

# Cabinet

**14 November 2016**

**Present:** N Redfearn (Elected Mayor) (in the Chair)  
Councillors CA Burdis, EN Darke, R Glindon, IR Grayson,  
M Hall, JLL Harrison, CB Pickard, JJ Stirling and  
A Waggott-Fairley

**In Attendance:** K Archer (Young Mayor)  
R Layton (North Tyneside JTUC)  
D Rose (Business Sector)  
Councillors J M Allan, J Cassidy and P Oliver  
Rev M C Vine

## **CAB73/11/16 Apologies**

Apologies were received from A Caldwell (Age UK).

## **CAB74/11/16 Declarations of Interest and Dispensations**

Councillors R Glindon and CB Pickard each declared a registerable personal interest in item 6(c) North Tyneside Trading Company – Strategic Business Plan (Minute CAB81/11/16) and item 8(a) Delivering Housing Growth through the North Tyneside Trading Company (Minute CAB90/11/16), as they were both Directors of North Tyneside Trading Company, North Tyneside Trading Company (Consulting) Limited and North Tyneside Trading Company (Development) Limited. A dispensation had been granted to both Councillors Glindon and Pickard in relation to the main Trading Company appointment.

Councillor R Glindon also declared a non-registerable personal interest in item 6 (j) Review of Parliamentary Constituency Boundaries (Minute CAB88/11/16), as his wife was a Member of Parliament.

## **CAB75/11/16 Minutes**

**Resolved** that the Minutes of the meeting held on 17 October 2016 be confirmed and signed by the Chair.

## **CAB76/11/16 Report of the Young Mayor**

The Young Mayor reported on the following activities in which he, Young Cabinet Members and/or Youth Councillors had been involved:

- The Young Mayor had attended the Remembrance Day Services at North Shields War Memorial and the Links War Memorial.
- Youth Councillors, Children in Care Council members and young people from The Base had taken part in the young person's Health Watch consultation at the Old Low Lights Heritage Centre.
- The Young Mayor had attended the North Tyneside in Bloom Awards evening and presented the schools award.

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- Young Cabinet Members and the Young Mayor had visited the Fire Station Headquarters at Bramston Mere, Sunderland, and had taken part in training.
- The digital civics group, along with Newcastle University students and the Authority's planning team, had attended a site visit to Murton as part of research into how to consult effectively with young people in relation to town planning.
- The Young Cabinet Member for Ready for Work and Life had visited the site of the old Fenwick Pit Heap. Information had been given about the possibilities for any future development as part of the North Tyneside Strategic Partnership Greener North Tyneside Board.
- Working groups had continued their project work;
  - The Young People's Health and Wellbeing group were developing an App around Obesity
  - The Ready for School group were developing a handy tips poster for exam revision
  - The Active Lifestyles group were contributing to the Young Mayor's Games which were to be held in December
  - The Anti-Bullying group were looking at resources for homophobic bullying which would link to the Your Present Your Future Anti-Bullying Standards
  - The Ready for Work and Life group were supporting the First Savers Scheme which was coordinated by North Tyneside Credit Union. The group were also keen to see an increase in recycling
- The Deputy Young Mayor had enjoyed a visit to Westminster, where she had attended the UK Youth Parliament debate in the House of Commons to debate the top five topics from the 2016 Make your Mark Ballots.

The Elected Mayor thanked the Young Mayor for the report, and commended him and the Youth Councillors for getting involved in important issues and contributing to the way forward for this Council.

### **CAB77/11/16 Report of the Bereavement Services Sub-Group (All Wards)**

Cabinet received a report detailing the recommendations of the Overview, Scrutiny and Policy Development Committee in relation to its review of Bereavement Services.

Reverend M Vine, presented the report on behalf of the Bereavement Services Sub-Group, and was accompanied by Councillor J M Allan, Deputy Chair of the Overview, Scrutiny and Policy Development Committee.

The Bereavement Services Sub-Group had been established by the Overview, Scrutiny and Policy Development Committee following concerns raised in relation to the level of information and guidance available to the bereaved at an emotional and stressful time.

The Sub-Group had met on two occasions and had also visited Preston Cemetery and Crematorium to see first hand the facilities available which included the customer front door services and back office accommodation/working environment.

The Sub-Group had made a total of 12 recommendations for Cabinet's consideration. The full report which outlined the key findings, conclusions and recommendations of the review was attached at Appendix 1.

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Cabinet was asked to consider the recommendations and was required to provide a response to the Overview, Scrutiny and Policy Development Committee within two months.

The Elected Mayor thanked the Sub-Group for the report.

**Resolved** that the report of the Overview, Scrutiny and Policy Development Committee on bereavement services be noted, and a detailed response to the recommendations be provided at a future Cabinet meeting, no later than January 2017.

(Reason for decision – Cabinet has a statutory duty to respond to the Overview, Scrutiny and Policy Development Committee’s recommendations within two months of receiving them.)

### **CAB78/11/16 Report of the Attention Deficit Hyperactivity Disorder Sub-Group (All Wards)**

Cabinet received a report detailing the recommendations of the Overview, Scrutiny and Policy Development Committee in relation to a study undertaken by a Sub-Group of the Children, Education and Skills Sub-Committee, into the support for Attention Deficit Hyperactivity Disorder (ADHD) in North Tyneside.

Councillor P Oliver, Chair of the ADHD Sub-Group presented the report, and was accompanied by Councillor J Cassidy and Rev M C Vine, members of the Sub-Group, and Councillor J M Allan, Deputy Chair of the Overview, Scrutiny and Policy Development Committee.

