

# CABINET AGENDA

Tuesday, 24 April 2018 at 10.00 am in the Blaydon Room - Civic Centre

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From the Chief Executive, Sheena Ramsey

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Item Business

**1 Apologies for absence**

**2 Minutes** (Pages 3 - 12)

Cabinet is asked to approve as a correct record the minutes of the last meeting held on 20 March 2018.

**Key Decisions**

**3 Local Transport Plan: Capital Programme update** (Pages 13 - 34)

Report of the Strategic Director, Communities and Environment

**4 Tenders for the Supply of Goods and Services** (Pages 35 - 38)

Report of the Strategic Director, Corporate Services and Governance

**Recommendation to Council**

**5 Gateshead Goes Local - Community Led Local Development** (Pages 39 - 44)

Report of the Strategic Director, Communities and Environment

**Non Key Decisions**

**6 Response to Consultation** (Pages 45 - 52)

Report of the Chief Executive

**7 Council Tax and Non-Domestic Rates - Transfer of Uncollectable Amounts**  
(Pages 53 - 56)

Report of the Strategic Director, Corporate Resources

**8 Grant of Lease - Marley Hill Community Centre, Church Street, Marley Hill**  
(Pages 57 - 62)

Report of the Strategic Director, Corporate Services and Governance

**9 Surplus Declaration of the Saltwell Park Bottom Depot, Saltwell Road South, Gateshead (Pages 63 - 68)**

Report of the Strategic Director, Corporate Services and Governance

**10 Petitions Schedule (Pages 69 - 72)**

Report of the Strategic Director, Corporate Services and Governance

**11 Exclusion of the Press and Public**

The Cabinet may wish to exclude the press and public from the meeting during consideration of the following item(s) on the grounds indicated:

Item	Paragraph of Schedule 12A to the Local Government Act 1972
12	3
13	3
14	3
15	3
16	3

**Key Decisions**

**12 Follingsby Enterprise Zone (Pages 73 - 82)**

Report of the Strategic Director, Communities and Environment

**13 Follingsby South Energy Project (Pages 83 - 90)**

Report of the Strategic Director, Communities and Environment

**14 Keelman Homes Affordable Homes Programme (Pages 91 - 96)**

Report of the Strategic Directors, Communities & Environment and Corporate Resources

**15 Gateshead Regeneration Partnership Portfolio of Sites (Pages 97 - 104)**

Report of the Strategic Director, Communities and Environment

**Non Key Decision**

**16 EU Funding Opportunities (Pages 105 - 110)**

Report of the Strategic Director, Communities and Environment

## GATESHEAD METROPOLITAN BOROUGH COUNCIL

### CABINET MEETING

Tuesday, 20 March 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

#### **C166 MINUTES**

The minutes of the last meeting held on 20 February 2018 were approved as a correct record and signed by the Chair.

#### **C167 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 tenders received from Gateshead Crossroads Caring for Carers, operating as Carers Trust Tyne and Wear, Gateshead, for each of the lots listed below, for the contract for the Provision of Supporting Carers Together in Gateshead, be accepted for a 60 month period commencing 2 July 2018:  
  
Lot 1 – Young Carers Service  
Lot 2 – Adult Carers Service  
Lot 3 – Carer Relief
  - (ii) That further to the above contract award a Members briefing be issued on the process undertaken and to give assurance on the new service to be provided and similarly appropriate steps be taken to give assurance to current carers.
  - (iii) That tenders received from the companies for each of the lots listed below, for the contract for the Provision of Direct Access Assessment, Shared Living, Semi-Independent Living, Supported Lodgings and Floating Support Services for Young People Aged 16 – 25, be accepted for a 36 month period commencing 1 July 2018 with an option to extend for a further 2 x 12 month periods:  
  
Lot 1 - Direct Access, Assessment & Emergency Accommodation Unit - The Cyrenians Limited (Operating as Changing Lives)  
Lot 2 - Shared Living Supported Housing Service and Semi-Independent Living & Floating Support - Home Group Ltd  
Lot 3 - Supported Lodgings Accommodation Service for Looked After Children/Care Leavers - Barnardo Services Limited.

The above decisions have been made because a comprehensive evaluation of the tenders

received for all lots has been undertaken and the successful tenderers submitted the most economically advantageous tenders.

## **C168 MAKING GATESHEAD A PLACE WHERE EVERYONE THRIVES**

Consideration has been given to recommending the Council to approve its new strategic approach 'Making Gateshead a Place Where Everyone Thrives' which is predicated on the following five pledges:

- Put people and families at the heart of everything that we do
- Tackle inequality so people have a fair chance
- Support our communities to support themselves and each other
- Invest in our economy to provide sustainable opportunities for employment, innovation and growth across the borough
- Work together and fight for a better future for Gateshead.

- RESOLVED -
- (i) That the Council be recommended to approve 'Making Gateshead a Place Where Everyone Thrives' as its new strategic approach, superseding the Council Plan 2015-2020.
  - (ii) That it be noted it is proposed to further develop the next steps, detailed in the report, and report back to Cabinet as appropriate and also to review the corporate performance management framework, so that appropriate measures are in place to ensure delivery of the strategic approach through service business plans and monitoring through Overview and Scrutiny Committees.

The above decisions have been made to ensure the Council is well placed to respond to the needs of the borough and achieve positive outcomes for the people of Gateshead.

## **C169 CORPORATE SOCIAL RESPONSIBILITY**

Consideration has been given to recommending the Council to approve adoption and implementation of a Corporate Social Responsibility Pledge within the Council's procurement activity.

- RESOLVED -
- That the Council be recommended to:
- (i) approve the Corporate Social Responsibility Pledge as set out in appendix 2 to the report and implementation of the processes outlined within the report; and
  - (ii) authorise the Service Director, Corporate Commissioning and Procurement, following consultation with the Leader of the Council and the Council's Procurement Champion, to make minor amendments and/or additions to the Corporate Social Responsibility Pledge.

The above decisions have been made to engage our supply chain and help our suppliers to understand their role in helping the Council to deliver its five pledges under the new strategic approach 'Making Gateshead a Place Where Everyone Thrives' and achieve the best outcomes for the people of Gateshead.

**C170 CALENDAR OF MEETINGS 2018/19**

Consideration has been given to recommending the Council to approve the calendar of meetings for 2018/19.

- RESOLVED - That the Council be recommended to:
- (i) approve the calendar of meetings 2018/19;
  - (ii) agree that, as far as possible, meetings should not be held during school holidays; and
  - (iii) authorise the Strategic Director, Corporate Services and Governance, following consultation with the Leader of the Council, to make any necessary amendments to the calendar of meetings.

The above decisions have been made to assist in the preparation of the Cabinet's schedule of decisions and to allow councillors and officers to plan commitments in their diaries.

**C171 REVIEW OF THE CONSTITUTION**

Consideration has been given to recommending the Council to approve a number of amendments to the Constitution.

- RESOLVED - That the Council be recommended to approve the proposed amendments to the Constitution as set out in appendix 2 to the report, subject to the proposed amendment to Executive Delegation (19) to the Strategic Director, Corporate Services and Governance being withdrawn to enable further consultation with councillors.

The above decision has been made to ensure that the Constitution remains fit for purpose and that its aims and principles are given effect.

**C172 LOCALISM ACT 2011 - PAY ACCOUNTABILITY PAY POLICY STATEMENT 2018-19**

Consideration has been given to recommending the Council to approve a revised pay policy statement for 2018/19.

- RESOLVED -
- (i) That the Council be recommended to approve the pay policy statement for 2018/19.
  - (ii) That the Strategic Director, Corporate Services and Governance, be authorised to agree changes to the policy statement arising from the relevant national pay awards for 2018-19, following consultation with the Strategic Director, Corporate Resources and Leader of the Council.

The above decisions have been made to comply with the requirements of the Localism Act 2011.

**C173 REVIEW OF FLEXTIME SCHEME**

Consideration has been given to recommending the Council to approve changes to the Council's Flexi Time Scheme.

RESOLVED - That the Council be recommended to approve the revised Flexi Time Scheme as set out in appendix 2 to the report.

The above decisions have been made for the following reasons:

- (A) To ensure that the Council has modern and appropriate employment policies which reflect the need to maximise employee motivation and satisfaction.
- (B) To ensure that the Council's approach to reward and recognition supports the need to recruit and retain a diverse range of talented people.

**C174 TREASURY POLICY STATEMENT AND TREASURY STRATEGY 2018/19 TO 2022/23**

Consideration has been given to recommending the Council to approve the Treasury Policy Statement and Treasury Strategy for 2018/19 to 2022/23.

RESOLVED - That the Council be recommended to approve the Treasury Policy Statement as set out in appendix 2 to the report and the Treasury Strategy as set out in appendix 3.

The above decision has been made for the following reason:

To ensure that the Council fully complies with the requirements of good financial practice in Treasury Management.

**C175 COUNTER FRAUD AND CORRUPTION ARRANGEMENTS**

Consideration has been given to recommending the Council to approve the proposed Counter Fraud and Corruption Strategy and the revised Council Counter Fraud and Corruption Policy.

- RESOLVED -
- (i) That the Council be recommended to approve the proposed Counter Fraud and Corruption Strategy as set out in appendix 2 to the report and the revised Council Counter Fraud and Corruption Policy as set out in appendix 3.
  - (ii) That the Council be recommended to note the Fraud Response Plan as set out in appendix 4 to the report.

The above decisions have been made for the following reasons:

- (A) To ensure compliance with best practice to support strong internal governance and controls.
- (B) The proposals are considered to be the optimum arrangement for the achievement of value for money and deliverability.

**C176 MISCELLANEOUS INCOME, TRANSFER OF UNCOLLECTABLE AMOUNTS**

Consideration has been given to transferring out of the Council's Accounts outstanding balances in excess of £500 from miscellaneous income accounts and also Housing Benefits overpayments, where all possible recovery action has been taken and the balances are now considered to be uncollectable.

- RESOLVED -
- (i) That the transfer of balances on 105 sundry debtor accounts, amounting to £169,694.91 and 138 Housing Benefits overpayments accounts, totalling £204,284.22 be approved.
  - (ii) That the action taken under delegated powers to transfer out of the Council's accounts 1244 sundry debtor balances totalling £121,118.83 and 684 Housing Benefit overpayment balances totalling £100,844.15 be noted.

The above decisions have been made for the following reasons:

- (A) To ensure the effective management of the Council's resources.
- (B) To ensure that the Council Accounts accurately reflect the correct financial position.

**C177 LOCAL CARE LEAVERS OFFER**

Consideration has been given to the proposal to consult on the draft Local Care Leaver Offer.

- RESOLVED -
- (i) That the draft Local Care Leaver Offer as set out in appendix 2 to the report be endorsed for the purpose of consultation and engagement with stakeholders.
  - (ii) That a further report recommending a final Local Offer be submitted to Cabinet following the proposed consultation activity.

The above decisions have been made for the following reasons:

- (A) To ensure the Council meets statutory requirements.
- (B) To ensure that Care Leavers are supported by both the Council and partners in their transition to independence.

**C178 NOMINATION OF A LOCAL AUTHORITY SCHOOL GOVERNOR**

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

- RESOLVED -
- (i) That the nomination of Councillor J Eagle as a local authority governor of Bede Community Primary School for a period of 4 years commencing 20 March 2018 be approved.

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

The above decisions have been made to ensure the School Governing Body has full membership.

## **C179 THE GATESHEAD FUND**

Consideration has been given to the advice of the Gateshead Fund Advisory Group from its meeting held on 20 February 2018 and specifically in relation to Round 3 applications for funding from the Gateshead Fund; Sporting Grants to Individuals/Talented Athlete Scheme and the approach for the Gateshead Fund 2018/19.

RESOLVED - That the advice of the Gateshead Fund Advisory Group from 20 February 2018 be endorsed and specifically:

- (i) The recommendations for Round 3 of The Gateshead Fund, as set out in appendix 2 paragraph 4 and appendix 3 of the report.
- (ii) The recommendations for Sporting Grants to Individuals and Talented Athletes as set out in appendix 2 paragraph 4 of the report.
- (iii) The recommendation to carry over the remaining budget of £116,006 to 2018/19 as set out in appendix 2 paragraph 5.2 of the report.
- (iv) The agreed approach to the Gateshead Fund as set out in paragraphs 23 to 27 of the report, appendix 2 paragraph 5.3 and appendix 4; in particular the in-principle agreement to support the Newcastle City Futures' matched Crowdfunding platform with £30,000 from the Gateshead Fund.

