

GATESHEAD METROPOLITAN BOROUGH COUNCIL

CABINET MEETING

Tuesday, 20 February 2024

PRESENT: Councillor M Gannon

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

Also in attendance: Councillors R Beadle, L Kirton and R
Mullen

C106 **APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor L Green.

C107 **MINUTES**

The minutes of the last meeting held on 23 January 2024 were approved as a correct record and signed by the Chair.

C108 **SECTION 256 HEALTH INEQUALITIES FUNDING OPTIONS APPRAISAL AND USE OF FUNDS**

Consideration has been given to the options appraisal for use of Health Inequalities funding and to the proposal to allocate funding to Citizen's Advice Gateshead, as one of the selected options to help tackle health inequalities.

- RESOLVED -
- (i) That the options developed to support implementation of the Health and Wellbeing Strategy and to reduce inequalities in Gateshead be endorsed.
 - (ii) That the award of a grant of £760,000 to Citizens Advice Gateshead, to enable continuation of services currently funded through Contain Outbreak Management Fund be approved in principle and the Strategic Director, Corporate Services and Governance be authorised to determine appropriate terms of a grant funding agreement between the Council and Citizens Advice Gateshead for this purpose.

The above decisions have been made for the following reasons:

- (A) The Section 256 Agreement specified that the funding transferred will be used specifically to address health inequalities and Public Health have developed an options appraisal, in line with identified health needs and the priorities set out in the Health and Wellbeing Strategy.

- (B) To enable the award of funding through provision of a grant agreement to Citizens Advice Gateshead.

C109

2024/25 ENERGY TARIFFS FOR GATESHEAD HEIGHTS

Consideration has been given to the following energy tariffs for HEIGHTs project residents for 2024/25:

- Heat tariffs for all HEIGHTs residents
- Electricity tariffs for HEIGHTs residents at Barford and Stretford Court.

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

RESOLVED - That the proposed heat and electricity tariffs as set out in the report be approved, to be applied for the period 1 April 2024 to 31 March 2025, with reviews each quarter and that they be communicated to HEIGHTs residents.

The above decision has been made for the following reasons:

- (A) To comply with heat and electricity supply agreements in place with customers.
- (B) To ensure the HEIGHTs scheme recovers its operating and construction costs over its lifetime.
- (C) To ensure HEIGHTs customers continue to pay fair and market reflective prices for their heating and electricity, and as soon as possible, after changes to the energy price cap.

C110

KINGSMEADOW SCHOOL – BASIC NEEDS SCHEME

Consideration has been given to the scheme and estimate to create additional school places at Kingsmeadow School.

RESOLVED - That the scheme and estimate of £3.4m be approved and the Service Director, Property and Assets be authorised to enter into a contract with Pinnacle Schools (Gateshead) Ltd to provide additional spaces at Kingsmeadow School, £1.8m for the sixth form to be funded by Kingsmeadow School, and £1.6m from Basic Need Grant allocation to create the additional places for year groups 7-11.

The above decision has been made for the following reasons:

- (A) To ensure best value for money for the Council.
- (B) To enable the Council to meet its statutory requirement to provide sufficient school places.

(Councillor Haley declared a personal and non-pecuniary interest in the above matter because he is a governor at the school and withdrew from the meeting whilst the matter was under consideration).

C111

HOUSING REVENUE ACCOUNT (HRA) BUDGET AND HOUSING CAPITAL PROGRAMME

Consideration has been given to recommending the Council to approve:

- i. the proposed Housing Revenue Account (HRA) budget for 2024/25;
- ii. the proposed rent changes from 1 April 2024, in line with the Government's policy on rent setting;
- iii. the detailed proposals for the 2024/25 HRA fees and charges; and
- iv. the proposed Housing Capital Programme for 2024/25 and the indicative programme for the period 2025/26 – 2028/29.

RESOLVED -

That the Council be recommended to approve:

- (i) The Housing Revenue Account (HRA) as set out in appendix 2 to the report;
- (ii) The 7.7% rent increase from 1 April 2024 as set out in appendix 3 to the report;
- (iii) The HRA service charges as detailed in appendix 4 to the report; and
- (iv) The Housing Capital Programme for the five years 2024/25 to 2028/29 as set out in appendix 5 to the report.

The above decisions have been made for the following reasons:

- (A) To set a Housing Revenue Account for 2024/25 that is not in debit as required under the Local Government and Housing Act 1989 (Part VI).
- (B) To realise the Council's policies and objectives in relation to the Housing Strategy to maintain and enhance Council Housing provision in Gateshead.
- (C) To assist in the delivery of the Council's vision for Gateshead as set out in Making Gateshead a Place where Everyone Thrives.

C112

CAPITAL PROGRAMME 2024/25 TO 2028/29

Consideration has been given to recommending the Council to approve the proposed Capital Programme 2024/25 to 2028/29.