On 16 February 2015, the Children, Education and Skills Sub-Committee had considered a report produced by the Authority’s Disability and Additional Needs Service which had provided an update on ADHD, detailed the recommendations of the clinical guidelines produced by the National Institute for Health and Clinical Excellence (NICE) and provided some local context and information with regards to provision in North Tyneside. The Sub-Committee had agreed to establish a Sub-group in the 2015/16 municipal year to examine the support provided for children with ADHD and their families.

The focus of the study was the support provided for children with ADHD and their families with the objective of scrutinising current services available for those diagnosed with ADHD, across both social care and health, and to make recommendations on how the current provision could be improved.

The Sub-Group had met on a number of occasions to receive information and discuss their findings and had also met with officers from the local authority. To gain an understanding of the services available in the borough the Sub-Group had also met with parents, teachers, special education needs co-ordinators and health professionals.

As a result of the study the ADHD Sub-Group had identified ten recommendations for submission to Cabinet. The full report which outlined the key findings, conclusions and recommendations of the review was attached at Appendix 1.

Cabinet was asked to consider the recommendations and was required to provide a response to the Overview, Scrutiny and Policy Development Committee within two months.

The Elected Mayor thanked the Sub-Group for the report.

**Resolved** that the Overview, Scrutiny and Policy Development Committee study into ADHD be noted and a detailed response to the recommendations be provided at a future Cabinet meeting, no later than January 2017.

(Reason for decision – Cabinet has a statutory duty to respond to the Overview, Scrutiny and Policy Development Committee’s recommendations within two months of receiving them.)

### **CAB79/11/16 2016/17 Financial Management Report to 30 September 2016 (All Wards)**

Cabinet considered a report which outlined the Authority’s financial position as at 30 September 2016 and sought Cabinet’s approval to revisions to the Authority’s Investment Plan.

The report included forecast outturn positions for 2016/17 for the General Fund, the Housing Revenue Account (HRA), Schools’ finance and the Investment Plan, including a summary of projects to be delivered during 2016/17.

The forecast pressure for the General Fund Revenue Account had reduced slightly, to £4.744m. There had been some underlying improvement in the risks associated with the delivery of the 2016/17 budget; however, the headline pressure had only marginally improved. Pressures arising from demand in Adult and Children’s Social Care, the impact of the Living Wage on care providers (and the price for services the Authority then had to pay) and the delivery of some aspects of the Creating a Brighter Future Programme continued to be forecast. All services continued to develop and deliver actions to mitigate these financial pressures and the out-turn forecast was expected to improve through the year. In addition, non essential spend continued to be minimised along with a detailed review of demand led projections in order to reduce the over-commitment. The regular review of the Investment Programme delivery would consider the impact on cash flow and resulting cost of borrowing.

The HRA was forecast to have year-end balances at 31 March 2017 of £4.362m, which was £1.447m higher than budget. The higher than forecast balances were as a result of higher opening balances due to the impact of previous years’ financial performance (£0.787m). The forecast in-year was an estimated under spend of £0.660m.

The report included an update in respect of work in progress with regard to 2016/17 school funding.

The Investment Plan for 2016/19 had been adjusted for reprogramming, as detailed in Annex 1 to the report, and was £205.289m. Reprogramming of £15.646m and variations of £0.050m in 2017/18 were proposed in the report. The report also set out delivery progress to date and planned delivery for 2016/17.

Cabinet considered the following decision options: either to agree the recommendations as set out in Section 1.2 of the report, or alternatively to disagree with the proposals.

**Resolved** that (1) the budget monitoring position, as at 30 September 2016, be noted; (2) the receipt of the new revenue grants be approved; (3) the level of spend on the Investment Plan, as at 30 September 2016, be noted; (4) the reprogramming of £15.646m and variations of £0.050m within the 2016/19 Investment Plan be approved; and

(5) the virement of £0.220m from the Northumberland Square Project to the Coastal properties project be approved.

(Reason for decision - It is important that Cabinet continues to monitor performance against the budget, especially given the current level of financial pressures faced by the public sector.)

### **CAB80/11/16 Schools Finance (All Wards)**

Cabinet considered a report which detailed the financial position of North Tyneside schools as at 31 March 2016, provided an update on the 2016/17 position and provided an overview of the approach to the Authority's Local Funding Formula for Schools for the financial year 2017/18.

During 2015/16 overall maintained school balances in North Tyneside had decreased from £7.637m at 31 March 2015 to £6.982m at 31 March 2016.

Total maintained school balances did not include those of Academies in the borough. The balances reported nationally included committed balances, i.e. amounts the school had committed to spend on specific projects. The actual balances for forward planning purposes were normally lower, as they included elements that the school planned to spend in future periods. Details were set out in Appendix 2 of the report, as Uncommitted Balances, unless stated otherwise; the balances referred to in the report were the total school balances.

The slight decrease in overall maintained school balances had reversed the long term trend of rising balances in North Tyneside for over ten years, this was in line with the budget planning for 2015/16 which had identified an expected reduction in balances. Whilst national and regional benchmarking data was not available up to 2016, Appendix 1 to the report, outlined the most up to date information available. This showed a long term trend of narrowing of the gap between North Tyneside and national and regional comparator groups.

Whilst the long term trend of increasing balances in North Tyneside schools was positive in terms of financial sustainability, this position was significantly different to that predicted at the start of the financial year when schools had submitted their budget plans. In the May 2015 budget submissions, uncommitted balances had been forecasted to be in the region of £1.506m. This compared with an uncommitted balance of £3.339m at 31 March 2016, so the actual balance was significantly higher. Schools had been reminded of the need to forecast as accurately as possible, so that decisions were taken in light of accurate budget projections.

As at 31 March 2016 there were seven schools in deficit, compared to four schools as at 31 March 2015. The value of the total deficit had increased to £1.855m, up from £0.580m in the previous year. This increase reversed the longer term trend of reducing deficit balances, both in terms of the number of schools and the value of the deficits. Further information on this trend was included in Table 2 of the report.

