

## **Cabinet**

**26 November 2018**

**Present:** Mrs N Redfearn (Elected Mayor) (in the Chair)  
Councillors G Bell, C Burdis, S Cox, S Day, P Earley, R Glindon,  
M Hall, C Johnson and C B Pickard

**In Attendance:** Councillor J Allan  
D Bavaird (Business Representative)  
A Caldwell (Age UK)  
R Fry (Voluntary and Community Sector)  
J Hutton (Northumbria Police)  
R Layton (North Tyneside Joint Trade Union Committee)

### **CAB69/11/18 Apologies**

Apologies were received from P Arnold (Young Mayor) and L Young-Murphy (North Tyneside Clinical Commissioning Group).

### **CAB70/11/18 Declarations of Interest and Dispensations**

Councillor S Cox declared a registerable personal interest in item 7(a) ESF funding to facilitate pathways to employment for residents aged 18-29 (CAB81/11/18), as he was employed by Tyne Met College.

Councillor P Earley declared a registerable personal interest in item 7(a) ESF funding to facilitate pathways to employment for residents aged 18-29 (CAB81/11/18), as he was an appointed governor at Tyne Met College.

There were no dispensations reported.

### **CAB71/11/18 Minutes**

**Resolved** that the Minutes of the meetings held on 15 October (Ordinary meeting) and 19 November 2018 (Extraordinary meeting) be confirmed and signed by the Chair.

### **CAB72/11/18 Report of the Young Mayor**

In the absence of the Young Mayor who was unwell and unable to attend the meeting, it was agreed that her report would be circulated to all parties for information.

The Elected Mayor took the opportunity to praise the work of the young people and the team with the Children in Care Council and the Regional Children in Care Council.

### **CAB73/11/18 Overview, Scrutiny and Policy Development Committee – Report of the Capita Sub-Group (All Wards)**

Cabinet received a report from the Overview, Scrutiny and Policy Development Committee in relation to a review of the Capita Partnership with the Authority. Councillor J Allan, Deputy

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Chair of the Overview, Scrutiny and Policy Development Committee, was in attendance to present the report.

As part of the Overview Scrutiny, and Policy Development Committee work programme 2017/18, Members had agreed to carry out a review on the partnership with Capita who delivered the Authority's technical services in order to see if the Authority and its residents were receiving the service specified at its inception. A Sub-group had been established to gain a clearer understanding of the partnership and its operation.

A series of meetings had taken place where officers had presented information on aspects of the contract and following consideration of the information received the sub-group had made the following nine recommendations:

- “1. It is important that there is a need to have clear and greater understanding of the contract, with clear information accessible to all within the Authority and to residents.
2. To ensure comprehensive oversight by members that scrutiny be involved with the baseline exercises at years 5, 8 & 12 years.
3. That the outcome and plans of the Partnering Boards be formally reported to scrutiny committees to ensure comprehensive transparency into the partnership.
4. That Cabinet gives consideration to the increasing of enforcement throughout the Authority through an increased enforcement regime.
5. That Cabinet ensures that Council are informed of any changes to the North Tyneside Local Plan, as a consequence of any changes to the implementation of the Northumberland Local Plan.
6. That Cabinet considers options to how the Authority's partnership with Capita and its knowledge and experience in gaining an acceptable Local Plan could provide a further income stream by offering its expertise to other Local Authorities.
7. That Cabinet ensure that the Strategic Partnership Board has oversight of any profit warnings and has appropriate risk and business continuity plans in place to ensure services will continue to be delivered if such circumstances that any of its partnership arrangements fall into possible liquidation.
8. To demonstrate transparent scrutiny, following the Strategic Partnering Board annual review, the information to be shared with the Overview, Scrutiny & Policy Development Committee at the next scheduled meeting to enable all members to gain a better understanding of the operational value of the partnership.
9. That Overview, Scrutiny & Policy Development Committee is presented with the base line results at year 5, 8 and year 12 of the contract to enable consideration of value for money, the meeting of Partnership Targets and ensure that there are no significant key performance indicator failures or material defaults under the terms of the contract.”

The full report which outlined the key findings, conclusions and recommendations of the review was appended to the report. The Overview, Scrutiny and Policy Development

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Committee had received the report on 5 November 2018 and had approved the recommendations for submission to Cabinet.

