

GATESHEAD METROPOLITAN BOROUGH COUNCIL

CABINET MEETING

Tuesday, 19 February 2019

PRESENT: Councillor M Gannon (Chair)

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

C130 APOLOGIES FOR ABSENCE

An apology for absence has been received from Councillor L Green.

C131 MINUTES

The minutes of the last meeting held on 22 January 2019 were approved as a correct record and signed by the Chair.

C132 BUDGET AND COUNCIL TAX LEVEL 2019/20

Consideration has been given to recommending to Council the proposed Budget and Council Tax Level for 2019/20 and the prudential indicators and Minimum Revenue Provision (MRP) Statement as set out in the report.

RESOLVED -

That the following recommendations be made to the Council:

- (1) That Gateshead's Band D council tax for 2019/20 is increased by 3.99% (including a 1% adult social care Government charge) to £1,753.92.
- (2) The revenue estimates of £206.999 million for 2019/20 be approved.
- (3) The use of £0.943 million Earmarked Reserves in 2019/20 be approved.
- (4) That the indicative schools funding presented in appendix 2 to the report be agreed.
- (5) To note the conclusions of the Strategic Director, Corporate Resources in respect of the robustness of budget estimates and adequacy of reserves.
- (6) That the prudential and treasury indicators set out in appendix 7 to the report be agreed.
- (7) That the method of calculating the Minimum Revenue

Provision (MRP) for 2019/20 as set out in appendix 8 to the report be approved.

- (8) That the options included in the budget (following the outcome of consultation) as set out in appendix 2 to the report be noted.
- (9) That it be noted that at its meeting on 22 January 2019, Cabinet agreed the following amounts for the year 2019/20 in accordance with regulations made under Section 31B (3) of the Local Government Finance Act 1992 as amended by the Localism Act 2011:
 - (a) **52,065.6** being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, as its Council Tax base for the year; and
 - (b) **1,193.5** for Lamesley Parish being the amount calculated by the Council, in accordance with regulation 6 of the Regulations, as the amount of its Council Tax base for the year for dwellings in those parts of its area to which special items relate.
- (10) That the following amounts be now calculated by the Council for the year 2019/20 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992, as amended by the Localism Act 2011 ('the Act'):
 - (a) **£562,669,625** being the aggregate total of the expenditure amounts, which the Council estimates for the items, set out in Section 31A (2) of the Act taking into account the precept issued by Lamesley Parish Council;
 - (b) **(£471,339,360)** being the aggregate total of the income amounts, which the Council estimates for the items, set out in Section 31A (3) of the Act;
 - (c) **£91,330,265** being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year including Lamesley Parish Council;
 - (d) **£1,754.1383** being the amount at (c) above, all divided by the amount at (9)(a) above, calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year including

Lamesley Parish Council;

- (e) **£11,140.00** being the aggregate amount of all special items (Lamesley Parish Council) referred to in Section 34(1) of the Act;
- (f) **£1,753.9243** being the amount at (d) less the result given by dividing the amount at (e) above by the amount at (9)(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item (Lamesley Parish Council) relates;
- (g) Part of the Council's area: Lamesley Parish
£1,763.2582 being the amounts given by adding to the amount at (f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (9)(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items (Lamesley Parish Council) relate;
- (h)

Valuation Band	Lamesley Parish £	All other parts of the Council's area £
A	6.22	1,169.28
B	7.26	1,364.16
C	8.30	1,559.04
D	9.33	1,753.92
E	11.41	2,143.68
F	13.48	2,533.44
G	15.56	2,923.20
H	18.66	3,507.84

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

into account for the year in respect of categories of dwellings listed in different valuation bands.