There were various reasons leading to schools finding themselves in a deficit position, but generally this was caused by a combination of increased employment costs and decreased pupil numbers, which was especially the case in some secondary schools.

The Authority had held a school excess surplus balances policy since March 2007. Whilst this was no longer a mandatory requirement of the DfE, in September 2012 the School Forum had agreed to maintain the policy, with minor updates.

As at 31 March 2016 there were no schools in North Tyneside considered as having an excess surplus balance. In consultation with the School Forum it had been agreed that there would be no claw back of funds from schools relating to 2015/16. An extract of the Section 251 return detailing individual North Tyneside maintained school balances at 31 March 2016 was included as Appendix 2 to the report.

Maintained mainstream schools had received their individual budget share (delegated budget) from the Local Authority by the 31 January 2016 deadline and had submitted their three year revenue budget plans (starting with 2016/17) by 31 May 2016 as required.

Eight schools had been granted deficit approval for 2016/17, an increase of two schools and, notably, requesting significantly higher balances (£4.809m compared to £2.520m in the previous year).

Following a challenge process, eight schools had received deficit approval for 2016/17 of which two schools had received provisional approval, subject to additional work that had been requested and should be concluded later this term. The current level of approved and provisional deficits was £4.809m. In view of the significant increase in the overall value of the deficits approved, several of the schools, as part of their deficit approval agreement, would be subject to additional scrutiny from Finance, HR, Schools Improvement and Schools Forum.

Members had been kept informed regarding the position on 2016/17 schools funding through the Financial Management reports to Cabinet every two months. Within these reports, information had been provided regarding the Government's intention to move towards a national funding formula for schools.

It had been expected that the Education Funding Agency (EFA) would introduce new elements to the funding blocks and/or criteria that had to be used by all authorities in England when setting the local formula. However, the timescales for this transition had been extended and there were minimal changes to the funding formula criteria for 2017/18. One change was around the timetable for updating the EFA with local arrangements. In previous years an indicative submission was required in October setting out the factors to be applied within the formula, but this requirement had been removed. Instead, a single submission of the final formula would be made in January 2017.

Officers had been in discussion with North Tyneside Schools Forum regarding the mainstream funding formula and a consultation exercise was currently underway. The outcome of this would be reported to the Schools Forum over coming months ahead of the formal submission in January.

The Schools Forum would also be considering certain elements of funding that were held centrally within the funding allocations (known as centrally retained and de-delegated items) which were applied to benefit pupils across the borough. Consultation was also underway locally and nationally regarding early years and high needs funding.

The key dates which must be met in setting 2017/18 school budgets were detailed in the report.

Cabinet considered the following decision options:

Option 1: Agree to undertake the resource allocations to schools for 2017/18 in line with the proposal outlined in section 1.2 of the report.

Option 2: Not agree to undertake the resource allocations to schools for 2017/18 in line with the proposal outlined in section 1.2 of the report.

**Resolved** that (1) the change in school balances, as detailed in the report, be noted; (2) the Head of Commissioning and Investment and the Head of Finance be authorised, in consultation with the Cabinet Member for Children, Young People and Learning, to undertake resource allocations to schools for 2017/18 in line with the school funding arrangements set out in the report; and (3) a further report be submitted to Cabinet on the progress schools are making in addressing their financial challenges.

(Reason for Decision – The proposal is compliant with the required EFA guidance and legislation, and has been subject to consultation with the Schools Forum as well as all schools in the Borough.)

### **CAB81/11/16 North Tyneside Trading Company – Strategic Business Plan (Previous Minute CAB87/11/15) (All Wards)**

(Councillors R Glindon and CB Pickard took no part in the discussion or voting on this Item).

Cabinet received a report seeking approval of the Trading Company's Strategic Business Plan 2016-19.

The Trading Company was required to have a Strategic Business Plan that provided a sense of direction for the Trading Company, and that was intended to guide business development. The Board of Directors had reviewed and refreshed the Strategic Business Plan for 2016 – 2019. It detailed the Trading Company's history; governance; mission; approach to appraising business opportunities; assets; products and services; and risks.

Part of the Plan set out how the Trading Company would support the delivery of the Authority's Affordable Homes Programme. This had already commenced with the Trading Company's use of the Reed Avenue site for the development of 13 homes for affordable rental following a Cabinet decision on 9 March 2015. Construction of the homes was currently underway with anticipated completion in March 2017. A lettings policy had been developed for the homes with an emphasis on applicants demonstrating a local connection. Applications received would be assessed in line with the lettings policy.

The Authority was also exploring sites to be developed for either market sale or market rental properties and / or a mix of property. If Cabinet approved this strategy and asked the Trading Company to deliver it, the Company would need to set up two new subsidiaries, North Tyneside Trading Company (Commercial Sale) Limited and North Tyneside Trading Company (Commercial Rental) Limited as this was the most efficient structure for tax purposes.

Opportunities for the development of sites and other potential trading options would be considered and presented to Cabinet for consideration at the appropriate time.

The full Strategic Business Case was attached as an Appendix to the report.

Cabinet considered the following decision options:

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Option 1: To approve the North Tyneside Trading Company's Strategic Business Plan 2016-19.

Option 2: Not approve the North Tyneside Trading Company's Strategic Business Plan 2016-19 and refer the Business Plan back to the Trading Company to examine further options/opportunities.

**Resolved** that the North Tyneside Trading Company Strategic Business Plan 2016-19 be approved.

(Reason for Decision – It will allow the Trading Company to continue with the activities set out in the Strategic Business Plan, including continuing the development of the Reed Avenue site for the purpose of creating new affordable homes and potentially delivering homes for commercial sale and /or market rental).

