

# GATESHEAD METROPOLITAN BOROUGH COUNCIL

## CABINET MEETING

Tuesday, 20 February 2018

**PRESENT:** Councillor M Gannon

Councillors: J Adams, C Donovan, M Brain, A Douglas, M Foy,  
L Green, G Haley, J McElroy and M McNestry

### **C153 MINUTES**

The minutes of the last meeting held on 23 January 2018 were approved as a correct record and signed by the Chair.

### **C154 TENDERS FOR THE SUPPLY OF GOODS AND SERVICES**

Consideration has been given to tenders received for the supply of goods and services.

- RESOLVED -
- (i) That the tender from Cleadon Kennels be accepted for the Framework for the Boarding, Kennelling and Collection of Animals, for a 24 month period with the option to extend for a further 2 x 12 month periods.
  - (ii) That the tender from Trustmarque Limited be accepted for the Further Competition for Microsoft 365 Licenses for the duration of the current Microsoft Enterprise Subscription Agreement, which is due to expire on 31 December 2019.

The above decisions have been made because a comprehensive evaluation of the tenders received has been undertaken and the successful tenderers submitted the most economically advantageous tenders.

### **C155 HEAT TARIFFS FOR GATESHEAD HEIGHTS SCHEME**

Consideration has been given to the heat tariffs chargeable to residents of the Gateshead High Rise Energy Infrastructure for Gateshead Housing Tenants (HEIGHTS) project.

The alternative options to that being recommended, but which were discounted, included setting higher or lower heat tariffs.

RESOLVED - That the heat tariffs as set out in appendix 2a to the report be approved.

The above decision has been made for the following reasons:

- (A) To ensure the residents of the HEIGHTS scheme can benefit from lower cost heat.
- (B) To ensure the HEIGHTS scheme recovers its operating and construction costs over its lifetime.
- (C) To ensure ERDF grant obligations are met.

**C156****PROCUREMENT OF A HEAT SUPPLIER FOR ERDF SCHEMES**

Consideration has been given to using the negotiated procedure without prior publication to award heat supplier contracts to the Gateshead Energy Company for the following two district energy schemes:

- Leisure Centre mini-district heat network
- Regent Court

The alternative option to that being recommended, but which was discounted, included following an open tender process.

- RESOLVED -
- (i) That the award of contracts for the above district energy schemes to the Gateshead Energy Company using the negotiated tender route, as set out in the report, be approved.
  - (ii) That it be noted the Council will advertise its intention to enter into contracts, via a Voluntary Ex Ante Notice, published in OJEU and should the statutory 10 day notice pass without challenge, the Council will be free to enter into contracts, without fear of challenge from other suppliers.

The above decisions have been made for the following reasons:

- (A) To secure a lower carbon heat source, and thus continue to reduce carbon emissions for the borough.
- (B) To secure a lower cost heat source, to continue to reduce Council and residents energy costs.
- (C) GEC is the only operator of a district heating scheme in the vicinity, with the capacity to provide heat to these two sites.
- (D) GEC is the only heat provider that already has a source of lower carbon, lower cost heat which can be supplied through a district heating system.
- (E) It would not be commercially viable for a third party to establish new district heating connections and off-site low carbon generation plant.

**C157****BUDGET AND COUNCIL TAX LEVEL 2018/19**

Consideration has been given to recommending to Council the proposed Budget and Council Tax Level for 2018/19 and the prudential indicators and Minimum Revenue Provision (MRP) Statement as set out in the report.

- RESOLVED -
- That the following recommendations be made to the Council:
  - (1) That Gateshead's Band D council tax for 2018/19 is increased by 4.99% (including a 2% adult social care Government charge) to £1,686.63.

- (2) The revenue estimates of £203.466 million for 2018/19 are approved.
- (3) The use of £1.337 million Strategic Revenue Investment Reserve in 2018/19 be approved.
- (4) That the indicative schools funding presented in appendix 2 to the report be agreed.
- (5) To note the conclusions of the Strategic Director, Corporate Resources in respect of the robustness of budget estimates and adequacy of reserves.
- (6) That the prudential and treasury indicators set out in appendix 6 to the report be agreed.
- (7) That the method of calculating the Minimum Revenue Provision (MRP) for 2018/19 as set out in appendix 7 to the report be approved.
- (8) That the options included in the budget (following the outcome of consultation) as set out in appendix 2 to the report be noted.
- (9) That it be noted that at its meeting on 23 January 2018, Cabinet agreed the following amounts for the year 2018/19 in accordance with regulations made under Section 31B (3) of the Local Government Finance Act 1992 as amended by the Localism Act 2011:
  - (a) **51,462.4** being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as its Council Tax base for the year; and
  - (b) **1,212.1** for Lamesley Parish being the amount calculated by the Council, in accordance with regulation 6 of the Regulations, as the amount of its Council Tax base for the year for dwellings in those parts of its area to which special items relate.
- (10) That the following amounts be now calculated by the Council for the year 2018/19 in accordance with Sections 31A,31B and 34 to 36 of the Local Government Finance Act 1992, as amended by the Localism Act 2011 ('the Act'):
  - (a) **£574,850,562** being the aggregate total of the expenditure amounts, which the Council estimates for the items, set out in Section 31A (2) of the Act taking into account the precept issued by Lamesley Parish Council;

