

# CABINET AGENDA

**Tuesday, 14 July 2020 at 10.00 am. The meeting to be held virtually.**

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From the Chief Executive, Sheena Ramsey

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Item Business

**1 Apologies for absence**

**2 Minutes** (Pages 3 - 6)

Cabinet is asked to approve as a correct record the minutes of the last meeting held on 23 June 2020.

**Non Key Decision**

**3 Gateshead Council's Response to COVID-19 - Steps Towards Recovery**  
 (Pages 7 - 18)

Report of the Chief Executive

**4 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
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6	3
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**Key Decisions**

**5 Gateshead Quays: Multi-Storey Car Park** (Pages 19 - 30)

Report of the Strategic Director, Economy, Innovation and Growth

**6 Purchase of 44 housing units at Whitley Court, Wrekenton, for the purposes of providing affordable housing to be part of the Housing Revenue Account (HRA)** (Pages 31 - 40)

Report of the Strategic Director, Economy, Innovation & Growth and Strategic Director, Housing, Environment & Healthy Communities

Contact: Kevin Ingledew Email: [kevingledew@gateshead.gov.uk](mailto:kevingledew@gateshead.gov.uk), Tel: 0191 4332142,  
 Date: Monday, 6 July 2020

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## GATESHEAD METROPOLITAN BOROUGH COUNCIL

### CABINET MEETING

Tuesday, 23 June 2020

**PRESENT:** Councillor M Gannon

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

**C1 MINUTES**

The minutes of the last meeting held on 24 March 2020 were approved as a correct record and signed by the Chair.

**C2 TREASURY ANNUAL REPORT 2019/20**

Consideration has been given to the Treasury Annual Report for 2019/20.

RESOLVED - That the Council be recommended to approve the Treasury Annual Report for 2019/20.

The above decision has been made to ensure that the Council fully complies with the requirements of Financial Regulations and good practice as recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) in its Code of Practice on Treasury Management.

**C3 CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS 2019/20 – YEAR END OUTTURN**

Consideration has been given to the 2019/20 Capital Programme outturn position and to recommending the Council to approve the financing of the programme.

- RESOLVED -
- (i) That the Capital Programme outturn position for 2019/20 be noted.
  - (ii) That the Council be recommended to approve all variations to the 2019/20 Capital Programme as set out in appendix 2 to the report.
  - (iii) That the Council be recommended to approve the financing of the 2019/20 Capital Programme.
  - (iv) That it be confirmed to Council that the capital expenditure and capital financing requirement indicators have been revised in line with the revised budget and that none of the approved Prudential Indicators set for 2019/20 have been breached.

The above decisions have been made for the following reasons:

- (A) To ensure optimum use of the Council's capital resources in 2019/20.
- (B) To monitor actual performance against approved Prudential Indicators.

(Councillor M McNestry declared a personal and non pecuniary interest in the above matter because he is Chair of Chopwell Community Association and took no part in the discussion or voting on this item).

C4

#### **PROVISIONAL REVENUE OUTTURN 2019/20**

Consideration has been given to the outturn position on the 2019/20 revenue budget prior to audit and to recommending the Council to approve appropriations to and from reserves consistent with previous decisions, accounting policies, the principles set out in the Medium Term Financial Strategy (MTFS) and requirements of the Accounting Code of Practice and also proposed changes to strategic reserves following the outcome of a review of Council reserves.

- RESOLVED -
- (i) That the Council's 2019/20 revenue outturn position as an under spend of £4.130m, subject to audit be noted.
  - (ii) That the Council be recommended to approve the appropriations to and from reserves as set out in paragraphs 11 to 16 of the report.
  - (iii) That the Council be recommended to approve the proposed changes to strategic reserves following the outcome of a review of Council reserves as set out in paragraph 18 of the report.

The above decision has been made to contribute to sound financial management and the long-term financial sustainability of the Council.

C5

#### **GATESHEAD COUNCIL'S RESPONSE TO COVID-19 - FINANCIAL UPDATE, WIDER IMPLICATIONS AND STEPS TOWARDS RECOVERY**

Consideration has been given to:

- a) an update on the Council's response to the COVID 19 crisis,
- b) the financial implications of the Council's response; and
- c) to the potential direction of travel for how Gateshead will plan to come through this period of crisis and into a reformed and revitalised place, one that positively embraces some of the new ways of working and tackles the challenges and fragility that exists within the borough.