### **CAB82/11/16 Library Strategy 2016-2021 (Previous Minute CAB22/07/16) (All Wards)**

Cabinet received a report seeking approval of the Library Strategy 2016-21.

Major improvements had been made to library provision in North Tyneside over the past five years. The aspirations for the development of the service over the next five years were set out in a Draft Library Strategy 2016-21, which Cabinet had agreed should be subject to public engagement over the summer.

The draft strategy outlined six priorities: Books for the best start in life; Reading to improve life chances; Digital literacy; Information for life; Learning throughout life; and Libraries for a healthier life. The priorities reflected those of the Society of Chief Librarians, Arts Council England and the National Libraries Task Force.

Public engagement had been programmed over the summer to test these priorities with customers in North Tyneside. The outcomes from this process had informed the final strategy to be considered by Cabinet. A summary of the key responses from the engagement exercise, which showed significant public support for library services, was included at Appendix 2 to the report.

The process of public engagement, followed by the adoption of a new library strategy, ensured that the Council would continue to meet its statutory obligation to deliver a "comprehensive and efficient" library service.

Cabinet considered the following decision options:

Option 1: To agree the recommendation as detailed in section 1.2 of the report thus agreeing to a new strategy for library services to cover 2016-21.

Option 2: Not agree the recommendation as detailed in section 1.2 of the report and, by failing to develop a new strategy, put the Council in breach of its statutory duty.

**Resolved** that (1) the Library Strategy 2016-21 be approved; and (2) the Head of Head of Environment, Housing and Leisure be authorised, in consultation with the Cabinet Member for Leisure, Culture and Tourism, to arrange appropriate measures to implement the strategy.

(Reason for Decision – The initial adoption of a library strategy will ensure compliance with the statutory duty as outlined in the Public Libraries and Museums Act 1964.)



## **CAB83/11/16 Tyne and Wear Archives and Museums (TWAM): Joint Agreement and New Governance Arrangements (All Wards)**

Cabinet received a report seeking approval for new governance arrangements for Tyne and Wear Archives and Museums (TWAM).

Financial pressures over recent years had required TWAM to generate additional earned income to balance its budgets and maintain the quality of its service. TWAM had responded to this challenge with considerable success. However, if it was to meet the challenges it was likely to face in future, and was to maintain the confidence and support of Arts Council England (ACE), its single biggest funder, it needed to make radical changes to its governance; and also needed to effect the transition from the current to the proposed new arrangements in a measured, coordinated and timely manner.

The timetable for change was determined in part by the need to increase self-generated income as soon as possible. TWAM also needed to reassure ACE that the organisation had a secure, long-term and planned future, in preparation for the submission of an application to ACE for grant aid to cover the period 2018-22.

The application was likely to be for a sum in the region of £16m. The window for applications had opened in October 2016 and the deadline for submissions was February 2017. ACE would announce its funding decisions in the late summer/early autumn of 2017. In preparation for a successful bid, the report outlined in detail the proposed changes that would need to be in place, and operational, by the time ACE made its funding decisions and announcements.

Following the withdrawal of Sunderland City Council from the TWAM Joint Committee on 1 April 2013, the four remaining local authorities had considered it expedient to retain a Joint Service and had drawn up a new one-year Agreement which reflected the change and allowed them sufficient time to assess the implications of their new circumstances. That Agreement had expired at the end of March 2014. It had been renewed for a further two years and expired at the end of March 2016.

In the absence of a signed Agreement covering the first half of this financial year, the partners had continued to operate under the terms of the previous agreement. A further agreement was now required for the period 1 April 2016 – 31 May 2017, after which it was proposed that the Joint Committee should be dissolved, following transfer of its responsibilities to a new Strategic Board and Trading Company.

Following the withdrawal of Sunderland City Council, the TWAM Joint Committee had decided that a review of its governance would be beneficial and had commissioned an external legal adviser to lead the review.

The Leaders and Elected Mayor and Chief Executives of all four authorities had indicated their support for the recommendation made in the external legal advice that a new governing body, which included external enterprise expertise, and a trading company, should be created.

It was proposed that a new Strategic Board, on which local authority stakeholders would continue to be represented but which also admitted membership from Newcastle University and the private sector, should be established to take up its responsibilities at the start of the new municipal year. A Trading Company, which enabled the organisation to take advantage of the new commercial expertise on the Board, should be formed at the

same time. A Shadow Board would operate alongside the TWAM Joint Committee between 1 April and 31 May 2017.

The terms of reference and proposals for membership for the Board would be based on 'heads of terms', these were outlined in detail in the report.

Discussion at the TWAM Joint Committee had suggested that consideration should be given to the involvement of non-Cabinet Members. This proposal had yet to be formally adopted or agreed but could be achieved if two non-Cabinet Members (in total) joined the board on a rotating basis by authority.

The legal advice received had noted that there were some powers and rights that elected members may wish to reserve to themselves, particularly those which had significant financial implications for the constituent local authorities or a bearing on the use of assets. Such issues would be identified and reserved to the elected members on the Board.

The proposed new trading company would be wholly-owned by TWAM partner authorities and Newcastle University. A shareholders' agreement would be required.

A business plan showing the trading company's viability had been completed. TWAM, Newcastle City Council's Legal Services Department and the external legal adviser had developed a framework for the establishment of the company.

It was proposed that the company's non-executive board would consist of the Director of TWAM, Head of Finance – TWAM, representative/s of the Strategic Board, a senior external retail expert and one or more other business experts.

Cabinet considered the following decision options:

Option 1: To agree the recommendations as detailed in section 1.2 of the report thus giving the go-ahead for the establishment of new governance arrangements for TWAM.  
Option 2: Not agree the recommendations and jeopardise the opportunity for TWAM to bid for additional funding.

