

GATESHEAD METROPOLITAN BOROUGH COUNCIL

CABINET MEETING

Tuesday, 8 November 2016

PRESENT: Councillor M Gannon

Councillors: M Brain, A Douglas, G Haley, J McElroy and
L Twist

C101 APOLOGIES FOR ABSENCE

Apologies for absence have been received from Councillors M Foy and L Green.

C102 MINUTES

The minutes of the Cabinet meeting held on 11 October 2016 were approved as a correct record and signed by the Chair.

C103 ERDF LOW CARBON PROJECT PROPOSALS

Consideration has been given to accept grant awards from the European Regional Development Fund (ERDF) for High Rise Energy Infrastructure for Gateshead Housing Tenants (HEIGHTs) and Bringing Plastic District Heating Technology to the UK and to the award of construction contracts for these projects.

- RESOLVED -
- (i) That the acceptance of an ERDF grant of £4.66m, comprising of £4.55m capital grant and £0.11m revenue grant for the HEIGHTs project be approved.
 - (ii) That the acceptance of an ERDF grant of £0.89m, comprising of £0.86m capital grant and £0.03m revenue grant for the Plastic District Heating Project be approved.
 - (iii) That the award a contract of up to £11.3m to Wilmott Dixon Construction via the SCAPE Major Works Framework, for delivery of the HEIGHTs project be approved.
 - (iv) That the award of a contract of up to £2.35m to Balfour Beatty via the SCAPE Civil Engineering and Infrastructure Framework, for the delivery of the Plastic District Heating Project be approved.
 - (v) That the Strategic Director, Communities and Environment

be given delegated authority, following consultation with the Strategic Director, Corporate Resources, to agree the final terms, scope and costs of the contract awards.

The above decisions have been made for the following reasons:

- (A) To continue to deliver Council priorities around reducing fuel poverty, energy consumption and carbon emissions.
- (B) To support initiatives to generate costs savings and income streams for the Council.
- (C) To secure significant external grant funding to support capital investment as part of the Council's Capital Programme.

C104

REVENUE BUDGET - SECOND QUARTER REVIEW 2016/17

Consideration has been given to the latest monitoring position on the 2016/17 revenue budget at the end of the second quarter to 30 September 2016 and to recommending to Council a budget virement in relation to Adult Social Care.		
RESOLVED -	(i)	That the Council be recommended to approve the budget virement to re-align budgets relating to the delivery of the agreed saving of £3.300m for a Revised Demand Management Model for Adult Social Care and involving the following budget movements which will have a neutral impact on the budget overall:
		<ul style="list-style-type: none"> • Development and Public Protection to be reduced by £0.106m • Housing General Fund to be reduced by £0.122m • Commissioning and Quality Assurance to be reduced by £0.983m • Early Help to be reduced by £0.018m • Social Work Children and Families to be reduced by £0.033m • Adult Social Care to be increased by £1.262m
	(ii)	That the Council's revenue expenditure position at 30 September 2016, as set out in appendix 1 to the report be noted.
The above decisions have been made to contribute to the sound financial management of the Council and medium term financial sustainability.		

C105

CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS 2016/17 - SECOND QUARTER REVIEW

Consideration has been given to the latest position on the 2016/17 capital programme and Prudential Indicators at the end of the second quarter to 30 September 2016.

RESOLVED -

That the Council be recommended to:

- (i) Approve that all variations to the 2016/17 Capital Programme as detailed in appendix 2 to the report be agreed as the revised programme.
- (ii) Approve the financing of the revised programme.
- (iii) Note the capital expenditure and capital financing requirement indicators have been revised in line with the revised budget and that none of the approved Prudential Indicators set for 2016/17 have been breached.

The above decisions have been made for the following reasons:

- (A) To ensure the optimum use of the Council's capital resources in 2016/17.
- (B) To accommodate changes to the Council's in-year capital expenditure plans.
- (C) To monitor performance within the approved Prudential Limits.

