

Cabinet

11 December 2017

Present: N Redfearn (Elected Mayor) (in the Chair)
Councillors G Bell, C Burdis, EN Darke, R Glindon,
IR Grayson, M Hall, JLL Harrison, CB Pickard and JJ
Stirling

In Attendance: Councillor S Day
O Daniel (Young Mayor)
T Bridges (Business Sector)
R Layton (North Tyneside Joint Trade Union Committee)
A Paradis (North Tyneside Clinical Commissioning
Group)

CAB89/12/17 Apologies

Apologies were received from A Caldwell (Age UK) and S Ripley (Voluntary and Community Sector).

CAB90/12/17 Declarations of Interest and Dispensations

There were no declarations of interest or dispensations reported.

CAB91/12/17 Minutes

Resolved that the Minutes of the meetings held on 13 November 2017 (Ordinary meeting) and 27 November 2017 (Extraordinary meeting) be confirmed and signed by the Chair.

CAB92/12/17 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:

- A successful week of activities during local democracy week, including Question Time, a primary school council event and the State of the Area event.
- Youth councillors had taken part in the annual debate and had debated three important topics raised by young people in the Borough. After a close vote political education had received the extra votes needed to become the priority for 2018.
- Some young cabinet members and the Young Mayor had attended the Tyne and Wear Transport users group and Better Transport campaigns workshop at the Assembly rooms in Newcastle. They had found it informative and had learned that bus companies had introduced reduced bus fares for 16 to 18 year olds.
- More recently the Young Mayor had attended the Tyne and Wear Passengers Transport Users group and was delighted to hear that Metro Fares for 16-18 year

olds would be reduced in line with under-16 years tickets. This would make such a huge difference to young people.

- The Deputy Young Mayor Bailey had attended the North Tyneside in Bloom Awards; he had previously been involved in judging the nursery and school section of the competition.
- The Ready for Life group had completed the Pen to Paper revision guide. Over 2000 copies of the revision guide had been printed and would be sent out to schools with the advice that they be given to students who were beginning to prepare for their GCSE exams. The Young Mayor thanked Engie for all of their support in funding this project.
- During the October half term some youth councillors had helped with a bag pack at ASDA, Benton and had raised £438 for Make It Special.
- North Tyneside's Children in Care Council had taken the lead in the North East regional conference in November. It had been a great success and they were already planning for next year.
- Member of UK Youth Parliament, Sophie Anson had attended Westminster on 10 November as part of the UKYP annual debate in the House of Commons. The Make Your Mark ballots in North Tyneside saw almost 10,000 young people taking part in the consultation, the top issues raised by young people were; (1) transport, make public transport, cheaper, better and accessible for all; (2) mental health, services should be improved with young people's help, and (3) protect LGBT people, Gay, Lesbian and transgender should be treated the same as everyone else and discrimination needed to be challenged. These issues were already being worked on as part of youth council projects.
- The Young Mayor had attended Westminster for the Youth Select Committee report launch on 'A Body Confident Future'. The report had made recommendations to Government.
- A representative from the Environment Agency for Tyne and Wear had visited the October young cabinet meeting to discuss how they could be involved in flood prevention. The environment group would take this forward and it was thought that a regional approach would be more effective.
- The Young Mayor had the honour of laying a wreath at the Remembrance Day service in Whitley Bay, on 12 November. Other young cabinet members and youth councillors had attended services around the Borough and laid wreaths on behalf of the young people.
- The Young Mayor had a very productive meeting with Paul Hanson and David Bavaird from the business sector where they had discussed reusing plastic bottles to help reduce landfill and also how the scheme could be implemented in North Tyneside. The Young Mayor thanked Paul and David for their support.
- The Young Mayor and some of the young cabinet had met with Ben Hudson, a Community Arts worker, who had received funding from Heritage Lottery to develop Art projects to commemorate the centenary of the ending of World War 1. The funding was for projects in South Tyneside and North Tyneside. Some exciting ideas had been put forward and they would be following up this project early next year.
- Some Youth Councillors had interviewed drama tutors who had applied to develop a play with some of the youth council. The play was to commemorate the centenary of some women and men getting the vote for the first time. It was

hoped to complete the play ready for a performance on 10 March 2018 at The Exchange as part of International Women's Day and the Centenary celebrations.

- Nominations were now open to find the next Young Mayor and Member of UK Youth Parliament for North Tyneside 2018-19. The results of the election would be known at the end of February 2018.
- Some youth councillors had helped to wrap presents at Howdon Community Centre for the people who would be receiving gifts as part of Make It Special.

The Elected Mayor thanked the Young Mayor for his report and commended him on the amazing work that he, young cabinet members and youth councillors had been involved in.

CAB93/12/17 Report of the Cultural Development Plan Sub-group (All Wards)

Cabinet received a report detailing the recommendations of the Culture and Leisure Sub-Committee's review, on behalf of the Overview, Scrutiny and Policy Development Committee, on delivering an effective cultural offer in the Borough. Councillor Sarah Day, Chair of the Sub-committee and Sub-group presented the report.

The main objective of the review was to consider 'How can the Authority deliver an effective cultural offer in a shrinking financial environment?'