**Resolved** that (1) the adoption of a renewed Tyne and Wear Archives and Museums Joint Agreement for the 2016/17 municipal year be approved;  
(2) the dissolution of the Tyne and Wear Archives and Museums Joint Committee on 31 May 2017 be approved;  
(3) the formation of a Strategic Board to replace the Joint Committee from 1 June 2017 be approved;  
(4) the formation of a wholly owned Trading Company together with TWAM partner authorities and Newcastle University be approved;  
(5) the Head of Environment, Housing and Leisure be authorised, in consultation with the Cabinet Member for Leisure, Culture and Tourism, the Head of Law and Governance and the Head of Finance, to negotiate and agree the final terms to implement the recommendations of the review including in particular the arrangements for determining the membership of the proposed Strategic Board; and  
(6) the Head of Law and Governance be authorised to enter into all relevant legal agreements in pursuance of the above.

(Reason for Decision – The last Joint Agreement has expired. A renewed Agreement, which will run until 31 May 2017, is required. New governance arrangements, which will facilitate greater entrepreneurialism and increased self-reliance, are proposed and will take effect from 1 June 2017.

Approval will confirm for ACE that TWAM has appropriate governance arrangements in place for the period 2018-22 and will demonstrate positive change as TWAM applies for grant aid of up to £16m.)

### **CAB84/11/16 Review of North Tyneside Council Statement of Licensing Policy (Sex Establishments) (All Wards)**

Cabinet received a report seeking approval to consult on the review of the North Tyneside Council Statement of Licensing Policy (Sex Establishments).

The Policy had been adopted on 20 January 2011 following the formal adoption by the Authority of Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982, which enabled the Authority to license sexual entertainment venues as well as the existing categories of sex establishments, namely sex shops and sex cinemas.

Although there was no statutory requirement to have a policy concerning the licensing of sex establishments, it had been long established that it was good practice for Licensing Authorities to have a policy that assisted in the promotion of decision making and the promotion of consistency. It also informed the licensing trade and the public of the approach of the Licensing Authority to such licensing in its area.

The existing policy included a numerical limit on the number of sexual entertainment venues within a specified area of Whitley Bay, namely the area bordered by Whitley Road, Park Avenue, the Promenade and the Esplanade. The limit had been set as nil, however this did not preclude an application for a licence being made within the specified area that would take the number of licences in the area above the set limit. However, in such a situation the presumption would be to refuse such an application and the applicant would have to make their case as to why the licence should be granted in any particular location contrary to the policy which had set the limit in that area as nil.

As part of the consultation exercise the views of the public and trade would be sought in relation to whether or not this numerical limit remained as it was, was amended or removed altogether.

Since Schedule 3 had been adopted by the Authority, there had been no applications received for a sexual entertainment venue licence. There was currently one licence issued in relation to a sex shop.

There were some statutory exceptions for the need for sexual entertainment to be licensed. For example if sexual entertainment took place in a premises that had the benefit of a Premises Licence issued under the Licensing Act 2003 on no more than 11 occasions in a 12 month period and no such occasion lasted for more than 24 hours, and there was a month between each occasion, no sexual entertainment licence was required.

A draft Statement of Licensing Policy had been prepared, attached at Appendix 1 to the report. The draft Policy had been updated to include references to local plans and data. The numerical limit of nil for the specified area of Whitley Bay had been retained for the purposes of the draft policy and consultees would be specifically asked to comment on this aspect of the Policy.

A consultation period of eight weeks from 21 November 2016 to 14 January 2017 would enable comments to be received from those wishing to comment on the draft Policy.

Cabinet considered the following decision options:

Option 1: To agree that a consultation exercise commence, outlining the proposals contained in the draft Statement of Licensing Policy (Sex Establishments); and to a further report to Cabinet following the conclusion of the consultation exercise to consider the consultation responses and to determine whether or not to adopt the draft Policy.

Option 2: Not to instruct officers to begin the consultation process.

**Resolved** that (1) a consultation exercise be carried out, outlining the proposals contained in the draft Statement of Licensing Policy (Sex Establishments) at Appendix 1 to the report; and

(2) a further report be presented to Cabinet following the conclusion of the consultation exercise to consider the consultation responses and determine whether or not to adopt the draft Policy.

(Reason for Decision – This will allow the views of internal and external consultees to be considered by Cabinet. The existing Policy is 6 years old and needs to be reviewed to ensure that it remains up to date.)

### **CAB85/11/16 Bus Shelters – Tyne and Wear Procurement (All Wards)**

Cabinet received a report seeking approval to proceed with a procurement exercise at Tyne and Wear level, to be administered by Nexus, for the provision and maintenance of bus shelters and the associated advertising rights.

The Bus Strategy for Tyne and Wear had included an aspiration to “continue the roll-out of bus stop infrastructure improvements across Tyne and Wear in partnership with the Local Authorities.”

Commercial shelters in North Tyneside were currently managed under a contract between North Tyneside Council and an external supplier. The supplier owned, maintained and cleaned the shelter, and held the advertising rights, allowing the supplier to retain revenue generated through the sale of advertising space. Other authorities in Tyne and Wear had similar arrangements on an individual authority basis for the provision of commercial shelters.

‘Non-commercial’ bus shelters, which did not bear external advertisements, were generally maintained by Nexus from Nexus’ grant funding, which came from the transport levy which was paid to the North East Combined Authority (NECA) by North Tyneside Council and other authorities in the area.

The Authority’s present contract for commercial bus shelters dated back to the 1990s, when the shelters had last been replaced. The stock of bus shelters in North Tyneside was therefore ageing; the current contract was based on the supplier maintaining the commercial shelters, and did not require the supplier to replace any of the shelters with new units.

Recent technological developments in advertising, such as the possibility of using digital advertising screens in place of traditional posters, suggested that there was potential over coming years for a supplier to secure a greater return from advertising at bus shelters by investing in new advertising technology.