- (11) That it be noted that for the year 2019/20, the Police and Crime Commissioner for Northumbria, and Tyne and Wear Fire and Rescue Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Valuation Band	Police and Crime Commissioner for Northumbria £	Tyne and Wear Fire and Rescue Authority £
A	89.55	54.89
B	104.48	64.03
C	119.40	73.18
D	134.33	82.33
E	164.18	100.63
F	194.03	118.92
G	223.88	137.22
H	268.66	164.66

- (12) That, having calculated the aggregate in each case of the amounts at (10) (h) and (11) above, the Council in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2019/20 for each of the categories of dwellings shown below:

Valuation Band	Lamesley Parish £	All other parts of the Council's area £
A	1,319.94	1,313.72
B	1,539.93	1,532.67
C	1,759.92	1,751.62
D	1,979.91	1,970.58
E	2,419.90	2,408.49
F	2,859.87	2,846.39
G	3,299.86	3,284.30
H	3,959.82	3,941.16

- (13) That under section 52ZB of the Local Government Finance Act 1992 (as amended by the Localism Act

2011), the Council's relevant basic amount of council tax for 2019/20 is not excessive in accordance with the principles determined under section 52ZC of the Act.

The above decisions have been made to fulfil the Council's statutory duty to set the Budget and Council Tax for 2019/20.

C133

CAPITAL PROGRAMME 2019/20 TO 2023/24

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

RESOLVED -

That the Council be recommended to:

- (i) Approve the capital programme for 2019/20, and the provisional programmes for 2020/21 to 2023/24, as set out in appendix 2 to the report, subject to external funding approvals being received.
- (ii) Note the provisional capital financing for the programme, as set out in appendix 3 to the report, and delegate authority to the Strategic Director, Corporate Resources to enter into prudential borrowing which is consistent with the requirements of the capital programme and the Council's Treasury Management Strategy.
- (iii) Note the position in relation to the additional flexibility regarding the application of capital receipts to fund the revenue costs of transformational projects outlined in appendix 4 to the report and agree to receive further updates to confirm specific investment plans as part of the capital programme monitoring reports during the year.

The above decisions have been made for the following reasons:

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

C134

FEES AND CHARGES 2019/20

Consideration has been given to recommending the Council to approve the level of fees

and charges for 2019/20.

RESOLVED -

That the Council be recommended to:

- (i) Approve the level of fees and charges for 2019/20 as set out in appendix 2 to the report.
- (ii) Authorise the Strategic Director, Corporate Resources to make any necessary adjustments to correct any errors in the schedule of fees and charges.

The above decisions have been made for the following reasons:

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

C135

RESPONSES TO CONSULTATION

Consideration has been given to responses to recent consultations.

RESOLVED -

That the responses to the following consultations be endorsed.

- The Strategy for Our Veterans – Ministry of Defence
- Reforming developer contributions – technical consultation on draft regulations - Ministry of Housing, Communities & Local Government (MHCLG)
- Protecting and Enhancing England's Trees and Woodlands – Department for the Environment, Food and Rural Affairs
- A Review of Local Authorities' Relative Needs and Resources – MHCLG
- Business Rates Retention Reform – Sharing risk and reward, managing volatility and setting up the reformed system – MHCLG

The above decisions have been made to enable the Council to contribute responses to the consultations.

C136

REVISED CATCHMENT AREAS IN EAST GATESHEAD

Consideration has been given to amending the school catchment areas in the East Gateshead in light of the Minister for Education's decision to close Thomas Hepburn Community Academy at the end of August 2019.

RESOLVED -

That the use of the following catchment areas for the academic year 2020/21 and future years be approved:

- Thomas Hepburn's catchment area has been divided between Heworth Grange and Joseph Swan secondary school catchment areas based on the temporary arrangements agreed for the 2019/20 admissions round
- Kelvin Grove Primary School (currently Joseph Swan Academy catchment) becomes part of the Kingsmeadow Comprehensive School catchment area
- Fell Dyke Primary School (currently part of Joseph Swan Academy's catchment and prior to that part of Thomas Hepburn catchment) becomes part of the Lord Lawson of Beamish Academy catchment area.