- (b) **(£488,041,760)** being the aggregate total of the income amounts, which the Council estimate for the items, set out in Section 31A (3) of the Act;
- (c) **£86,808,802** being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year including Lamesley Parish Council;
- (d) **£1,686.8394** being the amount at (c) above, all divided by the amount at (9)(a) above, calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year including Lamesley Parish Council;
- (e) **£10,815.00** being the aggregate amount of all special items (Lamesley Parish Council) referred to in Section 34(1) of the Act;
- (f) **£1,686.6292** being the amount at (d) less the result given by dividing the amount at (e) above by the amount at (9)(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item (Lamesley Parish Council) relates;
- (g) Part of the Council's area: Lamesley Parish **£1,695.5492** being the amounts given by adding to the amount at (f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (9)(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items (Lamesley Parish Council) relate;

(h)

<b>Valuation Band</b>	<b>Lamesley Parish £</b>	<b>All other parts of the Council's area £</b>
A	5.95	1,124.42
B	6.94	1,311.82
C	7.93	1,499.23
D	8.92	1,686.63
E	10.91	2,061.44
F	12.89	2,436.24
G	14.87	2,811.05
H	17.84	3,373.26

being the amounts given by multiplying the amounts at (f) and (g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (11) That it be noted that for the year 2018/19, the Police and Crime Commissioner for Northumbria, and Tyne and Wear Fire and Rescue Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

<b>Valuation Band</b>	<b>Police and Crime Commissioner for Northumbria £</b>	<b>Tyne and Wear Fire and Rescue Authority £</b>
A	73.55	53.29
B	85.81	62.18
C	98.07	71.06
D	110.33	79.94
E	134.85	97.71
F	159.37	115.47
G	183.88	133.23
H	220.66	159.88

- (12) That, having calculated the aggregate in each case of the amounts at (10) (h) and (11) above, the Council in accordance with Section 30(2) of the Local Government

Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2018/19 for each of the categories of dwellings shown below:

<b>Valuation Band</b>	<b>Lamesley Parish £</b>	<b>All other parts of the Council's area £</b>
A	1,257.21	1,251.26
B	1,466.75	1,459.81
C	1,676.29	1,668.36
D	1,885.82	1,876.90
E	2,304.91	2,294.00
F	2,723.97	2,711.08
G	3,143.03	3,128.16
H	3,771.64	3,753.80

- (13) That under section 52ZB of the Local Government Finance Act 1992 (as amended by the Localism Act 2011), the Council's relevant basic amount of council tax for 2018/19 is not excessive in accordance with the principles determined under section 52ZC of the Act.

The above decisions have been made to fulfil the Council's statutory duty to set the Budget and Council Tax for 2018/19.

## **C158 CAPITAL PROGRAMME 2018/19 TO 2022/23**

Consideration has been given to recommending the Council to approve the proposed capital programme for the next five years to continue to provide significant levels of strategic investment to help deliver the Council's Medium Term Financial Strategy in order to maintain financial sustainability and support the Council's strategic approach to making Gateshead a place where everyone thrives.

RESOLVED -

That the Council be recommended to:

- (i) Approve the capital programme for 2018/19, and the provisional programmes for 2019/20 to 2022/23, as set out in appendix 2 to the report, subject to external funding approvals being received.
- (ii) Note the provisional capital financing for the programme, as set out in appendix 3 to the report, and delegate authority to the Strategic Director, Corporate Resources to enter into prudential borrowing which is consistent with the requirements of the capital programme and the Council's Treasury Management Strategy.
- (iii) Note the position in relation to the additional flexibility regarding the application of capital receipts to fund the revenue costs of transformational projects outlined in appendix 4 to the report and agree to receive further updates to confirm specific investment plans as part of the capital programme monitoring

reports during the year.