Following discussions with other authorities and Nexus, it was proposed that Nexus should undertake a procurement exercise to secure a single supplier for the provision,

maintenance and advertising rights on commercial bus shelters in Tyne and Wear. It was proposed that bids would be required to cover all existing commercial shelters, but that bidders would also be free to identify any currently non-commercial bus stop locations where they wished to install commercial shelters.

The letting of a Tyne and Wear-wide contract would be expected to secure the phased replacement of all of the existing commercial shelters in North Tyneside with new units.

Subject to the level of interest and bids received from suppliers, it would be expected to generate revenue, which could be used to reduce the transport levy paid by each authority, or potentially could be transferred directly from Nexus to local authorities. It was expected that the chosen supplier would invest in new technology, which could grow the level of advertising revenue.

The contract duration was still to be determined but was expected to be sufficient to allow the contractor to replace the full stock of 'commercial' shelters.

It was intended that each Tyne and Wear local authority under this new contract would receive an income, via Nexus, as a rebate (subject to the level of interest and bids received from suppliers). Nexus had appointed a consultant to look at the potential rebate level and they estimated that a notional rebate in the region of £700,000 per annum for Tyne and Wear as a whole (largely attributable to bus shelters within Newcastle) could potentially be achieved; however it was pointed out that market conditions had varied over the past 18 months and no guarantee could be placed on this figure.

It was proposed that the Authority would enter into a formal agreement with Nexus in relation to contract management and a deduction could be made from the rebate in respect of Nexus' contract management costs.

Rules relating to the content of advertisements would continue to be set locally by each authority and, for bus stops within each local authority area, the supplier would be required to apply the appropriate Authority's rules.

Should a Tyne and Wear-wide contract be entered into, arrangements would have to be made for the termination of the Authority's current contract for commercial bus shelters. The current supplier would retain ownership of the bus shelter structures on expiry or termination of the current contract, and discussions would have to be undertaken with the current supplier about future arrangements for these structures. Under the terms of the existing contract, the Authority would be obligated to restore the ground if shelters were removed by the supplier.

In addition, there were a small number of bus shelters in North Tyneside which did not bear advertisements but were currently maintained by the supplier under the Authority's existing contract for commercial shelters. New arrangements would have to be made for these shelters, which could involve negotiating with Nexus for them to take on their management. If Nexus took on the management of these shelters a survey would have to be carried out on each shelter and, if necessary, they would have to be brought up to an agreed standard; they would subsequently be maintained by Nexus in the same way as existing non-commercial shelters.

Cabinet considered the following decision options:

Option 1: To approve the recommendations at section 1.2 of the report.

Option 2: Not approve the recommendations at section 1.2 of the report.

**Resolved** that (1) the existing and proposed arrangements for the provision and maintenance of bus shelters and the associated advertising rights be noted;  
(2) it be agreed that North Tyneside Council participate in a procurement exercise at Tyne and Wear level, to be administered by Nexus;  
(3) the Head of Environment, Housing and Leisure be authorised, in consultation with the Deputy Mayor, Cabinet Member for Finance and Resources, Cabinet Member for Housing and Transport, Head of Corporate Strategy, Head of Law and Governance and Head of Finance, to make appropriate arrangements for the appointment of a supplier identified through the Tyne and Wear-level procurement process and the termination of North Tyneside's existing contract in relation to bus shelters and to enter into any appropriate agreements with Nexus relating to the process.

(Reason for Decision – The inclusion of bus shelters in North Tyneside in a Tyne and Wear-level procurement exercise would be expected to have positive outcomes for bus passengers in North Tyneside through shelter replacement, and has increased potential for revenue generation compared with current arrangements.)

### **CAB86/11/16 Response to Overview, Scrutiny and Policy Development Committee Sub-Group report on Waste Collections Post 2017 (All Wards)**

Cabinet considered a report seeking approval to the proposed responses to the recommendations of the Environment Sub-Committee in relation to its study of waste collections post 2017 in North Tyneside. The report had been presented to Cabinet at its meeting on 12 September 2016.

As part of the 2015/16 Environment Sub- Committee work programme members had agreed to carry out a study into the implications of the cessation of the Weekly Collection Support Scheme on the waste collection service. A Sub-Group had been set up to carry out the investigation. The main focus of the study was to consider the various options available in relation to the collection of household waste within the borough and to identify how changes to the collection of waste could improve levels of recycling in the borough. Members had held a series of evidence gathering meetings between October 2015 and June 2016.

The proposed responses to the Sub-Group's recommendations were appended to the report.

In thanking the Sub-Group for their report, the Cabinet Member for Environment referred to the value that residents placed on the current weekly collection service, and confirmed that at the present time there were no plans to alter the frequency of waste collections in the Borough.

The following decision options were available for consideration by Cabinet:

Option 1: Accept the recommendation as set out in section 1.2 of the report.

Option 2: Reject the recommendation as set out in section 1.2 of the report.

**Resolved** that the proposed responses to the recommendations from the Overview, Scrutiny and Policy Development Committee, in relation to its study into waste collections post 2017, as set out in Appendix 1 of the report, be approved.

(Reason for Decision - To support the continued efforts to reduce waste and increase recycling in the Borough.)

### **CAB87/11/16 Report of the Local Government Ombudsman – Adult Social Care Matter (All Wards)**

Cabinet received a report of the Local Government Ombudsman (LGO) dated 28 September 2016 finding maladministration causing injustice as a result of the failure of the Council to assess adult C's adult social care needs when asked and had delayed unreasonably in dealing with a request from another Council to conduct the assessment so that the other Council could complete his transition planning for leaving care.

The complainant was Ms B, the foster carer for C, who had requested that he be allowed to remain in her care under a Shared Lives arrangement.

