Resolved that (1) the concerns raised by Finance Sub Committee be noted; and (2) the Head of North Tyneside Homes, in consultation with the Elected Mayor and the Cabinet Member for Housing, be authorised to consider the business case for retaining or marketing for sale each acquired dwelling that becomes vacant on an individual property basis.

(Reason for decision - this takes account of the potential impact of the Welfare Reform changes and the potential increase in demand for smaller properties).

CAB200/02/13 Property Considered Surplus to Council Requirements (Valley, Whitley Bay and Wallsend Wards)

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

The properties detailed in Appendix 1 of the report were:

1. 44-46 Victoria Terrace, Whitley Bay
2. Land at Junction of Trewitt Road and Victoria Terrace, Whitley Bay
3. Land south of A1/A19 Intersection
4. Land north of A1/A19 Intersection
5. Land opposite Fenwick Pit, East Holywell
4. Wallsend Slipway Buildings

A description of each of the properties 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, in consultation with the Elected Mayor, be authorised to make minor amendments to the boundary of each property detailed in the schedule if necessary, as permissible within the Council's legal powers and/or as land owner;

(3) the Client Manager - Property, in consultation with 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), the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, be authorised to:

- a) market the properties, where applicable, and to accept the best bids;
- b) 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;
- c) agree the final terms of disposal if it is considered appropriate to sell a property by private treaty, subject to the sale price being considered best value; and
- d) complete negotiations for the sale of each property in accordance with all relevant legal requirements, the Council's Constitution and Financial Regulations;

and

(4) the 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 level of capital receipts required to support the Council's Capital Plan 2012/13 and 2013/14, and to deliver housing, business and recreational opportunities within the Borough.)

CAB201/02/13 Decision on Refund Method for Garden Waste Subscription (Previous Minute CAB166/01/13) (All Wards)

Cabinet considered a report which set out the proposed methods by which the refund of the garden waste collection subscription for 2012/13 would be made to residents. This followed agreement by Cabinet on 14 January 2013 to remove the 2012/13 subscription for the collection of garden waste in response to concerns expressed by residents about the charge, and took into account a review of environmental services budgets and priorities. The decision would also ensure that current composting rates were maintained, would reduce landfill costs and would promote sustained user satisfaction.

Officers had been requested to report back to the Mayor with details of how the Authority would refund the money already paid. The various options available to the Authority for making the refunds had been examined in detail, including any risks or liability. Two preferred methods for making the repayments had been determined, dependent upon the means by which the subscription had been paid. Having reported to the Mayor, it was considered appropriate that Cabinet be requested to note and endorse the proposed repayment methods.

In total 19,799 properties had subscribed to the scheme, with 20,189 bins bringing in an income of £402,047. 76.3% of subscribers had made payments using a credit or debit card, 22.2% had paid by cash and 1.5% by cheque.

The report explained the various options for repayment which had been considered, as follows:

- Make cash available for collection from Customer Service Centres;
- Refund by cheque;
- Refund by reversal of credit or debit card transactions;
- Refund by way of a credit allocated to Council Tax accounts of all residents affected;
- Refund by BACS transfer through the banking system;
- Doorstep delivery of cash;
- Refund by voucher, posted to households that could subsequently be redeemed at Paypoint locations.
- A combination of some or all of the options

Taking into account the considerations described in the report in respect of the different refund methods available, it had been determined that the refunds of garden waste subscriptions would be made by:

- (1) Reversal of electronic transactions (the Chip & PIN payments) to refund those residents who had paid by credit or debit card; and
- (2) The provision of PayPoint vouchers for those residents who had paid by other methods or where the electronic transaction reversal process was unsuccessful.

As the payment of the refunds was an operational matter which fell within the delegated authority of the Head of Environmental Services, Cabinet was being asked to note and endorse the proposed repayment methods.

Resolved that the methods by which the refund of garden waste subscriptions is proposed to be made to residents, being the reversal of all transactions where payment was made by a debit or credit card, and provision of PayPoint vouchers for subscribers who have paid by other methods, or where reversal of the card transaction is unsuccessful, be endorsed.

(Reason for decision - It is considered that the chosen repayment options offer the best solution for delivery of refunds for both the Authority and residents affected. No involvement of the payer is required where the refund is a reversal of an electronic transaction and, for those residents who paid in other ways, provides a repayment method (PayPoint vouchers) which is efficient, reasonably quick and enables a cash refund to be provided).