Cabinet had a statutory duty to respond to the Committee's recommendations within 2 months of receiving them. In providing its response Cabinet was asked to provide reasons for any recommendations.

The Deputy Mayor thanked the Committee for the report and indicated that a detailed response would be provided to Cabinet.

**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 January 2019.

(Reason for decision – to respond to the recommendations made by the Overview, Scrutiny and Policy Development Committee.)

### **CAB74/11/18 2019-2023 Financial Planning and Budget Process: Cabinet's Initial Budget Proposals (All Wards)**

At its meeting on 10 September 2018, Cabinet had approved the process and timetable to be adopted for the preparation of the draft Financial Plan, 2019/20 revenue budgets in respect of the General Fund, Dedicated Schools Grant and Housing Revenue Account (HRA), the 2019-2023 Investment Plan and the 2019/20 Treasury Management Statement and Annual Investment Strategy, as part of the overall Financial Planning and Budget process for 2019-2023. Cabinet had also approved the budget engagement strategy as part of the report.

A report was now submitted detailing the outcomes of that process so far with Cabinet's Initial Budget proposals, in accordance with the time-scales set down in the Authority's Constitutional requirements. The report presented proposals to cover a four-year planning period from 2019-2023 for the revenue budget and a four year planning horizon for the Investment Plan. The 2019/20 financial year was the final year of Central Government's financial settlement offer which had provided the Authority with a degree of certainty regarding the level of funding the Authority was due to receive. Budget planning beyond 2019/20 was therefore extremely difficult to predict with any accuracy at this stage.

There was great uncertainty in relation to the level of funding beyond 2020 due to the changes in the Local Government finance system resulting in greater risks in relation to the localisation of business rates and the local Council Tax scheme. The unknown impacts alongside the level of risk to finances meant that current budget forecasts would need to be closely monitored and potentially refreshed more frequently than usual as consequences became clear.

The Efficiency Statement, which had been submitted to Central Government on 14 October 2016 to secure the multi-year financial settlement offer, had been revised. This now reflected how the Authority was planning to address the reduction in resources to ensure it could meet the anticipated savings that would be needed over the medium term of the financial plan. The current savings requirement was estimated to be £41.423 million over the period 2019-2023 should no increases in Council Tax be applied.

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A review had been commissioned in April by the former Secretary of State in response to issues in relation to the Department's operation of the business rates retention system. A wide range of recommendations had been made in the Hudson report and the Government had confirmed that they would be accepting all of the recommendations.

The recommendation that had received most publicity had been that in future the Provisional Local Government Settlement should be published on or around the 5 December each year and that the Final Settlement should be announced no later than the end of January. In responding to this recommendation, the Government had confirmed it was aiming for the Provisional Settlement for 2019/20 to be published on the 6 December 2018.

These proposals were based on several years of cumulative effort to respond to reducing resources and rising costs and they necessarily contained greater cumulative risk and required close attention to ensure delivery.

Cabinet had worked to consider options to meet the financial challenges and had considered proposals that would meet an initial funding gap in the region of £41.423 million over the next four financial years. Sustained cuts in government funding and unfunded pressures together with unfunded new burdens meant that since 2010, the Authority, along with other local authorities, had already made substantial efficiency savings. These sustained cuts came at a time when demand for some of the Authority's most costly services such as support to vulnerable adults and children's social care was increasing, as outlined in the report.

The HRA had faced significant challenges from legislation, particularly linked to the Welfare Reform and Work Act 2016 and the Housing and Planning Act 2016. The Authority continued the implementation of the Government's policy to reduce rent by 1% for all housing stock including PFI sheltered accommodation homes. 2019/20 represented the last year of the rent reduction, and from 2020/21 Government had announced that social rents would return to the previous policy of being based on the Consumer Prices Index plus 1% for at least 5 years to give greater certainty for longer term planning. In terms of the Housing and Planning Act the Government had also announced that it would not be implementing the High Value Asset levy that would have required the Authority to sell off a proportion of its stock each year, removing another risk to HRA resources. The Authority was also facing the impact of the continued roll-out of Universal Credit and other welfare reforms. Cabinet had agreed in September 2017 that it would not extend the Authority's Joint Venture partnership with Kier North Tyneside beyond March 2019. This gave rise to a challenge to create a fit for purpose construction and maintenance operation, to best meet the needs of the Authority's tenants and residents, whilst delivering greater efficiency and value for money.

