

Cabinet

10 November 2014

Present: N Redfearn (Elected Mayor) (in the Chair)
Councillors C Burdis, EN Darke, R Glindon, I Grayson,
J Harrison, CB Pickard, LA Spillard and JJ Stirling

In Attendance: M Almond (Voluntary and Community Sector)
A Caldwell (Age UK North Tyneside)
M Cushlow (North Tyneside Clinical Commissioning Group)
P Hedley (Business Sector)
R Layton (North Tyneside JTUC)
A Oghene (Young Mayor)

Councillor A Waggott-Fairley

CAB80/11/14 Apologies

Apologies were received from Councillor F Lott

CAB81/11/14 Declarations of Interest

Ms M Cushlow declared a personal interest in the item on Schools Finance (Minute CAB86/11/14) and Education Review (Minute CAB87/11/14), as she was a governor at Marden High School.

Mr P Hedley declared a personal interest in the item on Schools Finance (Minute CAB86/11/14) and Education Review (Minute CAB87/11/14), as he was a governor at Norham High School. He also declared an interest in the item on Helping Business do Business with North Tyneside (Minute CA92/11/14), as he was Chair of North Tyneside Business forum.

CAB82/11/14 Minutes

Resolved that the Minutes of the meeting held on 13 October 2014, be confirmed and signed by the Chair.

CAB83/11/14 Report of the Young Mayor

The Young Mayor reported on the following activities in which he and/or Young Cabinet members had been involved:

- Public speaking training with YoungMinds.
- Attendance at full Council Meeting.
- Daniel Doran had attended the Tyne and Wear Passengers Transport Users Group AGM.
- Meeting with Nexus officers to start the planning the POP card promotion. This was one of the Young Mayor's pledges.
- Consultation and tea dance at the Age UK offices in Whitley Bay.
- State of the Area Event.
- Meeting with the Chair of the Local Safeguarding Children's Board.
- Remembrance Day service at Whitley Bay where the Young Mayor had placed a wreath on behalf of the young people of the Borough.

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A number of visits to London were planned in November. These included North Tyneside Youth Councillors speaking at the House of Lords, Member of Youth Parliament Rebecca Moore attending the annual debate at the House of Commons and the Young Mayor giving a presentation at the National Conference on Public Transport.

Work continued on the Positive North Tyneside blog. When ready, this would be launched with the help of the Authority's Communications Team.

The Community Cohesion Group continued to work on their resource packs which were being created for the intergenerational work between schools and sheltered accommodation.

Cabinet was informed that the next Young Mayor Election would be held in February 2015 rather than in November 2014. This would help raise the profile of the elections and would link in with the British Youth Council's (BYC) national announcement day. The aim of this was for as many authorities as possible to announce their results on the same day and coverage of the election would be given in both the national and local press. Support would also be received from the BYC in the run up to the election too as they would be able to concentrate their efforts on one election period rather than the spread of elections that existed at the moment.

The Young Mayor was thanked for his report and was commended on the work he and his Young Cabinet were doing.

CAB84/11/14 Report from Overview and Scrutiny Committee – Alcohol Related Violent Crime Study (All Wards)

Cabinet received a report from the Overview and Scrutiny Committee in relation to Alcohol Related Violent Crime. Councillor A Waggott-Fairley, Chair of the Adult Social Care, Health and Well-Being Sub-Committee, was in attendance to present the report.

The main objective of the study was to examine the effectiveness of strategies, interventions and support in place by the Council and its partners to tackle the issue of alcohol related violent crime and domestic abuse, and to identify gaps in service and areas for improvement. During the review the Sub-Group had identified several areas that they wanted to investigate in more detail. These included; intervention and support services, prevention and educational awareness, licensing and workplace policies.

A series of evidence gathering meetings with expert witnesses had been held between February and September 2014. The Sub-Group had also met with victims of domestic abuse to hear first hand their experiences with the interventions and support services provided by the Council and its partners.

Although it had become apparent during the review that there was not a clear link between alcohol misuse and domestic abuse, it was evident that when alcohol was present it exacerbated an already volatile situation resulting in increased rates of violence and more serious injury to the victim. It was felt therefore that tackling alcohol misuse would inevitably have a positive impact on the number and severity of domestic abuse incidents.

The Sub-Group's recommendations were as follows:-

1. That Cabinet ask the Domestic Abuse Strategic Commissioning Group to investigate ways of increasing the Independent Domestic Violence Advisor (IDVA) capacity in North Tyneside so that it is more in line with the recommended level.
2. That Cabinet request that the Chief Executive of Northumbria Healthcare Foundation Trust explores the funding options to reinstate the IDVA post located in North Tyneside General Hospital's A&E Department.