CAB202/02/13 Assurance Framework for Local Transport Body (All Wards)

Cabinet considered a report which requested approval of the Assurance Framework for the Local Transport Body in line with Department for Transport (DfT) guidance, which required an Assurance Framework to be submitted by the end of February 2013.

The report sought the necessary authorisations associated with the Council formally joining the North East Local Transport Body (NELTB) as a full member, agreeing and finalising the draft Assurance Framework, and concluding and entering into all relevant legal documents associated with these steps. A report in similar form was being considered by the Executives of all seven local authority members of the NELTB, to enable submission of the finalised Assurance Framework to the DfT by the end of February 2013.

The DfT had announced its firm intention to devolve funding for local major transport schemes to Local Transport Bodies from 2015. Local Transport Bodies would be voluntary partnerships between local authorities, Local Enterprise Partnerships (LEPs) and potentially other organisations.

Under the devolved framework, DfT would no longer have a role in the selection and approval of individual schemes. The Local Transport Body had to decide which investments should be prioritised; review and approve individual business cases for those investments; and ensure effective delivery of the programme. However, DfT sought to confirm that the necessary arrangements were in place to ensure value for money and sound decision making.

For example, Local Transport Bodies may involve partners other than local authorities and would, in many cases, make decisions about the distribution of resources between local authorities. DfT had therefore required all Local Transport Bodies to put in place an Assurance Framework, setting out their governance and working arrangements, which would have to be approved by DfT before any devolved funding could be transferred.

With the agreement of Leaders and Elected Mayors, it had been proposed and accepted by DfT that a single Local Transport Body should cover the same area as the North Eastern LEP, i.e. include the Tyne and Wear authorities and Northumberland and Durham County Councils. It had been agreed between these partners that Newcastle City Council should initially act as Accountable Body for the Local Transport Body.

The draft Assurance Framework had been circulated as an Addendum to the report under separate cover, in advance of the Cabinet meeting.

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) North Tyneside Council becomes a member of the North East Local Transport Body (NELTB);
(2) approval be given to Newcastle City Council becoming the accountable body for the NELTB;

(3) the Elected Mayor take up the representative position of the Authority as a full member of the Local Transport Body, and she appoints a deputy representative for such purpose;

(4) the Assurance Framework for the Local Transport Body be approved in principle and 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 Transport and the Environment, to finalise the Assurance Framework and to agree for the Assurance Framework to be submitted to the Department for Transport on behalf of the Local Transport Body; and

(5) authority be delegated to the Head of Legal, Governance and Commercial Services, in consultation with the Head of Business and Economic Development (and, on a temporary basis pending the postholder to the said post joining the Authority, the Head of Legal, Governance and Commercial Services), the Strategic Director of Finance and Resources and the Cabinet Member for Transport and the Environment, to conclude all documentation and enter into all legal agreements with the other members of the NELTB to cover all requirements, including a 'back to back' legal agreement with Newcastle City Council as Accountable Body for the Local Transport Body.

(Reason for decision - the Assurance Framework to be provided has been prepared in line with the Department for Transport guidance, which requires all prospective Local Transport Bodies to submit their Assurance Framework documents by the end of February 2013.)

CAB203/02/13 Adoption Action Plan (All Wards)

Cabinet considered a report which requested approval of the actions required to take forward the North Tyneside Adoption Action Plan.

'An Action Plan for Adoption: Tackling Delay' had been published by Government in March 2012. This Plan made explicit the Government's commitment to improving the adoption system by reducing delay and placing children faster, with stable and loving families. The Action Plan was one aspect of a number of initiatives to quicken the adoption system. Also introduced was the adoption scorecard, a 'league table' of adoption performance. In addition councils had been required to meet with local judiciary to examine and where necessary overcome delays in the legal processing of cases. There was also the promise from Government of consultation in 2013 to examine the need, or otherwise, to change adoption legislation to make it easier and quicker to adopt a child.

An announcement in January 2013 had indicated that Government would divert from the Early Intervention Grant funding to councils to improve adoption performance. Overall £150 million nationally would go towards this initiative and provide a one-off reform grant to councils. £50 million of the funding nationally would be used to incentivise councils to find more adopters; particularly those willing to take more difficult to place children. The remaining £100 million was in place to support adoption reform and included in this was a message to councils that they must do more to deal with a backlog of children waiting for permanency through adoption.