The Authority had acknowledged this injustice and agreed to pay Ms B and C £500 each in compensation and to complete the assessment process for C, as recommended by the LGO.

Cabinet was requested to note the finding of the report (Appendix 1), its recommendations and actions taken to address the LGO's recommendations.

**Resolved** that (1) the findings and recommendations of the Local Government Ombudsman (LGO), as described in the report and set out in Appendix 1, be noted; and (2) the actions taken by the Authority to comply with the recommendations of the LGO's report, as set out in sections 1.5.3 and 1.5.4 of the report, be noted.

(Reason for Decision - To comply with the recommendations of the LGO.)

### **CAB88/11/16 Review of Parliamentary Constituency Boundaries (All Wards)**

(Councillor R Glindon took no part in the discussion or voting on this item).

Cabinet considered a report outlining the initial proposals of the Boundary Commission for England (BCE) in relation to the North East, in particular to the two Parliamentary Constituencies located within the Borough of North Tyneside.

The BCE was currently conducting a review on the basis of rules set by Parliament in 2011. Parliament had specified that the 2018 Review must reduce the number of constituencies, and therefore MPs, in the United Kingdom, to 600. This would result in a significant reduction in the number of constituencies in England from 533 to 501. Parliament had asked the BCE to consider where the boundaries of the new constituencies in England should be, ensuring that every new constituency, apart from two specified exceptions, had roughly the same number of electors; no fewer than 71,031 and no more than 78,507.

The North East had been allocated 25 constituencies – a reduction of four from the current number. The proposals left three of the 29 existing constituencies unchanged. However, in other parts of the region more substantial change was required.

The current figure for the number of electors, as at the review date for North Tyneside Constituency, was 76,427 and for Tynemouth Constituency, 74,618. As these were both within the proposed electoral quota, no changes to the existing constituency boundaries had been proposed.

The BCE would be consulting on its initial proposals for a 12-week period, from 13 September 2016 to 5 December 2016. Further consultation arrangements following feedback from the consultation on the initial proposals were set out in the report.

The following decision options were available for consideration by Cabinet:

Option 1: Agree to the recommendations as set out in section 1.2.

Option 2: Not agree to the recommendations as set out in section 1.2.

**Resolved** that (1) the initial proposals of the review of the Boundary Commission for England (BCE) in relation to the North Tyneside and Tynemouth Parliamentary Constituencies, be supported;

(2) the views of Full Council on the proposals be sought at its meeting to be held on 24 November 2016; and

(3) the Elected Mayor be authorised to write to the BCE on behalf of the Authority expressing the Authority's views on the proposals following the Council meeting.

(Reason for Decision – This will enable the views of the Authority to be submitted to the Boundary Commission for England by the 5 December deadline.)

### **CAB89/11/16 Exclusion Resolution**

**Resolved** that under Section 100A (4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 3 of Schedule 12A of the Act, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

### **CAB90/11/16 Delivering Housing Growth through the North Tyneside Trading Company (Previous Minute CAB50/09/15) (All Wards)**

(Councillors R Glindon and CB Pickard took no part in the discussion or voting on this Item).

Cabinet received a report seeking approval for the establishment of two new subsidiary companies of North Tyneside Trading Company to develop properties for commercial sale purposes and to be let at market rental.

The report also provided a specific update on sites that had been proposed for the Commercial Sale Company's first developments and that would be disposed of to the Commercial Sale Company, at market value, for the development of properties for open market sale. A valuation of each site would be undertaken prior to transfer and may generate a capital receipt for the Authority. The sale of the developed properties would generate a capital receipt for the Commercial Sale Company. If all of the properties could not be sold, the intention would be for the homes to be transferred to the Commercial Rental Company for the properties to be let at market rate in order to provide a rental income stream for the Commercial Rental Company. On this basis it was recommended that both new subsidiaries were set up at the same time.

The following decision options were available for consideration by Cabinet:

Option 1: Agree the recommendations at paragraph 1.2 of the report.

Option 2: Not agree the recommendations at paragraph 1.2 of the report.



**Resolved** that (1) approval be given to the establishment of two new subsidiary companies of the North Tyneside Trading Company to deliver new homes for commercial sale and rental;

(2) the Head of Law and Governance be authorised, in consultation with the Head of Finance, Chief Executive and Elected Mayor, to set up two new subsidiary companies of the North Tyneside Trading Company to deliver new homes for commercial sale and rental, a Commercial Sale Company and a Commercial Rental Company;

(3) the Elected Mayor be authorised to appoint directors to the Boards of the new subsidiary companies;

(4) the development of the Avenue and Whisky Bends sites be approved in line with the Business Plan attached to the report at Appendix 1; and the Head of Environment, Housing and Leisure be authorised, in consultation with the Elected Mayor and the Head of Finance to agree minor modifications to the business plan provided it remains within the financial envelope as set out in the report;

(5) the development of the Northumberland Square site through the Commercial Sale Company be approved, in principle; and Cabinet receive a further report on this scheme once the business case has been fully developed;

(6) the Head of Commissioning and Investment be authorised, in consultation with the Elected Mayor, the Head of Finance, the Head of Law and Governance, and the Head of Environment, Housing and Leisure to; (a) declare the sites identified at Appendix 2 as surplus to requirements and deemed suitable for development by the Trading Company; (b) agree the terms of the disposal of the sites declared surplus by private treaty; (c) complete negotiations for the sale of the surplus sites to the Trading Company and its subsidiaries in accordance with all relevant legal requirements, the Authority's Constitution and financial regulations; and (d) deal with all ancillary matters arising that are consistent with preceding resolutions;

(7) the capital funding identified in section 2.1 of the report as required to deliver the project on the Avenue and Whisky Bends sites be included in the draft 2017-2020 Investment Plan to be considered and approved by Cabinet and Council as part of the 2017-2020 Financial Planning and Budget process; and it be agreed that the funding to the Company will be a combination of debt and equity funding;