C106

GATESHEAD COMMUNITY INFRASTRUCTURE LEVY (CIL)

Consideration has been given to the outcome of the Examiner's report on the Gateshead CIL Draft Charging Schedule, the proposed minor modifications to the final Charging Schedule and associated policies and to the proposed formal adoption of the Charging Schedule and associated policies.		
RESOLVED -	(i)	That the Council be recommended to note the Report on the Examination of the Gateshead and Newcastle Community Infrastructure Levy (CIL) Draft Charging Schedules (August 2016).
	(ii)	That the Council be recommended to approve the content of the CIL Charging Schedule.
	(iii)	That the Council be recommended to formally adopt the

		CIL Charging Schedule and approve that it shall take effect from 1 January 2017.
	(iv)	That the Gateshead CIL Instalments Policy and Regulation 123 Infrastructure List be approved.
	(v)	That as required following monitoring, the Strategic Director, Communities and Environment be given delegated authority to approve revisions to any of the matters listed in (iv) above going forward.
	(vi)	That the Service Director, Transport, Development and Public Protection be designated as the officer responsible for CIL implementation.
	(vii)	That a further report be submitted to Cabinet on the implementation of the 15% communities' element with proposals for governance and distribution of this element of CIL.

The above decisions have been made for the following reasons:

- (A) To ensure that sufficient infrastructure is provided at both a local and strategic level to facilitate and accommodate the growth proposed in the Plan.
- (B) To ensure that Gateshead's CIL is adopted and implemented in accordance with statutory requirements.
- (C) To facilitate persons liable to pay CIL to make payments by instalments.

C107

BUDGET CONSULTATION 2017 - 2020

Consideration has been given to consultation on plans to reshape council services to meet the financial challenge over the next 3 years; and current draft budget proposals as part of the budget setting process for 2017-18.

RESOLVED - That the consultation to inform the budget report which will be presented to Cabinet on 21 February 2017 as set out in the report be approved.

The above decisions have been made for the following reasons:

- (A) To continue the delivery of Vision 2030 and the Council Plan 2015-2020.
- (B) To meet the needs of residents, businesses and partners in

a principled and planned way, within the context of the resources available.

- (C) To manage its financial, property and human resources effectively in exceptionally challenging financial circumstances.
- (D) To shape the future direction of the Council.

C108 **RESPONSES TO CONSULTATION**

Consideration has been given to responses to recent consultations.

RESOLVED - That the responses to the following consultations be endorsed.

- Reporting and Acting on Child Abuse and Neglect – HM Government
- Improving the use of Planning Conditions – Department for Communities and Local Government.

The above decision has been made to enable the Council to contribute responses to the consultations.

C109 **REVIEW OF COUNCIL'S DISCRETIONARY RATE RELIEF POLICY**

Consideration has been given to a proposal to review and consult upon the Council's Discretionary Rate Relief policy.

- RESOLVED -
- (i) That the proposal to consult and seek views on the most appropriate ways to provide discretionary rate relief be approved.
 - (ii) That a further report be submitted to Cabinet on the outcomes of the consultation process.

The above decision has been made to ensure optimum use of the Council's resources.

C110 **FRAMEWORK FOR THE SUPPORT OF PEOPLE WITH A LEARNING DISABILITY AND/OR AUTISTIC SPECTRUM CONDITION AT HOME AND IN THE COMMUNITY**

Consideration has been given to a plan to introduce a Framework for the provision of support at home and in the community for people with a learning disability and/or autism from 1 April 2017.

RESOLVED - That the approach being taken to implement a Framework for the provision of support at home and in the community for people with a learning disability and/or autism from 1 April 2017 be approved.

The above decision has been made for the following reasons:

- (A) To consolidate current costs and contracts for learning disability services and contribute to the delivery of the proposed savings.
- (B) To support a move to a progressive model of support which has a focus on achieving positive outcomes for individuals.
- (C) To attract new providers to the market in Gateshead.

(Councillor Douglas declared a personal interest in this matter because a family member is in receipt of services).

C111 **NOMINATION OF LOCAL AUTHORITY SCHOOL GOVERNOR**

Consideration as been given to the nomination of local authority governors to schools where there are currently vacancies.