The Adoption Scorecard and the Tackling Delay Report place an emphasis upon 8 performance areas, which were detailed in the report. The Council's performance against the indicators had generally been good. Areas for improvement were detailed in the report.

In 2011 the North Tyneside Adoption Service had been inspected by Ofsted and judged to be 'good': a strong outcome and one which acknowledged that the service was effectively led with a well organised Adoption Panel and associated administration systems.

Since the inspection the service had been merged with the North Tyneside Fostering Service with one manager for the two teams. This ensured greater co-ordination of services for infants and young children requiring permanency planning.

The Adoption Service had recently been the subject of a Peer Challenge by a South Tyneside Council's Adoption Team and had benefitted from the scrutiny and challenge offered.

The Adoption Service was performing well and the publication of the latest adoption scorecard noted that North Tyneside had met both of the thresholds set for 2009-12 performance and was in a strong position to move forward and meet future targets.

To ensure that the Adoption Service in North Tyneside continued its strong performance and improved against key performance indicators, the Adoption Team had established a local Action Plan, attached as an Appendix to the report. Key priorities for the Adoption Service in 2013/14 to improve performance were:

- The quick and effective matching of children with prospective adopters through full use of local, regional and national resources. The fast-tracking of previous adopters and foster carers towards adoption, use of the National Adoption Register and greater use of voluntary agency appraised carers would secure this improvement.
- Closer and more joined up activity between the Adoption Service, care planning teams and local family courts would be a priority. This would remove system and administrative blockages to secure quicker, improved and effective adoption related processes.
- A full and effective response to any prospective new adoption legislation and guidance. The service expected developments in the fast-tracking of adoptive applicants, changes to "Adoption National Minimum Standards" (Adoption Guidance) and the introduction of a "National Gateway" for adopters, a central advice and guidance point. The North Tyneside service was committed to introducing all these changes quickly to the benefit of potential adopters and children waiting for adoption.

Cabinet considered the following decision options:

Option 1 - agree the actions proposed to implement the North Tyneside Adoption Action Plan.

Option 2 - decline to accept the proposal and require officers to submit detail of an alternative plan.

Resolved that (1) the Head of Preventative and Safeguarding Services, in consultation with the Cabinet Member for Children, Young People and Learning and the Strategic Director for Children, Young People and Learning, be authorised to put in place and take forward the North Tyneside Adoption Action Plan; and (2) a press release be issued encouraging people to consider becoming adopters.

(Reason for decision - the effectiveness of the North Tyneside Adoption Team to deliver high quality services to those approved as suitable adopters, and children requiring permanency through adoption, will be enhanced by implementation of the Plan.)

CAB204/02/13 Update Report on Ofsted Safeguarding and Looked After Children Inspection Action Plan (All Wards)

Cabinet considered a report which detailed the progress of the Action Plan developed as a result of the 2012 Safeguarding and Looked After Children (SLAC) Inspection and requested approval for the continued development of the plan.

The Ofsted inspection of North Tyneside's SLAC Services had taken place between the 5 -16 March 2012. The Cabinet report of 9 July 2012 had highlighted the key points of the inspection, noting that the inspection had provided a very positive outcome.

The Inspectors had provided 17 recommendations to improve services in relation to looked after children and those requiring 'in need' and/or safeguarding services. The recommendations had required actions from the Council's Children, Young People and Learning Directorate, Northumbria Police Service and Northumbria Healthcare NHS Trust.

Senior staff from each organisation were the lead officers responsible for the progress made against the development issues and progress was being monitored by the North Tyneside Local Safeguarding Children Board, the North Tyneside Multi-Agency Looked After Partnership, the CYPL Directorate Leadership Team and senior staff meetings within Northumbria Police and the Northumbria Healthcare NHS Foundation Trust.

Good progress had been made with the Action Plan, with 11 of the 17 actions rated as 'green', which indicated that the necessary action to deal with the matter raised had been fully implemented. Six were rated as amber, which indicated that good progress had been made to deal with the points highlighted. Actions remained to ensure that operational changes were fully embedded.

There were six areas, detailed in the report, which required further work.