In the October spending review, the Government had decided to remove the HRA borrowing cap. It would now be for the Authority to determine the level of unsupported borrowing it wished to undertake to fund new build in line with the Prudential Code which already applied to the rest of the Authority's borrowing strategy. This would need to be assessed against the levels of rental income that could be raised to support such borrowing and against a background of no guaranteed additional grants to support the build, the availability of suitable sites, and no proposed cessation of the RTB scheme or changes to the levels of discounts available to tenants.

These challenges continued to be considered as part of the updating of the 30-year plan which aimed to ensure the long-term viability of the HRA in line with the policy direction of the

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Mayor and Cabinet and the needs of tenants. For the purposes of the current Financial Planning and Budget process, a four-year revenue plan had been developed in line with the approach adopted for the General Fund. All projections after 2019/20 were only indicative at this stage.

HRA tenants would be consulted on these initial proposals and the final HRA Budget would be presented to Cabinet on 21 January 2019 when Cabinet would be asked to approve the HRA Business Plan and Budget for 2019/20, including the housing rent, garage rent and service charge changes and the Housing Investment Plan.

Annex 1 to the report detailed the Cabinet's 2019-2023 initial budget proposals for the General Fund Revenue Budget, Dedicated Schools Grant, Housing Revenue Account, 2019-2023 Investment Plan, the 2019/20 Treasury Management Statement and Annual Investment Strategy.

Cabinet's initial budget proposals were based upon available information and judgements at the time of writing the report. There were a number of assumptions and judgements built into the figures presented that were outside the control of the Authority and needed to be finalised. The initial budget proposals would therefore need to be subject to further review before they could be confirmed. The report detailed the information to be assessed and finalised. As some external announcements were still to be received, it was recommended that Cabinet authorise the Elected Mayor, in conjunction with the Cabinet Member for Finance and Resources and other Cabinet Members, to work with the Senior Leadership Team to continue their joint review of these proposals.

The Cabinet Member for Community Engagement made reference to public engagement and how the Authority delivered services and met the needs and priorities of residents with increased demands; and was pleased to announce a meeting arranged for tomorrow evening with residents and young people to build on discussions on the initial proposals.

Mr D Bavaird, on behalf of the business sector, applauded the Authority's communication and engagement programme in respect of the budget process and requested that engagement with the business community on the proposals be undertaken at a single session.

The Elected Mayor thanked Cabinet Members and the officers for their work so far. The Cabinet Member for Finance endorsed the Mayor's thanks to the officers.

Cabinet considered the following decision options: to either agree the proposals set down in the report, or alternatively, to suggest that further / different options are considered by the Senior Leadership Team and be reported back to Cabinet for further consideration.

**Resolved** that (1) the progress made in relation to this year's Financial Planning and Budget Process be noted;  
(2) the key principles being adopted in preparing the Medium Term Financial Strategy for the Authority, subject to an annual review, be noted;  
(3) the medium-term financial challenges and financial risks facing the Authority be noted and these issues be addressed as part of the Efficiency Programme for the Authority, to deliver continued financial stability and prudent management of the financial resources;  
(4) the formal Reserves and Balances Policy for the Authority, subject to review at least annually, be noted;

