



# COUNCIL MEETING

2 February 2017

## GATESHEAD COUNCIL

### REPORT FROM THE CABINET

#### 1. PURPOSE OF THE REPORT

This is the report from the Cabinet. Its purpose is to report on issues for the period December to February 2017.

#### PROGRESS ON KEY ISSUES

#### 2. PEOPLE

##### *Adult Social Care*

##### **Special Olympics**

On 19 December 2016, Special Olympics Gateshead Tyne & Wear, a sporting club that provides weekly sports training and competition opportunities for people with disabilities, held its 3<sup>rd</sup> Annual awards night at the Teams Social Club in Gateshead. The awards night provided recognition for the sporting endeavours of the club's 113 athletes. Lawrie McMenemy (Former Assistant England Football Manager) and Josef Craig (Paralympian Gold Medallist) were attendees of the event to provide trophies and medals to the club's athletes for their achievements this year.

Both Lawrie and Josef signalled out the exceptional level of success that the sporting club has attained in 2016 by:

- Winning the 'Putting People First / Personalisation' award at the 2016 Great Britain Care Awards in Birmingham;
- Winning the 'Outstanding Sports Club' award at the 2016 North East Disability Sports Awards;
- Achieving a 2<sup>nd</sup> Great Britain international when Sarah Scott (Judo) represented Great Britain at the 2016 World Games in Los Angeles, USA;
- Having 38 Gateshead Tyne & Wear athletes selected to represent the 'Northern' region at the 2017 Special Olympics National Summer Games in Sheffield;
- Commencing the sporting club's Motor Activities Training Programme for athletes with profound and multiple learning disabilities;
- Expanding the sporting club across the Tyne & Wear region;
- Securing children with disabilities into the sporting club.

#### 3. PLACE AND ECONOMY

##### *Environment and Transport*

##### High-Rise Energy Infrastructure for Gateshead Housing Tenants (HEIGHTs)

The project will install new district heat and/or power systems to seven High Rise Housing blocks across Gateshead, to be complete by December 2018. In the Bridges Ward Regent Court will be connected to the Town Centre district energy scheme. In

Chowdene Ward, Ripley, Willerby, Acomb, Bedale and Angel Courts will be supplied by heat from new ground source heat pumps, whilst Stretford and Barford Courts will be supplied with heat and power from a small combined heat and power plant.

Tenants and leaseholders will be supplied energy at rates discounted compared to the market average, to help reduce energy bills. The estimated capital cost of this scheme is estimated to be £11.6m, with £4.5m paid by ERDF grants, and the remainder funded from the Housing Revenue Account initially which will be repaid in full over 25 years from the energy sales and government renewable heat subsidies.

#### Bringing Plastic District Heating Technology to the UK

This project will install a new district heat and private wire connection from the Town Centre District Energy scheme to Gateshead Leisure Centre area. The project will use a new type of plastic district heating pipe, which will be brought to the UK for the first time. The project should increase carbon and cost savings to the Council. The estimated cost of this scheme is in the region of £2.35m, with £0.86m paid by ERDF grant, and the remainder funded from the Council's capital programme, which will be repaid in full over the life of the new energy network.

#### Land of Oak and Iron

The Stage 1 application for £650,000 to Heritage Lottery Fund (HLF) Heritage Grants for the Land of Oak & Iron Heritage Centre at Winlaton Mill has been approved. The Stage 2 HLF submission is likely to be made in March with the funding decision in June or July. An allocation of £460,000 from the Rural Growth Network already has Stage 1 approval and the HLF confirmation should help deliver a Stage 2 approval; the bid will be submitted in January. Planning permission is already in place for the £1.3m scheme and it is possible that construction could start on site in the late summer of 2017 and could complete in mid-2018.

The design is in the shape of a water wheel which was inspired by the revolutionary iron works at 'Old' Winlaton Mill. Sir Ambrose Crowley's iron works were established in the 1690s and used water wheels to harness the power of the river Derwent. They became the first fully integrated iron founding and iron goods manufacturing plant in Europe. The Heritage Centre will showcase this distinctive heritage and will feature a café and shop specialising in local produce. It will contribute more than half a million pounds to the local economy every year. The setting is within a country park that provides walking and cycling routes in all directions.

### ***Housing***

#### Gateshead Residential Development Network Event

The Housing Growth Unit coordinates the Gateshead Residential Development Network in conjunction with Development Management. This is a quarterly forum for people involved in the housebuilding industry to engage with the Council to facilitate investment in Gateshead. This quarter, the Network is focusing on small and medium housebuilding enterprises.

A session was held on 11 January 2017 featured an update on recent measures designed to breakdown some of the obstacles commonly reported by SME housebuilders, such as:

- New planning measures in for example Planning in Principle (PIP) whereby brownfield sites meeting the criteria are required to have a PIP identifying acceptable uses and development capacity,
- The HCA's new Home Building Fund offering tailored finance to SME's and,
- Information for SME's on the process of land sale adopted by the Council and how SME's can find out about development opportunities.