- RESOLVED -
- (i) That the Council be recommended to approve the Capital Programme for 2024/25 as set out in appendix 2 to the report.
 - (ii) That the Council be recommended to approve the provisional programmes for 2025/26 to 2028/29.
 - (iii) That the provisional capital financing required for the programme as set out in appendix 3 be noted and the Strategic Director, Resources & Digital be authorised to enter into prudential borrowing, which is consistent with the requirements of the Capital Programme and Council's Treasury Management Strategy.

The above decisions have been made for the following reasons:

- (A) To continue to provide investment within the borough to delivery Council priorities.
- (B) To assist with the medium- and long-term financial sustainability of the Council.

C113

FEES AND CHARGES 2024/25

Consideration has been given to recommending the Council to agree the level of fees and charges across all council services for 2024/25.

- RESOLVED -
- That the Council be recommended to:
- (i) Approve the fees and charges for 2024/25 as set out in appendix 2 to the report;
 - (ii) Authorise the Strategic Director, Resources and Digital to make any necessary adjustments to correct any errors in the schedule of Fees and Charges; and
 - (iii) In regard to fees and charges for Adult Social Services, which are subject to provider fee uplifts being agreed, delegate authority to the Strategic Director, Resources and Digital to set these revised charges in consultation with the Strategic Director, Integrated Adults and Social Care Services and the Adult Social Care Portfolio Holder.

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.

BUDGET AND COUNCIL TAX LEVEL 2024/25

Consideration has been given to recommending the Council to approve the Budget and Council Tax level for 2024/25.

RESOLVED -

That the following recommendations be made to Council:

- (1) That Gateshead's Band D council tax for 2024/25 is increased by 4.99% (including a 2% adult social care precept charge) to £2,173.77.
- (2) The revenue estimates of £306,277,247 for 2024/25 are approved.
- (3) The budgeted use of £6.834 million Earmarked Reserves in 2024/25 be approved (comprising of £0.299 million Financial Risk and Resilience, £1.535 million Thrive, and £5 million Budget Sustainability).
- (4) That the proposed budgets including the indicative schools funding presented in appendix 2 to the report be agreed.
- (5) That the outcome of budget consultation outlined in appendix 4 to the report be noted.
- (6) To note the conclusions of the Strategic Director, Resources and Digital in respect of the robustness of budget estimates and adequacy of reserves outlined in appendix 5 to the report.
- (7) That the prudential and treasury indicators set out in appendix 7 to this report be agreed.
- (8) That the method of calculating the Minimum Revenue Provision (MRP) for 2024/25 as set out in appendix 8 to the report be approved.
- (9) That it be noted that at its meeting on 23 January 2024, Cabinet agreed the following amounts for the year 2024/25 in accordance with regulations made under Section 31B (3) of the Local Government Finance Act 1992 as amended by the Localism Act 2011:
 - (a) **54,041.1** 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) **1,227.7** 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 2024/25 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) **£600,799,616** 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) **(£483,314,228)** being the aggregate total of the income amounts, which the Council estimate for the items, set out in Section 31A (3) of the Act;
 - (c) **£117,485,388** 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) **£2,174.0007** 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) **£12,467.00** being the aggregate amount of all special items (Lamesley Parish Council) referred to in Section 34 (1) of the Act;
 - (f) **£2,173.7700** 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
£2,183.9248 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	6.77	1,449.18
	B	7.89	1,690.71
	C	9.02	1,932.24
	D	10.15	2,173.77
	E	12.41	2,656.83
	F	14.66	3,139.89
	G	16.92	3,622.95
	H	20.30	4,347.54

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 2024/25, 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	121.23	63.41
B	141.43	73.97
C	161.64	84.54
D	181.84	95.11
E	222.25	116.25
F	262.66	137.38
G	303.07	158.52
H	363.68	190.22

- (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 2024/25 for each of the categories of dwellings shown below:

Valuation Band	Lamesley Parish £	All other parts of the Council's area £
A	1,640.59	1,633.8
B	1,914.00	1,906.11
C	2,187.44	2,178.42
D	2,460.87	2,450.72
E	3,007.74	2,995.33
F	3,554.59	3,539.93
G	4,101.46	4,084.54
H	4,921.74	4,901.44

- (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 2024/25 is not excessive in accordance with the principles determined under section 52ZC of the Act.

The above decisions have been taken to fulfil the Council's statutory duty to set the Budget and Council Tax for 2024/25.

C115

PROPOSAL TO CONSULT ON AN OPTIONS REVIEW OF COLEGATE COMMUNITY PRIMARY SCHOOL

Consideration has been given to proposed consultation on an Options Review of Colegate Community Primary School.

RESOLVED - That a consultation on the Options Review of Colegate Community Primary School, as set out in the report be approved.