The above decisions have been made to enable parents to apply for a secondary school place within the current catchment area based school admissions policy.

C137

PRIMARY COMMUNITY CONTROLLED SCHOOL ADMISSIONS ARRANGEMENTS AND CO-ORDINATED ADMISSION SCHEMES FOR PRIMARY AND SECONDARY SCHOOLS FOR 2020/21

Consideration has been given to proposed Community and Voluntary Controlled Primary Schools Admission Policy for 2020 and the proposed Co-ordinated admission schemes for Infant, Junior, Primary schools and Secondary Schools for 2020.

- RESOLVED -
- (i) That the Community and Voluntary Controlled Primary Admissions Policy, as set out in appendix 2 to the report, be adopted for September 2020.
 - (ii) That the approved admissions policies for September 2019 be used as a basis of consultation, if necessary, with schools and others for formulating the relevant admissions policies from September 2019/20 onwards.
 - (iii) That the approved two co-ordinated admission schemes for Secondary, Infant Junior and Primary schools, as set out in appendix 3 to the report, be adopted for September 2020.
 - (iv) That it be noted the Planned Admissions Numbers, as set out in appendix 3 to the report, for all community Primary schools will be adopted by the governing bodies of each school.

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

C138

TRUST FUNDING FOR SHIPLEY ART GALLERY AND MCEUNE BEQUEST

Consideration has been given to the proposed actions to be taken by the Council (as Trustee) with trust money held relating to the Shipley Art Gallery, namely; the Shipley

Gallery Fund and the McEune Bequest.

- RESOLVED -
- (i) That the capital balance of the Shipley Gallery Fund being paid to Tyne and Wear Archives and Museums (TWAM) as a one-off payment, to be utilised in accordance with the original purpose of the fund be approved.
 - (ii) That the McEune Bequest funds being used to support the acquisition of the John Christian collection, which reflects Shipley Art Gallery's significance in the contemporary craft field be approved.
 - (iii) That with regards to the Shipley Gallery Fund (registered with the Charity Commission), the Strategic Director, Corporate Services & Governance be authorised to carry out the required steps with the Commission and, where applicable, record or register the approved actions.
 - (iv) That the Strategic Director, Corporate Resources be authorised to carry out the required steps to utilise the funds in accordance with the approved actions.

The above decisions have been made for the following reasons:

- (A) As Trustee, the Council is satisfied that the purposes of the trust to which the fund is subject can be carried out more effectively if the capital can be expended as set out in this report and that such action is in the best interests of the fund.
- (B) The income from the Shipley Gallery Fund is not a significant funding source.
- (C) To support costs associated with the insurance of the Gallery, the upkeep of the fabric of the Gallery and the repair and upkeep of the paintings.
- (D) The proven lack of need for the purchase of watercolours.
- (E) To contribute to the purchase of a collection that will enhance the Gallery and attract new visitors.

(Councillor A Douglas declared a personal and pecuniary interest in the above matter because she is a member of the TWAM Strategic Board).

C139

GATESHEAD THRIVE FUND 2018/19 ROUND TWO APPLICATIONS

Consideration has been given to the advice of Gateshead Thrive Fund Advisory Group in relation to Round 2 applications for funding from the Gateshead Thrive Fund and Sporting Grants to Individuals/Talented Athlete Scheme.

- RESOLVED:
- (i) That the recommendations for Round 2 of The Gateshead Thrive Fund, as set out in appendix 2 paragraph 4 and appendix 3 of the report be approved.

- (ii) That the recommendations for Sporting Grants to Individuals/Talented Athlete Scheme, as set out in appendix 2 paragraph 4 of the report be approved.

The above decisions have been made for the following reasons:

- (A) To ensure that the Gateshead Thrive Fund is used to maximise benefits to local communities and is managed effectively.
- (B) To put people and families at the heart of everything we do.
- (C) To support our communities to support themselves and each other.