- (5) the proposed Efficiency Statement, which has been written with consideration to the previously agreed Our North Tyneside Plan, be approved, and it be noted that this forms part of the Policy Framework for the Financial Planning and Budget Process for 2019-2023;
- (6) the initial budget proposals in relation to the 2019/20 General Fund Revenue Budget and Dedicated Schools Grant, including the assessment in relation to the current year's budget monitoring information (2018/19), be approved;
- (7) the Head of Resources, in consultation with the Head of Commissioning and Asset Management, the Cabinet Member for Children, Young People and Learning and the Cabinet Member for Finance and Resources, be authorised to undertake resource allocations to schools for 2019/20 in line with the school funding arrangements set out in the report;
- (8) the proposed 2019-2023 Capital Investment Plan be approved, noting that the plan continues to be under review;
- (9) the draft Capital Investment Strategy be noted and it be noted that the Strategy will now be subject to consultation as part of the Budget Engagement Strategy;
- (10) it be noted that all approved schemes within the 2019-2023 Investment Plan will be kept under corporate review by the Investment Programme Board;
- (11) the draft 2019/20 Treasury Management Statement and Annual Investment Strategy be approved;
- (12) the Provisional Statement by the Chief Finance Officer be noted;
- (13) the initial budget proposals in relation to the 2019-2023 Housing Revenue Account budget, and associated Business Plan, including an assessment in relation to the current year's budget monitoring information (2018/19), be approved;
- (14) the proposed April 2019 1% rent reduction (in line with the Welfare Reform and Work Act 2016), and the initial proposals in relation to housing service charges and garage rents for 2019/20 be noted;
- (15) the Elected Mayor, in conjunction with the Cabinet Member for Finance and Resources, Deputy Mayor and other Cabinet Members, be authorised to work with the Senior Leadership Team, to continue their joint review of these initial proposals; and
- (16) the Chief Executive be authorised, in consultation with the Elected Mayor, Cabinet Member for Finance and Resources, Deputy Mayor and the Senior Leadership Team to manage the Efficiency Programme; and it be noted that progress will be reported to Cabinet as part of the regular budget monitoring information provided.

(Reasons for decision: Due to external information still to be received, Cabinet is not in a position to finalise setting its proposed Council Tax level for 2019/20 in relation to the General Fund although these initial budget proposals include Central Government's assumed increase to council tax of 1.99% in 2019/20 in two months, but further work will inevitably be required before final decisions are made on the budgets for next year.)

### **CAB75/11/18 2018/19 Financial Management Report to 30 September 2018 (All Wards)**

Cabinet considered a report which provided an update on the expected revenue and capital financial position of the Authority as at 31 March 2019.

The forecast outturn had significantly improved since the figures reported to Cabinet in May of £5.593 million and was now estimated at £3.599 million against the approved net budget. The improvement had mainly been achieved through improved CBF savings, reduced interest charges and the backdated refund of rates relating to Segedunum Museum. However, there still continued to be pressure in Children's Services of £4.193 million and Adult Services of £2.710 million, partly mitigated by the contingency balances that had been

created as part of the 2018/19 Budget setting process. Included in this projection was £3.249 million of pressures in Corporate Parenting and Placements, £2.771 million in Wellbeing and Assessment and £0.835 million in Disability & Mental Health. These areas were being reported across England as pressure points with people living longer with more complex needs and the number of children being assessed for entry to the care system increasing dramatically. Within the Authority the drivers for these pressures continued from 2017/18 and arose from the areas detailed in the report.

Services had continued to develop further actions to mitigate identified financial pressures. It was anticipated that the outturn forecast would continue to improve over the course of the financial year as planned remedial actions impacted on both expenditure and income. A new grant of £1.031 million announced in October 2018 to address NHS winter pressures was not yet shown within the position pending discussion with Cabinet Members and the Authority's NHS partners regarding its use.

The HRA continued to perform extremely well against original plans and was forecast to have year-end balances at 31 March 2019 of £5.944 million, which were £3.274 million higher than the budget which had been set at £2.670 million. The higher than forecast balances were partly as a result of higher opening balances due to the impact of the previous year's financial performance (£1.443 million) but there was also an in-year estimated underspend of £1.831 million, against an in-year budget of £1.970 million, due to additional income of (£0.693 million) and a reduction in forecast expenditure of £1.138 million, mainly due to the progress of the Construction Options Project (£0.758 million). Universal Credit had been fully implemented across North Tyneside on 2 May 2018. As of September 2018, 1,062 North Tyneside Homes tenants had moved on to Universal Credit and a team was working proactively with tenants to minimise arrears. This position would be closely monitored as the year progressed to identify any adverse impacts on the budget position.

In the October spending review, the Government had decided to remove the HRA borrowing cap. It would now be for the Authority to determine the level of unsupported borrowing it wished to undertake to fund new build in line with the Prudential Code which already applied to the rest of the Authority's borrowing strategy. This would need to be assessed against the levels of rental income that could be raised to support such borrowing and against a background of no guaranteed additional grants to support the build, the availability of suitable sites, and no proposed cessation of the RTB scheme or changes to the levels of discounts available to tenants.