The above decision has been made for the following reasons:

- (i) To ensure that the Gateshead Fund is used to maximise benefits to local communities and is managed effectively.
- (ii) To build capacity and sustainability in voluntary and community organisations in Gateshead.

## **C180 CONTRACT AWARD TO SWITCH2 ENERGY LTD**

Consideration has been given to a contract award to Switch 2 Energy Ltd, for heat metering services, made under delegated powers by the Strategic Director, Communities and Environment.

RESOLVED - That the action taken by the Strategic Director, Communities and Environment in awarding the contract for heat metering services to Switch 2 Energy Ltd, in accordance with powers under the Council's Constitution – Part 2 General Delegations to Managers, paragraph 4(e) be noted and endorsed.



The above decision has been made to ensure the Council has appropriate services in place before supplying heat to domestic customers who are part of the High-rise Energy Infrastructure for Gateshead Housing Tenants (HEIGHTS) project.

## **C181 RESPONSES TO CONSULTATION**

Consideration has been given to responses to recent consultations.

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

- Fair Funding Relative Needs and Resources – Ministry for Housing, Communities and Local Government (MHCLG)
- Proposed changes to the Planning System regarding the use of Planning Conditions – MHCLG.

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

## **C182 PETITIONS SCHEDULE**

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

## **C183 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.

## **C184 GATESHEAD QUAYS UPDATE**

Consideration has been given to the provision of grant funding to the Council's development partner Ask Patrizia (GQ) LLP (the joint venture vehicle created by Ask Real Estate Ltd and PATRIZIA UK Ltd (A&P)), ensuring that any public sector resources directed to the project are utilised in a state aid compliant manner and to the proposal to accept Local Growth Fund (LGF) monies awarded to the Gateshead Quays Project by the North East Local Enterprise Partnership (NELEP).

RESOLVED -

- (i) That the provision of grant funding to the Council's development partner Ask Patrizia (GQ) LLP be approved.
- (ii) That the Strategic Director, Corporate Resources be authorised to approve the detailed application for funding from Ask Patrizia (GQ) LLP following consultation with the Strategic Directors, Corporate Services & Governance and Communities & Environment.

- (iii) That the acceptance of the grant funding from LGF be approved and the Strategic Directors, Corporate Services & Governance and Corporate Resources be authorised to agree the detailed grant conditions.

The above decisions have been made to progress the development of the Gateshead Quays site.

**C185 PROPOSED LETTING - HILLGATE QUAY**

Consideration has been given to a new approach to the temporary development of Hillgate Quay and Council investment in the project, in order to meet objectives of ensuring a quality attraction on Gateshead Quays for the Great Exhibition of the North (GEOTN), job creation, community use and increasing visitors to the area in advance of longer term development of the site.

RESOLVED - That the recommendations set out in the report be approved for the reasons stated.

**C186 LYNDHURST HOUSING DEVELOPMENT FOR GATESHEAD TRADING COMPANY**

Consideration has been given to the award of a construction contract to Kier Living Ltd via the SCAPE National Minor Works Framework, for delivery of construction works for the development of 36 houses at Lyndhurst former school site.

- RESOLVED -
- (i) That the contract award to Kier Living Ltd in the sum set out in the report, via the SCAPE National Minor Works Framework be approved.
  - (ii) That the Strategic Director, Communities and Environment be authorised to negotiate the details of the contract following consultation with the Strategic Director, Corporate Services and Governance.

The above decisions have been made for the following reasons:

- (A) To continue to generate additional income streams for the Council.
- (B) To continue to develop new trading and commercialisation opportunities.
- (C) To contribute to new housing development towards the Councils Core Strategy.
- (D) To ensure the early re-use of an under used brownfield site.
- (E) To ensure the development of new affordable housing in the area.

C187

**PROVISION OF A VOLUNTARY AND COMMUNITY SECTOR (VCS)  
INFRASTRUCTURE SUPPORT SERVICE**

Consideration has been given to commencing a procurement exercise for the provision of a Voluntary and Community Sector (VCS) Infrastructure Support Service for Gateshead.

- RESOLVED -
- (i) That the service specification as set out in appendix 2 to the report be approved.
  - (ii) That the joint procurement of a VCS Infrastructure Support Service for Newcastle and Gateshead on the basis set out in the report, with Gateshead acting as lead partner be approved.

The above decisions have been made to help support the growth and development of the VCS sector in Gateshead.

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 March 2018

**Chair.....**

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**TITLE OF REPORT:** Local Transport Plan: Capital Programme update

**REPORT OF:** Paul Dowling, Strategic Director, Communities and Environment

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### **Purpose of the Report**

1. The report provides an update on progress with the Council's programme of investment in the local transport network, including funding received through the Local Transport Plan (LTP) process. It includes a review of implementing the 2017/18 programme and an outline of the 2018/19 programme for approval.

### **Background**

2. The LTP provides an important source of capital funding for local transport improvements. This includes both structural maintenance of highways and structures and integrated transport improvements. The latter covers a range of works including bus priority, new and improved cycleways, better facilities for pedestrians and disabled people, safer routes to school, traffic calming and road safety improvements. This funding is supplemented wherever possible by funding from Council or other sources such as developer contributions and other external capital grants.
3. The financial year 2018/19 will be the eighth year of LTP3, which is the third Local Transport Plan for Tyne and Wear and covers the period from 2011 to 2021. The main priorities of LTP3 are; to maintain and develop the transport network; support the growth of the economy of Tyne and Wear; reduce transport carbon emissions; and contribute to making communities in Tyne and Wear healthier and safer.
4. Investment in the Council's highways infrastructure is identified and prioritised in accordance with the principles outlined within the Council's agreed Highways Asset Management Plan and helps to deliver the LTP priorities.

### **Proposal**

5. A number of in year changes to the 2017/18 LTP programme (originally approved by Cabinet in April 2017, with some subsequent changes approved in November) were required. The reasons for these were variations in cost

estimates following detailed design, alterations to design as a result of extensive consultation, revised priorities and unforeseen circumstances during construction. The programme is managed in a flexible manner and often includes an element of over-programming to ensure that additional schemes can be accelerated where new issues are encountered.

6. The LTP Integrated Transport (IT) capital settlement for the period 2015/16 to 2017/18 and indicative allocations for the period 2018/19 to 2020/21 were announced by the Department for Transport (DfT) in July 2014 to assist with multi-year planning. The funding allocated to the Tyne and Wear area for all financial years within the above period was set as £9.465m per annum. Gateshead is set to receive £1.233m of the Tyne and Wear allocation.
7. The LTP maintenance allocation for Gateshead for 2018/19 is £2,663m. Following a review by the Council's Internal Audit Service, the Council is set to achieve the highest band 3 status for the first time through the DfT's performance based approach to maintenance funding. Pothole funding of £418.4k has also been allocated to Gateshead from central government for 2018/19.
8. The performance based approach to maintenance funding considers the Council's approach towards asset management, resilience, customer input and consultation, benchmarking and efficiency and operational delivery, with the aim of ensuring that the highway infrastructure asset is managed effectively. Band 3 status means that the Council can demonstrate that outcomes have been achieved in key areas as part of a continuous improvement process and this has resulted in securing an additional £138k funding when compared to the Band 2 rating.
9. The Council received a grant of £5m through the Highway Maintenance Challenge Fund mid-way through 2017/18 for the maintenance and improvement of Heworth Roundabout. Whilst works commenced in the 2017/18 financial year the scale of the works is such that these will be completed in the summer of 2018. The Council is expected to make a local contribution of £500k towards the scheme.
10. A further central government grant for 2018/19 and 2019/20 has been secured via the National Productivity Investment Fund towards the creation of a new bus, cycle and pedestrian link between Sunderland Road and Gateshead High Street. The grant of £2.341m will be matched by £750k Council resources (borrowing), £153k LTP and £100k received from a developer through the planning process.
11. Early measures funding of £200k has also been confirmed from central government for works to improve the Great North Cycleway on Durham Road between Shipcote Lane and Prince Consort Road.
12. Appendix 1 provides further background to the above together with details of other external funding that has been secured for use in conjunction with the LTP funding.

13. Appendix 2 sets out the revised budgets for 2017/18 and the budget for 2018/19 financial years including the split between various funding sources.
14. Appendix 3 provides the outturn for the 2017/18 programme. The overall investment plan for 2018/19 is summarised at Appendix 4 with the proposed 2018/19 IT programme attached as Appendix 5. Appendix 6 sets out the allocation of Council resources (borrowing) to the improvement of transport infrastructure in the Quays area, which is necessary as part of the major development proposals in that area. Whilst there will be no LTP grant contribution towards these works this nonetheless represents a significant Council investment in transport and highways infrastructure in the Borough.
15. The initial programme will be reviewed during the year and may be subject to change depending upon delivery progress and the outcome of consultation.

### **Recommendations**

16. It is recommended that Cabinet:
  - (i) Notes the estimated final outturn relating to the transport capital programme for 2017/18 as set out in Appendix 3;
  - (ii) Approves the proposed programme for 2018/19 as set out in appendices 4-6, noting that there may be a need to review scheme priorities during the course of the financial year in line with the available resources.
  - (iii) Authorises the Service Director, Development, Transport and Public Protection to award the relevant works to the Service Director, Street Scene under the terms of the Highways, Drainage & Street Lighting Maintenance Contract.
  - (iv) Authorises the Service Director, Development, Transport and Public Protection to make changes to the approved indicative programme following consultation with Cabinet Member for Environment and Transport as and when the need arises.

For the following reason:

To enable the design and implementation of transport schemes in support of the Tyne and Wear Local Transport Plan and the Council's policy objectives.

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**CONTACT:** Anneliese Hutchinson ext 3881  
Martin Kelly ext 3083

**Policy Context**

- 1 The proposals are in line with the vision for transport as outlined in the Gateshead Sustainable Community Strategy, Vision 2030 and support the pledges within Making Gateshead a Place Where Everyone Thrives. They also support the Core Strategy and Urban Core Plan, the aims and objectives of the Tyne and Wear Local Transport Plan 3 and the Gateshead Highway Asset Management Plan. Furthermore, the indicative programme supports funding received through specific government grants as well as the proposed use of Council resources.

**Background****Local Transport Plan funding**

2. Separate Local Transport Plan (LTP) allocations are received from Government for maintenance and (via North East Combined Authority) Integrated Transport (IT). Although not ring fenced, proposals are maintained in line with the allocations and are considered to be reflective of the pressures and priorities facing the network. While maintenance of the existing road network is the overall priority, it remains important to retain a level of funding for improvements to support future growth and other important Council priorities. In accordance with principles within the Highways Asset Management Plan, synergies between the two funding streams are maximised wherever possible in the planning and implementation of programmes.

**2017/18 Programme**

3. The LTP allocation together with other capital investment, including both Council resources and externally secured funding resulted in a transport capital programme of just over £11m at the beginning of the 2017/18 financial year. In year changes to the programme and funding saw the following significant in year changes;
  - *Cycle City Funding*- Local opposition to a scheme on Hills Street meant that central government funding of £630k could not be utilised.
  - *Highways Maintenance Challenge Fund*- £5m secured in August 2017 for maintenance and improvement of Heworth Roundabout. Funding spread over 2017/18 and 2018/19.
  - *Prudential borrowing*- As a result of the successful Challenge Fund bid Council borrowing of £2.325m was no longer required for the scheme at Heworth Roundabout/Felling Bypass.
  - *LTP reallocation*- £1.345m of LTP IT funding originally allocated to Heworth Roundabout/Felling Bypass scheme was reallocated to Roads Maintenance and Strategic Maintenance.



- *Townscape Heritage Initiative Funding*- £247k funding for improvements to Coatsworth Road was withdrawn.

#### *Integrated Transport (IT) programme*

4. The outturn from the 2017/18 programme is shown in Appendix 3, with a total spend of some £2.744m.
5. As with previous years there have been changes to scheme budgets as the designs have progressed. The reasons for this are varied but are generally a consequence of alterations made during the detailed design process in response to consultation, to reflect specific on site factors or due to schemes slipping into the 2018/19 financial year. The most significant changes in 2017/18 have been as a result of objections received during public consultation and changes to external funding detailed above. All budget changes can be seen in Appendix 3.
6. Several schemes in the 2017/18 financial year will be carried over into 2018/19. The spend for 2017/18 will see an underspend of £116.4k against the LTP IT grant. This is mainly due to slippage in the 20mph Zone programme and the Coatsworth Road and Hills Street Improvement Schemes not taking place. However, as a level of overspend was planned into the programme the underspend is not as significant as it may have otherwise been. All schemes carried over into 2018/19 will be funded as a commitment from the 2018/19 budget.