Councillor J Adams declared a personal and non-pecuniary interest in the above matter because he is a Trustee of St Chads Community Project.

Councillor M McNestry declared a personal and non-pecuniary interest in the above matter because he is the Chair of Chopwell Community Association.

C140 TENDER FOR THE SUPPLY OF GOODS AND SERVICES

Consideration has been given to authorising the Strategic Director, Corporate Services and Governance, following consultation with the Strategic Director, Corporate Resources to accept tenders for the Contract for the Provision of Keyholding, Emergency Response and Property Access Services.

RESOLVED - That the Strategic Director, Corporate Services and Governance, following consultation with the Strategic Director, Corporate Resources be authorised to accept tender(s) and award the Contract for the Provision of Keyholding, Emergency Response and Property Access Services.

The above decision has been made to enable implementation of the contract with effect from 1 April 2019 in accordance with the agreed budget proposal reference 19.

C141 DISPOSAL OF LAND AT RYTON ISLAND, NEWBURN

Consideration has been given to the transfer of 2.6 hectares of land at Ryton Island to Newcastle City Council for a nominal consideration of £1.00 (one pound).

RESOLVED - That the transfer of the subject land as shown edged black on the plan attached to the report, to Newcastle City Council for the nominal consideration of £1.00 (one pound) on the terms set out in the report and in particular the transfer of the land being subject to restrictions on its future use as a Country park only be approved.

The above decision has been made because the subject land forms part of the administrative boundary of Newcastle upon Tyne.

C142 **PROPERTY TRANSACTION - SURRENDER AND NEW LEASE OF SITE 6
ALBANY ROAD, GATESHEAD**

Consideration has been given to accepting the surrender of the current lease of Site 6 Albany Road, East Gateshead Industrial Estate from Hantay Pension Scheme and the grant of a new lease for a term of 125 years to the Tenant.

- RESOLVED - (i) That the surrender of the current lease of Site 6 Albany Road, East Gateshead Industrial Estate from Hantay Pension Scheme and the grant of a new lease for a term of 125 years to the Tenant on the terms outlined in the report be approved.
- (ii) That the Strategic Director, Corporate Services and Governance be authorised to agree the detailed terms.

The above decisions have been made to manage resources in accordance with the provisions of the Corporate Asset Strategy and Management Plan.

C143 **EXCLUSION OF THE PRESS AND PUBLIC**

- RESOLVED - That the press and public be excluded from the meeting during consideration of the remaining item in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972.

C144 **CLASPER VILLAGE HOUSING DEVELOPMENT - OPTIONS FOR DELIVERY**

Consideration has been given to the Council delivering the residential development and regeneration of the former Clasper Village housing site, an update on the Homes England Accelerated Construction grant funding and to the disposal of the retail site on the open market.

The alternative options for delivery to that being recommended, but which were discounted, included following an EU compliant tender exercise or setting up a wholly owned company.

- RESOLVED - (i) That the increased funding from Homes England be approved.
- (ii) That the Council acting as developer for this development be approved.
- (iii) That the outline development proposals be approved and the Service Director, Council Housing, Design and Technical Services be authorised to progress the scheme to tender stage as detailed in the report.
- (iv) That entering into a contract with Wates Construction Ltd to

provide pre-construction services be approved and the Service Director, Council Housing, Design and Technical Services following consultation with the Strategic Directors, Corporate Resources and Corporate Services & Governance, be authorised to agree the detailed terms.

- (v) That the disposal of the retail site on the open market be approved and the marketing and disposal be delegated to the Strategic Director, Corporate Services & Governance.

The above decisions have been made for the following reasons:

- (A) To promote the accelerated delivery of homes within the Borough.
- (B) To enable the development of sites which are currently stalled due to viability and associated remediation costs.
- (C) To help meet housing need in the Borough.
- (D) To realise the Council's policies and objectives in relation to housing growth.
- (E) To generate a capital receipt from the retail site.

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: 21 February 2019

Chair.....