With regard to school funding, Beacon Hill school was no longer requesting deficit approval and the remaining nine schools that had sought it had been given approval for 2018/19. The first financial monitoring figures had been prepared for those schools with deficit budgets. This initial position indicated that all of those schools already expected a small improvement on the initial deficit funding approval figures.

To the end of September 2018 spend of £28.87 million had been incurred on the Investment Plan which represented 35.6% of the revised plan. This was the highest percentage and the highest actual spend reported in September Budget Monitoring reports for the last 5 years and reflected continued improvement in delivery against the phased plan. The 2018-2021 Investment Plan, as adjusted for proposed reprogramming, totalled £173.281million (£82.630 million 2018/19) and was detailed in the Annex report. The Annex also set out delivery progress to date, planned delivery for 2018/19, re-profiling of £0.740 million spend from

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2018/19 into 2019/20 and 2020/21 and credit variations of £5.226 million (£0.974 million in 2018/19).

Revenue Grants which had been received during August and September 2018 were also detailed in the report.

With regard to current progress of services against the Our North Tyneside Plan, in Adult Social Care the focus remained on providing support which allowed people to live independent lives by providing preventative services and keeping people living at home for as long as possible. There was an increase in short term placements to residential care and reablement in-house provision as a result of a lack of capacity in the local domiciliary care market and this was driving some of the cost pressure within Adult Social Care.

The Authority was forecasting a pressure of £3.249 million in corporate parenting and Placements (2017/18, £3.817 million). The new model for children had been designed in part to address these financial pressures, details of which were set out in the Annex to the report.

In terms of looked after children (LAC), although the number of children's placements had not increased relative to 2017/18, the placement mix continued to change with more children receiving more costly bespoke individual placements, as it was often not suitable to place young people with complex needs in group environments. The main pressure resulted from residential placements where 6% of the bed nights provided accounted for one third of the overall placement cost (35%). The average cost of a residential care placement had increased to £0.226 million per annum compared to £0.207 million per annum at the same point in 2017/18, an increase of 9.2% reflecting the increasing complexity of needs of the young people in the Authority's care.

In terms of the impact of empty homes on the financial picture date, rates were below 2017/18 levels overall so far this year and this continued the trend over the last couple of years for empty home rates following the completion of the North Tyneside Living Scheme. Numbers of empty homes had stabilised at circa one per cent of all stock following substantial improvement in both Sheltered and General Needs stock.

In terms of implications for 2018/19 and following years, a review had been commissioned in April by the former Secretary of State, in response to issues in relation to the Department's operation of the business rates retention system. A wide range of recommendations had been made in the Hudson report and the Government had confirmed that it would be accepting all of the recommendations made. The recommendation that had received most publicity had been that in future the Provisional Local Government Settlement should be published on or around the 5 December each year and that the Final Settlement should be announced no later than the end of January. In responding to this recommendation, the Government confirmed it was aiming for the Provisional Settlement for 2019/20 to be published on the 6 December 2018.

With regard to the local position on future years' planning, this was an important report not only because it gave the financial position of the mid-point of this financial year, but also it informed the starting point for the financial planning process which was underway for 2019/20 and following years. The main issues identified in 2018/19 that would need to be considered in forward planning were detailed in the report.



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The Elected Mayor and Cabinet Member for Finance and Resources thanked everyone for their work towards balancing the books across all of the budgets this year, particularly under the current financial pressures.

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

**Resolved** that (1) the forecast budget monitoring position for the General Fund, Housing Revenue Account and Schools' Finance as at 30 September 2018 be noted;  
(2) the receipt of £0.019 million new revenue grants be approved;  
(3) the Authority's Investment Plan spend of £28.8491 million to 30 September 2018 and the financing of the Plan to the end of the year be noted;  
(4) the variations of £5.226 million credit and re-programming of £0.740 million within the 2018-2021 Investment Plan be approved;  
(5) the performance of the Treasury Management Strategy be noted;  
(6) the performance against the Prudential Indicators be noted; and  
(7) the performance of the Collection Fund be noted.

(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.)

### **CAB76/11/18 An Ambition For North Tyneside (All Wards)**

Cabinet considered a report which outlined the Elected Mayor and Cabinet's future ambition for North Tyneside.