3. That Cabinet ask the Interim Housing Services Manager to explore the possibility of allocating up to two homes being built as part of the Quality Homes for Older People project, to be used for temporary emergency accommodation for older people fleeing domestic abuse.
4. That Cabinet ask the Director of Public Health to continue exploring a potential model and commission a Perpetrator Programme in North Tyneside.
5. That Cabinet ask the Head of Environment and Leisure to explore the possibility of providing leisure centre passes to victims of domestic abuse and their children whilst they are staying at the Harbour refuge, and extending this to victims of domestic abuse and their children accessing an outreach service.
6. That Cabinet ask the Family Partner Team to ensure that when they identify families with alcohol problems and/or domestic abuse they are referred to the appropriate service.
7. That Cabinet ask the Director of Public Health to investigate the feasibility of establishing a pilot project to work with young people involved in alcohol related violence.
8. That Cabinet ask relevant officers to raise awareness of the support and help available to children and young people who are living in families where alcohol and domestic abuse is hidden, through providing information in young people's newsletters and Personal, Social, Health and Economic Education programmes.
9. That Cabinet ask the Director of Public Health to focus on alcohol related violence, in particular domestic abuse and the impact this has on family relationships and children during alcohol awareness week.
10. That Cabinet ask the Director of Public Health to produce a public health statement relating to alcohol misuse for inclusion in the Licensing Policy and where relevant any other Council policies.
11. That the Elected Mayor and Director of Public Health continue to lobby and support the introduction of national minimum pricing.
12. That Cabinet ask the Public Protection Manager to include an annual article in the residents' newsletter 'Our North Tyneside' to raise public awareness of the alcohol exclusion zones in North Tyneside.

The full report which outlined the key findings, conclusions and recommendations of the review was attached at Appendix 1.

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

The Mayor thanked the Committee for the report and looked forward to providing a detailed response to Cabinet.

Resolved that the report of the Overview and Scrutiny Committee be noted and a detailed response to the recommendations be provided at a future Cabinet meeting, no later than January 2015.

(Reason for decision – to respond to the recommendations made by the Overview and Scrutiny Committee.)

CAB85/11/14 2014/15 Financial Management Report to 30 September 2014 (All Wards)

Cabinet considered a report detailing the budget monitoring position as at 30 September 2014, including forecast outturn positions for 2014/15 for the General Fund, the Housing Revenue Account (HRA) and the Investment Plan, including a summary of schemes delivered. It also included an update on Schools' finances.

As at 30 September 2014, the forecast year-end position for the General Fund Revenue Account reflected an in-year surplus of £2.740m.

The HRA was forecast to have year-end balances at 31 March 2015 of £3.310m, which was £0.662m 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 (£0.359m). The forecast in-year surplus was an estimated £0.303m.

The report included an update in respect of work in progress with regard to 2014/15 school funding. The current forecast position indicated that all schools in North Tyneside were broadly performing in line with their original budget plans.

The Investment Plan for 2014-18, adjusted for reprogramming and variations approved by Cabinet was £215.242m. Further reprogramming of £11.755m and variations of £0.175m were proposed in the report.

The report also set out 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 September 2014, be noted; (2) the receipt of new revenue grants, set out in the report, be approved; (3) the level of spend on the Investment Plan as at 30 September 2014 be noted; and (4) the reprogramming of £11.755m and variations of £0.175m within the Investment Plan, as detailed in the report, 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.)

CAB86/11/14 Schools Finance (All Wards)

Cabinet considered a report which detailed the financial position of North Tyneside's schools and provided an overview of the variations to the Authority's Local Funding Formula for Schools for the financial year 2015/16.

During 2013/14 overall maintained school balances in North Tyneside had increased from £6.054m at 31 March 2013 to £6.647m at 31 March 2014. Total maintained school balances did not include those of Academy schools. Therefore the March 2013 figures included Priory Primary School balances, but the March 2014 balances did not as it had converted to Kings Priory Academy during 2013/14.

The increase in overall maintained school balances continued the historic trend of rising balances in North Tyneside for over ten years, although there had been a slight reduction during 2012/13. Benchmarking data on maintained school balances was available through to March 2013 and showed that balances as a percentage of planned budgets at that point remained lower in North Tyneside compared to both the regional and national comparator groups, with a relative worsening in 2012/13. This was not necessarily considered to be of concern as the national perspective was that school balances across the country were generally too high and should be invested in supporting children in schools today rather than held in reserve.

As at 31 March 2014 there were five schools in deficit.

This compared with seven schools with deficits at 31 March 2013, five schools at March 2012, 11 schools at March 2011 and 16 schools at March 2010. Although the number of schools with a deficit had fallen, the total balance of those schools with deficits had increased to £0.471m.