RESOLVED - That the following nominations be approved for a period of four years from the date indicated, in accordance with the Schools' Instrument of Government.

- Brighton Avenue Primary – Councillor E McMaster from 13 December 2016
- Clover Hill Primary – Councillor M Ord from 15 December 2016
- St Anne's RC Primary – Councillor J McElroy from 6 October 2016

The above decisions have been made to ensure the Governing Bodies have full membership.

C112 **NORTH EAST JEREMIE 2 FUND**

Consideration has been given to the action taken by the Acting Chief Executive following consultation with the Strategic Directors, Corporate Resources and Communities & Environment in approving the participation of the Council in a Special Purpose Vehicle, which will be a company limited by guarantee, alongside other NECA constituent authorities in order to enable the creation of the North East JEREMIE 2 Fund.

RESOLVED - That the action taken be noted and endorsed.

The above decision has been made in accordance with the requirements of the Council's Constitution and to ensure that the Council's participation in the scheme is guaranteed.

C113 LIBRARY SERVICE REVIEW - PUBLIC CONSULTATION FINDINGS

Consideration has been given to the outcome of the consultation with residents and other stakeholders regarding the Library Service Review and to the commencement of a 90 day employee consultation period regarding the options presented to the public for consultation.

- RESOLVED -
- (i) That the finding of the Library Service consultation be noted.
 - (ii) That the options described in appendix 1 to the report be approved as the basis for employee consultation and that a further report be presented to Cabinet on 23 February 2016, following the Council's formal consultation on its budget, for a decision on implementation.
 - (iii) That continued work between services within the Council (Adult Social Care, Health and Children's Services) and other partner organisations be approved and the acceleration of work to consider opportunities to enhance and integrate the libraries offer as part of the early help model be endorsed.

The above decision has been made to ensure the Council provides a Library Service which meets its statutory duties and which is sustainable into the future.

C114 PETITIONS SCHEDULE

Consideration has been given to the latest update on petitions submitted to the Council and the action taken on them.

RESOLVED - That the petitions received and the action taken on them be noted.

The above decision has been made to inform Cabinet of the progress of petitions.

C115 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED - That the press and public be excluded from the meeting during consideration of the remaining business in

accordance with the indicated paragraphs of Schedule 12A to the Local Government Act 1972.

C116

RESTRUCTURING AND REALLOCATION OF HOUSING AND CONSTRUCTION FUNCTIONS (PARAGRAPHS 2,3&4)

Consideration has been given to recommending the Council to approve a re-organisation of housing and construction functions within the Council's management structure and The Gateshead Housing Company (TGHC), subject to TGHC approval.

Alternative options available to the Council as set out in the report have been considered.

RESOLVED -

That the Council, subject to TGHC approval, be recommended to approve the management structure changes effective from the dates indicated as follows:

- (i) Mears employees transferring to the Gateshead Housing Company completed by 1 April 2017.
- (ii) In relation to Construction related functions:
 - For those transferring to the Gateshead Housing Company completed by 1 April 2017
 - For those (highways commissioning and design) moving to Service Director, Development, Transport and Public Protection - by 1 April 2017
 - For those highways functions moving to Service Director Waste Services, Grounds Maintenance and Fleet Management - by 1 April 2017
 - For those (Building Maintenance and Facilities Management) moving to Service Director, Facilities Management - by 1 April 2017
- (iii) Council housing asset strategy functions transferring to Council Housing, Design and Technical Services - by 1 April 2017.
- (iv) Housing growth and strategy functions transferring to Service Director, Development, Transport and Public Protection - by 1 April 2017.
- (v) The Service Director Waste Services, Grounds Maintenance and Fleet Management being re-designated Service Director, Street Scene.
- (vi) The Service Director Economic and Housing Growth Service title and name of service changing to reflect the new arrangements.