On 20 July 2017 the Council had agreed its Local Plan, which set a vision for the Borough for the next 15 years. Listening carefully to residents and business the Local Plan balanced the needs of a growing population while trying to ensure the Authority retained the things that made North Tyneside special. The plan looked forward across the same timescales; matching ambition to the plan for the place.

The Elected Mayor, Cabinet and the Officer Team had then spent time working through the following: What was known about the needs of each area of the Borough? What, therefore, was the Authority trying to achieve with those communities? What had been delivered over the last 15 years? What was the Authority doing now? What will we do next? And what will we do if we can when we can?

The plan spelled out the scope of ambition and what the Authority would try and achieve with its partners for its communities. While the report considered carefully the work done in partnership with residents, communities, business, visitors and the community and voluntary sector it focused mostly on the work that could be led by the Authority.

In considering the Borough, the planning and policy work had considered the issues that touched the entire Borough and then each part of the Borough. The geographic scope was described by Council Ward in the specific sections but in broad terms North Tyneside had been considered as:

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- The South West area around Wallsend, including the communities who lived in Howdon, Willington Quay, Hadrian Park, High Farm and Battle Hill.
- The North West including Benton and Longbenton, Forest Hall and Killingworth, Dudley, Weetslade, Burradon, Camperdown and Fordley.
- The North East area around Whitley Bay, including Monkseaton and Earsdon, Shiremoor, Backworth and West Allotment; and
- The South East area around North Shields, including Cullercoats and Tynemouth, Chirton and Percy Main

The Elected Mayor and Cabinet's ambitions for the Borough had been well described in two iterations of the Our North Tyneside Plan. Specific commitments had been made and were being met in terms of Our People, Our Place and Our Economy, as outlined in the report.

The report explained in more detail the Elected Mayor and Cabinet's ambitions for each part of the Borough and described what each area currently had, what it was planned to achieve and how it would be achieved. The Appendices to the report provided further detail about 'An Ambition For North Tyneside – Regeneration Strategy' (Appendix 1) and 'Priority Projects' (Appendix 2). The report also explained how the programme would be managed and set out priorities for investment and external funding.

Mr D Bavaird, on behalf of the business sector, welcomed the report and looked forward to being kept informed of progress.

The Elected Mayor thanked the Cabinet Members and the Officer teams for their work in developing the programme.

Cabinet considered the following decision options: to either approve the recommendations as set out in section 1.2 of the report, or alternatively, ask for further work and a revised plan to be submitted to Cabinet in due course.

**Resolved** that (1) the overall Ambition for North Tyneside plan be approved; (2) the proposals to engage on the overall plan and specific projects be approved; (3) the Priority Projects for external funding consideration be approved; and (4) the overall plan be monitored by the Investment Programme Board and progress be reported regularly to Cabinet.

(Reasons for decision: Following reflection on feedback with the people, businesses and communities of the Borough, it reflects the Elected Mayor and Cabinet's priorities for the delivery of the Our North Tyneside Plan.)

### **CAB77/11/18 Safer North Tyneside Community Safety Strategy 2019-2024 (All Wards)**

Cabinet considered a report which presented the final proposals for the Safer North Tyneside (SNT) Partnership's Community Safety Strategy 2019-2024 and requested approval pursuant to the Council's Budget and Policy Framework rules.

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It was a statutory requirement for Community Safety Partnerships (known in this borough as Safer North Tyneside) to prepare an annual 'strategic assessment' of crime and disorder issues impacting on the local community and for this 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 expired in March 2019 and therefore needed to be renewed. The Partnership had agreed that its next Strategy would cover the period April 2019 to March 2024.

Following consideration of the initial draft Strategy in December 2017 by Cabinet and then in January 2018 by Overview, Scrutiny and Policy Development Committee, a formal public consultation exercise had taken place between 28 February 2018 and 26 March 2018. Details of the consultation process undertaken and the consultation results and feedback were provided in the report. The Partnership had reviewed the draft Strategy to ensure that it took into account new matters such as the Domestic Violence and Abuse Bill, and the policy steer given by the Elected Mayor and her Cabinet to encourage a greater sense of place in the Borough, particularly in relation to tackling anti-social behaviour and environmental crime.