#### *Maintenance programme*

7. The delivery of the road maintenance programme in 2017/18 progressed well, albeit a number of changes to the approved programme were made throughout the year to account for alterations in cost estimates. The only road maintenance schemes being deferred into the new financial year are in locations where other highway or utilities works are planned and where it would not be prudent to carry out resurfacing in advance of those schemes taking place. Where this has been identified other schemes have been brought forward to ensure that the use of the available resources is maximised.
8. As a result of grants received in year and an underspend in other maintenance areas the roads maintenance programme was increased significantly from £1.033m at the beginning of the year to £2.454m at the year end. This reflected in particular an increase in the costs of many schemes following detailed investigation. The Strategic Maintenance budget (available for planned small scale maintenance schemes) was also increased from £362k to £626.7k. As a result of the above changes the estimated outturn across highways maintenance is an overspend of £218.2k and this will be funded from underspends in other areas.

9. The major maintenance scheme at Heworth roundabout/Felling bypass, for which a £5m grant has been received from the Highways Maintenance Challenge Fund commenced in October 2017 and is due to be completed in June 2018. The grant will be utilised across the 2017/18 and 2018/19 financial years in conjunction with £273.4k Council resources (borrowing) and £226.6k LTP funding. The outturn for these works in 2017/18 is £2.266.1m.
10. National Productivity Investment Fund grant of £626.2k received for the 2017/18 has been fully utilised as part of the roads maintenance programme.
11. The highway Structural Maintenance programme will see an underspend against the budget set out at the beginning of the financial year. A large proportion of this is due to the A184 repair scheme slipping into the 2018/19 programme as a result of a major design change. The underspend in this area has been used to fund capital works in other maintenance areas.
12. As LTP funding is not ringfenced to either IT or Maintenance this will see an overall overspend of 101.8k across the LTP as a whole, which will be met from Council resources.

### **2018/19 programme**

#### ***Integrated Transport (IT) programme***

13. The financial year 2018/19 is the eighth year of LTP3, which is the third Local Transport Plan for Tyne and Wear and covers the period from 2011 to 2021. The main priorities of LTP3 are; to maintain and develop the transport networks; support the growth of the economy of Tyne and Wear; reduce transport carbon emissions; and contribute to making communities in Tyne and Wear healthier and safer.
14. Gateshead's integrated transport (IT) settlement in 2018/19 is expected to be £1.199m. In addition to this Gateshead is expected to receive an £34k from Nexus specifically for public transport improvement giving an overall IT budget of £1.233m
15. The limited level of funding available through the IT budget has a serious impact on the Council's ability to undertake small scale transport schemes. These are often of particular importance in resolving day to day problems on the transport network, and supporting important economic, health, environment and community objectives at a local level. Some of the larger schemes supported previously through this budget (for example corridor improvements) have become difficult to fund solely through this source, with the Council having to rely on securing funding through external funding bids, or through the increased use of Council resources which will have revenue implications.
16. The limited funding available through the LTP for transport improvements underlines the need to focus attention on alternative sources and the Council has been successful in securing funding from the Highways Maintenance

Challenge Fund and the National Productivity investment Fund in the current financial year. Details of this are set out below.

17. The proposed programme as identified in appendix 5 has been developed based on the guidelines agreed at a Tyne and Wear level and to reflect local priorities identified in Vision 2030, and the pledges within the Thrive corporate strategy. It also supports the principles outlined within the Council's Highway Asset Management Plan (HAMP), particularly where integrated transport and maintenance requirements coincide. The programme includes a level of over programming to allow for a level of delay to some schemes during the process of design, consultation and delivery.

18. Priorities have been defined having regard to the three areas identified by the LTP. These are consistent with Vision 2030 and cover the following:

**Economic Development and Regeneration** – schemes aimed at improving strategic accessibility, making journey times more reliable, providing information to people and reducing public transport journey times.

**Climate Change** – schemes that will help achieve a less congested network that will generate less CO<sub>2</sub> and will encourage or enable mode shift to less polluting forms of transport. These schemes are directly associated with improving the environment and therefore will be crucial in moving towards a more sustainable Gateshead, and also in promoting active and healthy travel.

**Safe and Sustainable Communities** – Schemes that will improve accessibility at a community level and enhance health and wellbeing (including better road safety and air quality and increased active travel). Such schemes will empower all levels of communities and supports all of the Council priorities.

19. Although schemes have been allocated into a specific category in relation to the above, in practice many meet more than one of the objectives and some judgement has been taken in order to fit them into this categorisation.

20. The 2018/19 programme as presented in appendix 5 provides a breakdown of the schemes to be delivered throughout the course of the financial year. It also identifies where LTP funding will be used as local contributions (match funding) to secure external funding, and where the use of Council funding, particularly prudential borrowing, is proposed to supplement the externally funded elements of the programme in order to meet investment priorities. The proposed sources of funding for 2018/19 are shown in appendix 2.

21. The overall focus of the Integrated Transport programme remains the improvement of sustainable transport. This has important economic, social and environmental benefits through reductions in congestion, and pollution, and in encouraging healthy and active lifestyles. Important elements in this include:

- Urban Core Access - Improving access for sustainable transport to and through central Gateshead, including further work to the main Durham Road corridor. This will help provide the access needed to support the growth of central Tyneside as the economic hub of the North East;
- Traffic Management - Small scale schemes to tackle day to day problems, often of major importance to local residents and supporting the aim of creating safe and sustainable communities.
- Traffic signal improvement - A major programme of maintenance and renewal of traffic lights, many of which are currently in poor condition and use out dated equipment;
- 20mph Zones - Rolling out a programme of lower speed limits across primarily residential areas, reducing the threat of excess speed to more vulnerable road users and encouraging people to walk and cycle more;
- Sunderland Road Link- A new signalised at grade link for buses, pedestrians and cyclists between Sunderland Road and High Street.

22. Given the fluid nature of the capital investment and to allow programme delivery to be maximised in 2018/19 and in future years funding has also been assigned to allow for future scheme development. This approach benefits the programme two fold in that it allows preliminary works including investigation, design and consultation to commence on schemes that have already been identified but were given a lower priority than those currently identified on the programme. Secondly, it means a portfolio of larger schemes can be developed, leaving the Council better placed to bid if potential sources of external funding become available.

#### *National Productivity Investment Fund*

23. A further round of bidding for National Productivity Investment Fund money took place in 2017/18 and the Council was successful in its bid. A total of £2.341m has been granted towards a scheme to create a new bus, cycle and pedestrian link between Sunderland Road and the High Street. The scheme will improve bus punctuality whilst also providing better access to the High Street from the east by replacing the existing subway with an at-grade signalised crossing. This funding applies to the 2018/19 and 2019/20 financial years. The majority of the Council contribution of £903k has been brought forward to 2017/18 to enable the commencement of the necessary major utilities works. A further £100k of funding towards the scheme was secured through the planning system.

#### *Early Measures Fund*

24. A joint bid for Early Measures funding for 2018/19 was made to the DfT by the joint Tyne and Wear Authorities. The DfT has confirmed that the bid was successful and as part of this it is expected that Gateshead will receive £200k towards cycle route improvements on the Great North Cycleway along Durham Road. The proposed scheme will continue the improvements made to

this route in recent years. The funding is aimed at schemes that assist in the reduction in air pollution and in particular Nitrogen Dioxide.

### ***Maintenance***

25. The LTP maintenance funding allocation for Gateshead for 2018/19 is expected to be £2.663m. This includes a 'needs' allocation of £2.204m and incentive funding of £459k. A further £418.5k has also been allocated from the Government's Pothole Action Fund.
26. The LTP maintenance allocation is based on the Council achieving band 3 status (1 being the worst and 3 being the best) in the Department for Transport incentive funding process, and reflects both last year's status and this year's submission. Highway Authorities not achieving a band 3 status will receive a year on year reduction in maintenance funding – for Gateshead this would have resulted in £138k less funding in 2018/19.
27. The proposed roads maintenance programme for 2018/19 was approved by Cabinet in November 2017. This seeks to use available resources to greatest effect in line with the approach of the updated HAMP.
28. Priority in the HAMP is given to urgent repairs such as safety barriers and landslips with any remaining funding put towards programmed maintenance and renewal. Given that the planning and delivery of maintenance schemes is usually more predictable, and that the identification of substitute schemes simpler where problems do arise, only minimal over-programming has been allowed for in the proposed programme.
29. Road condition survey information, bridge inspection reports and the lists of outstanding schemes have been used to prepare a detailed programme of works in line with the allocations set out in appendix 2, and this was agreed by Cabinet in November 2017. Given the recent announcement of additional funding from central government some funding for 2018/19 has yet to be allocated to specific schemes and this will take place once schemes are identified and prioritised from within the 5 year plan.
30. The latest local carriageway condition survey data indicates that approximately 9% of Gateshead's roads require structural repairs (resurfacing). The proposals seek to ensure that roads and footways are maintained in compliance with the statutory duty (Highways Act 1980 Section 41) to maintain adopted highway.
31. In line with the requirements of the HAMP a longer term approach to maintenance investment is under development. The approval in February 2017 of indicative 5 year allocations for maintenance as part of the Council's overall capital programme will support this, enabling outline programmes for 3-5 years to be developed.
32. In addition to roads the budget is also used for the maintenance of highway structures. This is split over general inspection and repair of road and rail bridges, as well as geotechnical assets. Where specific need is identified

higher levels of funding are allocated for major repairs. In 2018/19 such works have been identified at Scotswood Bridge and additional funding has been allocated within the Capital Programme to support this work. Where necessary the Council works closely with Newcastle City Council to undertake joint bridge repairs.

33. Separate budgets have also been set out for the maintenance of road markings, footways, strategic patching and vehicle restraint systems (See appendix 4).

#### *Highway Maintenance Challenge Fund*

34. The Council made a bid to Central Government for a share of the Highway Maintenance Challenge Fund in 2017 and was successful in securing funding of £5m towards the extensive renewal and necessary strengthening of Heworth roundabout. A local contribution of £500k is to be met through £273.4k borrowing and £226.6k LTP funding.
35. The grant was initially for the 2017/18 financial year, however a delay in Central Government announcing the successful bids coupled with the large scale of the works has meant that agreement has been given for the funding to be carried forward into 2018/19. The works are due to be completed in June of 2018.

#### *Other funding*

36. Experience suggests that opportunities for additional funding may arise during the year. Two specific funding streams likely to provide opportunities in 2018/19 are:

Air quality funding - The Council is working jointly with Newcastle City Council and North Tyneside Council on measures required by Government to resolve air quality problems in their area. It is envisaged that funding will be available to support any measures identified, potentially including improved transport infrastructure;

In its Autumn Statement the Government referred to a 'Transforming Cities Fund' to provide capital funding to improve transport infrastructure. Any funding bid will have to be submitted through NECA. Further details on the criteria and bidding requirements for this fund are awaited.

Any additional funding received will be highlighted in future updates as appropriate.

#### **Consultation**

37. Extensive consultation across Tyne and Wear was carried out during the preparation of the Local Transport Plan. This included household questionnaires and discussions with key interest groups as well as focus groups with Gateshead residents to discuss transport problems and solutions. The outcome from the consultation helped shape the LTP strategy and subsequent spending programmes. The Cabinet Members for Environment

and Transport have been consulted on the proposed programme. Individual schemes within the programme have and will continue to be subject to local and stakeholder consultation as appropriate.

38. The identification of maintenance schemes includes the assessment of feedback from members of the public. In many cases small scale repairs are carried out but, where appropriate, suggestions are fed into programmes of planned renewal.

### **Alternative Options**

39. The allocations outlined as part of the 2018/19 programme are those considered to be deliverable and which best meet the objectives of the Local Transport Plan while supporting more local priorities.

### **Implications of Recommended Options**

40. **Resources:**

- a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that the proposed capital investment can be accommodated from within the Council's approved Capital Programme.

Within the provisional 2018/19 LTP Programme there is a level of over programming which will be monitored throughout the year to ensure schemes are delivered within available resources.

- b) **Human Resources Implications** – There are no human resources implications.

- c) **Property Implications** – No property implications have been identified.