- RESOLVED -
- (i) That the contents of the report be noted.
  - (ii) That a further report be submitted to the next meeting of Cabinet.

- (iii) That further engagement commences with all councillors as the first step towards agreeing the Council's recovery plan; then engaging with a host of stakeholders to inform our response.
- (iv) That thanks and appreciation to all staff, partners, and the community for their response to the crisis be placed on record.

The above decisions have been made for the following reasons:

- (A) To support and guide the borough's recovery from COVID-19.
- (B) To help support and build a more resilient Gateshead.
- (C) To acknowledge the efforts of all those involved in the response to the crisis.

**C6 DELEGATED DECISIONS TAKEN BY OFFICERS**

Consideration has been given to the delegated decisions taken by officers in accordance with Cabinet minute C150 - 2019/20 and the placing and extension of contracts in accordance with the Council's Contract Procedure Rules.

RESOLVED - That the delegated decisions taken by officers in accordance with Cabinet minute C150 – 2019/20 and the contracts placed or extended in accordance with Contract Procedure Rule 2.1.2 as set out in appendix 1 to the report be noted.

The above decision has been made to ensure openness and transparency with the decisions made by officers.

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: 23 June 2020

**Chair.....**

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**TITLE OF REPORT:** Gateshead Council's response to COVID-19 – steps towards recovery

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

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### **Purpose of the Report**

1. The purpose of this report is to provide a further update on discussions with councillors, Corporate Management Team (CMT) and employees on developing a recovery framework.

### **Background**

2. Cabinet received a report on 23 June 2020 setting out the Council's high-level response to COVID-19, lessons that have been learnt and actions that now needed to be taken. Following consultation with Cabinet, two Corporate Advisory Groups, CMT, employees and working with trade union colleagues, this report now focuses on the framework within which recovery will sit.
3. During the past four months some extraordinary things have taken place in Gateshead that have changed the borough and the way the Council operates dramatically. We are keen to retain and better understand what has worked well and embed this into future service delivery.

### **National context**

4. As reported to Cabinet in June, we are still working closely with government to ensure local government is sufficiently recompensed for COVID-19.
5. On 2 July 2020 government announced further measures as part of a support package for local authorities:
  - A further £500 million of un-ringfenced funding to cover local authority spending pressures (distribution method to follow)
  - A co-payment mechanism for irrecoverable Sales, Fees and Charges income, with the Government covering 75% of losses beyond 5% of planned income
  - Phased repayment of Collection Fund deficits over the next 3 years
  - A commitment to determine what support is needed to help councils meet the pressures of irrecoverable tax income at the Spending Review
6. We await confirmation of what this means for Gateshead. What is clear though, is that the fragility of local government finance should not impact upon the wellbeing of our communities. Notwithstanding the associated financial challenge we face, it is also evident that we cannot revert back to how all services were previously delivered.

7. The Chancellor's Summer Statement 8 July 2020 is summarised in appendix 3 to this report.

### **Local context**

8. The Council has taken an incremental approach to the reintroduction of its services, with public safety and control of the potential spread of virus at the fore of our thinking on this.
9. What the pandemic has brought sharply into focus is that as an organisation what we do is about people and their lives, not about how the Council organises itself in services and silos.

### **Shielding hubs**

10. Since the last report to Cabinet, government has confirmed that it will no longer provide food parcels or help with prescriptions to those registered as extremely vulnerable from 31 July, and the last date anyone can register for support is 17 July. As such there'll be no centralised support for those most at risk beyond 31 July 2020.
11. In response to the likely demand and support we know will be needed through the recovery period, it is recommended that Cabinet approve that the shielding hubs arrangement remain in place and be extend until September 2020.
12. In doing so we will continue to accept new registrations and also continue to provide welfare calls to proactively target where we believe risk remains for individuals or communities of interest.
13. We want to stand by those who are most vulnerable at this difficult time, regardless of the approach being taken centrally by government. Many of our communities were vulnerable pre-COVID and the pandemic has shown the fragilities that exist.