At its meeting in June 2017, Culture and Leisure Sub-committee had decided that the sub-group should continue its evidence gathering to include the summer activities / events programme 2017 and following analysis of this, contribute ideas that could be taken into account during the budget and financial planning framework discussions for 2018-19.

The sub-group had several meetings at which Members considered the cultural offer in the Borough and received presentations from officers about their service areas.

The full report which outlined the key findings, conclusions and recommendations of the review was attached to the report 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 everyone who had contributed to the report.

Resolved that the report of the Overview, Scrutiny and Policy Development Committee be noted and a detailed response to the recommendations be provided at a future Cabinet meeting, no later than February 2018.

(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.)

CAB94/12/17 Procurement of an Energy Switching Scheme Partner (All Wards)

Cabinet considered a report seeking approval for the Authority to procure an Energy Switching Scheme partner.

Cabinet had approved the Low Carbon Plan 2016-2027 in March 2016 (Minute CAB148/03/16 refers). In addition to building on the Authority's strong carbon reduction performance through the commitment to develop the business case for a range of energy and income generation projects, the Plan also committed to undertake a range of actions to support the reduction of fuel poverty in the Borough.

Statistics produced by the Department for Business, Energy and Industrial Strategy (BEIS) on a sub-regional level, showed that 11.1% of all North Tyneside households fall into fuel poverty, as defined by the low income, high cost model. This was approximately 10,300 households.

Recent statistics from the Office of Gas and Electricity Markets (OFGEM) showed that in 2016, 7.7 million energy switches had taken place nationwide as customers changed supplier. As of 28 January 2017, the cheapest dual fuel deal on the market was £834 per year (based on average consumption), and the average standard variable tariff on offer from one of the 'big six' suppliers was £1,066 per year. It was evident therefore that financial savings through switching suppliers could be achieved.

Whilst savings on energy bills could be achieved, 45% of UK households had never switched supplier. If the same percentage of non switchers was applied to North Tyneside, this meant there were approximately 36,500 households that had potentially missed out on hundreds of pounds of savings as a result of a failure to consider switching supplier(s).

Energy switching had now become a mainstream activity and publically accepted approach for householders seeking better energy prices. In North Tyneside, alongside the successful Warm Zone scheme, the ability to switch energy supplier could help to reduce domestic energy spend and mitigate against fuel poverty. Switching suppliers on a regular basis and 'shopping around' for better utility deals was beneficial in most cases.

The Authority had actively encouraged residents to participate and register to gain the best competitive tariff for gas and electricity under the Local Government Association Collective Energy Switching Scheme framework which had run until 2015. Participation in this scheme had resulted in 1,500 households registering an interest in switching and 400 households had taken up energy supply offers. The average household saving was £217.

In the UK, there were currently 175 registered electricity supply companies, 150 of these were also registered to supply gas in the energy supply / energy switching sector. All of these companies were competing for market share. This provided a good opportunity for the Authority to undertake a procurement exercise for the purpose of establishing a partnership with an energy supplier or broker in which:-

- the service provider would develop and run an energy switching scheme at no cost to the Authority;
- the scheme would be promoted and sign-posted by North Tyneside Council; and
- the Authority would secure an income stream for each switch and an annual retention fee for customers who remained with the energy supplier.

Whilst the scheme proposed by the Authority was focussed on benefiting the residents and businesses of North Tyneside, it would ideally also provide the opportunity for residents and businesses outside of the Borough to join and this was something that would be built into the procurement exercise. The proposed scheme could operate and compete alongside existing as well as future Local Authority led switching schemes and would ensure that the best offers were available to consumers.

Soft market testing carried out by the Authority had shown the potential that energy switching companies could offer the design and development of bespoke marketing materials as part of their overall offer to local authorities. Details relating to a communications and marketing plan to promote the energy switching scheme at no extra cost over and above existing budgets were outlined in the report.

As part of service provision to retained housing stock, the Authority's Housing Service managed approximately 1,200 empty homes per annum, which were re-let. An existing arrangement was in place with an energy supplier regarding automatic switching services for empty properties which included crediting gas and electric meters for servicing and maintenance requirements. Market testing indicated that an improved offer for this was possible.

By completing switches on the Authority's own properties, tenants would then be able to benefit from market leading energy rates, when previously they may have inherited less cost efficient deals. In terms of metering, it was important that a partner could provide an efficient SMART meter installation service, which focused on replacing old pre-payment or 'dumb' meters, in a timely fashion. A switching scheme developed in conjunction with a partner had very low risk to the Authority, as the role was that of actively promoting / signposting an endorsed supplier's brand. There was no direct cost to the Authority to participate in the scheme.

The main risk to the Authority was that of reputation should the quality of customer service from an energy supply partner be below the standards expected. A procurement exercise, as well as subsequent contract monitoring would ensure this particular risk was mitigated and managed. This would be done through scheduled performance reporting including key metrics for take up of switching, customer enquiry/complaints handling and retention of customers.