The above decisions have been made for the following reasons:

- (A) To enable continued improvement in the co-ordination of Council functions, the organisation of its staff, and to enable Council services to be delivered in a more efficient and effective way.
- (B) To facilitate the successful and efficient delivery of the Housing Repairs and Maintenance Contract.
- (C) To strengthen and clarify the commissioning role of the Council.
- (D) To deliver significant budget savings for the Council.

C117

TRADING BEREAVEMENT SERVICES (PARAGRAPH 3)

Consideration has been given to establishing an expanded, commercially traded bereavement service and to incorporate 'Regent Funeral Services' as a wholly owned trading company of the Council to deliver this service.

Alternative options available to the Council as set out in the report have been considered and discounted.

- RESOLVED -
- (i) That the incorporation of Regent Funeral Services Ltd and the company branding proposals be approved.
 - (ii) That the appointment of the Strategic Directors Communities & Environment, Corporate Resources, Corporate Services & Governance and Service Director, Waste Services, Grounds Maintenance and Fleet Management as the initial Directors of Regent Funeral Services be approved.
 - (iii) That the initial company staffing and recruitment proposals as set out in the report be approved.
 - (iv) That the Strategic Director, Corporate Services and Governance be given delegated authority to finalise the Memorandum and Articles of Association of Regent Funeral Services and apply to Companies House to incorporate the new company.
 - (v) That the inclusion of £265,000 in the Council's Capital Programme to finance the required investment in premises and equipment for this new trading venture be approved.
 - (vi) That the Strategic Director, Corporate Resources following

consultation with the Strategic Director, Corporate Services and Governance be given delegated authority to manage the overdraft position of the company and charge the company appropriately for this facility.

The above decisions have been made for the following reasons:

- (A) To enable the trading of the new Funeral Director Service.
- (B) To maximise the generation of income to the Council through development of sustainable marketable services as set out in the Council Plan.
- (C) To increase choice, quality and affordability of the bereavement services that are available to local people.

C118 REVIEW OF TERMS AND CONDITIONS

Item withdrawn

C119 DISPOSAL OF THE FORMER DERWENTSIDE AGED PERSONS UNIT TO THE GATESHEAD TRADING COMPANY (PARAGRAPH 3)

Consideration has been given to the disposal of the former Derwentside APU to the Gateshead Trading Company ('GTC') and the provision of a Loan to GTC in order to facilitate the development of new housing.

Alternative options available to the Council as set out in the report have been considered and discounted.

- RESOLVED -
- (i) That the sale of the subject property to Gateshead Trading Company in the sum set out in the report be approved, subject to the grant of detailed planning permission for the refurbishment of 22 apartments.
 - (ii) That the provision of a Loan facility to Gateshead Trading Company of the amount set out in the report, to facilitate the proposed development be approved.
 - (iii) That the Strategic Director, Corporate Resources be given delegated authority to finalise the terms of a Loan Agreement with Gateshead Trading Company.

The above decisions have been made for the following reasons:

- (A) To dispose of a surplus asset.
- (B) To facilitate the delivery of new housing for sale and affordable housing.

(C) To generate revenue income to the Council.

C120

SALE OF FORMER PUBLIC WORKS DEPOT, SWALWELL

Consideration has been given to the sale of the Council's freehold interest in the former Swalwell Depot, shown edged black on the plan attached to the report, to AA Construction Ltd.

Alternative options available to the Council as set out in the report have been considered and discounted.

- RESOLVED -
- (i) That the sale of the former Swalwell Depot to AA Construction Ltd for the purchase price set out in the report be approved.
 - (ii) That the Service Director, Legal, Democratic & Property Services be given delegated authority to accept the next highest offer received, in the event that AA Construction Ltd withdraws from the purchase.

The above decisions have been made to dispose of a surplus asset and realise a capital receipt.

Copies of all reports and appendices referred to in these minutes are available online and in the minute file. Please note access restrictions apply for exempt business as defined by the Access to Information Act.

The decisions referred to in these minutes will come into force and be implemented after the expiry of 3 working days after the publication date of the minutes identified below unless the matters are 'called in'.

Publication date: DeadlinePubminutes

Chair.....