North Tyneside Council had held a School excess surplus balances policy since March 2007. Whilst it was no longer a mandatory requirement of the Department for Education, in September 2012 the School Forum had agreed to maintain the excess surplus balances policy in North Tyneside, with minor updates agreed at its meeting in September 2014.

Excess balances were those uncommitted balances over 5% for middle and secondary schools and over 8% for first, primary and special schools. As at 31 March 2014 there were no schools in North Tyneside considered as having an excess surplus balance. In consultation with the School Forum it had therefore been agreed that there would be no claw back of funds from schools in 2014/15.

An extract of the Section 251 return detailing individual North Tyneside school balances at 31 March 2014 was attached at Appendix 2 of the report.

Maintained mainstream schools had received their individual budget share (delegated budget) from the Local Authority on 31 January 2014 and had submitted their 3 year revenue budget plans (starting 2014/15) by 31 May 2014 as required.

Four schools had requested deficit approval for 2014/15 budgets, the same number as in the previous year, however the value of deficits had significantly increased. The Finance Team, supported by School Improvement and the North Tyneside Schools Forum, had met with these schools in June, providing both challenge and support to each of their budget plans, in order to determine if they may be granted a deficit budget for 2014/15. Deficit approval did not constitute a commitment to provide additional funding over the school's individual budget share, only a recognition that the school needed to temporarily enter into deficit, whilst continuing to balance its financial position over the longer period.

The deficit meetings included consideration of each school's detailed 3 year budget plans, pupil projections, pupil teacher ratios, procurement decisions and financial benchmarking data on all North Tyneside schools. Following this process the four schools had received deficit approval for 2014/15, as detailed in the report. As the balances were higher than in previous years, each school's proposals had been subject to increased scrutiny during the deficit approval process.

It was important to ensure the underlying reasons behind the deficit were identified and addressed. The report noted that three of the four schools seeking formal deficit approval for this financial year were secondary schools. The work progressed as part of the Education review had identified that as a consequence of the current surplus capacity and, in the case of specific post-16 pressures, some secondary schools would face a deficit position that would become unsustainable unless action was taken. The challenge in going forward was to find a sustainable solution that worked across the borough.

Members had been kept informed of the position on 2014/15 schools funding through the Financial Management reports to Cabinet.

Following consultation, the DfE had confirmed that it was intending to move towards a national funding formula in the future but that it was not imposing any mandatory changes into the funding formulas for 2015/16. The main change in the funding arena was the announcement of additional funding nationally (£390m) for authorities who were perceived to be funded at lower levels. North Tyneside Council was not eligible for this additional funding.

Officers had been in discussion with the Schools Forum since 9 July 2014 regarding the 2015/16 mainstream funding formula. Following a consultation with all schools in North Tyneside in September and early October, and further discussion with the Schools Forum on 15 October 2014, the factors to be used in the funding formula for 2015/16 had been confirmed, and would be notified to the DfE by the end of October 2014.

There were no significant changes to the mainstream funding of schools. There was a slight change to the eligibility criteria for the 'low cost high incidence' Special Educational Needs (SEN) element of the formula which would change in line with the DfE requirements, which was a continuation of the roll out of new eligibility criteria introduced last year.

Consultation was underway for early years and high needs funding allocations. Whilst there were changes proposed to refine the allocation of funding, there were no significant changes to the basis of funding across the Borough. Some additional funding had been made available nationally to support the two year old nursery offer in certain areas where deprivation eligibility was met.

The Schools Forum would also be considering certain elements of funding that were held centrally within the funding allocations which were applied to benefit pupils across the Borough.

The report detailed the key dates which had to be met in setting 2015/16 school budgets. Members would be kept updated via the regular Financial Management reports to Cabinet.

Cabinet considered the following decision options: either to agree to fund schools for 2015/16 in line with the proposals outlined in section 1.2(2) of the report, or alternatively to disagree with those proposals.

Resolved that (1) the change in school balances as detailed in the report, be noted; and (2) the Head of Commissioning and Investment and the Chief Executive (as Section 151 Officer), in consultation with the Cabinet Member for Children, Young People and Learning, be authorised to undertake resource allocations to schools for 2015/16 in line with the school funding arrangements set out in the report.

(Reason for decision - the proposal is compliant with the required DfE guidance and legislation and has been subject to consultation with the Schools Forum as well as all schools in the Borough.)

CAB87/11/14 Education Review – Feedback from Pre-Publication Consultation (Previous Minutes CAB108/10/13 and CAB58/09/14 refer) (All Wards)

Cabinet considered a report which requested consideration of the results of the pre-publication consultation on a review of the education system in North Tyneside that had been undertaken and approval of a preferred option for further consultation.

This report provided information on:

- The work done as part of the pre-publication consultation, details of which were set out in Appendix 1 to the report
- The main messages from the consultation response
- The next steps to consult on a preferred option
- The next steps on the further actions agreed with Cabinet at its meeting on 8 September 2014 and further clarified with Headteachers, Governing Bodies and Partners.