There was an additional risk which related to low customer take up of offers. This could be mitigated by setting a sales forecast with the energy switching scheme partner who would ensure that any shortfalls were quickly identified and marketing/communications were adjusted to ensure switching was achieved. Learning from the Authority's participation in the auction based Big Community Energy Switch showed that consumers wanted to have same day decisions rather than a delay in receiving

energy offers. Daily market price tracking by the partner organisation would ensure that the energy offer was competitive and could be taken up immediately. This would further mitigate against low take up of a scheme.

The Authority's soft market testing indicated that energy suppliers were willing to offer a financial incentive to organisations who promoted their particular energy tariffs. Therefore the benefit in the Authority undertaking an energy switching scheme was that it could generate a small income for new domestic switchers and an on-going annual retention fee for those households who remained with the brand. In terms of resident benefits, switching of energy companies was a simple and effective means for householders to secure better tariffs and ultimately cheaper bills.

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

Resolved that (1) an EU-compliant procurement exercise be undertaken in order to identify a preferred provider with an energy supply licence or an energy broker who will provide an energy switching scheme for residents and businesses within the borough; and

(2) the Head of Environment, Housing and Leisure be authorised, in consultation with the Head of Law and Governance, the Head of Commercial Services and Business Redesign, the Head of Finance, the Elected Mayor, the Cabinet Member for Environment, the Cabinet Member for Housing and Transport and the Cabinet Member for Finance and Resources, to undertake the procurement exercise for the above purposes in accordance with all applicable procurement rules, including authority to undertake the following: (a) determine the most appropriate procurement process, including the scoping of the exercise; (b) approve the specification, the procurement documentation and other contract terms; (c) determine the duration of the contract; (d) approve the evaluation criteria; (e) determine the use of generated revenue; (f) oversee the project procurement and delivery; and (g) award the contract and manage the contract monitoring process.

(Reason for decision: The Authority has already carried out a soft market testing exercise to ascertain the most suitable option for the Authority. The recommended option provides the Authority with the most robust approach to establish a scheme that will provide the opportunity for residents and businesses to switch energy suppliers and achieve better energy tariffs, whilst also providing the Authority with an income from each switch.)

CAB95/12/17 Review of the Tenancy Agreement (All Wards)

Cabinet considered a report seeking approval of the revised Tenancy Agreement to take account of legislative changes and best practice.

The proposed changes to each section of the Tenancy Agreement were highlighted in the report and were detailed in Appendix1 to the report.

The Welfare Reform Act 2012 had introduced radical changes to the benefits system. These included the introduction of the Social Sector Size Criteria, an overall Benefit Cap and Universal Credit. Universal Credit presented a number of issues for

the Authority's tenants who were in receipt of relevant benefits, particularly in relation to the monthly payment regime and the direct payment of benefits (including Housing Benefit) to claimants. Therefore, it was expected that the changes would affect an estimated 5,500 current and future tenants who were of working age.

Currently rent was debited over 50 weeks, which was not aligned to the scheduled payments for Universal Credit recipients. The introduction of 52 weeks rental periods would allow the Authority to align rent debit to Universal Credit payment schedules to prevent financial hardship for those receiving or moving onto this payment. However, should any current tenants not on Universal Credit or in rent arrears wish to continue to have payment free weeks at Christmas this could continue through an individual payment arrangement with the Authority. All current tenants would be informed of the change to rental periods from 50 to 52 weeks explaining, where appropriate the option to continue to pay over 50 weeks.

Currently all secure and introductory tenancies commenced on a Monday. The introduction of "any day" tenancies was increasingly becoming common practice among housing organisations and ensured that, when a property was available to let, the tenancy could start immediately with the first week's rent being charged on a daily pro-rata basis and rent thereafter charged on a Monday each week.

By introducing "any day" tenancies it would reduce letting times and would account for an average increased rental income per home of £59. This was due to the rent losses between signing the tenancy and the commencement of the tenancy being reduced.

"Any day" tenancies would reduce the number of days a home was empty. If tenancies were signed up earlier in the process then the overall number of days would be reduced, therefore the Authority would have reduced Council Tax liability. "Any day" tenancies would also result in an increased rent debit resulting in a greater amount of rent charged and as such the rent loss on empty homes would be reduced.

Cabinet considered the following decision options:

- (1) To agree to the proposed changes to the Tenancy Agreement and implementation of 52 week rent payments and "any day" tenancies.
- (2) To agree to the proposed changes to the Tenancy Agreement and implementation of 52 week rent payments and "any day" tenancies subject to conditions, or removal of an element(s) of the proposals.
- (3) To disagree to the proposed changes.

Resolved that approval be given to (1) the proposed changes to the Tenancy Agreement, as set out at paragraph 1.6.2 of the report;
(2) the introduction of any day" tenancies; and
(3) the introduction of rental periods calculated over 52 weeks.

(Reason for decision: A number of changes to the current Tenancy Agreement are required to take account of legislative changes and best practice. The revised Tenancy Agreement also takes account of recommendations from the Tenant,

Resident and Member Scrutiny Service Review of Low Level Anti-Social Behaviour and the Review of the Rechargeable Repairs Policy.