The above decision has been made for the following reasons:

- (A) Colegate Community Primary School carries a large financial deficit, which is forecasted to increase.
- (B) Over the last 3 years, the school roll has fallen to less than a 50% intake despite every effort by the Leadership of the school to increase.
- (C) The school's financial difficulties are compounded by a falling birth rate leading to a reduced intake in future years.
- (D) There are no new housing developments planned for the area which may have increased the intake.
- (E) The school is currently judged requires improvement by Ofsted, making it a less attractive option for parents.

C116 **FRAMEWORK FOR CONSIDERING APPLICATIONS FROM INDEPENDENT SCHOOLS APPLYING TO MOVE INTO THE MAINTAINED SECTOR**

Consideration has been given to the proposed framework for use by the Council when considering applications from independent schools seeking to open a new maintained school to replace an independent school.

RESOLVED - That the proposed framework to assess applications by independent schools that seek to join the maintained sector, as set out in appendix 2 to the report be approved.

The above decision has been made for the following reasons:

- (A) The framework will assist the Council in its decision making.
- (B) Prospective applicants will be clear about the Council's expectations.

C117 **HIGHWAY ASSET MANAGEMENT PLAN - ANNUAL UPDATE**

Consideration has been given to the annual update of the highway asset management plan (HAMP) 2018-30, which provides the latest performance information and details of progress with key targets in the plan.

RESOLVED - That the updated HAMP targets 2018 to 2030 as set out in appendix 3 to the report be approved.

The above decision has been made for the following reasons:

- (A) To optimise investment in the local transport network.
- (B) To provide the basis for improved management and maintenance of Gateshead's highway network and to ensure the effective use of resources.
- (C) To maximise external funding streams awarded to highway authorities who conduct effective highway management.
- (D) To introduce measures to reduce carbon production in highway maintenance materials and operational maintenance procedures.

C118 **NORTH EAST SCREEN INDUSTRIES PARTNERSHIP**

Consideration has been given to entering into an Inter-Authority Agreement (IAA) relating to the North East Screen Industries Partnership (NESIP) and to provide the financial contribution for 2023/24 in accordance with the agreement.

RESOLVED - (i) That the Strategic Director, Economy, Innovation and Growth, in consultation with the Strategic Director Corporate Services and Governance, the Leader of the Council and Portfolio

Holder for Economy, be authorised to agree the final IAA in connection with NESIP on the terms as set out in the report and such other terms as may be approved.

- (ii) That a financial contribution of £158,481 for the period 2023/24, to support NESIP pursuant to the terms of the above agreement be approved.

The above decisions have been made for the following reasons:

- (A) To support the delivery of the Council's Economic Development Strategy.
- (B) Specifically to increase opportunities for the development of media content businesses to grow or locate in Gateshead to provide more and better jobs for Gateshead residents.

C119 **METROGREEN AREA ACTION PLAN - DRAFT PLAN FOR PUBLIC CONSULTATION**

Consideration has been given to the proposal to undertake consultation on the Draft MetroGreen Area Action Plan and Sustainability Appraisal.

- RESOLVED -
- (i) That the Draft MetroGreen Area Action Plan and Sustainability Appraisal be approved for a minimum of 6 weeks public consultation in accordance with Regulation 18 of the Local Planning Regulations.
 - (ii) That the Strategic Director, Economy Innovation and Growth, in consultation with the Portfolio Holder for Environment and Transport, be authorised to make minor changes necessary to the plan, prior to release for public consultation.

The above decisions have been made for the following reasons:

- (A) To progress the Draft MetroGreen Area Action Plan through the various stages of consultation on its way to adoption as part of the development plan for Gateshead Council.
- (B) To support the regeneration of the Metrocentre and the surrounding area.
- (C) Public consultation is a key part of local plan preparation, feedback from the public and stakeholders will be considered in preparing the Draft Local Plan.

C120 **REGISTRATION AS A RESPONSIBLE BODY FOR THE USE OF CONSERVATION COVENANTS**

Consideration has been given to the proposal for the Council to be registered as a Responsible Body with the Department for Environment, Food and Rural Affairs (DEFRA)

for the purpose of entering into conservation covenants and so initially it may benefit in using its land for the benefit of off-site biodiversity net gain.

- RESOLVED -
- (i) That the proposal for the Council to apply to DEFRA to be registered as a Responsible Body for the purpose of entering into conservation covenants be approved.
 - (ii) That the Service Director for Climate Change, Compliance, Planning and Transport be given delegated authority to enter into conservation covenants.

The above decisions have been made to ensure that the Council is ready as a landowner to meet the opportunities that changes in legislation provide, to manage its landholding and maximise biodiversity net gain.

C121

COMMUNITY ASSET TRANSFER - FORMER BOWLS PAVILION, CHOPWELL WELFARE PARK, CHOPWELL

Consideration has been given to the Community Asset Transfer by the grant of a 25-year lease in relation to the former Bowls pavilion, Chopwell Welfare Park, Chopwell.