The main messages from the responses received were:

- Option Three ('Begin to remodel the education system) was preferred by most responders – further details of this option were set out in Appendix 3 to the report;
- Governing bodies were keen to engage;
- Employers were keen to be part of the solution;
- While there was significant support for the approach more detail was required on the suggested model at Norham
- The agreed principles did not sufficiently emphasise a happy childhood.

A more detailed summary was given in Appendix 2 of the report.

It was proposed that the next phase of consultation would commence for a 4 week period starting on 24 November 2014 and ending on 21 December 2014. The consultation process was detailed in the report. The process would again follow DfE Guidance (where significant changes to schools were proposed) which would allow the Council to provide the necessary feedback to all consultees on the process to date. Any resultant changes to individual school admission numbers would need to be managed through the Schools Admissions arrangements. Other system changes would be subject to individual governance arrangements including reporting back to Cabinet, decisions by Governing Bodies and the Schools Forum.

At the end of the consultation period consideration would be given to the feedback obtained before the final decision was made.

Following Cabinet's decision on 8 September 2014, detailed work was underway to clarify the projects that flowed from the review, particularly as it related to the Our North Tyneside Plan and the programme of change in place to deliver it. Each project would have a detailed project brief, agreed by the Education Review Project Board and involved stakeholders. Those projects were as follows

- Ready for School – a continuing review of early years work and the development and delivery of a North Tyneside entitlement
- Ready for Work – developing a North Tyneside entitlement and the comprehensive overhaul of information, advice and guidance as well as employer engagement and adult learning
- Post 16 – a review of the offer to North Tyneside and proposed developments in the light of the new Post-16 Accountability Framework making sure the offer was consistent across the Borough and balanced academic and vocational skills aligned to the economy of the Travel to Work Area. This work to include provision for pupils at Special Schools
- Planned Admission Numbers and Catchment – a review of the current approach and revisions required as projects were delivered and new school buildings came on stream
- Transport, locality and access – in line with the work on Planned Admission Numbers and Catchment reviewing transport, locality connections and access to the education system
- Capital Investment – continuation of the work in hand to deliver the next five new schools but also handling the proposed national changes in stock condition and capital investment and the next phase of the national programme
- Specific work in localities and at schools; as follows
 - Whitley Bay and Monkseaton – working to maintain and raise standards and tackle the collective financial challenge

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- Norham High School – working to develop and deliver a new model
- Longbenton Community College – working to meet the financial challenge, raise standards and take advantage of the new building
- Seaton Burn Business and Enterprise College – developing collaboration across primary and secondary in the area, developing the campus as a hub for service to the community and, as part of the post-16 offer, increasing access for students in the community.

Cabinet considered the following decision options: either to move to consultation on the preferred option, or alternatively to ask for further work to be done.

Resolved that (1) the feedback from the pre-publication consultation be noted; (2) consultation on the basis of the preferred option outlined in appendix 3 of the report, be approved; and (3) the further actions outlined in paragraph 1.8 of the report (listed above), be approved and further update reports be submitted to Cabinet as required.

(Reason for decision – It reflects the preferred approach based on feedback from the pre-publication consultation and it meets the challenges and opportunities facing the education system in North Tyneside.)

CAB88/11/14 Transporting the Public (Home to School/College and Adult Services) Contract (All Wards)

Cabinet considered a report which sought approval to carry out a procurement exercise in order to appoint a contractor to provide transport services to the Authority.

The proposed tendering exercise related to transportation of pupils with special educational needs or other specific needs attending schools, and adults with assessed critical and/or substantial needs attending further education, employment, leisure and day opportunities. Some pupils and adults had such needs that necessitated special transport arrangements to ensure that they had appropriate access to educational, social and community provision.

The Authority had a duty under the Education and Inspections Act 1996 to provide or arrange transport to and from home to school/college for pupils and students and from home to day opportunities for vulnerable adults in certain circumstances. The present transport contracts would terminate in August 2015.

The procurement process had to deliver value for money as well as meeting the requirements of both the EU Procurement Regulations and the Authority's Contract Standing Orders. The contracts had to also meet the guidance set out in the Department for Education and Skills document "Home to School Travel for Pupils Requiring Special Arrangements" issued in November 2004, and "Home to School Travel and Transport Guidance" issued in July 2014. All tenderers would be required to comply with the Authority's eligibility criteria for Adult Social Care Services and Fair Access to Care Services. This would be under a framework agreement and the number of providers would be determined upon receipt of tender returns.