The introduction of a 52 week rental debit is required to allow all tenants moving on to Universal Credit to receive payments in line with the rent they are being charged. This is essential in safeguarding up to £750,000 of rental income, which is likely to be at risk, in accordance with the number of tenants that are expected to move onto Universal Credit and the proportion of their annual rent not accounted for in the current 52 week Universal Credit payments.

The ability to establish tenancies “any day” will allow for the maximisation of rental income and reduce the current burden of rent and council tax loss through empty homes. It will also be more flexible for customers to move into their new home on any day.)

CAB96/12/17 Food Hygiene Rating Scheme Revisit Charge (All Wards)

Cabinet considered a report seeking approval to the introduction of charges for the re-inspection of food business operators’ premises for the purposes of scoring the premises in terms of its hygiene under the Food Standards Agency National Food Hygiene Rating Scheme (NFHRS).

Inspections of food businesses in the Borough were risk based. A score (rating) of between 0 and 5 was given to each food business following an inspection using the NFHRS. The score given to a food business informed the public how well the operator of the food business complied with food law. The top rating was 5. The ratings of each food business premises were accessible to the public via the Food Standards Agency website.

Whilst there was a statutory obligation for the Authority to inspect food business premises, the NFHRS was a non-statutory scheme and therefore there was no obligation to re-visit and re-score any food business premises at the request of an operator who wanted to achieve a higher score than that awarded to their premises under the NFHRS.

Ordinarily, an operator of a food business premises would be expected to wait until the next statutory inspection of their premises, which would be between 6 months to 2 years after the last inspection of the premises depending upon any inherent risks identified at the premises during the inspection.

It was permissible however for a food business operator to request the Authority to arrange for an officer to revisit their premises and to carry out a further inspection of the premises and to review the compliance score first awarded to the operator in relation to the premises following the initial inspection. Such an inspection could be carried out 3 months after the initial inspection date. The Authority currently carried out such revisits free of charge. There were approximately 12 re-visits carried out per year.

The Food Standards Agency had advised local authorities to consider the option of recouping the costs incurred in re-inspecting food business premises at the request of an operator for the purposes of rescoring such premises.

The proposed level of charges for re-inspecting and re-scoring food business premises was based on an assessment of the number of average officer hours spent on administration, inspection and review of the score. The charges sought from operators would be on a cost recovery basis and was not intended to be a means of generating income for the Authority.

A review of the impact on the requests for the re-inspection of premises on the existing service would be undertaken over a 6 month period to ascertain whether there had been any impact, positive or negative, on the service.

Officers had undertaken a time/cost analysis to calculate the cost of undertaking the inspections. This included time taken to undertake the inspection and the administrative processes associated with any change in score. The cost for a revisit inspection had been calculated as £160 based on estimated direct staffing costs plus 25% for council administrative costs and overheads. This charge was broadly comparable with charges raised by other local authorities. It was proposed the recharging of these inspections commenced from 1 January 2018.

It was clarified at the meeting that currently it was not a statutory obligation to display ratings on the premises but the Authority had made representations to change this. All ratings were published on the Food Standards website which was updated every week.

The Elected Mayor suggested that to raise public awareness, an article about hygiene ratings was included in the next residents' magazine.

Cabinet considered the following decision options:

- (1) To agree the recommendations as set out in paragraph 1.2 of the report.
- (2) To disagree the recommendations as set out in paragraph 1.2 of the report and to refer the matter back to officers for further consideration of specific issue(s).

Resolved that (1) the charging of food business operators for any re-inspection of their premises for the purposes of re-scoring the food business premises under the Food Standards Agency Food Hygiene Rating Scheme be approved;

(2) the Head of Environment, Housing and Leisure be authorised to determine the level of such charges following consultation with the Cabinet Member for Housing and Transport, the Head of Finance and Head of Law and Governance;

(3) the Head of Environment, Housing and Leisure be authorised to review such charges on an annual basis and to amend such charges as appropriate following consultation with the Cabinet Member for Housing and Transport, the Head of Finance and Head of Law and Governance;

(4) Cabinet receive a further report on the impact, if any, of the introduction of such a scheme on the effective operation of the Environmental Health Service in December 2018; and

(5) an article about food hygiene ratings be included in the next residents' magazine to raise public awareness.

(Reason for decision: Officers will be able to recoup their reasonable costs to reflect the time spent on supporting business in the Borough to improve their hygiene rating by undertaking re-inspection and re-scoring of food business premises.)

CAB97/12/17 Initial proposals for the development of the Safer North Tyneside Community Safety Strategy 2019-2024 (All Wards)

Cabinet received a report seeking approval to commence a consultation process on a revised draft Community Safety Strategy.

It was a statutory requirement for Community Safety Partnerships (known as Safer North Tyneside or SNT) to prepare an annual strategic assessment of crime and disorder activities and for this assessment to shape how the Partnership responded to emerging issues. This process informed the Community Safety Strategy and an annual review of that Strategy. The current Community Safety Strategy covered the period April 2014 to 31 March 2019.