The event featured three case studies of development opportunities in Gateshead to offer insight and practical illustration of how planning and finance can be constructed to enable small scale development to take place.

There are currently 55 individuals registered to attend, comprising a mixture of small and medium sized companies, architects, finance intermediaries and housing associations (eligible for the HCA's Home Builders Fund).

The focus of the event was part of an ongoing work stream to engage with SME housebuilders who are seen as an important source of potential new supply and can offer the following benefits that are sometimes absent from large volume housebuilders:

- Rapid start on site as SME housebuilders can rarely afford to bank sites and need to realise assets quickly;
- Utilisation of smaller sites with capacity below an output of 30 homes. These sites are discounted by volume housebuilders;
- The range of profit return required to commence a project can be lower;
- SME's often employ local trades and some retain in-house trade teams;
- Expenditure on development is more likely to be retained in the Gateshead economy;
- SME's have a diversified pattern book of house types;
- Some are exploring and utilising new technology to reduce build costs and increase quality and housing efficiency;
- Housing Association output is critical to maintain the supply of affordable housing and smaller associations are a vital part of the SME housebuilding market.

## ***Economy***

### Benefits/Universal Credit Update

The Welfare Reform Act 2012 introduced a range of reforms to the welfare benefit system, the 'flagship' reform being the replacement of a number of existing benefits with a new Universal Credit.

#### *Universal Credit*

The rollout of Universal Credit (UC) is organised by Job Centre boundaries rather than by local authority area.

So far the implementation of UC in Gateshead has generally been for new claimants who are single persons and have no dependants.

The next phase of implementation using the digital platform is termed the "full service" by the DWP. The rollout of the full service for the Gateshead Job Centre area is

scheduled for October 2017, with the Blaydon Job Centre area following soon after in November 2017.

#### *Benefit Cap*

A benefit cap of £26,000 was introduced in 2013 (£18,200 for single persons with no dependants) which initially affected 15 council tenants. The cap has now reduced to £20,000 (£13,400 for single persons with no dependants), with 115 council tenants affected.

#### *Local Housing Allowance Cap*

Recently announced amendments to the policy mean that the cap on housing benefit will now begin in April 2019. The cap will include supported or sheltered tenancies and all tenants in receipt of Universal Credit regardless of tenancy date.

The cap will be at the relevant Local Housing Allowance (LHA) rate, in line with social housing size eligibility (i.e. it is not the actual property size that counts, but the household eligibility, assessed in the same way as for bedroom tax)

The current weekly LHA rates in Gateshead are:

Shared room	£60.00 (applies to single persons under 35)
1 bedroom	£90.90
2 bedrooms	£103.56
3 bedrooms	£115.07

As such most single persons aged under the age of 35 without dependants will only be eligible to claim housing benefit at the shared room rate.

#### *Housing and Planning Act 2016*

A Ministerial statement released on 21 November 2016 stated that the Rents for Higher Income Social Tenants (HIST) or the "Pay to Stay" policy would no longer be compulsory for councils. The statement did however reiterate the Government's commitment to the introduction of fixed term tenancies. A further announcement was made on 24 November 2016 which stated that the Government will not be requesting any sale of high-value asset payments during 2017/18.

## **4. COMMUNITIES**

### ***Communities and Volunteering***

#### *Community Champion Finalist Award*

The Evening Chronicle runs an annual awards scheme which celebrates unsung heroes in the North East.

Norma Bolton, the acting chairperson at Kibblesworth Village Millennium Centre, a local registered charity, was nominated by the Centre's users to receive an award. After being shortlisted from a field of 30 Norma attained the runners up award in the community champion category. The award was granted to Norma for the many years she has selflessly devoted to volunteering at the Millennium Centre and supporting the local community.

## ***Culture, Sport and Leisure***

### **Go Gateshead**

During January, the new brand of the 'Go Gateshead Sport & Leisure' service was launched through a major brand campaign. The brand aims to support the new approach to increase sales of health and fitness memberships. A major focus of the launch has seen significant rise in digital marketing as well as print, and the brand will be visible in areas such as metro stations, Metrocentre, Newcastle Airport, and billboards and bus stops across the Borough.

January is a key time of the year within the industry when individuals search for the best health and fitness offer as part of a new years' resolution, and the service has also engaged a recruitment agency to employ two sales managers to assist the rebrand of the service and support achieve income targets.

This temporary arrangement is a result of a failed recruitment exercise earlier in the year, and it is hoped that the recruitment agency will support the service secure a longer term appointment, which is crucial to the sustainability of the service.

## **5. CONCLUSION**

The Council is asked to note this report.