The Home to School and Adult Services contract was divided up into various routes, which were tendered, and awarded to individual contractors who provided a transport service using a licensed taxi or licensed public service vehicle. In most cases an approved passenger transport assistant must accompany the driver

Within the arrangements to establish the new contract, both driver and passenger transport assistant would require clearance from the Disclosure Barring Service (DBS) and would also attend appropriate accredited training courses. The Authority would undertake an enhanced DBS disclosure check, at the contractor's expense in connection with the contract. If as a result of the DBS check, any driver or passenger transport assistant employed by the contractor was deemed to be unsuitable by the Authority, the Authority would have the right to require the contractor to withdraw an individual driver or passenger transport assistant from the provision of the service

Consideration had been given to EU working time directives and would be built into the new contract for transporting the public.

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 authority be delegated to the Head of Commissioning and Investment, in consultation with the Cabinet Members responsible for Children, Young People and Learning and Adult Social Care and the Heads of Adult Social Care and Law and Governance to:

- i) undertake the procurement and appointment of the Transporting the Public contract providers; and
- ii) award contracts to successful providers for a period of 3 years with an option to extend for up to a further 12 month period on terms and conditions approved by the Head of Law and Governance.

(Reason for decision – It will enable the Authority to fulfil its statutory obligations regarding access to education for children and young people with special educational needs and access to day opportunities for vulnerable adults.)

CAB89/11/14 Embleton Avenue Skills and Enterprise Centre (Battle Hill Ward)

Cabinet considered a report which requested approval to declare the property at Embleton Avenue Skills and Enterprise Centre surplus to the Authority's requirements and available for disposal to Tyne Metropolitan College for use as a Science, Technology, Engineering and Maths (STEM) Innovation Centre.

The property which was owned by the Authority was situated adjacent to Tyne Metropolitan College and had been utilised as a Skills and Enterprise Centre for a number of years. In recent years the Authority had experienced a reduced need to utilise the building due to improved provision available from the College, changing demand and accessibility for local residents.

The Authority currently rented out rooms within the Centre to the College and Tyne North Training. The licence arrangements were detailed in the report.

The Centre cost the Authority approximately £0.084m per annum to run less rental and training income of around £0.044m per annum. The net £0.040m cost to the Authority was currently funded by an external skills grant. With the reduced utilisation of the building, it was increasingly difficult to justify this revenue cost.

As part of the proposal to establish a STEM Innovation Centre the intention was for the College to take a long term lease of the Skills and Enterprise Centre from the Authority, subject to all of the terms and conditions being agreed between the parties. In order to ensure the viability of this project, it would be necessary to enter into a long term leasehold arrangement at a peppercorn rent.

The length of the lease would be for a term that ensured the value of the rental concession remained within the “undervalue” limit, in accordance with the General Disposal Consent (England) 2003.

The College had submitted an application to the North East Local Enterprise Partnership for capital funding (previously allocated by the Skills Funding Agency) for the site for a Science, Technology, Engineering and Maths (STEM) Innovation Centre with full support of the Authority. The Government had approved the proposal and £1m of funding had been allocated under the skills package, one of five such projects approved in the North East LEP area. The project was to be delivered during the 2015/16 financial year.

The proposal from the College would provide STEM facilities for formal education to pupils from age 14 and potentially ad hoc access to younger pupils.

This development would be included as part of the proposed solutions within the School Review. The aim of the STEM Innovation Centre was to create a supportive Hub to introduce and continually raise aspirations of young people in STEM related subjects and to support them to prepare for related careers. This would support schools to increase the take up of STEM subjects including A Levels within mainstream schools and Tyne Metropolitan College’s expansion of vocational STEM learning.

The new facilities would also provide a base for vocational training directly linked to engineering and manufacturing industries operating from and linked to the River Tyne Enterprise Zone and their wider supply chain of smaller businesses.

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 and request Officers to examine alternative options.

Resolved that (1) the property at Embleton Avenue Skills and Enterprise Centre be declared surplus to the Authority’s requirements and available for disposal to Tyne Metropolitan College for use as a centre for Science, Technology, Engineering and Maths Innovation Centre in accordance with the main principles outlined in the report; (2) the Head of Environment and Leisure, in consultation with the Chief Executive (as Section 151 Officer), the Head of Law and Governance and the Elected Mayor, be authorised to agree the final terms of the transfer of the property to Tyne Metropolitan College; and (3) the Head of Environment and Leisure be authorised to deal with all ancillary matters arising that are consistent with the preceding resolutions.

(Reason for decision – It will facilitate £1m capital investment to the building. This will provide new facilities as a focus for skills development and pathways which will support the economic regeneration of North Tyneside and the wider region. In addition, the Authority will no longer be liable for all premises related costs for this building.)

CAB90/11/14 Highway Asset Management Plan Annual Information Report 2014 (All Wards)

Cabinet considered the Authority’s Highway Asset Management Plan (HAMP) Annual Information Report 2014.