The Safer North Tyneside Board had agreed that the next Strategy would cover the period 1 April 2019 to 31 March 2024. The proposal was to commence the Strategy refresh now which would ensure it was completed in good time. This would enable a delivery plan to be developed by the Safer North Tyneside Partnership and be in place by 1 April 2019. A copy of the draft Strategy was attached at Appendix 1 to the report.

North Tyneside was one of the safest areas of the country to live work and visit with comparatively low levels of crime. The recent Safer Communities Survey showed that perceptions of crime being a problem in North Tyneside remained extremely low at 3%. This was the lowest of any area in the Northumbria Police force area, which had an average of 6%.

It was important to recognise the contribution all partners continued to make in ensuring the Borough remained a safe place. The report highlighted some of the main achievements since the implementation of the current Strategy.

The draft Strategy had been developed within the multi agency Safer North Tyneside Partnership Board (SNTPB). The SNTPB had considered the latest available strategic assessment, national legislation and the latest available Police crime data in determining the priorities set out within the new draft strategy. The Strategy linked to the Police and Crime Plan. The Strategy had also been written with the objectives set out in the Our North Tyneside Plan and supported the many strategic plans and projects that the Authority and its partners were delivering.

There were a number of cross cutting issues, all of which had an impact on how safe communities felt. In order to ensure that all the cross cutting activity was captured effectively, a cross reporting structure would also be in place to support this and ensure that effective coordination of work was in place.

The Partnership had identified four key priorities: Safeguarding, Public Protection, Alcohol and Drugs and Crime and Disorder. For each identified priority, the Partnership would consider what current service provision existed, what current data

sets and intelligence may be available, what current resource levels were available and what current awareness/communication strategies existed. This would help to shape the work plan and identify what actions needed to be taken to support delivery of the Strategy.

The new Strategy would be supported by an operational delivery plan. Progress against this plan would be reported to the Safer North Tyneside Board by all relevant partners and the Board would make a local decision about ownership and maintenance of the delivery plan when it was drafted.

Performance would be managed by the Safer North Tyneside Board and reported quarterly to the North Tyneside Strategic Partnership. An annual report on progress against the operational delivery plan would be presented to Cabinet.

Cabinet considered the following decision options: either to agree the initial proposals for the draft Safer North Tyneside Community Safety Strategy, or alternatively to disagree with the initial proposals for the draft Safer North Tyneside Community Safety Strategy.

Resolved that the initial proposals for consultation on the draft Safer North Tyneside Community Safety Strategy, attached at Appendix 1 to the report, be approved.

(Reason for decision: This will enable the Partnership to commence public consultation on the Community Safety Strategy in line with the Authority's Community Engagement Strategy and the constitutional requirements of the Budget and Policy Framework.)

CAB98/12/17 Council Tax Support Scheme 2018/2019 (All Wards)

Cabinet considered a report which detailed the outcome of a consultation exercise in relation to the Council Tax Support (CTS) Scheme for 2018/19, and requested that a proposal in relation to the CTS Scheme for 2018/19 be submitted to Council for consideration at its meeting on 18 January 2018.

The current CTS Scheme was a means tested support which limited the CTS payable to the equivalent of 87.5% of the claimant's Council Tax liability in the case of working age claimants. Pensionable age claimants received support based on 100% of their Council Tax liability as prescribed under national rules.

As at 30 September 2017 there were 18,941 claimants receiving CTS, this figure was split between pensioner claims 8,668 (46%) and working age claims 10,273 (54%); this was compared to last year's caseload of 19,773 split between 9,149 pensionable age claimants and 10,624 working age claimants. The caseload continued to reduce as more people moved into employment or claimants' incomes increased and they no longer qualified for support.

The current forecast Scheme cost for 2017/18 was around £14.7m. The majority of CTS claimants lived in a Council Tax Band A property and, based on the maximum support of 87.5% available to working age claimants, couples currently paid around

£2.60 per week and single people £1.95 per week. Collection rates of those in receipt of CTS were still favourable with around 85% being recovered in year.

On 11 September 2017, in acknowledgement of significant budgetary pressures, Cabinet had been presented with a report that provided three options for them to consider for 2018/19 that would reduce the cost of the CTS Scheme by reducing the maximum level of support available for working age claimants (Minute CAB44/09/17 refers). It had been agreed that all three options should be consulted on, as follows.

Scheme 1 - Reduce the maximum level of Council Tax Support available from 87.5% to 85% for working age claimants.

Scheme 2 – Reduce the maximum level of Council Tax Support available from 87.5% to 82.5% for working age claimants.

Scheme 3 – Reduce the maximum level of Council Tax Support available from 87.5% to 80% for working age claimants.

A significant number of people had submitted a consultation response to the three different Schemes that were being considered, as outlined below. This included feedback from both those in receipt of CTS and those not; those of working age and those of pensionable age.

Scheme 1 – Reduce the level of support for working age claimants from 87.5% to 85%

- a) 680 strongly agreed or agreed.
- b) 246 neither agreed nor disagreed.
- c) 854 strongly disagreed or disagreed.

Scheme 2 – Reduce the level of support for working age claimants from 87.5% to 82.5%

- a) 568 strongly agreed or agreed.
- b) 226 neither agreed nor disagreed.
- c) 988 strongly disagreed or disagreed.