41. **Risk Management Implications** – The main risk associated with the programme is that any significant under spend may lead to a loss of funding. Failure to deliver schemes that have external funding linked to them is likely to mean the loss of that external funding source and may also jeopardise the potential to secure additional funding in future years. Development of programmes takes into account risks relating to safety, delay and longer term issues such as growth, pollution and health in determining priorities.

42. **Equality and Diversity Implications** – Implementation of the integrated transport capital programme will assist in reducing social exclusion by improving access for the young, elderly, unemployed/low waged and people with disabilities.

43. **Crime and Disorder Implications** – Proposals within the integrated transport programme will assist in improving safety and security for the travelling public.

44. **Health Implications** – The integrated transport capital programme is vital in reducing levels of casualties in road accidents and also in achieving an 'Active and Healthy Gateshead'. The latter aims to make sustainable travel, including

walking and cycling more attractive to the residents of Gateshead. Specifically, the aims are to provide the infrastructure and education to encourage healthier living through: improving streets and rights of way; removing unnecessary traffic; reducing traffic; providing training through the safer routes to schools programme and travel planning. Increases in sustainable and active travel will also have positive air quality outcomes.

45. **Sustainability Implications** – The integrated transport capital programme is an important element in providing the basis for a sustainable transport system capable of supporting the Borough’s environmental, social and economic objectives sustainably. In particular it seeks to reduce car dependence, thereby contributing to the reduction of carbon emissions.
46. **Human Rights Implications** – The construction of transport and traffic facilities can have an effect on the amenities of some residents. Consultation on specific proposals will be held with residents, ward members and relevant stakeholders.
47. **Area/Ward Implications** – All wards will be affected.

#### **Background Information**

48. Further background information is contained in:
  - Report to Cabinet 25<sup>th</sup> April 2017 on the LTP programme
  - Report to Cabinet, 21<sup>st</sup> November giving a mid-year update on the LTP programme
  - Report to Cabinet on the Highways Asset Management Plan, 29<sup>th</sup> November 2016



## Appendix 2- 2017/18 (revised) and 2018/19 budget allocations

<b>2017/18 Capital Investment: Highways Infrastructure</b>	Total (£'000)
<b>In-year Funding Allocations:</b>	
LTP: Maintenance	2,646
LTP: Integrated Transport	1,233
Highways Maintenance Challenge Fund	2039.5
National Productivity Investment Fund	626.2
S106 Developer Contributions	153.6
Pothole Funding	201
Insurance Claim	75.4
DEFRA air quality grant	192
Rechargeable Works	30.4
Cycle City Ambition Fund	43.4
<b>Council Resources (Borrowing)</b>	
Street Lighting Column Replacement	1250
Strategic Transport / Maintenance	750
Traffic Signal Renewal	429.8
Gateshead Quays temporary car park	21.6
<b>Total Investment in Highways Infrastructure</b>	<b>9691.9</b>

<b>2018/19 Capital Investment: Highways Infrastructure</b>	Total (£'000)
<b>In-year Funding Allocations:</b>	
LTP: Maintenance	2,663
LTP: Integrated Transport	1,233
Highways Maintenance Challenge Fund	2,960.5
National Productivity Investment Fund	780
DFT Pothole Funding	418.4
Early measures funding	200
S106 Developer Contributions	555.9
Bus Lane revenue income	30.4
<b>Council Resources (Borrowing)</b>	
Street Lighting Column Replacement	1200
Strategic Transport / Maintenance	750
Heworth Roundabout Upgrade	273.4
Traffic Signal Renewal	450
Gateshead Quays transport infrastructure	452.2
Scotswood Bridge joint replacement	310
<b>Total Investment in Highways Infrastructure</b>	<b>12,276.8</b>

### Appendix 3: 2017/18 Estimated Outturn

Project Name	2017/18 Budget (£'000)	2017/18 Projected Outturn (£'000)
<b>Integrated Transport</b>		
<b>Economic Development and Regeneration</b>		
Ravensworth Terrace School	60	64.4
Coatsworth Road Improvements	447	11.7
Town Centre Variable Message Signs	183.3	124.8
Scheme development	25	33.8
Regeneration Areas	75	51.5
Development and Monitoring	75	63.3
Urban Core development support modelling	25	6.6
Support for small scale development	25	0
Wardley bus gate Variable Message Signs	10	19.4
Team Valley Pinchpoint	1.75	1.8
<b>Economic Development &amp; Regeneration Total</b>	<b>927.1</b>	<b>377.3</b>
<b>Climate Change</b>		
Great North Cycleway Phase 2	220	226.4
Durham Road ph 5,6,7 (D&C)	40	0.4
Angel Cycleway (phase 2) (D&C)	10	8.5
Arthur Street pedestrian refuge removal	10	13.2
Sustainable Transport Initiative	30	6.1
Air Quality improvements	132	116.5
<b>Climate Change Total</b>	<b>442</b>	<b>371.1</b>
<b>Safe and Sustainable Communities</b>		
Sunderland Road Link	800	803.5
Bus Lane enforcement (Ph 1 and 2)	45	30.9
Hills Street	710	91.8
QE Zebra crossing	25	20
Blaydon Zebra crossing	13	30.9
Traffic Signal Improvements	500	429.8
Public Rights of Way	80	92.7
Traffic Management (Ward Issues)	250	386
Woodside Lane improvements	20	3.9
Centrelink improvements	2	0
Fellside Road		
	78	4
<b>20mph Zone Schemes (as follows)</b>	-	-
<i>Rowlands Gill</i>	130	20.1

<i>Kells Lane (Low Fell additional works)</i>	50	4.6
<i>Shibdon</i>	30	17.5
<i>Felling</i>	60	14.5
<i>Winlaton</i>	130	0
<i>Watermill (D&amp;C)</i>	5	10.2
<i>Mount Pleasant</i>	50	0.7
<i>Furrowfield (D&amp;C)</i>	5	0
<i>Birtley (additional works)</i>	10	7.5
<i>Dunston (D&amp;C)</i>	5	0
Snagging/SafetyAudits	12	27
<b>Safe and Sustainable Communities Total</b>	<b>3010</b>	<b>1995.6</b>
<b>Integrated Transport Total</b>	<b>4524.9</b>	<b>2744</b>

## D&C- Design and consultation

Project Name	2017/18 Budget (£'000)	2017/18 Projected Outturn (£'000)
<b>Maintenance</b>		
<b>Principal Roads</b>		
A692 Lobley Hill Road	31	92.4
A167 Durham Road, Birtley	23	70.7
A1231 Portobello Road, Birtley	32	136.9
A692 Sunnyside	62	72.3
<b>Principal Roads Total</b>	<b>148</b>	<b>372.3</b>
<b>Other Roads</b>		
C330 Vigo Lane, Birtley	6.8	6.8
C301 Greenside Road, Crawcrook	48	86.2
B6317 Main Road, Ryton	35	220.5
B6317 Shibdon Road, Blaydon	14	33.2
C324 <b>Kingsway South</b> , Team Valley	70	106
Coatsworth Road, Bensham	61	0
High Street, Gateshead	49	0
B1296 Old Durham Road, Deckham	62	119.1
<b>Structural Patching</b>	50	220.3
<b>Highway Drainage Works</b>	50	28.6
<b>Minor Works</b>	30	481.5
<b>Non Residential Other Roads Total</b>	<b>475.8</b>	<b>1,302.2</b>
<b>Residential Roads</b>		
Moorland View, Chopwell	7	16.8
Railway Access Road, Clara Vale	13	23.9
River Lane, Ryton	19	24.9
Whitmore Road, Blaydon	13	69.6
Napier Road, Swalwell	24	59.5
Halifax Road Dunston	19	44.9

Project Name	2017/18 Budget (£'000)	2017/18 Projected Outturn (£'000)
Alderley Road, Low Fell	42	46.7
Coulthards Lane, Gateshead,	14	27.6
Woodford, Allerdene	30	45.3
Causeway, Sheriff Hill	7	0
Shadon Way, Portobello	36	58.3
Dundas Way, Felling	15	27
Coniston, Pelaw	14	64
The Paddock, Leam Lane	33	26.1
<b>Residential Roads Maintenance Total</b>	<b>286</b>	<b>534.6</b>
<b>Back Lanes</b>		
Hollings Terrace/Ravenside Terrace, Chopwell	5	20.2
Parsons Gardens/Tyndal Gardens/ Barry St, Dunston	16	56
Dryden Road/Devon Gardens, Shipcote	14	21
Whitehall Road/Hartington Street	13	48.1
Dorset Avenue/York Road, Barley Mow	17	41.9
<b>Back Lanes Maintenance Total</b>	<b>65.0</b>	<b>187.2</b>
Technical Costs	35	58.1
<b>Road Maintenance Total</b>	<b>1009.8</b>	<b>2,454.4</b>
<b>Bridge Maintenance</b>		
<b>Bridge Maintenance Principal Roads</b>		
Major Concrete Repairs	410	233.1
Blaydon footbridge repair (third party insurance)	75.4	75.4
Heworth Roundabout (incl Felling Bypass VRS)	3900	2266.1
<b>Bridge Maintenance Principal Roads Total</b>	<b>4385.4</b>	<b>2574.6</b>
<b>Bridge Maintenance Other Roads</b>		
NR Overbridges Principal Inspections	120	82.3
Road Bridges; Principal Inspections	70	1.4
Swing Bridge; Major Steelwork Repairs	40	0.1
<b>Bridge Maintenance Other Roads Total</b>	<b>230.0</b>	<b>83.8</b>
Geotechnical Assets	72	60.2
A184 repairs	575	0
<b>Geotechnical Assets Total</b>	<b>647</b>	<b>60.2</b>
<b>Bridge Maintenance Total</b>	<b>5662</b>	<b>2718.6</b>
<b>Other</b>		
Lighting Column Replacement	1750	1250
Road marking renewal/pedestrian guardrail	62	100
Vehicle Restraint Systems renewal	100	100
Strategic patching	100	170.4
Street lighting	0	36.5
Footway resurfacing	100	219.8
<b>Other Maintenance Total</b>	<b>2112</b>	<b>1876.7</b>

<b>Project Name</b>	<b>2017/18 Budget (£'000)</b>	<b>2017/18 Projected Outturn (£'000)</b>
<b>Maintenance Totals</b>	<b>8783.8</b>	<b>7049.7</b>
<b>Integrated Transport Total</b>	<b>4392.9</b>	<b>2744</b>
<b>Total Highways Infrastructure Investment</b>	<b>13176.7</b>	<b>9793.7</b>
Sources of Funding (Appendix 2):		
External Grant/Contributions	-	<b>7240.5</b>
Council Resources	-	<b>2451.4</b>
<b>Total Projected Highways Funding</b>	-	<b>9691.9</b>
Total Under/Over programming	-	<b>101.8(O)</b>

## Appendix 4: 2018/19 Proposed Highway Infrastructure Investment

£000	LTP	Match	Total	Match details	Comments
<b>Integrated Transport</b>					
Safe & Sustainable Communities	920	915.4	1835.4	NPIF/Developer/ revenue income	See Appendix 5 for scheme detail
Climate Change Total	495	200	695	Early measures	See Appendix 5 for scheme detail
Economic Development & Regeneration	430.1	903	1333.1	Developer/Council	See Appendix 5 for scheme detail
<b>Total Integrated Transport</b>	<b>1,845.1</b>	<b>2018.4</b>	<b>3863.5</b>		
<b>Maintenance</b>					
Planned road maintenance:					
<i>Classified roads</i>	231	700	931	Council	
<i>Unclassified roads</i>	33.5	418.5	452	Pothole	
<i>Back lanes/Surface dressing/Technical costs</i>	237	0	237		
Planned road maintenance (total)	501.5	1118.5	1620		
Bridges/structures - planned maintenance	300	0	300		
Scotswood Bridge joint replacement	0	310	310	Council	
Heworth roundabout	0	3233.9	3233.9	Challenge/Council	273.4k Council
A184 repairs	100	0	100		
Bowes Railway	600	0	600		Bid made for EA levy to support flood relief works
Geotechnics	80	0	80		
Traffic signal renewal	50	450	500	Council	
Street lighting column replacement	0	1200	1200	Council	£500k carried over from 17/18
Street lighting planned maintenance	50	50	100		
Planned minor works/strategic maintenance	500	0	500		£100k road markings, £100k Vehicle restraint systems, £150k footways, £150k strategic patching
Monitoring/development	50	0	50		
<b>Total Highways Maintenance</b>	<b>2,231.5</b>	<b>6,362.4</b>	<b>8,593.9</b>		Further funding to be allocated in year
<b>Total Highways Infrastructure Investment</b>	<b>4076.6</b>	<b>8380.8</b>	<b>12,457.4</b>		Projected IT- £612.1k (O) Maintenance £431.5k (U)