### **Engagement with councillors**

14. The Council held Corporate Advisory Group meetings on 6 and 7 July 2020 with a proposed direction of travel being endorsed at these (Appendix 2).
15. What has come through strongly in our engagement to date is support for:
  - Working in the locality
  - Working with our communities and delivering person-centred and tailored services; and
  - Strengthened partnership working
16. In response to this we recognise that the recently introduced shielding hubs model and review of The Gateshead Housing Company provide a strong basis for progressing this work at pace.
17. The shielding hubs model is seen as a key driver to unlocking future service deliver in a person-centred way, as it:

- Provides a platform for creating locality working at pace
  - Retains partnership working
  - Embeds the Councils recently agreed Health and Wellbeing Strategy and the Information, Advice and Guidance review
  - Brings together and harnesses a community togetherness
  - Allows for co-creation and collaboration as a system e.g. health, public services and Voluntary, Community and Social Enterprise sector
  - Will provide a local response to pre-pandemic issues e.g. employment support
  - Is intelligence and information-led, utilising the vast wealth of information gathered during the course of the pandemic
18. We are committed to taking the best from Gateshead's response to the pandemic and embedding this into future ways of working. This will be open and collaborative as we look to continue to work closely with our partners to address the fragility that still exists within the borough.
19. Building up our resilience and sustainability across the borough will be important too. Whether this is protecting and safeguarding our residents, supporting local business, or ensuring those who find themselves unemployed have the necessary access to gaining skills to fulfil future job opportunities.
20. The reduced levels of congestion and pollution within the borough through lockdown have also been apparent. Many residents within the borough have also increased their walking and taken to cycling and have been accessing the vast green space and rural areas that exists within Gateshead. This in itself will have helped with our Climate Emergency response, but it will be important to capitalise on this and ensure these efforts continue.
21. Councillors at the recent Corporate Advisory Group meetings were keen to convey their appreciation to residents, our communities and our partners for all playing their part, whilst also placing on record thanks to the entire Council workforce for going above and beyond during the crisis.

### **Engagement with residents and business**

22. What has also commenced since 23 June is the Gateshead Council Household Impact of COVID-19 survey with over 3,800 completions to date; together with a Gateshead Business survey. The findings of which will be important when developing our response to the pandemic and inform our route map. We want our plan to be inclusive and locally led, as such it must respond to local demand and need.
23. Residents will also be in receipt of an edition of Council News by the end of July 2020 – which will outline useful advice, guidance and support.

### **Engagement with employees and trade unions**

24. The Chief Executive has held a number of employee engagement sessions in July. These have provided an invaluable insight into how people have responded and adapted to their new working arrangements. The learning and feedback from these will be captured and applied to our recovery work.

25. CMT continues to work closely with trade unions as part of its organisational recovery work and we would like to thank their representatives for proactive and pragmatic discussions to date.

### **Budget framework and review**

26. As previously report a fundamental budget review is required for our revenue, Housing Revenue Account and capital programme. This will involve a scrutiny of current budgets in line with the business critical and non-critical assessments. The Council will need to consider savings in non-critical services such as paring back to minimum delivery or ceasing provision, some of which may need accelerated.
27. Projects within the capital programme will be reviewed corporately with a view to prioritising activity, which may result in pausing some projects and accelerating others. The reprofiling of the programme will be agreed in the September Cabinet report.

### **Recommendations**

28. It is recommended that Cabinet:
- (i) Notes the contents of this report;
  - (ii) Approves the continuation of the shielding hubs arrangements through until September 2020 to support our local communities;
  - (iii) Continues to take advice and guidance from the Director of Public Health in relation to the reintroduction of Council services; and
  - (iv) Approves the shielding hubs model and The Gateshead Housing Company review as the basis for bringing forward a route map for recovery within the borough.

For the following reasons:

- (i) To support and guide the borough's recovery from COVID-19
- (ii) To help support and build a more resilient Gateshead

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**CONTACT: Sheena Ramsey** extension 2050  
**Iain Burns** extension 2184

## APPENDIX 1

### **Policy Context**

1. The national and local policy context are set out within the main body of the report.

### **Background**

2. The background to this item is covered within the covering report.

### **Consultation**

3. Consultation to date is outlined within the main body of the report.

### **Alternative Options**

4. There is not an alternative option available to the development of a recovery plan for the borough.

### **Implications of Recommended Option**

#### **Resources**

- a. **Financial Implications** – The Strategic Director, Resources and Digital confirms that these are as set out within the covering report. Any future resource implications arising from the recovery plan will be considered as part of the approach to budget and the medium-term realignment and investment of targeted resource towards achieving these outcomes
- b. **Human Resource Implications** – The Service Director, Human Resources and Workforce Development confirms there are no human resource implications arising directly from this report.
- c. **Property Implications** – The Corporate Property Officer confirms there are no property implications arising from this report.