Scheme 3 – Reduce the level of support for working age claimants from 87.5% to 80%

- a) 568 strongly agreed or agreed.
- b) 252 neither agreed nor disagreed.
- c) 952 strongly disagreed or disagreed.

There were savings to the Authority if any of the 3 options of Schemes that were consulted on were implemented. These savings could help the Authority manage its budgetary pressures. The costs associated with each Scheme and the potential savings to the Authority were detailed in Table 3 in the report.

Cabinet considered the following decision options:

Option 1 - Scheme 1 - To make a recommendation to Council to reduce the Maximum level of Council Tax Support for working age claimants from 87.5% to 85.00%.

Option 2 - Scheme 2 - To make a recommendation to Council to reduce the Maximum level of Council Tax Support for working age claimants from 87.5% to 82.5%.

Option 3 – Scheme 3 - To make a recommendation to Council to reduce the Maximum level of Council Tax Support for working age claimants from 87.5% to 80%.

Option 4 - Refer matters back to officers for the consideration of an alternative CTS Scheme.

Resolved that (1) the responses to the consultation exercise be noted; and (2) Council be invited to adopt Option 1 (Scheme 1 – to reduce the Maximum level of Council Tax Support for working age claimants from 87.5% to 85.00%) as the Authority's Council Tax Support Scheme for the financial year 2018/19, to take effect from 1 April 2018.

(Reason for decision: Whilst it is recognised that the results of the consultation for Option 1 Scheme 1 show 854 (48%) respondents did not agree that the Council Tax Support for working age claimants should be reduced from 87.5% to 85%, the financial pressures placed upon the Authority and budgetary position of the Authority are such that the recommendation remains to marginally reduce the discount level. As the majority of claimants live in a Band A property the reduction by 2.5% of liability available for support represents a small reduction. Single working age claimants in receipt of CTS will see a reduction in their CTS entitlement of around 39p per week, and couples will see a reduction of around 52p per week, (based on current Council Tax levels). The option provides savings to the Authority to help manage budgetary pressures whilst still providing a high level of support. Scheme 1 still provides the same level of support or a higher level of support than 7 of the other 11 regional Authorities to all of its working age claimants.)

CAB 99/12/17 Annual Review of Council Policy on Covert Surveillance (All Wards)

Cabinet received a report seeking approval of an updated Covert Surveillance Policy. In accordance with the Codes of Practice applying to the Regulation of Investigatory Powers Act 2000 (RIPA) the Authority had to review its use of RIPA and set the general surveillance policy at least annually. The report also explained that there had been no RIPA authorisations granted in the last year.

The draft Policy had been considered by the Regulation and Review Committee and had been referred to Cabinet for further consideration and, if appropriate, approval. The aims of the Authority's Policy were to:

- Set out the Authority's arrangements for complying with RIPA; the relevant Codes of Practice and guidance issued by the Home Office; and guidance from the Investigatory Powers Commissioner's Office (IPCO);
- Give effect to the rights of citizens to respect for their private and family lives (pursuant to the Human Rights Act 1998); and
- Protect the Authority from legal challenge when undertaking surveillance.

The Regulation of Investigatory Powers Act 2000 (RIPA) put covert surveillance on a statutory basis. RIPA enabled certain public authorities, including this Authority, to

carry out surveillance operations with statutory protection from legal challenge. This was often referred to as the 'RIPA shield'.

Three covert investigatory techniques were available to local authorities under RIPA, these were outlined in detail in the report. RIPA provisions may only be used to authorise surveillance activities in order to detect and prevent serious crime and any authorisation was subject to a requirement to seek authorisation from an 'Authorising Officer' and to obtaining judicial approval from a Justice of the Peace before any surveillance was undertaken.

The application of the requirements of RIPA to the use of informants via, in particular, social media was a developing area of surveillance law. This was an area which continued to be monitored as it developed and Officers from Law and Governance and Trading Standards were considering how such activities should actually be undertaken and whether those activities required a RIPA authorisation.

The most recent Guidance provided some limited guidance on this matter and referred to the implications of interference through such activities with an individual's rights to a private and family life under Article 8 of the Human Rights Act 1998.

The Authority may undertake such surveillance for activities that could not benefit from the protection of the RIPA shield. In these circumstances whilst the surveillance was not unlawful it left a local authority more vulnerable to challenge as it still entailed the collection information about an individual. For this reason the Authority required that all surveillance activity undertaken by the Authority outside of the RIPA regime must be appropriately authorised by one of the Authorising Officers and was subject to central monitoring.

The Authority had a Central Register of all RIPA and non-RIPA surveillance activity which was maintained and monitored by the Head of Law and Governance.

Organisations using RIPA were subject to regular inspection by IPCO. On 1 September 2017, the Office of Surveillance Commissioners (OSC) and the Interception of Communications Commissioner's Office (IOCCO) had been abolished by the Investigatory Powers Act 2016. The IPCO was now responsible for the judicial oversight of the use of covert surveillance by all public authorities throughout the United Kingdom including the intelligence agencies, police forces and local authorities.