Cabinet considered the following decision options:

Option 1 - agree the actions being taken to embed the changes required as a result of the SLAC Inspection and that those conclude the action plan requirements.

Option 2 - decline to accept the report and require officers to submit an alternative report.

Resolved that (1) the good progress made by the Council and its multi-agency partners in pursuing the Safeguarding and Looked After Children Action Plan be acknowledged; and

(2) the Head of Preventative and Safeguarding Services, in consultation with the Cabinet Member for Children, Young People and Learning and the Strategic Director for Children, Young People and Learning, be authorised to continue to progress the action plan that will embed all necessary operational changes and conclude any outstanding issues.

(Reason for decision - to ensure further action is taken to embed operational changes and bring to a conclusion all the recommendations of the inspection.

CAB205/02/13 The Council Strategic Plan and 2012/13 Budget Proposals - Apprenticeships (Previous Minute CAB218/05/12) (All Wards)

Cabinet considered a report which detailed the potential development of the apprenticeship programme with particular reference to the Armed Services, pursuant to the delegation granted by Cabinet for that purpose at its meeting on 14 May 2012;

information to assist in determining whether funding of £83,719 be made available for this purpose and a recommendation if the funding was made available.

Further to the agreed Implementation Plan in relation to the 2012/15 Council Strategic Plan and 2012/13 Budget, Cabinet had considered a report on options for the apprenticeship programme at its meeting on 14 May 2012 and had authorised the Head of Schools, Learning and Skills, in consultation with others, to explore alternative funding options for the development of the Council's apprenticeship programme.

Following that decision consultation had been undertaken with the National Apprenticeship Service (NAS) and the Skills Funding Agency. In both cases it had been confirmed that there was no additional funding available to support the further development of the Council's apprenticeship programme.

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

At its meeting on 13 August 2012 Cabinet had agreed to defer consideration of the matter to allow a further report to be produced after discussions had taken place with the preferred bidders for the business and technical packages with a view to creating a more substantial apprenticeship programme.

Balfour Beatty and Capita Symonds, the successful partners, were currently developing their workforce development plans and were in discussion with the Employment and Skills Team to set targets for apprenticeships and other employment related activities. In addition Capita Symonds, Balfour Beatty and Kier North Tyneside had agreed to implement a joint model to supporting the apprenticeship programme. This would ensure a coherent approach for potential apprentices and employers. The strategy would be launched as part of the Apprenticeship Week 11 – 16 March 2013. In the first instance Capita Symonds was anticipating recruiting 5 new apprentices in the Spring.

Additional financial resources could support businesses to recruit additional apprenticeships. This support would directly contribute to the cost of salaries for the apprentices.

The nationally set apprenticeship programme guidelines required all apprentices to be employed. Notwithstanding the support from business partners, employers, particularly very small businesses were reluctant or unable to commit to employing an additional employee in the current economic climate. However, many such businesses stated that their business would benefit from additional employee resources. The reluctance of businesses to recruit apprentices and new employees was detrimental to the ex-Armed Forces personnel who were looking for work. Many of the ex-Armed Forces personnel were often over qualified for apprenticeship opportunities.

Recent examples of apprenticeship bursaries indicated that a small subsidy targeted at specific employers, sectors and groups of unemployed people could significantly increase the job creation and uptake from these groups.

It would be possible to trial an offer to Balfour Beatty and Capita Symonds, or smaller employers, of a tailored bursary programme linked to employment and training of ex-Armed Forces personnel. Conditions could be implemented within the programme that apprenticeship would be the first priority. If apprenticeship was not possible that an individual skills assessment linked to the employment opportunity would be undertaken as the secondary condition. This would provide employment opportunities for this group whilst ensuring skills development was a condition of employment.

With the funding of £83,719 it was anticipated that approximately 16 ex-Armed Forces personnel or any other identified target group could be assisted. Additional target groups could include the long term unemployed, young people aged 16 to 18 and residents residing in the most deprived wards. This would include a maximum bursary to the employer of £5,000 in the first year of employment.

The funding would be deliverable within the current financial year and would be provided as a stimulus to the market to create one-off new jobs for target groups. There would be no further commitment to employers or individuals to continue the programme and therefore no further expectation of future financial commitment from Council resources.