5. **Risk Management Implication** - The risk management implications of the recovery measures will be assessed by Director of Public Health as part of the strategic risk management process. Business continuity and risk management plans and protocols are in place across the Council's operations and have been enacted in response to this crisis.
6. **Equality and Diversity Implications** - An integrated impact assessment will be developed alongside the emerging recovery plan – identifying any potential significant impact including against the protected characteristics, as identified in the Equality Act 2010.
7. **Crime and Disorder Implications** - There are no specific crime and disorder implications arising. The Community Safety Partnership Board will be engaged alongside our key statutory partners in supporting our recovery plans.
8. **Health Implications** – The Director Public Health for Gateshead will play a key role in shaping and influencing the Council's recovery plan. In addition to recovering from the current crisis, the plan will be driven forward on the basis of achievement of improving health and wellbeing outcomes for local people with the aim of reducing the health inequalities that exist within Gateshead

9. **Sustainability Implications** - There are no sustainability issues.
10. **Human Rights Implications** - The recovery plan will be developed to positively support the economic and social rights and conventions outlined in the Human Rights Act 1998
11. **Area and Ward Implications** – there are no direct issues from the content of the report, but we acknowledge that the pandemic and proposed recovery measures will have an impact across the whole borough.

### **Background Information**

12. Background Information:
  - Making Gateshead a Place Where Everyone Thrives
  - Joint Strategic Needs Assessment
  - Gateshead Health and Wellbeing Strategy 2020

**CORPORATE ADVISORY GROUP**  
**COVID-19 STEPS TOWARDS RECOVERY**

**6 JULY 2020**

**REPORT TO CABINET**

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- PRESENT:** Councillor C Donovan (Chair)
- MEMBERS PRESENT:** Councillors Adams, Beadle, Burnett, Caffrey, Clelland, Dickie, P Foy, Gallagher, B Goldsworthy, M Goldsworthy, Graham, Haley, Hall, Hood, Kelly, Lee, McMaster, Oliphant, Oxberry, Patterson, Ronchetti, Simpson
- OFFICERS PRESENT:** Alice Wiseman, Iain Burns, Sheena Ramsey, Peter Udall, Colin Huntington, Caroline O'Neill, Mike Barker, Neil Bouch, John Shiel, Darren Collins

**PURPOSE OF MEETING**

The Corporate Advisory Group met to share some of the responses the Council has made to the pandemic. Get views on future direction. To undertake further work with partners and residents and to understand general reflections.

**SUMMARY OF COMMENTS**

The Group:

- Received a presentation from Sheena Ramsey on the responses the Council has made to the pandemic
- Details were provided on the resources allocated to the Council in response to the pandemic and details on the lost income to the Council and its impact.
- Details were provided on the financial support to businesses.
- Details were provided on emerging themes and the way forward
- Details were provided on the Shielding Hubs, the Community hubs and the way forward and changes to shielding arrangements to be considered
- Details were provided on the review of The Gateshead Housing Company
- Details were provided on the review of the budget and the Council's overall approach
- Details of the next steps were outlined as follows, already live employee engagement sessions, household survey and a business survey (with NGI), Cabinet will report on the next steps on 15 July and ward councillor engagement and new working relationship with VCS
- It is hoped that the Council will not have to borrow more money to buy its way out of the losses, and this would not impact on capital investment projects such as Gateshead Quays
- It is hoped that the excellent work in the hubs can continued to be delivered and within a quick turnaround time wise.

- Complimented the vital work that Care Call had done
- Hope that the Council can continue its excellent work on climate change
- Hope to receive detailed work on the future of working from home in due course.
- Congratulations should be given to all staff for the way they have supported elected members and undertaken new roles during the pandemic
- Details to be provided on Track and Trace arrangements in Gateshead
- Details to be provided on how many of our key workers get back 'out in the field' and when
- Virtual meetings have helped Councillors enormously
- Have the Trade Unions been on board during the pandemic
- Video clip detailing the excellent work to be shared on social media please

## CORPORATE ADVISORY GROUP

7 July 2020

### COVID-19 STEPS TOWARDS RECOVERY

#### REPORT TO CABINET

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**CHAIR:** Councillor M Gannon

**MEMBERS PRESENT:** Councillors A Douglas, D Bradford, D Duggan, H Haran, J Gibson, J McClurey, J McElroy, J Raine, J Turnbull, J Wallace, K Ferdinand, K McCartney, L Kirton, M Brain, M Charlton, M Ord, R Mullen, R Waugh, S Green, S Ronchetti