The Authority had received an inspection visit from the OSC in June 2017 prior to its abolition, the purpose of which was to examine the policies, procedures, operations and administration the Authority had in place in relation to directed surveillance and covert human intelligence sources. The outcome of the inspection had been very supportive of the Authority's actions to manage its responsibilities under RIPA.

There was a single recommendation from the inspection directing the Authority to amend the Employee Handbook to include additional advice on the central logging of covert online identities adopted by investigating officers and the development of associated management oversight arrangements to ensure that such activity was

scrutinised. This amendment was in the process of being undertaken and would be completed following the receipt of further information and guidance from the IPCO.

Following the changes to the RIPA regime from 1 November 2012, reported to Cabinet in November 2012 (Minute CAB125/11/12 refers), there had been no authorisations granted. Authorisations could now only be sought on the grounds that it related to the prevention and detection of serious crime.

In relation to corporate responsibilities, the Codes of Practice advised that a Senior Responsible Officer should be identified to ensure the Authority had appropriate policies and processes that accorded with RIPA and the related Codes of Practice. The Officer Delegation Scheme placed the Senior Responsible Officer role with the Head of Law and Governance.

Each Head of Service was responsible for ensuring effective and legally compliant systems and procedures were in place for surveillance work within their Service Areas.

Employees connected with surveillance and handling of evidence were responsible for ensuring that they acted only in accordance with their level of responsibility and training and in accordance with this Policy and associated documents. Details were provided in the Employee Handbook.

The Codes of Practice indicated that elected members of a local authority should review its use of RIPA and set the general surveillance policy at least annually. A local authority should also consider internal reports on the use of RIPA to ensure that it was being used consistently in compliance with the Authority's Policy and that the Policy remained fit for purpose.

To meet these requirements the Policy Statement provided that:

- Cabinet receives an annual report covering the Authority's use of RIPA powers, and review of the Policy for the following year;
- Reports would be presented to the Regulation and Review Committee on the Authority's use of RIPA powers. The Committee's role would be to look at compliance, oversight and use of RIPA. The Committee would also consider whether the Policy remained fit for purpose and recommend changes to the Policy as appropriate for Cabinet's consideration; and
- The Elected Mayor would receive regular updates from the Senior Responsible Officer regarding the use of the Authority's powers.

Cabinet considered the following decision options:

Option 1 – Approve the Authority's Policy on Covert Surveillance (attached as Appendix 1 to the report) and review and note the use of surveillance by the Authority in the preceding year.

Option 2 – To ask Officers to revise the draft Policy and/or provide additional information regarding any matters contained in the report.

Resolved that (1) the Authority's draft Policy on Covert Surveillance, attached at Appendix 1 to the report, be approved; and
(2) the use of surveillance by the Authority in the preceding year be noted.

(Reason for decision: Approving the Authority's Policy on Covert Surveillance will secure adherence to the recommended best practice contained within the Codes of Practice. In particular, the Code of Practice – Covert Surveillance and Property Interference indicates that elected members should review the Authority's use of Part II of the Regulation of Investigatory Powers Act 2000 and set the policy at least once a year.)

CAB100/12/17 North of Tyne Devolution – Next Steps (All Wards)

Cabinet considered a report outlining the findings of the Governance Review regarding the proposals for the North of Tyne authorities to withdraw from the North East Combined Authority (NECA) and establish a new mayoral combined authority.

North Tyneside, Newcastle and Northumberland County Councils ("the NT authorities") had an ambitious vision for enhancing social and economic prosperity, and increasing the wellbeing of their communities. Building upon the North of Tyne area's significant economic, educational and cultural assets the authorities wanted to increase their contribution to both the North East and national economies and to improve the area's productivity through enhanced business growth, innovation delivery, skills and infrastructure. At the same time the authorities would work together to ensure that all residents had the ability and opportunity to benefit from and contribute to future growth.

On 24 November 2017 the NT authorities had agreed a 'minded to' Devolution Deal with Government for a significant shift of powers, funding and responsibility. The proposed Deal would enable the three authorities to pursue their ambitions for inclusive growth, providing £600m of additional investment for the region over 30 years and a range of opportunities to invest in skills development and labour market access across the NT area.

The minded to Devolution Deal represented a significant step forward in delivering more and better jobs to the area. It delivered significant new responsibilities and investment that would benefit communities across the NT area and the North East region as a whole. It meant that decisions previously taken centrally would now be taken closer to the people affected and gave the area greater financial freedom to manage the impact of austerity. It would ensure that Newcastle and the NT area were not disadvantaged as other Northern city regions, such as Liverpool, Manchester and Tees Valley, acquired new powers and funding from Government. A summary of the minded-to Deal was included at Appendix 1 of the report.

The Deal required the NT authorities to establish a new mayoral combined authority. First elections for the North of Tyne Mayor were expected in May 2019. To establish the new North of Tyne mayoral combined authority the Secretary of State would need to make a statutory Order (or Orders) under the Local Democracy, Economic Development and Construction Act 2009 ("the 2009 Act") to deliver the following proposals:-

- an amendment to the boundaries of NECA to remove the areas of the three NT authorities; and
- the creation of a new mayoral combined authority for the NT area comprising the 3 NT authorities, which would include provision for an elected mayor.