Although there was no available match funding the suggested programme could be aligned with existing programmes. For example, national employer subsidies including £1,500 that was available to new employers employing apprentices, bursaries for apprentices to the maximum value of £2,000 and ex-Armed Forces personnel training grants. This alignment would provide a favourable opportunity for both individuals and employers. The resultant programme would provide an attractive option for ex-Armed Forces personnel and provide the encouragement and support to local employers to be able to create the Apprenticeship positions.

This initiative demonstrated the Mayor and Cabinet's commitment to their long term strategy to address unemployment.

Cabinet considered the following decision options:

Option 1 - take no action in relation to increasing support for Apprenticeships; or
 Option 2 - provide £83,719 to support the further development of the Council's apprenticeship and training programme, in accordance with Cabinet's original proposals, with a particular focus on working with the business partners Balfour Beatty and Capita Symonds.

Resolved that (1) £83,719 to support the further development of the Council's apprenticeship and training programme, in accordance with Cabinet's original proposals, with a particular focus on working with the business partners Balfour Beatty and Capita Symonds, be approved; and
 (2) the Head of Schools, Learning and Skills be authorised to take all necessary steps to implement the programme.

(Reason for decision - it potentially creates a more substantial Apprenticeship and Training offer to assist more targeted residents of North Tyneside into employment.)

CAB206/02/13 North Tyneside Tenancy Policy and Lettings Policy Review (Previous Minute CAB124/11/12) (All Wards)

Cabinet considered a report which requested approval of the North Tyneside Tenancy Policy and proposed changes to the Council's Lettings Policy to take account of this and legislative changes including Welfare Reform.

The Localism Act 2011 placed a requirement on local authorities to produce a Tenancy Strategy and the Regulatory Framework for Social Housing in England (from April 2012) required social housing providers to publish clear and accessible policies which outlined their approach to tenancy management. The Tenancy Strategy agreed by Cabinet on 12 November 2012 set out the Authority's overall strategy and objectives including the use of new flexible tenancies in social housing. The Tenancy Policy set out, in detail, how tenancies within the Authority's housing stock, would be managed.

The Tenancy Policy reflected the aims of the Tenancy Strategy and detailed the types of tenancies the Authority would grant and the interventions and procedures it had in place to sustain tenancies, prevent unnecessary evictions and tackle tenancy fraud.

The Tenancy Policy had been developed within the context of the North Tyneside Tenancy Strategy which aimed to:

- make the best use of housing stock to meet local housing need.
- maintain and create successful, sustainable communities.
- prevent homelessness.

The purpose of the Policy was to provide clarity on the tenancy types granted and the rights and responsibilities set out within the tenancy agreement. It set out to balance the individual household needs with the requirement to make efficient use of the housing stock.

The two key changes in tenancy rights introduced by the Localism Act 2011 were the Introduction of Flexible (fixed term) Tenancies and Changes to the Right to Succession. These had been addressed in the Tenancy Policy.

The report detailed the provisions regarding Flexible Tenancies and also the changes relating to Rights of Succession

In relation to lettings policies, local authorities were required to carry out a review at reasonable intervals. It was 2 years since the Council had last carried out a review. The Government had recently issued fresh guidance that gave greater flexibility to councils to set their own criteria for managing the allocation process. It now was also an opportune time to give some consideration to any changes that may be necessary to the lettings criteria, to mitigate the impact of the Welfare Reform Act 2012 on certain households.

The Localism Act 2011 gave housing authorities greater freedom and flexibility about which households were and were not eligible for social housing and who had access to join the Housing Register, where a council maintained one.

The Authority must continue to provide 'reasonable preference', as defined by Government, to certain applicants for housing. However, the Authority now had a degree of flexibility in respect of other applicants to set criteria around who may and may not be given social and affordable homes in the borough, and thus accepted onto the Housing Register; and to devise and apply different rules regarding the allocation of council housing to existing tenants i.e., transfers.

A review of the Council's Lettings Policy had been carried out which had taken account of the Localism Act 2011; the Welfare Reform Act 2012; Allocation of Accommodation: Guidance for local housing authorities in England, June 2012; Issues identified during the operation of the current scheme; feedback from consultation with Members, customers, partners and key stakeholders; and a scrutiny review by Economic Prosperity and Housing Sub-Committee.

The issues identified had been incorporated into the revised Policy, attached as Appendix 2 of the report.