The report outlined the progress and key issues associated with the maintenance of the Authority’s public highway network, with particular emphasis around the condition of the network and the resources required to maintain it effectively.

The report would be used as the basis for ongoing discussions around the challenges of maintaining the highway network so that any decisions about potential changes in highway maintenance priorities and resources could be made in an informed manner.

Over the last 12 months the Highway Maintenance Team had continued to make steady progress in improving the Borough's roads and footpaths against the backdrop of a difficult financial climate. A well maintained highway network continued to be a top priority. Additional capital investment in highway maintenance made in recent years was starting to make a positive difference.

The report showed the current condition of roads compared to 3 years ago. The percentage of roads requiring maintenance had decreased which clearly demonstrated an improvement in the condition of the network. This was a good indication that a combination of additional funding and preventative maintenance policies were starting to pay dividends. This was further evidenced by positive feedback/comments received from residents and other stakeholders, including Members.

Whilst the improvement in the condition of roads was welcome, the Authority continued to face many challenges to keep North Tyneside's highway network in a serviceable condition. For example, the condition of public footways continued to be an area of concern and the Highways Team was starting to focus more on this. The backlog of carriageway repairs was around £21 million and it was estimated that the footway repair backlog would be a similar figure.

Although the repair backlog was currently manageable through a combination of planned and reactive maintenance, the report advised that it was appropriate that capital investment was maintained to ensure that there was no decline in the condition of the highway network, which would hamper the Authority's ability to maintain a serviceable network. It was suggested that this should be given full consideration in any future budget setting discussions.

Cabinet considered the following decision option: to note the Highways Asset Management Plan Information Report.

Resolved that the content of the Highways Asset Management Plan Annual Information Report 2014, be noted.

(Reason for Decision - no direct decisions are required in relation to the content of the HAMP Annual Information Report. It is for information purposes only.)

CAB91/11/14 Annual Review of Council Policy on Covert Surveillance (All Wards)

Cabinet considered a report which sought approval of an updated Covert Surveillance Policy. In accordance with the Codes of Practice applying to the Regulation of Investigatory Powers Act 2000 (RIPA) the Council Policy should be reviewed annually. A copy of the revised draft Policy was attached at Appendix 1 of the report.

The draft Policy had been considered by the Regulation and Review Committee at its meeting on 30 October 2014 (Minute RQ29/10/14 refers. No amendments to the Policy had been suggested.

The aims of the Authority's Policy were to:

- Set out the Authority's arrangements for complying with RIPA; the relevant Codes of Practice and guidance issued by the Home Office; and guidance from the Office of the Surveillance Commissioner (OSC) and the Interception of Communications Commissioner's Office (IOCCO);

- Give effect to the rights of citizens to respect for their private and family lives (pursuant to the Human Rights Act 1998); and
- Protect the Authority from legal challenge when undertaking surveillance.

The Regulation of Investigatory Powers Act 2000 (RIPA) put covert surveillance on a statutory basis. RIPA enabled certain public authorities to carry out surveillance operations with statutory protection from legal challenge. It was often referred to as the “RIPA shield”.

The report detailed the three covert investigatory techniques available to local authorities under RIPA.

The RIPA provisions could only be used to authorise surveillance activities in order to detect and prevent serious crime and any authorisation was subject to a requirement to seek authorisation from an ‘Authorising Officer’ and to obtaining judicial approval from the Magistrates’ Court before any surveillance was undertaken. All authorisations would be subject to an internal scrutiny process prior to being submitted for judicial approval.

Local authorities could undertake surveillance for other purposes but such surveillance would not benefit from the RIPA shield and would leave a local authority more vulnerable to challenge. For this reason all surveillance activity undertaken by the Authority, whether inside or outside of the RIPA regime, had to be appropriately authorised by one of the Authorising Officers and was subject to central monitoring and challenge.

The Authority had a Central Register of all RIPA and non-RIPA surveillance activity, which was held and monitored by the Head of Law and Governance.

The report also gave details of:

- the RIPA inspection process and issues that had been identified following the North Tyneside inspection and actions used to address those issues;
- summary of use of surveillance, acquisition of communications data and covert human intelligence source provisions - following the removal on 31 October 2012 of the right to use covert surveillance to address anti-social behaviour, no authorisations had been granted;
- corporate responsibilities of the Authority in relation to RIPA;
- compliance with and oversight of the Authority’s policy;
- the use of closed circuit television systems (CCTV) by the Authority.

Cabinet considered the following decision options: either to approve the Authority’s policy on covert surveillance and note the use of surveillance by the Authority in the preceding year, or alternatively ask officers to revise the draft Policy and/or provide additional information regarding any matters contained in the report.

Resolved that (1) the Authority’s draft Policy on Covert Surveillance, be approved; and (2) the use of surveillance by the Authority in the preceding year, be noted.

