

Extraordinary Cabinet

27 September 2017

Present: N Redfearn (Elected Mayor) (in the Chair)
Councillors EN Darke, CA Burdis, R Glindon,
JLL Harrison and CB Pickard.

CAB52/09/17 Apologies

Apologies were received from Councillors I Grayson, M Hall and JJ Stirling.

CAB53/09/17 Declarations of Interest and Dispensations

There were no declarations of interest or dispensations reported.

CAB54/09/17 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.

CAB55/09/17 Future Construction Options - report from the Cabinet Working Group (All Wards)

At its meeting on 12th September 2016, Cabinet had agreed to establish a Working Group to consider the future construction needs of the Authority and the options available to meet those needs. This work had been done in line with the process outlined in Clause 3.2 of the Agreement made with Kier Group plc (“Kier”) in September 2009.

The Working Group had considered the performance of the parties, the needs of the population and whether it would be beneficial to extend the agreement for a further five years from the initial expiry date of 31st March 2019. In doing that, the Working Group had looked at the construction requirements of the Authority from 2019, considered the policy priorities in meeting the needs of the population, looked at the delivery options available to the Authority, spent time learning from other authorities and explored a proposal from Kier explaining how they would meet the requirement and the policy priorities in the extension period.

It was important to note that Cabinet were asked to consider whether an extension would be beneficial; this was not a procurement exercise.

The Working Group had compared the delivery options against these policy priorities and concluded the most appropriate way forward. The report provided details on the thinking done by the Working Group and made a recommendation to Cabinet on the preferred option. The report went on to outline the next steps and sought appropriate delegations to implement Cabinet’s decision.

It was noted that the Chair of Council had agreed that this item was not subject to call-in for the following reason: The Authority is required to consider and determine by 30 September 2017 whether or not to extend the current contract for construction services provided by Kier North Tyneside Joint Venture Company. The matter has been the subject of extensive and detailed consideration by a Cabinet Working Group. The work undertaken by the group has, inter alia, included due consideration of proposals submitted by the provider and it has not been possible to conclude the work of the Working Group and report to Cabinet with robust recommendations earlier. As a result, and to enable Cabinet decision making to be concluded by the 30 September deadline the matter is now urgent. Should the matter be subject to call-in the contractual deadline will not be capable of being met and the Authority's position will be prejudiced.

Cabinet considered the following decision options:

Option 1: To agree the recommendation of the Working Group as set out in paragraph 1.5.40 of the report.

Option 2: To ask the Working Group to carry out further work and report back to Cabinet.

Resolved that (1) the recommendations of the Working Group as explained at paragraph 1.5.40 of the report, be approved;
(2) approval be given to the Working Group becoming a Steering Group to oversee the implementation of those recommendations;
(3) the Deputy Chief Executive, Head of Environment Housing and Leisure, Head of Commissioning and Investment, Head of Finance and Head of Law and Governance, in consultation with the Deputy Mayor, the Cabinet Member for Finance and Resources and Cabinet Member for Housing and Transport, conclude any arrangements required to implement those recommendations; and
(4) Cabinet receive further reports in due course outlining progress made in implementing the recommendations.

(Reason for decision – As agreed by Cabinet in September 2016, the Working Group has considered the issue in line with the agreement with Kier, examined the issues in detail and made its recommendation based on what is beneficial to the Authority; and the recommended option meets the policy priorities identified by the Working Group on behalf of the Mayor and Cabinet to meet the needs of the population.)

CAB56/09/17 Date and Time of Next Meetings

Monday 9 October 2017 at 6.00pm (Ordinary Meeting)

Minutes published on Monday 2 October 2017.