A copy of the final proposals for the draft Strategy was included at Appendix 1 to the report. The Strategy's priorities were based around Safeguarding, Public Protection, Alcohol and Drugs and Crime and Disorder. For each 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 shape the annual work plan and identify what actions needed to be taken to support delivery of the Strategy over each of the five years the Strategy would be in place.

Progress against this work plan would be reported by all relevant partners and the Partnership would own and maintain the delivery plan. Performance would be managed by the Partnership and reported quarterly to the North Tyneside Strategic Partnership. An annual report on progress against the operational delivery plan would be presented to Cabinet at the end of each delivery year. The Housing Sub Committee provided ongoing scrutiny of the work of the SNT Partnership.

The Partnership was also reviewing its membership with a view to expanding it. This review would be completed in good time for the implementation of the new Strategy.

Cabinet was informed that 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%.

Cabinet considered the following decision options: to either approve the recommendations as set out in section 1.2 of the report, or alternatively, to not approve the recommendations.

**Resolved** that the final proposals in respect of the Community Safety Strategy 2019-2024, in the form of the draft Strategy attached at Appendix 1 and Action Plan attached at Appendix 2, be approved for consideration by full Council.

(Reason for decision: This will enable the Strategy to be considered by Council in accordance with the constitutional requirements of the budget and policy framework and ensure that it is in place by 1 April 2019 to meet the requirements of the provisions of the Crime and Disorder Act 1988.)

### **CAB78/11/18 North Tyneside Council Empty Homes Programme (All Wards)**

Cabinet received a report which sought approval to accept an offer of grant funding totalling £347,904 from Homes England to support the refurbishment of 15 long term empty homes and the conversion of 3 retail units as affordable housing. The grant funding would be in addition to capital investment approved via the Gateway process and included in the Investment Plan.

In 2015, as part of the Authority's efforts to tackle empty homes and disrepair, the Authority had applied for and received a grant of £42,832 from the then Homes and Communities Agency (now Homes England). This had been used as a contribution towards the Authority's overall refurbishment costs and enabled the Authority to successfully deliver 5 affordable housing units.

At a meeting on the 21 March 2018, the Investment Programme Board, in consultation with the Cabinet Member for Housing, had endorsed the private sector empty homes programme 2018-21 as a renewed approach to tackling problematic empty properties across the borough and to consolidate a number of existing capital allocations to achieve improved outcomes. The programme would tackle long-term empty properties in the borough and by returning them to occupation, would reduce neighbourhood blight and increase the number of affordable homes.

The Authority was an existing development partner of Homes England and as part of Home England's continuous market engagement process, the Authority had made a further application for capital grant to provide funding to deliver 'affordable housing units' from Home England's 'Shared Ownership and Affordable Homes Programme 2016-21' (SOAHP 2016-21). The Authority had been offered a grant of £347,904.

The specific outcome requirements of the Authority's application and SOAHP 2016-21 were aligned with the Authority's aspirations to return empty homes to use as affordable housing and the securing of grant funding would be utilised to increase the Authority's overall available funding and to reduce the financial risk to the Authority.

Specifically the Authority intended to use the grant funding in the first instance to support the established Repair and Manage Scheme. Under this scheme the Authority assisted empty home owners by providing the capital funding and direct construction skills to refurbish their empty property. The Authority's investment was recouped through the rental income over the length of an agreed exclusive letting period. The properties were let at an affordable rent to those in housing need.

The use of grant funding would have the effect of reducing the "payback" period for properties refurbished as part of the scheme, making the scheme more attractive to owners, reducing the financial risk to the Authority and allowing swifter recycling of funds back into the programme.

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Cabinet considered the following decision options: either to approve the recommendations as set out in paragraph 1.2 of the report, or alternatively, to not approve the recommendations.

**Resolved** that (1) the Head of Resources be authorised to accept the offer of £347,904 grant funding from Homes England; and  
(2) the Head of Environment, Housing and Leisure, in consultation with the Head of Resources, Senior Manager Legal Services and the Cabinet Member for Housing, be authorised to enter into a grant agreement with Homes England.