(Reason for decision – it will secure adherence to the recommended best practice contained within the Codes of Practice. In particular, the Code of Practice – Covert Surveillance and Property Interference indicates that elected members should review the Authority’s use of Part II of the Regulation of Investigatory Powers Act 2000 and set the policy at least once a year.)

CAB92/11/14 Helping Business Do Business with North Tyneside (All Wards)

Cabinet considered a report which detailed progress made in supporting local suppliers and small and medium sized enterprises (SMEs) to 'Supply North Tyneside', win procurement contracts and do business with the Authority; outlined work undertaken to analyse the payment terms currently used by the Authority's main strategic partners when they in turn paid businesses in their supply chain, and work underway to influence those payment terms; and explained the current measures that were available to the Authority to standardise the time taken by partners, both current and future, to pay their suppliers.

The report also requested agreement that the Authority's contract provisions were amended to ensure that for all appropriate new contracts, it would be usual for contractors to pay their suppliers within a standard 30 day period, and that only by exception (agreed with the Authority) would payment terms for sub-contractors exceed 30 days. This would help to ensure that the extended supply chain was paid promptly, responding to feedback which had been received from stakeholders, and was in line with recently strengthened national guidance and expected legislative changes.

Substantial work had been undertaken to understand the Authority's procurement needs, purchasing practices and buying trends. This had included work to identify and understand the supply chain (including the top 250 suppliers by value, and who and what proportion were 'local' suppliers), and the aspirations of that supply chain. As part of this work, the Authority had engaged with a wide range of stakeholders regarding its commercial and procurement approach.

This work and feedback received had informed the development of a clear set of commercial and procurement principles which were codified within the Procurement Strategy 2013-2017. After listening to key stakeholders, the procurement principles confirmed a number of aspirations, which had been reviewed and refreshed as follows:

- that North Tyneside Council was 'open for business';
- that suppliers had the chance to understand the Authority's business;
- that the Authority had accessible people, processes and opportunities;
- that helpful technology was used to undertake the procurement process;
- that the Authority promoted enduring business relationships with suppliers from a range of backgrounds;
- that public procurement was more responsive to the capabilities of the regional supply market, and initiatives to promote doing business between the public and private sectors were considered;
- that stronger community and voluntary sector collaboration was encouraged;
- that the Authority's approach encouraged local sub-contracting and using partnerships.

The Procurement Strategy 2013-2017 specifically addressed the feedback from engagement regarding the importance of supporting local procurement. It had been made clear from a number of stakeholders that "local" was a critical issue. The Procurement Strategy set out a clear ambition that the numbers of local suppliers (both business, and the voluntary and community sector) should be encouraged to increase, for the benefit of the local economy wherever possible, within the legal limits which governed how the Authority must operate. As many of these local suppliers were SMEs, in turn an increase in local supply would also be likely to increase the number of SMEs in the Authority's supply chain.

Analysis of the supply chain, and work to support small and local suppliers to do business with the Authority, had continued under the Commissioning, Commercial Capacity and Procurement arm of the Creating a Brighter Future change programme. Details of this were given in the report and included:

- Supporting local suppliers to win business – a number of practical changes had been introduced aimed at simplifying the Authority’s procurement process and making contracting opportunities easier to access by suppliers, especially smaller and local suppliers; also the introduction of a range of supplier events.
- Further measures that were planned to support local suppliers and SMEs.
- Payment terms – officers had looked into the development of a more consistent approach to payment terms between the Authority’s partners.
- Accelerating payment terms for future contracts for goods and services.

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 action taken and progress made to support suppliers (including local businesses and small and medium sized enterprises) seeking to do business with the Authority, and further actions planned to help develop the local economy through procurement, be noted;

(2) the work which is underway to influence and where possible standardise the time taken by the Authority’s existing partners to pay those in their supply chain promptly be noted; and

(3) the Authority’s contract provisions be amended to ensure that for all appropriate new contracts it will be a usual requirement for contractors to pay undisputed invoices from their sub-contractors within 30 days, and that any exceptions to such 30 day standard payment terms will be agreed between the Authority and contractor in advance.

(Reason for decision – It will respond directly to feedback from stakeholders regarding the importance of prompt payment to suppliers, including local suppliers and SMEs. It will also allow the Authority to operate in line with recently strengthened national guidance and changes likely to take effect under new UK Public Contract Regulations in the future.)

CAB93/11/14 Integrated Sexual Health Services Procurement Exercise 2014/15 (All Wards)

Cabinet considered a report which outlined the proposed approach for a procurement exercise and the Authority’s strategic commissioning intentions in relation to Sexual Health Services.

The procurement exercise aimed to re-design and procure fully integrated sexual health services, while meeting identified needs of the local population and the aims of relevant national policy and guidance.