Each proposal would be subject to a separate statutory process. The first stage in each process was for the NT authorities to undertake a Governance Review. Given that these 2 proposals were so closely linked, a joint Governance Review had been undertaken which considered both proposals together.

The NT authorities must then decide whether the criteria in the 2009 Act had been met for each proposal. If satisfied that the criteria had been met, the next stage of the process was for the NT authorities to publish a Scheme setting out how it was intended to implement these proposals. The NT authorities must then carry out public consultation on these proposals. At the end of the consultation period, the NT authorities must submit a summary of the responses received to the Secretary of State who had to be satisfied that the statutory criteria to allow him/her to make the necessary Orders had been met, and whether the relevant bodies had provided their consent to the making of the Orders.

The Governance Review Executive Summary was detailed in the report and a report setting out the findings of that Governance Review was attached at Appendix 2 of the report. The next stage was for the NT authorities to publish a scheme in respect of the proposals. A draft of the scheme was attached as an appendix to the Governance Review.

The Scheme would be published for the purposes of public consultation, at the end of which the NT authorities would prepare a summary of the consultation responses received. This would include an analysis of the issues that had arisen from the consultation and any submissions which it was proposed that the NT authorities' should make in response to those issues. A further report would be brought to Cabinet before the summary of the consultation responses and any proposed submissions on behalf of the NT authorities was sent to the Secretary of State.

NECA and the other constituent authorities within NECA were key stakeholders in this process of consultation so there would be active engagement during the consultation period with NECA and the other constituent authorities regarding the detailed operational and financial implications of the proposals.

The report outlined the economic and social impacts and what the NTCA would also provide. It was stressed that collaboration across the existing NECA region would continue in certain key areas. The LEP would remain in place across the area of the revised NECA and the new NTCA. Furthermore, the statutory joint committee which would be established between the two combined authorities would replicate and maintain the existing integrated approach to transport across the region.

Success would be measured through agreement of the Secretary of State to lay the orders needed to create NTMCA; and through the evaluation and appraisal frameworks to be agreed by NTMCA before new powers or funding were used.

Newcastle and Northumberland Councils were considering the governance review in parallel to North Tyneside. Subject to approval from all three authorities, the Scheme would be published for consultation on 14 December 2017 with responses due by 5 February 2018. The consultation would be managed jointly by the three NT

authorities and would engage stakeholders and partners across the whole NECA area

Subject to the Secretary of State being satisfied that the statutory criteria had been met and the relevant authorities had given the necessary consents, it was anticipated that the statutory Order(s) would be made in spring 2018 and NTCA created as a legal body in summer 2018 (with the amendment of NECA's boundaries and the creation of the joint transport committee taking place at the same time). An interim mayor would be appointed until mayoral elections took place in May 2019.

It was proposed to refer this report to Council at its meeting on 18 January 2018.

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

It was noted that the Chair of Council had agreed that the decision on this item should not be subject to call-in to enable consultation to commence on the proposed changes to the boundaries of NECA and the establishment of a new Mayoral Combined Authority for the North of Tyne area on 14 December 2017 and end on 5 February 2018 and to meet the parliamentary timetable for the Orders to be laid before Parliament in March 2018.

Resolved that (1) the content of the report and the Governance Review report, attached at Appendix 2, be noted;

(2) the findings of the report be approved, namely: (a) (under section 109 of the 2009 Act) the proposed creation of a new mayoral combined authority for the North of Tyne area will improve the exercise of statutory functions in that area; and (b) under section 112 of the 2009 Act) the proposed amendment of the boundaries of NECA will improve the exercise of statutory functions across the existing NECA area;

(3) the NT authorities publish a composite scheme for the proposed amendment of the boundaries of NECA and the proposed creation of a new mayoral combined authority for the North of Tyne area (the current draft of which Scheme is attached at Appendix 1 to the Governance Review);

(4) the NT authorities undertake public consultation in connection with the proposals contained in the composite Scheme beginning on 14 December 2017 and ending on 5 February 2018;

(5) engagement with NECA and the other constituent authorities within NECA should progress as described in the report;

(6) this matter be reported to Council in January and further reports be brought to Cabinet on the progress of these proposals in due course; and

(7) the Chief Executive be authorised, in consultation with the Elected Mayor and Monitoring Officer, to take all steps necessary to implement the above proposals, including (but not limited to) making amendments to the Scheme prior to its publication for consultation purposes.

(Reason for the decision: as outlined in sections 1.5 to 1.10 of the report)

CAB101/12/17 Date and Time of Next Meetings

Monday 18 December 2017 at 4.00pm (Extraordinary Meeting)

Monday 15 January 2018 at 6.00pm (Ordinary Meeting)

Wednesday 24 January 2018 at 6.00pm (Extraordinary Meeting)

Minutes published on Thursday 14 December 2017.

With the exception of the decisions set out in Minute CAB100/12/17, 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 21 December 2017.

The decisions contained in Minute CAB100/12/17 are not subject to call-in and may be implemented immediately.