The main issues arising from the review that affected the way the Authority let homes and which were summarised in the report related to the following:

- Allocation of accommodation for Members of the Armed Forces
- Restricting access to the Housing Register
- Tackling Under Occupation

- Shortlisting Criteria
- 'Staying Access' - Property Size Eligibility

The Economic and Prosperity Housing Sub Committee had considered the draft documents on 10 December 2012 and had made the following recommendations:

1. Cabinet to ensure that a full review of the under occupation incentive is carried out and clear guidelines for tenants are in place to ensure they are informed of their right to a cash payment for downsizing.
2. Cabinet to ensure that promotion of mutual exchange and the Government's National Mutual Exchange Scheme (Homeswap Direct), is carried out to support those tenants affected by Welfare Reform under occupation rules.
3. Cabinet ensure that the new Lettings Policy is kept under review with the implementation of Welfare Reform so the policy can be amended if it is felt necessary.

Whilst recognising that these issues fell outside of specific changes to the Lettings Policy itself, members felt they were important to highlight for Cabinet's attention and consideration.

A response to each of the recommendations of the Economic and Prosperity Housing Sub Committee was given in Appendix 3 of the report.

Cabinet considered the following decision options:

Option 1 - Agree the recommendations as set out within section 1.2 of the report.

Option 2 - Agree the recommendations as set out within section 1.2 of the report subject to amendments as specified by Cabinet.

Option 3 - Not approve the recommendations and refer the content of the report back to officers for further consideration.

Resolved that (1) the North Tyneside Tenancy Policy, as set out in Appendix 1 to the report, be approved;

(2) North Tyneside Council's Lettings Policy, as set out in Appendix 2 to the report, be approved and the financial implications be noted;

(3) the comments and recommendations of the Economic and Prosperity Housing Sub-Committee, as set out in the report, be noted and the responses given in Appendix 3 of the report, be endorsed.

(Reason for decision - it reflects the feedback from consultation and secures compliance with the Authority's statutory duties.)

CAB207/02/13 Rosehill – Compulsory Purchase Order (Previous Minute CAB28/07/10) (Riverside Ward)

Cabinet considered a report which requested authority to progress with a Compulsory Purchase Order (CPO) for the remaining flats at Bamburgh Drive and Helmsley Drive in Rosehill, detailed in Appendices 1 and 2 of the report. A CPO in principle had been agreed by Cabinet on 12 July 2010 as part of the Authority's commitment to the regeneration of the area.

The Rosehill area was within the boundary of the River Tyne North Bank Strategic Development Framework Plan (SDFP) and had been highlighted as an area in need of enhancement of the existing green space, and improvement and redevelopment of the residential neighbourhood.

Despite the efforts of a multi agency group and a Residents Action Group, the issues of anti social behaviour outlined in the report had continued, with a detrimental impact on the quality of life for residents of the nearby houses, and placing a much larger area at risk of irreversible decline and market failure, including the adjacent former Northumberland Arms public house site, which was being redeveloped for houses for sale by Gleeson Homes.

The only effective solution was therefore considered to be for the Authority to acquire all the leasehold interests and demolish the two blocks of flats and associated garages. The cleared site could then be landscaped in accordance with an agreed scheme. The immediate requirement was for the Authority to quickly complete the acquisition of the flats and enable their demolition as a response to the on-going anti-social behaviour issues.

The Authority had directly approached all of the flat owners and had already completed the process of acquiring, through negotiation, 16 of the 36 flats. A further two acquisitions were progressing. The Authority had also recently demolished a single block of garages on Helmsley Drive due to health and safety concerns. A further 18 flats remained to be acquired.

Negotiations with the remaining flat owners who were all landlords, and therefore sub leased the flats on a shorthold tenancy basis, had not so far been productive and it was considered that the use of Compulsory Purchase powers was appropriate and essential to ensure the acquisition of the flats could be completed speedily in the interests of the quality of life for nearby residents. In addition, the increasing number of vacant properties as the Authority secured ownership through negotiation left the remaining residents of the flats potentially susceptible to an increased risk of anti-social behaviour, a further reason for instigating the use of Compulsory Purchase powers.