The intention of the procurement exercise was to:

- further develop integrated sexual health services for residents of the Borough;
- explore opportunities for making significant service efficiency/improvement (e.g. service redesign);
- improve current performance against outcomes, particularly health inequalities;
- develop public health capacity and expertise;
- maintain consistency with national and local policy direction; and
- take advantage of opportunities for collaborative commissioning

The procurement exercise was set within the context of the 'Public Health Commissioning and Procurement Programme 2013-2015', agreed by Cabinet on 10 June 2013 (Minute CA28/06/13 refers).

Local Authorities were mandated to provide open access sexual health services for residents. The Authority currently commissioned sexual health services from six service providers and had contracts to a total value of £2.5M with Northumbria Healthcare NHS Foundation Trust, Newcastle Upon Tyne Hospitals NHS Foundation Trust, Public Health England Laboratory, Newcastle City Council, 29 GP practices and 53 Community Pharmacies. Specific risks were associated with having numerous contracts with different providers, which was the current situation. Recent national guidance for commissioning of sexual health services outlined a more local and integrated service than the one currently provided. To develop a more integrated open access sexual health service for the Borough the Authority was required to go through an open procurement process.

The procurement process could produce cost savings and quality improvements. In procuring public health services the Authority was not constrained by the existing service provision arrangements, in terms of the scope or the delivery channels to which they related, and could reconfigure them to best meet needs. Once the scope of the services and any associated delivery channels were decided (which followed a process of market testing and stakeholder consultation), the Authority would need to decide how best to approach the market.

Several local authorities in the region were currently undergoing procurement exercises or had recently procured sexual health services. NHS England and North Tyneside Clinical Commissioning Group (CCG) also commissioned sexual health services.

All current providers have been notified of the Authority's intentions.

Current service provision included:

- Genito-urinary medicine (GUM) services
- Contraception services
- Psychosexual services
- Dual testing
- Chlamydia screening
- HIV diagnosis
- Health promotion

Contracts for these services were currently awarded annually. It was proposed that the contracts for sexual health services would not be renewed for 2015/16 but would be extended for six months when the current year contracts ended on 31 March 2015. During the current term of the existing contracts the Authority would undertake an open competitive procurement exercise, with the aim of awarding new contracts around 1 October 2015. The contracts would be for an initial contract period of 3 years with an option to extend for a further 2 years on an annual basis.

NHS England, the current commissioner of HIV treatment services would be partners in the procurement exercise as they had agreed to re-procure this service in an integrated way.

The Authority was currently in similar discussions with the North Tyneside CCG with respect to the impact this procurement exercise could have on the future provision of some sexual health services, particularly terminations, sterilisations and vasectomies that the CCG commissioned from the existing provider.

A draft outline project plan and timetable was detailed in the report

Cabinet considered the following decision options: either to approve the proposed Integrated Sexual Health Services procurement exercise, or alternatively not approve the proposed procurement exercise and request officers to look at alternative options.

Resolved that the Director of Public Health, in consultation with the Head of Law and Governance and the Cabinet Member for Adult Social Care and Public Health, be authorised to undertake a procurement exercise in respect of, and to appoint and award, a contract for the provision of integrated sexual health services across the Borough with an initial contract period of 3 years, with an option to extend for a further 2 years on an annual basis.

(Reason for decision – It will provide a model of integrated sexual health services that is based on expressed local need and evidence of effectiveness, also ensuring best value for the Authority.

CAB94/11/14 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 3 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.

CAB95/11/14 Corporate Risk Management Summary Report (Previous Minute CAB239/05/14) (All Wards)

Cabinet considered a report which detailed the corporate risks that had been identified for monitoring and management by the Authority's Senior Leadership Team and relevant Cabinet members. The report also provided detailed information on each risk and how it was being managed.

Cabinet considered the following decision options:

Option 1 – endorse the outcome of the latest review by the Authority's Senior Leadership Team.

Option 2 – suggest changes to the corporate risks and their controls.

Resolved that the latest review of key corporate risks undertaken by the Senior Leadership Team, be endorsed.

(Reason for decision – Each of the corporate risks has undergone substantial review and challenge as part of the corporate risk management process. This is designed to provide assurance that corporate risks and opportunities are being identified and appropriately managed.)

CAB96/11/14 Date and Time of Next Meeting

6.00pm on Monday 24 November 2014 (Extraordinary Meeting)

6.00pm on Monday 8 December 2014 (Ordinary Meeting)

Minutes published on Thursday 13 November 2014.

The decisions contained within these Minutes may be implemented (unless called in by 3 Non-Executive Members for consideration by the Overview, Scrutiny and Policy Development Committee) immediately following the expiry of the call-in period; i.e. 5.00pm on 20 November 2014.