**OFFICERS:** Alice Wiseman, Alison Dunn, Caroline O'Neill, Colin Huntington, Darren Collins, Iain Burns, Mike Barker, Neil Bouch, Peter Udall, Sheena Ramsey

#### **Presentation:**

The Group received a presentation providing an overview of the Council's response and plans for recovering during the Covid-19 pandemic. The presentation updated members on the following:

- The creation of shielding hubs
- Partnership and collaborative working
- The processing of grants
- Support provided to local schools
- Information, advice and guidance to residents and businesses
- The use of technology to maintain services
- Information and intelligence gathering
- An overview of resources and the Council's financial position

Members also viewed a short video summarising the Council's response during the pandemic, it was confirmed that the video will be made public via the Council's social media channels.

#### **Summary of comments:**

Members:

- Noted their thanks and appreciation to the Council and the third sector for working in partnership to meet the needs of residents and local businesses.
- Highlighted the importance of shielding hubs and the proactive work being done by volunteers.
- Acknowledged that putting the Council 'back into the heart of communities' is the right thing to do.
- Referenced that Council staff are 'public servants' and that putting people at the heart of decision making is important.

- Were advised that the Council have acted in a coordinating role with the voluntary sector which has enabled such organisations to deliver their services feeling trusted and supported.
- Questioned what is to be done to recover uncollected business rates. Members were advised that all recovery is currently suspended and that businesses will be engaged in a supportive way as appropriate.
- Noted the response from officers has been good; it was stated that officers have been quick to respond to member's queries despite additional pressures and priorities.
- Welcomed the idea of the restructure of the Gateshead Housing Company.
- Noted that staff should be encouraged to work from home where appropriate in the future; it was acknowledged that this supports staff with childcare, can increase productivity and have a positive impact on climate change.

**Title:** Chancellor Summer Statement 2020

**Date:** 8 July 2020

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### Summary of announcements

- The International Monetary Fund is expecting deepest global recession since records began as the economy contracted by 25%; the same amount it grew in the previous 18 years.
- Furlough scheme will wind down. The Government claim flexibly and gradually supporting business and people throughout to October.
- The Government will introduce a one-off payment of £1,000 to UK employers for every furloughed employee who remains continuously employed to the end of January 2021. The employee must earn a minimum of £520 each month through to January and the bonus will be paid for all employees. This is estimated at a maximum cost of £9.4 billion.
- Employers will receive funding to create new jobs for any 16-24 year olds deemed at risk. Funding available for each job will cover 100% of the relevant National Minimum wage for 25 hours a week, plus the associated employer National Insurance contributions. There is no cap on the number of places available. An initial £2 billion will be made available for what will be called the “Kickstart Scheme”.
- A new payment of £2,000 to employers in England for each new apprentice they hire aged under 25, and a £1,500 payment for each new apprentice they hire aged 25 and over, from 1 August 2020 to 31 January 2021. These payments will be in addition to the existing £1,000 payment the government provides for new 16-18 year old apprentices.
- £1 billion will be given to the Department of Work and Pensions to help job seekers and aims to double the number of staff who work in job centres.
- A £2 billion Green Homes Grant was announced, under which homeowners and landlords will be able to apply for vouchers to make their homes more energy efficient and create local jobs. The grants will cover at least two thirds of the cost, up to £5,000 per household, for low income households up to £10,000. £1 billion of funding to improve the energy efficiency of public sector buildings will also be released that will offer grants to public sector bodies to fund both energy efficiency and low carbon heat upgrades.
- The Government will allocate a £400 million Brownfield Housing Fund to seven Mayoral Combined Authorities to bring forward land for development and unlock 24,000 homes in England. 90% of the fund will be allocated immediately on a per capita basis, with 10% to be allocated through a competitive process.
- A temporary holiday on stamp duty on the first £500,000 of all property sales in England and Northern Ireland will run until 31 March 2021, effective immediately. An estimated cost of £3.8 billion.
- VAT for the hospitality and tourism sectors will reduce from 20% to 5% from 15 July 2020 to 12 January 2021 at a cost of £4.1 billion.

- Eat Out to Help Out scheme introduced giving a discount of 50%, up to a maximum discount of £10 per head for every diner, including children, to encourage people to return to eating out. The discount can be used unlimited times and will be valid Monday to Wednesday for the entire month of August 2020 across the UK. Participating establishments will be fully reimbursed for 50% of the discount. This is estimated to cost £0.5 billion.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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