It was possible that adjoining land owners could serve a blight notice if the CPO scheme was shown to have a negative impact on the sale price of the adjoining land due the progression of the CPO. This would require the Authority to purchase the land owner's property at market value if the notice were upheld. However given that the objective of the CPO was to improve the condition of the land subject to the CPO, the risk of adjoining land owners taking such action was considered to be low.

Funding for the acquisition and demolition of the flats and associated garages had been secured through a combination of the Authority's Growth Point allocation and funding from the Homes and Communities Agency. It was anticipated that the additional cost of completing the CPO would be offset by the reduction in values paid for the acquisitions. Currently the maximum paid for flats leased out by landlords had been capped at an upper limit of £20,000 and the lowest amount paid to date was £9,000. Through the CPO process market value would be paid which may result in the last remaining units being acquired for significantly less than the maximum value that had been paid to date by the Council through negotiation with owners.

It was considered that there was also sufficient funding to deal with the service of any blight notices and the subsequent objection processes.

Cabinet considered the following decision options:

Option 1 - agree the recommendations as set out in paragraph 1.2 of the report in order to expedite the regeneration scheme.

Option 2 - not approve the recommendation to proceed with the CPO and request that officers continue to negotiate privately with individual owners. To date officers have been in contact with the owners of the individual properties for over 12 months and

many of these owners, some of whom live outside the north east, are resistant to enter into dialogue with the Authority. Failure to reach a negotiated sale will almost certainly result in a completely stalled scheme, causing further dereliction within the area, and will almost certainly result in market failure across the estate. In addition the Authority, as owner of the flats already acquired to date, will retain liability for all repairs and maintenance costs arising.

Resolved that (1) progress made to date in the regeneration of the Rosehill area be noted; and

(2) the Client Manager - Property, in consultation with the Head of Business and Economic Development (and, on a temporary basis pending the postholder to the said post joining the Authority, the Head of Legal, Governance and Commercial Services), the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, be authorised to:

- (a) proceed with a Compulsory Purchase Order for all interests not currently acquired by the Authority within the area of land located on Bamburgh and Helmsley Drives, as identified by cross-hatching on the plan attached as Appendix 1 to the report, and specifically the flats listed by address in Appendix 2(b) to the report; and
- (b) take all ancillary steps which are necessary or appropriate to give effect to such authorisation.

(Reason for decision - this will demonstrate the Authority's clear commitment to the acquisition and demolition of these flats and garages as a priority within the River Tyne North Bank regeneration SDFP, and to secure an improved quality of life for local residents. It also provides certainty that these properties will be acquired and demolished as soon as possible, while allowing owners to continue to negotiate with the Authority to agree terms outside of the CPO process.)

CAB208/02/13 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.

CAB209/02/13 Acquisition of Land at the Swan Hunter Site (Previous Minute CAB121/11/12) (Riverside and Wallsend Wards)

Cabinet considered a report requesting approval to the acquisition of an area of land adjoining the Swan Hunter site in Wallsend in order to increase the Council's land ownership in the vicinity and allow the facilitation of improved infrastructure and access from the west of the site.

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 acquisition of the site shown hatched on the plan attached as Appendix 1 to the report, in accordance with the terms detailed in the report, be approved in principle (subject to the Authority receiving the anticipated capital receipt referred to in the report);

(2) the Client Manager – Property, in consultation with the Elected Mayor, be authorised to make minor amendments to the boundary of the property to be purchased;

(3) the Client Manager – Property, in consultation with 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), the Strategic Director of Finance and Resources, the Head of Legal, Governance and Commercial Services and the Elected Mayor, be authorised to agree the final terms of the acquisition, and complete negotiations for the purchase of the site in accordance with all relevant legal requirements, the Council’s Constitution and Financial Regulations;

(4) the Client Manager – Property, be authorised to deal with all ancillary matters arising that are consistent with the preceding resolutions; and

(5) the Head of Legal, Governance and Commercial Services be authorised to make any necessary amendments to the Joint Venture Agreement with the Homes and Communities Agency arising from the foregoing resolutions.

(Reason for decision – this is seen as the best way to support the achievement of the Council’s priorities in respect of the site, whilst creating a holistic, sustainable, high quality development.)

CAB210/02/13 Date and Time of Next Meetings

6.00pm on Monday 25 February 2013 (Extraordinary Meeting)

6.00pm on Monday 11 March 2013 (Ordinary Meeting)

Minutes published on Thursday 14 February 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 22 February 2013.