- RESOLVED -
- That the grant of a 25 year lease to Bibliotheca Magica Community Interest Company, in line with the Council's Community Asset Transfer Policy by the Council in its capacity as Trustee, be approved, subject to the necessary consents being obtained from the Coal Industry Social Welfare Organisation and the Charity Commission.

The above decision has been made for the following reasons:

- (A) To manage the Trust's assets in line with the objects of the Trust and in line with the Council's Corporate Asset Strategy and Management Plan.
- (B) To realise savings for the Trust.

C122

SURPLUS DECLARATIONS – DISPOSAL AND COMMUNITY ASSET TRANSFERS

Consideration has been given to the following properties being declared surplus to the Council's requirements:

- Land adjacent to former Clasper Village, Teams
- Playing Field and Changing Room at Axwell View, Winlaton
- Former Changing Room, South Street, High Spen

- RESOLVED -
- (i) That in respect of land adjacent to former Clasper Village the property be declared surplus to the Council's requirements so that it can be sold for development on the open market as part of the larger site shown edged black and hatched on the plan attached to the report.

- (ii) That in respect of the Playing Fields and Changing Room at Axwell View, Winlaton, subject to the proposed disposal being advertised as required by Section 123(2A) of the Local Government Act 1972, the property shown edged black on the plan attached to the report, be declared surplus to the Council's requirements and the Strategic Director, , Housing, Environment and Healthy Communities be authorised to grant a 35-year lease subject to an annual rent of £1565 and 5 yearly rent reviews, pursuant to the Council's Community Asset Transfer policy to Winlaton Community Football Club Community Interest Organisation.
- (iii) That in respect of the former Changing Room at South Street High Spen, subject to the proposed disposal being advertised as required by Section 123(2A) of the Local Government Act 1972, the property, shown edged black on the plan attached to the report, be declared surplus to the Council's requirements and a 35-year lease at nil consideration be granted to High Spen Social Action Community Interest Company, pursuant to the Council's Community Asset Transfer policy.

The above decisions have been made for the following reasons:

- (A) To manage resources and rationalise the Council's assets in line with the Corporate Asset Strategy and Management Plan.
- (B) To encourage the building of sufficient new homes using land sustainably and prioritising the use of brownfield land.
- (C) To encourage asset transfers of changing rooms/ football pitches as part of Playing Pitch Strategy.

C123 **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.

C124 **EAST STREET FLATS ENERGY IMPROVEMENT WORKS**

Consideration has been given to the proposal to appoint Gateshead Energy Company to design heating systems upgrades and new heat supply arrangements for East Street Flats and to award a design and pre-construction contract to Kier Places for the development of an external wall insulation and window replacement scheme.

RESOLVED - (i) That the appointment of Gateshead Energy Company (GEC) to design heating systems upgrades and new heat supply arrangements for East Street Flats, at a cost of the amount set out in the report, be approved.

- (ii) That the award of a design and pre-construction contract to Kier Places, through the SCAPE Framework, for an external wall insulation and window replacement scheme as set out in the report be approved.

The above decisions have been made for the following reasons:

- (A) To continue to deliver Council priorities around reducing fuel poverty, energy consumption and carbon emissions.
- (B) To improve and secure the sustainability of East Street Flats.
- (C) To help secure external grant funding to support capital investment as part of the Council's Capital Programme.

C125

GATESHEAD COUNCIL TRADING COMPANIES ANNUAL UPDATE

Consideration has been given to an update on the current trading activity undertaken through subsidiaries wholly owned by the Council for the period 2022/23 and, where available, activity in 2023/24.

- RESOLVED -
- (i) That the report outlining company activity to date including the contribution to Council Thrive priorities at appendix 1 and financial performance at appendices 2-4 to the report be noted.
 - (ii) That each of the Council's wholly owned trading companies be subject to a review to determine their future operations and requirements.
 - (iii) That a further annual report be submitted to Cabinet in due course, covering the 2023-24 performance of the Council's wholly owned trading companies.

The above decisions have been taken for the following reasons:

- (A) To contribute to the sound governance, operational and financial management of the Council's wholly owned subsidiary companies.
- (B) To support achievement of Thrive priorities through the Council's trading companies.
- (C) To assist effective financial and performance oversight and awareness of all Council activity, regardless of delivery model.

C126

COLIN HUNTINGTON - STRATEGIC DIRECTOR, HOUSING, ENVIRONMENT AND HEALTHY COMMUNITIES

The Chair acknowledged that this was Colin Huntington's last meeting before his

retirement and on behalf of Cabinet thanked him for his service to the Council and wished him a long and happy retirement.

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

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

Publication date: 22 February 2024

Chair.....