## Appendix 5: 2018/19 Integrated Transport capital programme

	LTP (£'000)	Match funding (£'000)	Est scheme value (£'000)	Match details	Comment
<b>Safe and Sustainable Communities</b>					
Public rights of way	80	0	80		
Bus Lane Enforcement	0	30.4	30.4	Revenue income from enforcement	
Traffic Management Ward Issues	250	0	250		
Civic Centre Gatehouse	40	0	40		
Car Park Improvement	10	0	10		
Sunderland Road Bus Link	0	880	880	NPIF (780) Developer 100)	
Woodside Lane Traffic calming	15	0	15		
Fellside Road improvements	15	0	15		
Sunniside speed management	5	0	5		
<b>20mph Zone Schemes</b>					
Rowlands Gill	100	0	100		
<i>Kells Lane/Dryden Road</i>	50	0	50		
<i>Winlaton</i>	120	0	120		
<i>Mount Pleasant</i>	50	0	50		
<i>Watermill</i>	75	0	75		
<i>Heworth &amp; Leam Lane</i>	60	0	60		
<i>Felling</i>	35	5	40	Developer	
<i>Teams</i>	10	0	10		
<i>Dunston</i>	5	0	5		Design and consultation
<b>Safe &amp; Sustainable Communities Total</b>	<b>920</b>	<b>915.4</b>	<b>1,835.4</b>		

	LTP (£'000)	Match funding (£'000)	Est scheme value (£'000)	Match details	Comment
<b>Climate Change</b>					
Durham Road Phase 5/6/7	15	0	15		Design and consultation in 2018/19.
NCN 725 - phase 3	150	200	350	Early measures	
Angel cycleway ph 2	300	0	300		
NCN 725- Phases 4 to 7	10	0	10		Design and development in 2018/19
Wardley cycle improvements	20	0	20		
<b>Climate Change Total</b>	<b>495</b>	<b>200</b>	<b>695</b>		
<b>Economic Development &amp; Regeneration</b>					
Coatsworth Road	200	0	200		
Watermark signalised junction	75	75	150	Developer	
Lingey Lane bus lane (Follingsby)	5	0	5		Design only
Regeneration areas	50	0	50		
Scheme development	50	0	50		Allocate as required
Development and Monitoring	50	0	50		
VMS Town Centre	0	55.9	55.9	Developer	
Blaydon roundabout signalisation	0	320	320	Developer	
Gateshead Quays transport infrastructure	0	452.2	452.2	Council	
<b>Economic Development &amp; Regeneration Total</b>	<b>430.1</b>	<b>903</b>	<b>1333.1</b>		
<b>Integrated Transport total</b>	<b>1,845.1</b>	<b>2018.4</b>	<b>3863.5</b>		



**Appendix 6- Gateshead Quays transport infrastructure improvements (Council borrowing)**

	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>Total</b>
<b>Design/consultancy</b>	150	20	20	20	210
<b>Highway improvements</b>	15	475	1000	10	1500
<b>Highway reinstatement</b>	10	750	10	0	770
<b>Traffic management/VMS</b>	25	500	450	25	1000
<b>Bus infrastructure</b>	0	200	700	100	1000
<b>Coach/HGV parking</b>	15	800	100	0	915
<b>TRO's/parking restrictions &amp; associated works</b>	20	20	40	0	80
<b>Pedestrian/cycle routes</b>	5	175	200	150	530
<b>Sustainable drainage</b>	50	50	50	50	200
<b>Natural environment/GI- off site improvements</b>	50	60	60	60	230
<b>Sub total</b>	340	3050	2630	415	6435
<b>Contingency (33%)</b>	112.2	1006.5	867.9	136.95	2123.55
<b>Total</b>	452.2	4056.5	3497.9	551.95	8558.55

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**REPORT TO CABINET**  
**24 April 2018**

**TITLE OF REPORT:** Tenders for the Supply of Goods and Services

**REPORT OF:** Mike Barker, Strategic Director, Corporate Services and Governance

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**Purpose of the Report**

1. The purpose of this report is to ask Cabinet to consider the evaluation undertaken on the tenders received for Contract For Network Technologies Support Services
2. The background to this contract is contained in the attached appendix.

**Proposal**

3. Cabinet is asked to agree and note the recommendations below.

**Recommendations**

4. It is recommended Cabinet agree that the tender from Virgin Media Limited be accepted for all three lots within the Contract For Network Technologies Support Services, for a 48 month period, with the option to extend for a further 2 x 12 month periods, commencing on 6 November 2018.

For the following reason:

A comprehensive evaluation of the tenders received has been undertaken. The recommended tender is the most economically advantageous tender submitted for each lot.

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**CONTACT:** Andrea Tickner extension: 5995

**Policy Context**

1. The contract for network technologies support services has been organised in accordance with the Council's Consolidated Procurement Policy.

**Background**

2. The contract is being arranged on behalf of Corporate Resources, IT Services. It was split into 3 lots as listed below which covered the requirements of the Council's Data Network, Telephony Network and Network Security requirements. These requirements are responsible for securely connecting over 4,000 users who are spread across 200 locations in the borough; they also include an IP telephone system which provides approximately 3,500 telephone extensions and a customer contact centre for approximately 180 contact agents. The requirements also included requirements that would assist the Council's IT department to ensure that all of the Council's IT networks are secure.
3. The services provided under this contract will also assist the Council's IT Services department to provide support services to a number of external customers such as Schools, The Gateshead Housing Company and Gateshead Unison under separate Service Level Agreements.
4. The Council completed a full OJEU tender process for this procurement. The contract is for a 48 month period with the option to extend for a further 2 x 12 month periods commencing on 6 November 2018.
5. The Contract is split into 3 Lots corresponding to the three different types of Network that require support and maintenance;  
  
Lot 1 – Data Network  
Lot 2 – Voice Network  
Lot 3 – Security Network
6. The estimated annual value of the contract is £700,000 across the 3 lots.
7. Three tenders were received from the following companies:
  - Curvature Services Limited, Birmingham (Lot 1 only)
  - Virgin Media Business Limited, Hook (All Lots)
  - Digital Communication Systems Limited, Newcastle Upon Tyne (Lot 2 only)
8. A comprehensive evaluation of the tenders has been undertaken on a lot by lot basis against the following criteria:
  - Mandatory requirements: Grounds for Exclusion, Modern Slavery Act 2015, Insurance, Compliance with Equality Legislation, Environmental Management, Health and Safety and Technical and Professional Ability.
  - Contract approach including supply of hardware, software and licensing, provision of support and maintenance and customer relationship and Account management.

- Value for money.

### **Consultation**

9. There has been no external consultation

### **Alternative Options**

10. The anticipated value of this contract exceeded the threshold requiring competitive tenders to be invited in accordance with the Public Contract Regulations, therefore there are no alternative options.

### **Implications of Recommended Option**

**11. Resources:**

- a) **Financial Implications** – The Strategic Director, Corporate Resources, confirms that there are no additional financial implications arising from this report.

- b) **Human Resources Implications** – Nil

- c) **Property Implications** - Nil

- 12. Risk Management Implication** – Nil

- 13. Equality and Diversity Implications** – The recommended tenderer meets the legal obligations of the Equality Act 2010.

- 14. Crime and Disorder Implications** – Nil

- 15. Health Implications** - Nil

- 16. Sustainability Implications** – Nil

- 17. Human Rights Implications** - Nil

- 18. Area and Ward Implications** -Nil

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**TITLE OF REPORT:** Gateshead Goes Local – Community Led Local Development

**REPORT OF:** Paul Dowling, Strategic Director, Communities & Environment

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### **Purpose of the Report**

1. Cabinet is asked to grant delegated authority to the Service Director, Economic Development to confirm Community Led Local Development (CLLD) grants awards following approval by the Local Action Group (LAG);

### **Background**

2. The North East LEP allocated £7.0m European Social Fund (ESF) and £3.6m European Regional Development Fund (ERDF) for CLLD in Northumberland and Tyne and Wear as part of its European Structural and Investment Funding programme (ESIF).
3. CLLD targets deprived communities and seeks to help those furthest from the labour market move towards employment or enterprise. The approach will help address barriers such as health issues, childcare / adult care dependency.
4. One of the key differences between CLLD and other EU programmes is the role of local people and organisations in deciding the priorities to be supported. In addition to determining the strategic approach via a Local Development Strategy (LDS) a management group called a Local Action Group (LAG) of residents and public, private and third sector partners has been established and will make funding decisions on projects to help address the issues identified in the LDS.
5. In 2017 the Council secured £2.2m of ERDF and ESF funds to support projects over a five year period to March 2022. This will allow the LAG to award grants of between £10,000 and £100,000 to projects with a value of up to £200,000. Project applicants will be required to provide at least 50% match funding for ESF projects and 40% for ERDF initiatives. Gateshead Council has agreed to be the Accountable Body for the project.

### **Proposal**

6. As Accountable Body the Council is acting as a vehicle to transfer funds directly to projects rather than benefiting directly from the grant.
7. The Service Director, Economic Development currently has delegated authority to award grants for a number of specific schemes. A further delegation is considered appropriate for CLLD grant awards as it will allow the project to be more responsive to emerging opportunities and not undermine the role of the LAG.

8. It is proposed that delegated authority be given to the Service Director, Economic Development to approve CLLD grant awards, following consultation with the Cabinet Member for Economy, following approval by the LAG. This proposal will not result in any fundamental change to the way in which the project will be delivered or managed, as previously agreed by Cabinet.

### **Recommendations**

9. Cabinet is requested to recommend the Council to amend the Constitution to include the proposed delegation to the Service Director, Economic Development to approve CLLD grant awards, following consultation with the Cabinet Member for Economy.

For the following reasons:

- (i) To support the successful implementation of the Gateshead Goes Local CLLD project.
- (ii) To allow CLLD to be responsive to emerging opportunities and to not undermine the role of the LAG.
- (iii) To support the Gateshead Thrive agenda and Vision 2030.

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**CONTACT:** Yvonne Gill

extension: 3159



**Policy Context**

1. CLLD supports the objectives of Gateshead Thrive and Vision 2030 as it seeks to provide help to people living in disadvantaged areas to overcome barriers, moving them closer to work, training and self-employment and promote enterprise. In doing so it will help overcome health inequalities, promote wellbeing, social justice and enhance social mobility.
2. As part of North East Local Enterprise Partnership's (NELEP) European Structural Investment Fund programme it will help deliver key objectives of the North East Strategic Economic Plan, increasing participation in the labour market and the number of people in work.
3. CLLD seeks to work with local people and organisations to promote local solutions to address economic disadvantage and involve local people in making decisions regarding the needs of the local community. Being in work is recognised as contributing to better health. By moving people towards and into work, this programme will help address issues such as high levels of ill health, including mental health, addressing key priorities around improving life chances and wellbeing through being in work.

**Background**

4. In November 2016, Cabinet agreed to provide match funding of £277,345 over five years from the Economic Growth Reserve Fund to support the operation of the CLLD project and to help with the administration of a Local Action Group (LAG) established to oversee the initiative. Approval was also granted for the Council to act as the Accountable Body for the LAG.
5. CLLD is unique in that it is the only programme within NELEP's European Strategic Investment Programme to align funds to support delivery of both enterprise and employment objectives.
6. In 2017 the Council secured £2.2m of ERDF and ESF funds to support projects over a five year period to March 2022. This will allow the LAG to award grants of between £10,000 and £100,000 to projects with a value of up to £200,000. Project applicants will be required to provide at least 50% match funding for ESF projects and 40% for ERDF initiatives.
7. ESF Funding will support two local objectives and will help to 1700 of the borough's most disadvantaged residents to access
  - a) Pathways to Employment and Enterprise – assisting them to move towards employment, self-employment, education and training. It is expected projects will offer training and support including wellbeing and family interventions
  - b) Aspirations and Culture – raising personal expectations and ambitions through projects to promote entrepreneurialism and self-employment
8. ERDF funding will support three local objectives:

- a) Workplace Infrastructure – developing underutilised assets to provide employment space including development of small scale business accommodation and local enterprise hub. This could support the sustainability of community asset transfers.
- b) Business Creation – projects aimed at supporting local people to develop enterprise skills and access pre-start up programmes leading to the creation of new businesses and social enterprises.
- c) Business Growth – Business support projects which focus on the growth and sustainability of existing businesses helping them to grow and innovate and enable job creation.