(Reasons for decision: The outcome requirements of the grant funding from SOAHP 16-21, as detailed in the Authority's application, are aligned with the Authority's aspirations to return empty homes to occupation as affordable housing and the securing of grant funding under this programme will be utilised to increase the Authority's overall funding allocation, reduce the financial risk to the Authority and recycle funds more quickly into the programme.)

### **CAB79/11/18 Annual Review of Council Policy on Covert Surveillance (All Wards)**

Cabinet received a report seeking approval of an updated Covert Surveillance Policy. 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. No substantive changes had been proposed as the previously adopted Policy remained fit for purpose. 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 report detailed recent developments in the law relating to surveillance and in particular in relation to the use of social media, such as Facebook, to monitor the activities of individuals who were the subject of investigation. Information had been provided to Heads of Service to raise awareness of the requirements of the law in relation to surveillance and to prompt feedback in relation to potential surveillance that did not come within the statutory framework for covert surveillance.

The Codes of Practice applying to the Regulation of Investigatory Powers Act 2000 (RIPA) 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

## Cabinet

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.

It was noted that there had been no RIPA authorisations granted in the last year.

Cabinet considered the following decision options: To 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, or alternatively, 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 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.)

### **CAB80/11/18 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 2 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 Paragraphs 3, 1 and 3 respectively of Part 1 of Schedule 12A to the Act.

### **CAB81/11/18 ESF Funding to Facilitate Pathways to Employment for Residents Aged 18-29 (All Wards)**

(Note: Councillors S Cox and P Earley each declared a registerable personal interest in this item and withdrew from the meeting during its consideration.)

Cabinet received a report which sought approval to accept funding that would result in a project over 3 years that would support at least 600 residents aged 18-29 along a journey into employment / self-employment, with at least 180 individuals into employment by the end of the 3 year project. The project helped to deliver the Employment and Skills Strategy agreed by Cabinet in January 2017. The project would be delivered by a consortium of community and voluntary sector organisations with the Authority acting as the Accountable Body.

Cabinet considered the following decision options: to agree the recommendations outlined in section 1.2 of the report to accept the offer of ESF funding and delegate authority to deliver the project as set out in the report; or alternatively, not to accept the offer of grant funding; or Cabinet ask for changes to the offer of grant by renegotiating with the Managing Authority.

**Resolved** that (1) the Head of Resources be authorised to accept the offer of the grant of European Social funding subject to agreement in the form of a funding agreement with the Department for Work and Pensions as the Managing Authority; and  
(2) The Head of Commissioning and Asset Management, in consultation with the Cabinet Member for Community Safety and Engagement, Cabinet Member for Children, Young People and Learning, the Deputy Mayor, Head of Resources and the Senior Manager – Legal Services, be authorised to take all necessary steps to complete the grant funding agreement.

(Reasons for decision: If Cabinet choose not to accept the funding, this money will be lost to North Tyneside. The application for ESF funding has been through a vigorous application process and has to comply with clearly set out criteria. The project will build capacity across the community and voluntary sector and enable young people in need of additional support to progress along a journey into employment).

### **CAB82/11/18 New Corporate Risk Partner / Supplier Stability (All Wards)**

Cabinet considered a report which detailed a new corporate risk regarding Partner / Supplier Stability. It was proposed that the new risk should be added to the Corporate Risk Register for ongoing review and management at the highest level.

Cabinet considered the following decision options: To consider the details of the new corporate risk regarding Partner / Supplier Stability and endorse its addition to the Corporate Risk Register, or alternatively, after consideration of the detailed information provided for the new corporate risk, suggest changes to the risk and its controls.

**Resolved** that the new corporate risk regarding the Authority's Partner / Supplier Stability be endorsed.

(Reasons for decision: The new risk has been raised and discussed with Members of Cabinet and Senior Leadership Team as part of the Risk Management process. This is designed to provide assurance that corporate risks and opportunities are being identified and appropriately managed).

### **CAB83/11/18 Date and Time of Next Meeting**

Monday 21 January 2019 at 6.00pm (Ordinary meeting).

**Minutes published on Thursday 29 November 2018.**

**Unless called in by 3 Non-Executive Members for consideration by the Overview, Scrutiny and Policy Development Committee, the decisions contained within these Minutes may be implemented immediately following the expiry of the call-in period; i.e. 5.00pm on Thursday 6 December 2018.**