(8) approval be given to a virement of £0.220m from the Northumberland Square budget within the approved 2016/17 Investment Plan in order to fund early works on the Avenue site which are required to be carried out in the 2016/17 financial year in line with the project timetable;

(9) the Authority provide all necessary support to the Commercial Sale Company and Commercial Rental Company, by way of finance, both debt and equity funding, in the most efficient manner as is permissible, complying at all times with State Aid legislation in accordance with all relevant legal requirements, the Authority's Constitution and Financial regulations;

(10) the Head of Finance be authorised, in consultation with the Head of Law and Governance and the Elected Mayor, to make available, by way of a combination of debt and equity funding, to the Commercial Sale Company and Commercial Rental Company, such funding as is required to support each Company's business plan as set out in Appendix 1 to the report, in so far that there are no additional financial implications for the Authority which cannot be contained within existing budgets, on such appropriate terms as approved by the Head of Law and Governance;

(11) the Head of Finance (as Section 151 Officer) be authorised, in consultation with the Head of Law and Governance, the Head of Environment, Housing and Leisure and the Elected Mayor, to agree to provide a loan of up to £0.150m in 2016/17 to the Commercial Sales Company / Commercial Rental Company, as appropriate, to fund the establishment and running costs of the companies and it be noted that this transaction will be reflected in the Authority's year end balance sheet as a long term debtor;

- (12) the amounts included in the 2017-2020 Investment Plan for sites developed by the Trading Company will be invested as equity and/or sub debt or provided as a loan to the appropriate subsidiary of the Trading Company; and that provision of funding will be at appropriate commercial rates and will be repaid in line with the sale of the homes;
- (13) the Head of Commissioning and Investment be authorised, in consultation with the Head of Finance, Elected Mayor, Chief Executive and Head of Law and Governance, to declare any site surplus which may be appropriate for development by the subsidiary of the Trading Company;
- (14) the Head of Finance be authorised, in consultation with the Elected Mayor and the Head of Law and Governance, to make funding available for any site made available to the subsidiary of the Trading Company, subject to the Financial Planning and Budget setting process; and
- (15) further reports in relation to the Trading Company and its subsidiaries be submitted to Cabinet as necessary.

(Reason for Decision - This will support the regeneration of North Shields and Whitley Bay town centres and help meet the Authority's ambition of developing places that people like living in and that will attract others to visit or work here. Building high quality homes for sale is viable and would potentially return a profit to the Commercial Sale Company after repayment to the Authority of the loan and associated interest. The Commercial Sale Company could then determine how this profit is used. Options could include reinvesting the funding to deliver further homes for commercial purposes, supporting affordable homes projects or returning any surplus to the Authority by way of a dividend.

The increase of the supply of market homes will improve and benefit the area and support the local economy.)

### **CAB91/11/16 Corporate Risk Management Summary Report (All Wards)**

Cabinet considered a report which detailed the corporate risks that had been identified for monitoring and management by the Authority's Senior Leadership Team and relevant Cabinet members. The report also provided detailed information on each risk and how it was being managed.

The following decision options were available for consideration by Cabinet:

Option 1: To consider the information provided for each of the corporate risks and endorse the outcome of the latest review by the Authority's Senior Leadership Team.

Option 2: After consideration of the detailed information provided for the corporate risks, suggest changes to the corporate risks and their controls.

**Resolved** that the latest review of key corporate risks undertaken by the Senior Leadership Team be endorsed.

(Reason for decision – Each of the corporate risks has undergone substantial review and challenge as part of the corporate risk management process. This is designed to provide assurance that corporate risks and opportunities are being identified and appropriately managed.)

### **CAB92/11/16 Interference with a Public Right of Way, Burradon (Camperdown Ward)**

Cabinet received a report seeking approval to take enforcement action against a landowner to reinstate a Public Right of Way identified in the report to the appropriate specification.

Cabinet considered the following decision options:

Option 1: To give authority to the Head of Environment, Housing and Leisure as set out in the recommendations at section 1.2 of the report.

Option 2: Not to give authority to the Head of Environment, Housing and Leisure as set out in the recommendations section 1.2 of the report.

**Resolved** that (1) the Head of Environment, Housing and Leisure be authorised to serve a Notice under section 134 and/or section 137A of the Highway Act 1980 on the landowner requiring that he reinstate the Public Right of Way identified in the report to the satisfaction of the Authority; and

(2) should the Public Right of Way identified in the report not be reinstated to the Authority's satisfaction, the Head of Environment, Housing and Leisure be authorised under Schedule 12A of the Highway Act 1980 to enter the land and carry out the necessary works to reinstate the Public Right of Way and recover the cost of such works from the landowner.

(Reason for Decision - The Authority has a statutory duty given to it by the Highway Act 1980 to enforce the legislation when there is interference with the public's right to use a Public Right of Way. There is clear evidence in this instance of a Public Right of Way having been interfered with by the landowner or those acting on his behalf. Members of the public who use the Public Right of Way are aware of the ongoing issues with this Right of Way and have an expectation that the Authority will take the necessary action as the Highway Authority to assert and protect their rights in relation to this footpath.)

#### **CAB93/11/16 Date and Time of Next Meeting**

6.00pm on Monday 28 November 2016 (Extraordinary Meeting)

6.00pm on Monday 12 December 2016 (Ordinary Meeting)

#### **Minutes published on 17 November 2016.**

**The decisions contained within these Minutes may be implemented (unless called in by 3 Non-Executive Members for consideration by the Overview, Scrutiny and Policy Development Committee) immediately following the expiry of the call-in period; i.e. 5.00pm on 24 November 2016.**