9. Applications for funding will be considered and approved by the LAG.
10. It is proposed that delegated authority be given to the Service Director, Economic Development to approve CLLD grant awards, following consultation with the Cabinet member for Economy, following approval by the LAG.
11. This proposal will not result in any fundamental changes to the way in which the project will be delivered or managed, as previously agreed by Cabinet and the Department for Communities and Local Government and Department of Work & Pensions.
12. Measures will be taken to ensure that any aid awarded is compliant with EU and State Aid regulations to protect the Council from legal challenge. The award of financial assistance will be conditioned to ensure economic and social benefits are maximised and subject to claw-back provisions, to protect the Council from financial loss. The Council has extensive experience of administering aid in this way.

### **Consultation**

13. The Cabinet Members for Economy have been consulted and support the proposal.

### **Alternative Options**

14. An alternative option would be for all applications to be presented to Cabinet, following consideration by the LAG, on an individual basis. This making the project less responsive to emerging opportunities and undermining the role of the LAG.

### **Implications of Recommended Option**

15. **Resources:**
  - a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that any grant funding provided to projects through the CLLD project will be met from EU funding secured and will not result in any additional cost to the Council.
  - b) **Human Resources Implications** – None
  - c) **Property Implications** – None

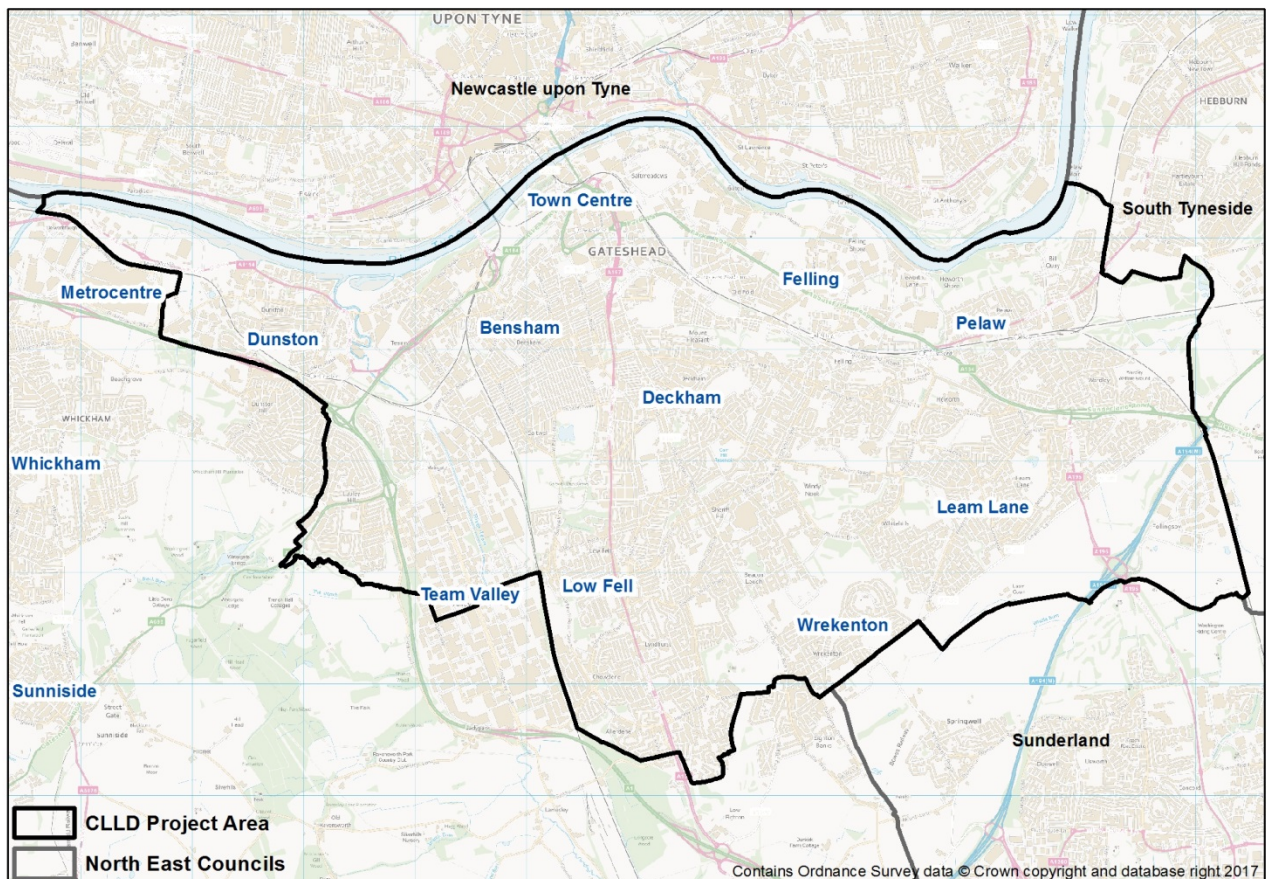
16. **Risk Management Implication** – Measures will be taken to ensure that any aid awarded is compliant with EU and State Aid Regulations to protect the Council from legal challenge. The award of financial assistance will be conditioned to ensure economic and social benefits are maximised; and subject to claw-back provisions to protect the Council from financial loss.
14. **Equality and Diversity Implications** – None
15. **Crime and Disorder Implications** – None
16. **Health Implications** – None
17. **Sustainability Implications** – None
18. **Human Rights Implications** – None
19. **Area and Ward Implications** – This project will have a direct impact on the 12 wards highlighted in Appendix 2.

#### **Background Information**

20. Cabinet Report: Community Led Local Development – Accountable Body Status and Matched Funding, 29 November 2016. Minute number C123.

**Area and Wards**

Community Led Local Development (CLLD) covers the following wards of Gateshead: Dunston and Teams, Bridges, Felling, Pelaw and Heworth, Wardley and Leam Lane, Windy Nook and Whitehills, High Fell, Chowdene, Low Fell, Deckham, Saltwell and Lobley Hill and Bensham.



**TITLE OF REPORT:** Response to Consultation

**REPORT OF:** Sheena Ramsey, Chief Executive

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**Purpose of the Report**

1. To endorse the responses to the Transport for the North Draft Strategic Plan.

**Background**

2. The background to the consultation and proposed response is set out in appendix 1.

**Proposal**

3. To endorse the response set out in appendix 1.

**Recommendation**

4. It is recommended that Cabinet endorses the consultation response set out in appendix 1.

For the following reason:

To enable the Council to contribute a response to the consultation.

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**CONTACT:** Kevin Ingledew extension: 2142

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### Transport for the North – draft strategic plan

#### Policy context

1. Transport for the North (TfN) has issued a draft Strategic Transport Plan for consultation. This covers the entire north of England and puts forward a range of projects as the basis for helping transform the economic performance of the area.

#### Background

2. As a sub national transport body (to be formally instituted from 1<sup>st</sup> April TfN has a range of duties including:
  - preparation of a transport strategy for the area;
  - provision of advice to Government about the exercise of transport functions in relation to its area;
  - co-ordination of the carrying out of transport functions exercisable by different constituent authorities, with a view to improving the effectiveness and efficiency in the carrying out of those functions.
3. The draft Plan sets out the case for investment in strategic transport infrastructure in the period to 2050 needed to support the additional travel demands generated by higher levels of economic growth in the future. It builds upon work contained in the Northern Powerhouse Independent Economic Review and includes the following objectives:
  - Increasing the efficiency, reliability and resilience of the transport system;
  - Transforming economic performance;
  - Improving access to opportunities across the North;
  - Promoting and supporting the built and natural environment.
4. The aim is to build a long term investment programme based on:
  - A strategy for improving rail services, stations and lines, including connecting to the HS2 high speed rail line;
  - A Major Road Network comprising the area's main roads;
  - Development of integrated and smart travel for public transport users.
5. As a basis for developing more detailed proposals seven strategic development corridors are identified, of which the following are relevant to Gateshead:

- Connecting the energy coasts (a generic term for east-west connections between the north east and Cumbria);
  - East coast to Scotland rail corridor;
  - Yorkshire to Scotland road corridor.
6. Currently planned investment levels are anticipated to amount to some £39-43 billion in the period to 2050. The Plan estimates that an additional £21-27 billion will be needed to achieve its aims.
7. The Plan is intended as a framework for the development of future priorities, rather than something which identifies individual schemes. However there is some reference to specific priorities, for example upgrades to the East Coast Main Line as part of the strategy for improving rail lines and services.

### **Implications**

8. Overall the draft Plan is a welcome attempt to provide a basis for an improved transport network. If successful in its aims it could support enhanced levels of economic growth and greater prosperity. However there are also risks to Gateshead in the Plan's approach which need to be minimised.
9. In taking forward the Plan it will be important for the Council to continue to work with a variety of bodies to ensure that Gateshead and the North East's interest are reflected in future programmes. The most immediate of these are the joint working arrangements within the North East Combined Authority area, including the local Enterprise Partnership, as well as joint working with highways England, especially in relation to accommodating future development and further improvements to the A1.

### **Gateshead response**

10. A proposed response to the draft is provided in the attached Annex. While welcoming the Plan's objectives it does highlight four principal concerns with the proposals as currently framed:
- The lack of attention paid to pressing pan Northern transport problems encountered at a local level, notably the availability of sufficient revenue funding to support road maintenance and networks of local bus services;
  - The potential imbalance in investment between the strategic and local levels;
  - The lack of recognition of the need to manage demand, particularly for road travel;
  - The need to counter the risk of HS2 drawing economic activity away from more peripheral areas such as the North East.



## Implications of recommended option

### 11. Resources:

- a) **Financial implications** – The Strategic Director, Corporate Resources confirms that there are no specific financial implications arising from this consultation response.
- b) **Human Resources implications** – none.
- c) **Property implications** – no immediate implications. However the Council's Highways Asset Management Plan already identifies the shortfall in funding for the adopted highway network. Failure to address the points raised above could contribute to a worsening of the position in future.

12. **Risk management implications** – none arising from this report.

12. **Equality and diversity implications** – given its strategic road and rail focus the Plan as currently drafted raises concerns its benefits will not be evenly distributed throughout the population.

13. **Crime and disorder implications** – none.

14. **Health implications** – proposed improvements to road networks need to be carefully targeted if they are not to promote increased car dependence, potentially worsening problems of pollution, road safety and limited physical activity. The lack of attention paid to local investment means the Plan does little to support investment in active travel.

15. **Sustainability implications** – the limited attention paid to bus services, cycling or walking raises concerns in this area.

16. **Human rights implications** - none

17. **Area and ward implications** – none specific.

## Transport for the North – draft Strategic Transport Plan

### Proposed Gateshead Council response

1. The publication of the draft Plan is to be welcomed as an opportunity for the North to make the case to Government for improved levels of support for the transport network. The objectives of the Plan are fully supported, highlighting the broad areas in which it needs to be successful if it is to support important economic, social and environmental aims.
2. In relation to the above there are concerns with the Plan as currently drafted. While many of the proposals relating to strategic investment are appropriate in nature, this in itself does not go far enough to provide the overall strategy that is one of TfN's functions. The main concerns relate to:
  - The lack of attention paid to pressing pan Northern transport problems encountered at a local level, notably the availability of sufficient revenue funding to support road maintenance and networks of local bus services;
  - The potential imbalance in investment between the strategic and local levels;
  - The lack of recognition of the need to manage demand, particularly for road travel;
  - The need to counter the risk of HS2 drawing economic activity away from more peripheral areas such as the North East.

#### *Pan Northern local transport problems*

3. Transport has suffered from a long-running imbalance in available funding between capital investment and revenue support. This has been made worse by cuts to local authority spending which have seen many councils struggle to provide effective basic services such as road maintenance and a network of local bus services. It is estimated that since 2005/6 there has been a fall of 45% in the mileage of local bus services supported by local authorities nationally. Recent years have also seen 53% of local authorities cut their road maintenance spending, with an average reduction of £900,000 per year.
4. These matters are of importance to local authorities across the north of England and should be highlighted suitably by TfN in their strategy. Without them the objective to improve access to opportunity and increase efficiency, reliability and resilience are unlikely to be achieved.

#### *Imbalance in investment between strategic and local levels*

5. While strategic investment may be an important element in achieving the Plan's aims, it is only one component. A focus on such investment risks creating an imbalance in funding between local and strategic level,

undermining the Plan's effectiveness. This is something recognised in previous work on which the Plan is based, notably the Independent Economic Review and the Rees Jeffrey's Funds work on the major road network. High quality strategic links will be of little value if travellers then comes up against inadequate local provision.