The above decisions have been made for the following reasons:

- (A) To continue to provide significant strategic investment to deliver the Council's priority outcomes.
- (B) To assist with the medium and longer term financial sustainability of the Council.
- (C) To maximise resources available within the Council's capital programme to assist in the delivery of the strategic approach to thriving within Gateshead.

## **C159 FEES & CHARGES 2018/19**

Consideration has been given to recommending the Council to approve the level of fees and charges for 2018/19.

RESOLVED - That the Council be recommended to:

- (i) Approve the level of fees and charges for 2018/19 as set out in appendix 2 to the report.
- (ii) Authorise the Strategic Director, Corporate Resources to make any necessary adjustments to correct any errors in the schedule of fees and charges.

The above decisions have been made for the following reasons:

- (A) To ensure that fees and charges are set in accordance with Council priorities.
- (B) To support the delivery of the Council's budget and the strategic approach to making Gateshead a place where everyone thrives.

## **C160 RESPONSES TO CONSULTATION**

Consideration has been given to responses to recent consultations.

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

- Funding Supported Housing – Consultation on housing costs for sheltered and extra care accommodation – Department for Communities and Local Government (DCLG)
- Funding Supported Housing – Consultation on housing costs for short-term accommodation – DCLG
- Creation of a Major Road Network – Department for Transport

C161

**PRIMARY COMMUNITY CONTROLLED SCHOOL ADMISSIONS ARRANGEMENTS AND CO-ORDINATED ADMISSION SCHEMES FOR PRIMARY AND SECONDARY SCHOOLS FOR 2019/20**

Consideration has been given to:

- proposed Community and Voluntary Controlled Primary Schools Admission Policy, 2019;
- proposed Co-ordinated admission schemes for Infant, Junior, Primary schools and Secondary Schools 2019; and
- proposed Planned Admission Numbers (PAN's) for Community schools for 2019/20.

- RESOLVED -
- (i) That the Community and Voluntary Controlled Primary Admission Policy as set out in appendix 2 to the report be adopted for September 2019.
  - (ii) That the approved admissions policies for September 2017 be used as a basis of consultation, if necessary, with schools and others for formulating the relevant admissions policies from September 2017/18.
  - (iii) That the two approved co-ordinated admission schemes for Secondary, Infant Junior and Primary schools be adopted for September 2019.
  - (iv) That it be noted the Planned Admissions Numbers as set out in appendices 2 and 3 to the report for all community Secondary and Primary schools are to be adopted by the governing bodies of each school.

The above decisions have been made to enable the Council to comply with statutory legislation as it relates to school admissions policies, admission arrangements and co-ordinated admission arrangements.

C162

**NOMINATION OF LOCAL AUTHORITY SCHOOL GOVERNORS**

Consideration has been given to the nomination of local authority governors to schools seeking to retain their local authority governor in accordance with The School Governance (Constitution)(England) Regulations.

- RESOLVED -
- (i) That the nomination of the following local authority governors for a period of four years, from the date indicated, be approved:

<b>School</b>	<b>Nomination</b>	<b>Date from</b>
Oakfield Infant & Junior Federation	Mr Les Milne	1 April 2018
Crookhill Primary	Mrs Freda Geddes	20 February 2018
St Philip Neri RC Primary	Cllr Brenda Clelland	20 February 2018



- (ii) That it be noted the term of office is determined by the schools' Instrument of Government.

The above decision has been made to ensure the School Governing Bodies have full membership.

**C163 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 the Cabinet of the progress of action on petitions received.

**C164 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 paragraph 3 of Schedule 12A to the Local Government Act 1972.

**C165 MANAGEMENT OF THE COUNCIL'S TENANTED NON-RESIDENTIAL PROPERTY PORTFOLIO**

Consideration has been given to entering into arrangements with PSP Gateshead Limited Liability Partnership (LLP) and Public Sector Plc for a period of ten years, to maximise opportunities for revenue generation and capital realisation from the Council's tenanted non-residential property (TNRP) portfolio.

RESOLVED - That the proposal set out in the report be approved in principle and the Strategic Director, Corporate Services & Governance, following consultation with the Leader of the Council and the Council's representatives on the Partnership Board of the LLP, and with the Strategic Directors, Communities & Environment and Corporate Resources, be authorised to negotiate and agree the necessary legal documentation with PSP and the LLP to implement the proposal.

The above decision has been made to enable the Council to maximise the benefit it receives from its property portfolio (specifically the TNRP) by reducing costs, increasing income, enhancing its value and overall improving return on investment, in order to further the Council Plan and policy objectives.

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: 22 February 2018

**Chair.....**