6. Of specific concern are:
  - The apparent absence of any inclusion of the need for additional local funding in the estimate of £21-27 billion additional funding needed;
  - the comment on page 85 of the draft suggesting that one source of funding for the Plan could be through the redirection of local sources of funding;
  - the importance of tackling poor air quality (something usually associated with more major roads) is not addressed.

#### *Managing demand*

7. While efforts to increase pan northern connectivity (thereby increasing labour market size) through better rail networks may have some impact, the issues around improving the effectiveness of the road network are much more complex. This is because the main sources of delay on the road network are in and around conurbations. The problems in such areas relate principally to very large numbers of short distance journeys using main roads rather than strategic traffic movements.
8. The desire to increase road capacity to improve connectivity also needs to be balanced against potential disadvantages, principally in the potential to increase car dependence, thereby leading to:
  - Increased congestion in urban areas;
  - Poorer air quality;
  - Reduced viability of public transport;
  - More longer distance car based commuting and increased emissions;
  - Reduced attractiveness of healthy and active travel.
9. Investing in improved inter-urban capacity on its own is therefore unlikely to be effective in improving strategic connectivity on the road network and meeting the plan's objectives. Successfully managing demand for private travel in and around the main urban areas is likely to be far more important to developing an effective pan-Northern road network than continued increases in road capacity elsewhere. This will include measures both to curb unnecessary demand and improve alternatives to private travel.
10. To be effective any plan has to include appropriate and integrated management and land use policies. This will need to include a heavy emphasis on the promotion of sustainable travel, smarter choices programmes and the appropriate location and design of new development.

11. The draft plan identifies four possible scenarios for future travel demand in the north. Given the above it is recommended that planning should be based on Option 1, which sees development focused on urban areas and brownfield land, with high levels of digital connectivity, as opposed to more dispersed development options. To plan for other options risks creating unnecessary capacity, and potentially providing a perverse incentive for more dispersed development.

#### *Impacts of HS2*

12. While improvements to the rail network should have beneficial impacts in supporting growth, there is a need to be aware that some local impacts could be negative. Completion of HS2 will mean that the cities of London, Birmingham, Sheffield, Leeds and Manchester are all within an hour's travel time of each other. There is a risk that this will concentrate economic benefits in these areas, with the potential for some activity to be drawn away from the North East.
13. This is not a reason to resist connectivity improvements, but it does again emphasise the importance for an appropriate balance between pan Northern and local spending. It also suggests that, in coming to investment decisions, the needs of more peripheral areas may need a degree of particular consideration when compared with those cities on the main Manchester/Leeds/Sheffield axis who will benefit most directly from HS2.
14. In addition the Plan needs to recognise the possibility of future extensions of the high speed network beyond that currently envisaged.

**TITLE OF REPORT: Council Tax and Non-Domestic Rates – Transfer of Uncollectable Amounts**

**REPORT OF: Darren Collins, Strategic Director, Corporate Resources**

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### **Purpose of the Report**

1. This report asks Cabinet to approve the transfer of outstanding balances from Council Tax and Non-Domestic Rates (NDR) accounts, where all possible recovery action has been taken and the balances are now considered to be uncollectable.

### **Background**

2. Council Tax and NDR charges are levied in accordance with statutory legislation. Under the localisation of Business Rates, a proportion of monies collected by the Council are retained locally to form part of the core funding of the Council.
3. Charges which remain unpaid are subject to prompt appropriate recovery action. Despite this action there remain some debts, which are considered uncollectable.
4. The amounts, which have been identified as uncollectable are summarised at Appendix 1. These balances represent the full amount identified as uncollectable at the end of the financial year 2017-18.

### **Proposal**

5. It is proposed to transfer the balance of 1,349 accounts to the value of £194,346.25 for Council Tax and 377 accounts to the value of £1,150,415.14 for Non-Domestic Rates.
6. In addition to this, balances of £500.00 or less on 2,768 individual accounts totalling £232,922.46 in respect of Council Tax and 158 accounts totalling £22,186.72 for Non-Domestic Rates, have been transferred under delegated powers in accordance with Financial Regulation 8.10.
7. The total proposed transfer of uncollectable balances is therefore £427,268.71 in respect of Council Tax and £1,172,601.86 in respect of Non Domestic Rates. Of the proposed Non Domestic Rates transfer, £994,343.14 is as a result of insolvency.
8. The amount of the proposed transfer represents 0.5% of the Council Tax collectable debit and 1.3% of the NDR collectable debit for 2017-18.

## Recommendations

9. It is recommended that Cabinet note the action taken under delegated powers to transfer 2,768 accounts totalling £232,922.46 in respect of Council Tax and 158 accounts totalling £22,186.72 in respect of NDR and agree to:
- (i) The transfer of 1,349 accounts in respect of Council Tax balances totalling £194,346.25.
  - (ii) The transfer of 377 accounts of NDR balances totalling £1,150,415.14.

For the following reason:

- (i) To ensure the effective management of the Council's resources.
- (ii) To ensure that the Council Accounts accurately reflect the correct financial position.

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**CONTACT:** John Jopling extension 3582

## APPENDIX 1

### Policy Context

1. The proposals in this report are consistent with the Council's priorities and in particular the priority of ensuring a sustainable Gateshead through ensuring the best use of its resources. The proposals are consistent with the framework for achieving the Council's new strategic approach "Making Gateshead a Place Where Everyone Thrives". The Council recognises there are huge financial pressures on not just Council resources but those of partners, local businesses and residents.

### Background

2. The transfer reflects Council Tax and NDR accounts where the recovery process has been exhausted and it is no longer cost effective to pursue the cases through the court process.

### Details of Debts Included in Transfer

3. The tables below give details of the reason and the year that the debt was created.

#### Council Tax

Year of Debit	Deceased	Insolvency	Other	Total
	£'000's	£'000's	£'000's	£'000's
Pre 2012	1	10	99	110
2012/13	1	1	17	19
2013/14	2	5	22	29
2014/15	3	8	29	40
2015/16	4	15	41	60
2016/17	7	31	71	109
2017/18	3	38	19	60
<b>Total</b>				<b>427</b>

#### Non-Domestic Rates

Year of Debit	Insolvency	Other	Total
	£'000's	£'000's	£'000's
Pre 2016	552	171	723
2016/17	366	6	372
2017/18	77	1	78
<b>Total</b>			<b>1,173</b>

## **Consultation**

4. The Leader of the Council has been consulted on this report.

## **Alternative Options**

5. No alternative options are proposed. A regular review of debt owed to the Council is an essential part of good recovery and accounting procedures.

## **Implications of Recommended Option**

### **6. Resources**

- a) **Financial Implications** - The Strategic Director, Corporate Resources confirms that the cost of the transfer of £427,268.71 for Council Tax and £1,172,601.86 for NDR can be met from the provision set up in the Collection Fund.
- b) **Human Resources Implications** – Nil
- c) **Property Implications** - Nil

7. **Risk Management Implications** – The transfers mitigate the risk of entries in the Council's statement of accounts being incorrect.

8. **Equality and Diversity Implications** – Nil

9. **Health Implications** - Nil

10. **Crime and Disorder Implications** - Nil

11. **Sustainability Implications** - Nil

12. **Human Rights Implications** – Nil

13. **Area and Ward Implications** – All Wards



**TITLE OF REPORT: Grant of Lease - Marley Hill Community Centre,  
Church Street, Marley Hill**

**REPORT OF: Mike Barker, Strategic Director, Corporate Services and Governance**

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### **Purpose of the Report**

1. To seek approval to the trust property known as Marley Hill Community Centre being leased to a voluntary sector organisation pursuant to the Council's Community Asset Transfer Policy.

### **Background**

2. The property known as Marley Hill Community Centre, which is shown edged black on the attached plan, is held by the Council as Trustee and was previously leased to the Trustees of Marley Hill and District Community Association (the Association). The lease was taken on the basis of an annual financial grant from the Council which, due to budget constraints, could not be sustained. The Association therefore requested that the Council accepted a surrender of the lease.
3. The property is subject to a Trust Deed dated 28 May 1968 which states that the objects of the Trust is for the property to be held for recreational purposes for the benefit of the inhabitants of the area of Whickham. The Council as Trustee must therefore ensure that any decisions made in relation to the Trust property meet this requirement.
4. As the property was not required by the Council for provision of Council services an alternative user had to be identified. Provisional agreement has been reached with Tyneside Vineyard a local Christian church charity, which is in a position to manage the building to reflect the best interests of the Trust and its beneficiaries.
5. As the property is held in trust the consent of the Charity Commission and the Coal Industry Social Welfare Organisation (CISWO) is also required.
6. Approval to the letting has been sought from the CISWO who has indicated that subject to sight of the lease it will be willing to give its consent but only to a lease for a term of 25 years. The consent of the Charity Commission will be sought once the Council as Trustee has the formal approval of CISWO.

### **Proposal**

7. It is proposed that a new lease be granted to Tyneside Vineyard pursuant to the Community Asset Transfer Policy which is considered to be in the best interests of the Trust.

## Recommendations

8. It is recommended that in the Council's capacity as Trustee Cabinet grant a new lease to the Tyneside Vineyard pursuant to the Community Asset Transfer Policy, subject to the necessary consents being obtained.

For the following reasons:

- (i) To manage the Trust's assets in line with the objects of the Trust and in line with the Corporate Asset Strategy and Management Plan.
- (ii) To ensure delivery of the cost savings to the Trust identified in the Community Centre Review as approved at Cabinet on 26 February 2013 (Minute No C224).

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**CONTACT:** Beverley Horton extension: 3502

## APPENDIX 1

### Policy Context

1. The proposal supports the overall objects of the Trust and creates capacity through volunteering and community cohesion. The proposal also supports the Council's approach to Making Gateshead a Place Where Everyone Thrives.

### Background

2. The property known as Marley Hill Community Centre is shown edged black on the attached plan and is currently held by the Council as Trustee.
3. The property was identified as a transitional property under the Community Centre Review which was approved by Cabinet at its meeting on 26 February 2013 (Minute No C224). A transitional property is one which is considered to be appropriate for operating independently from the Council as Trustee. In these circumstances, the Council as Trustee would consider the transfer of the asset to a third party pursuant to the Community Asset Transfer policy.
4. As the property is held in trust by the Council, there is an obligation to act in the best interests of the Trust. The property was previously occupied by the Trustees of the Marley Hill and District Community Association (the Association) subject to a 30 year lease from 28 September 2001. However, the lease was taken on the basis of an annual financial grant from the Council which the Council could no longer sustain as a result of budgetary constraints. The Association, therefore, requested that the Council accepted a surrender of the lease as they did not feel able to sustain the level of activity in addition to the maintenance of the property. Agreement was therefore reached, to accept a surrender of the lease which would facilitate the grant of a new lease
5. The Council received an expression of interest in the property from Tyneside Vineyard, a local Christian church registered charity, which is in a position to sustain and broaden the range of activities and services for the local community. It is considered that this is in the best interests of the Trust as it provides a more sustainable model for the community centre. The Lease will require that Tyneside Vineyard acts in accordance with the objects of the Trust in order to ensure the Council as Trustee complies with its obligations under the Trust Deed.
6. The letting is subject to the consent of the Charity Commission and the Coal Industry Social Welfare Organisation as the building is held in trust.

### Consultation

7. In preparing this report, consultations have taken place the Leader and Deputy Leader. The Ward Councillors for Whickham South and Sunnyside have also been consulted and have raised no objections to the proposal.

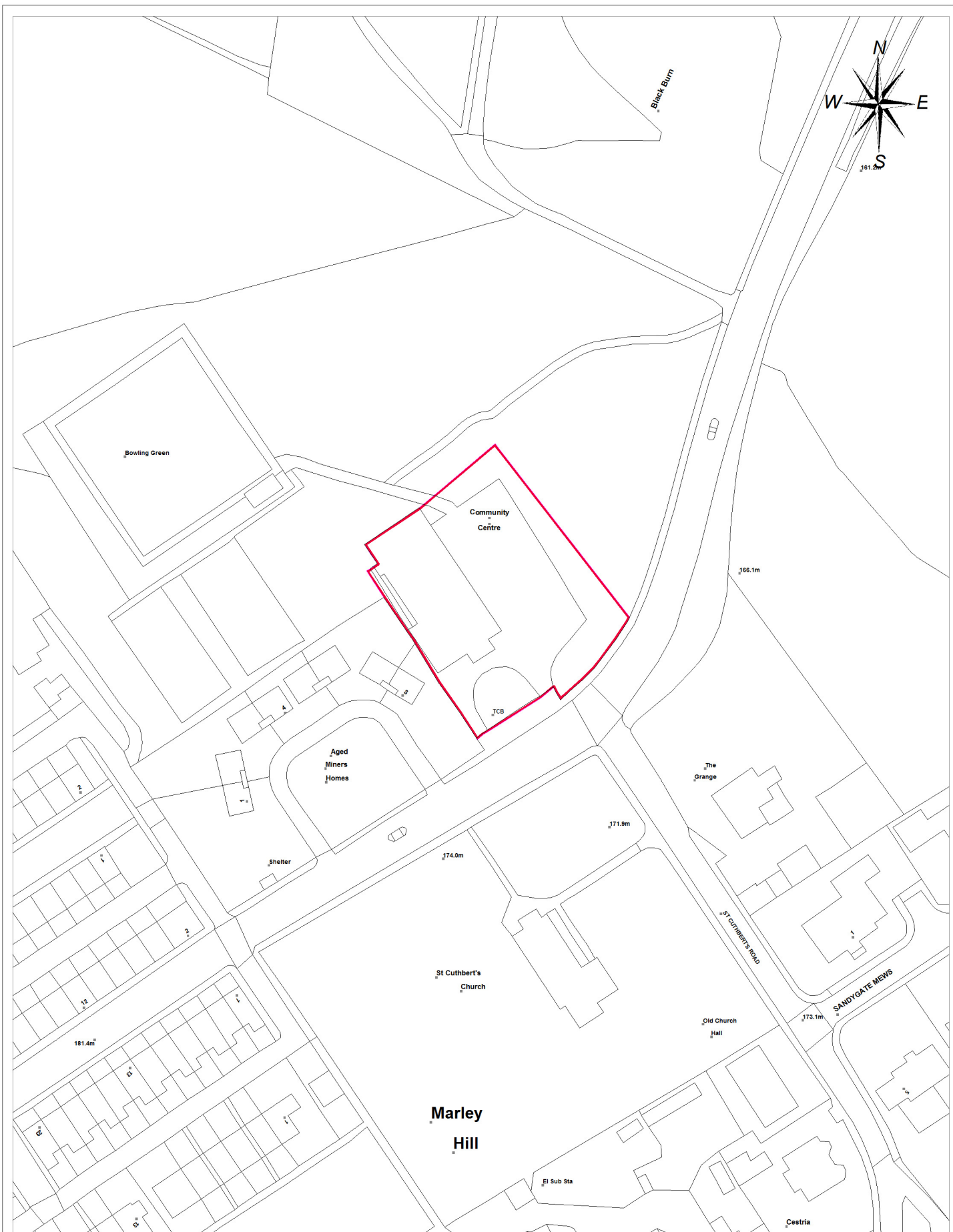
## **Alternative Options**


8. The option of retaining the property has been discounted as following its assessment as a transitional property as part of the Community Centre Review, it fulfilled the criteria for a community asset transfer.

## **Implications of Recommended Option**

### **9. Resources:**

- a) **Financial Implications** - The Strategic Director, Corporate Resources confirms that there are no financial implications arising from the proposed recommendation.
  - b) **Human Resources Implications** - There are no implications arising from this recommendation.
  - c) **Property Implications** – The grant of a new lease of this trust property will result in a reduction in the Council’s property portfolio.
10. **Risk Management Implication** – There are no implications arising from this recommendation.
  11. **Equality and Diversity Implications** - There are no implications arising from this recommendation.
  12. **Crime and Disorder Implications** – There are no implications arising from this recommendation.
  13. **Health Implications** - There are no implications arising from this recommendation.
  14. **Sustainability Implications** - The grant of a new lease pursuant will ensure the future sustainability of a building and fulfil the Council’s obligations in accordance with the Trust.
  15. **Human Rights Implications** - There are no implications arising from this recommendation.
  16. **Area and Ward Implications** - Whickham South and Sunnyside in the Inner West area.
  17. **Background Information** – Minute No. C224 (2013)



<b>Title</b> <b>Marley Hill Community Centre</b> <b>Marley Hill Park, Church Street, Marley Hill</b>		<small>© Crown Copyright and database rights 2011. Ordnance Survey license number 100019132.</small>		 <small>www.gateshead.gov.uk</small>
<b>Drawing Number</b> <b>Asset ID 000806</b>	<b>Rev</b> <b>01</b>	<b>Date Printed</b> <b>25th April 2017</b>		
<b>Scale</b> <b>1:1250</b>	<b>Date Created</b> <b>25th April 2017</b>	<b>Drawn By</b> <b>M Hawkyard</b>	<b>O/S NUMBER</b> <b>NZ2058SW</b>	<small>Legal, Democratic and Property Services          Corporate Services and Governance          Gateshead Council</small>

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**TITLE OF REPORT: Surplus Declaration of the Saltwell Park Bottom Depot, Saltwell Road South, Gateshead**

**REPORT OF: Mike Barker, Strategic Director, Corporate Services and Governance**

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### **Purpose of the Report**

1. To seek approval to the former Bottom Depot at Saltwell Park being declared surplus to the Council's requirements.

### **Background**

2. The land and buildings, which are shown edged black on the attached plan ('the subject property'), have formerly been used as a depot for grounds maintenance purposes within Saltwell Park. Operational service has been relocated to smaller alternative buildings within the park and the subject property is therefore no longer required for service delivery
3. The subject property has however been identified as suitable accommodation for the provision of a funeral service by Regent Funeral Services.
4. Regent Funeral Services is a company owned by Gateshead Council but is independently run by a highly experienced local funeral director. It has been established to provide a full seamless cost effective funeral service for residents of the Borough.

### **Proposal**

5. It is proposed that the subject property be declared surplus to the Council's requirements to facilitate the grant of a lease to Regent Funeral Services.

### **Recommendations**

6. It is recommended that Cabinet declare the subject property surplus to the Council's requirements.

For the following reason:-

To manage resources and rationalise the Council's assets in line with the Corporate Asset Strategy and Management Plan.

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**CONTACT:** Beverley Horton      extension: 3502

### Policy Context

1. The proposed surplus declaration supports the overall vision for Gateshead as set out in Vision 2030 and in particular creating conditions for economic growth.
2. The proposed declaration will also accord with the provisions of the update of the Corporate Asset Strategy and Management Plan 2015 – 2020. In particular, the rationalisation of the estate through the disposal of an uneconomic asset.

### Background

3. The land and buildings which are shown outlined in black on the attached plan have been previously used as a grounds maintenance depot for Saltwell Park ('the subject property'). The subject property was acquired and is currently held by the Council for recreational purposes pursuant to the Public Health Acts 1875 – 1925.
4. The subject property became too large for operational requirements and alternative vacant properties were identified within the park as suitable. The service has now relocated and the subject property is vacant.
5. The subject property is considered suitable for the delivery of the funeral service by Regent Funeral Services.

### Consultation

6. In preparing this report consultations have taken place with Leader, Deputy Leader and Ward Councillors for Saltwell who have raised no objections to the proposal.

### Alternative Options

7. The option of retaining the subject property has been discounted as no identified alternative service use for the accommodation from across the Council. Placing the property on the market has also been discounted as no suitable alternative accommodation could be identified for the funeral service.

### Implications of Recommended Option

#### 8. Resources:


- a) **Financial Implications** - The Strategic Director, Corporate Resources confirms that there are no financial implications arising from the surplus declaration.
- b) **Human Resources Implications** - There are no implications arising from this recommendation.
- c) **Property Implications** - The future disposal of the subject property will result in a reduction in the Council's overall property portfolio thus reducing operational costs.



9. **Risk Management Implication** – There are no implications arising from this recommendation.
10. **Equality and Diversity** – There are no implications arising from this recommendation.
11. **Crime and Disorder Implications** – There are no implications arising from this recommendation.
12. **Health Implications** - There are no implications arising from this recommendation.
13. **Sustainability Implications** - There are no implications arising from this recommendation.
14. **Human Rights Implications** - There are no implications arising from this recommendation.
15. **Area and Ward Implications** –.Saltwell in the Central area.
16. **Background Information** - None

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<b>Title</b> <b>Bottom Yard Depot</b> <b>Saltwell park</b>		<small>© Crown Copyright and database rights 2011. Ordnance Survey license number 100019132.</small>			
<b>Scale</b> <b>1:1250</b>	<b>Date Created</b> <b>6th September 2010</b>	<b>Drawn By</b> <b>C Lines</b>	<b>Drawing Number</b> <b>Asset ID 002690</b>		<b>Rev</b> <b>01</b>
		<b>Date Printed</b> <b>20th June 2011</b>		<b>O/S NUMBER</b> <b>NZ2560NW</b>	<b>Corporate Asset Strategy</b> <b>Legal and Corporate Services</b> <b>Gateshead Council</b>

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**TITLE OF REPORT:** Petitions Schedule

**REPORT OF:** Mike Barker, Strategic Director, Corporate Services and Governance

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### **Purpose of the Report**

1. To provide an update on petitions submitted to the Council and the action taken on them.

### **Background**

2. Council Procedure Rule 10.1 provides that any member of the Council or resident of the borough may submit a petition to the Leader of the Council, to another member of the Council nominated by the Leader, to the Chief Executive or a Strategic Director.

### **Proposal**

3. Cabinet is asked to note the petitions received and actions taken on them.

### **Recommendations**

4. It is recommended that Cabinet note the petitions received and action taken on them.

For the following reason:

To inform the Cabinet of the progress of the petitions.

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**CONTACT:** Mike Aynsley extension: 2128

## APPENDIX 1

### Policy Context

1. The information is provided in accordance Council Procedure Rule 10.2 whereby progress of petitions is to be reported regularly to meetings of the Cabinet. The procedure supports the Council Plan.

### Background

2. Council Procedure Rule 10.1 provides that any member of the Council or resident of the borough may submit a petition to the Leader of the Council, to another member of the Council nominated by the Leader, to the Chief Executive or a Strategic Director.

### Consultation

3. This report has been prepared following consultation as set out in the schedule.

### Alternative Options

4. There are no alternative options.

### Implications of Recommended Option

#### 5. Resources:

a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that there are no financial implications arising from this report.

b) **Human Resources Implications** – Nil

c) **Property Implications** - Nil

6. **Risk Management Implication** - Nil

7. **Equality and Diversity Implications** - Nil

8. **Crime and Disorder Implications** – Nil

9. **Health Implications** - Nil

10. **Sustainability Implications** - Nil

11. **Human Rights Implications** - Nil

12. **Area and Ward Implications** - Borough wide

### Background Information

13. Petitions schedule attached.

**APPENDIX 2**

**PETITIONS SUBMITTED TO GATESHEAD METROPOLITAN BOROUGH COUNCIL**

<b>DATE RECEIVED</b>	<b>REF</b>	<b>FROM</b>	<b>ISSUE</b>	<b>FORWARDED TO</b>	<b>ACTION TO DATE</b>
22.06.17 Submitted to the Deputy Leader of the Council	07/17	Petition from Keser Girls School	Petition requesting a crossing on Whitehall Road	Strategic Director, Communities and Environment	Crossing surveys were ordered in week commencing 08/01/18.  A review of wider issues is currently ongoing.
23.11.17 Submitted to Councillor Twist  Page 7	10/17	Petition from residents of Whickham	Petition requesting the installation of 2 pedestrian crossings at Parkway, Whickham	Strategic Director, Communities and Environment	A traffic and pedestrian survey was ordered in week commencing 08/01/18. A review is currently ongoing comprising: <ul style="list-style-type: none"> <li>• accident history;</li> <li>• existing pedestrian movements; and</li> <li>• site investigation and public utility implications.</li> </ul>
14.02.18 Submitted to Strategic Director, Corporate Services and Governance	01/18	Petition from GMB	Petition against the proposed parking restrictions on Shearlegs Road, Albany Road and Park Road	Strategic Director, Communities and Environment	The petition has been received in response to the Council's transport consultation on proposed waiting restrictions in the Shearlegs Road area. The petition is being considered together with other representations received.
16.03.18 Submitted to Councillor Turnbull	02/18	Petition from Residents of Crossfield Park	Petition requesting the closure of the cut through on Crossfield Park	Strategic Director, Communities and Environment	The petition is currently being considered by officers.

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