



North Tyneside Council

Cabinet

18 June 2020

Monday, 29 June 2020 commencing at 6.00 pm.

The meeting will be held virtually and will be live streamed – please use the link here:

<https://youtu.be/k85QxVBB4pw>

| Agenda Item | Page(s) |
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| <p>1. Apologies for Absence</p> <p>To receive apologies for absence from the meeting.</p> | |
| <p>2. To Receive any Declarations of Interest and Notification of any Dispensations Granted</p> <p>You are invited to declare any registerable and/or non-registerable interests in matters appearing on the agenda, and the nature of that interest.</p> <p>You are also invited to disclose any dispensation in relation to any registerable and/or non-registerable interests that have been granted to you in respect of any matters appearing on the agenda.</p> <p>Please complete the Declarations of Interests card available at the meeting and return it to the Democratic Services Officer before leaving the meeting.</p> | |
| <p>3. Minutes</p> <p>To confirm the minutes of the meeting held on 26 May 2020 (previously circulated).</p> | |
| <p>4. Report of the Young Mayor</p> <p>To receive a verbal report on the latest activities of the Young Mayor and Young Cabinet.</p> | |

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For further information about the meeting please email democraticsupport@northtyneside.gov.uk

| Agenda Item | | Page(s) |
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| 5. | Update on Impact of Covid-19 in North Tyneside To receive a verbal update on the impact of Covid-19 in North Tyneside. | |
| 6. | Covid-19 - A Recovery Framework for North Tyneside To consider a report setting out how work will be taken forward within the Authority and across the Borough to move from the Covid-19 crisis response phase to the recovery phase. | 5 - 14 |
| 7. | Poverty Intervention Fund To consider a report setting out the proposed approach for the operation of the Poverty Intervention Fund which was included in the Council's budget for 2020/21. The overall aim of the Fund is to enable support to families and individuals to alleviate the impacts of living in poverty. | 15 - 22 |
| 8. | Adult Social Care Action Plan To consider a report setting out the approach that North Tyneside Council and its partners are taking in response to the Covid-19 pandemic in respect of adult social care and a proposed approach to securing greater market stability within a longer term program of work to consider service redesign and market reshaping as a result of the experience of Covid-19 and the changing nature of demand for adult social care services. | 23 - 36 |
| 9. | 2019/20 Provisional Finance Outturn Report To consider a report on the provisional outturn for the General Fund, Schools Finance, Housing Revenue Account, the financial and delivery aspects of the Investment Plan and the delivery of the Treasury Management Strategy for the financial year 2019/20. | 37 - 122 |
| 10. | North Tyneside Transport Strategy Annual Report To receive the 2019/20 information report in relation to the North Tyneside Transport Strategy. | 123 - 172 |
| 11. | Statement of Community Involvement 2020 To seek approval to an updated Statement of Community Involvement that has been prepared to ensure the Authority's policy regarding consultation on planning matters is up to date and consistent with the latest regulations, national guidance and local policy. | 173 - 224 |

| Agenda Item | Page(s) |
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| <p>12. Renewal of Article 4 Directions to manage planning rights for land at Preston Park and specified streets within Spanish Battery, New Quay, and Tynemouth</p> <p>To seek approval to renew the existing Article 4 Directions in relation to Preston Park, Spanish Battery, New Quay, and Tynemouth that will be subject to consultation with residents and landowners for each of the four affected areas.</p> | 225 - 250 |
| <p>13. Public Spaces Protection Orders</p> <p>To seek approval for the commencement of a 6-week consultation exercise on a proposal to extend the Public Spaces Protection Orders within the borough covering the control of dogs and the consumption of alcohol in public spaces for a further three years.</p> | 251 - 272 |
| <p>14. Date and Time of Next Meeting</p> <p>Monday 3 August 2020 at 6.00pm.</p> | |

Circulation overleaf ...

Circulated to Members of Cabinet: -

N Redfearn (Elected Mayor)
Councillor B Pickard (Deputy Mayor)
Councillor G Bell
Councillor C Burdis
Councillor S Cox
Councillor S Day
Councillor P Earley
Councillor R Glindon
Councillor C Johnson
Councillor M Hall

**Young and Older People's Representatives and Partners of
North Tyneside Council.**

North Tyneside Council Report to Cabinet Date: 29 June 2020

Title: Covid-19 – A Framework for Recovery in North Tyneside

| | | | |
|------------------------------|--|----------------------------------|--|
| Portfolio(s): Elected Mayor | | Cabinet Member(s): Elected Mayor | |
| Report from Service Area(s): | Corporate Strategy and Customer Service/Environment Housing and Leisure | | |
| Responsible Officer: | Jackie Laughton | (Tel: (0191) 643 5724 | |
| | Phil Scott | (Tel: (0191) 643 7295 | |
| Wards affected: | All | | |

PART 1

1.1 Executive Summary:

The purpose of this report is to set out how work will be taken forward within the Authority and across the Borough to move from the Covid-19 crisis response phase to the recovery phase.

1.2 Recommendation(s):

It is recommended that Cabinet agree the proposed framework for Covid-19 Recovery in North Tyneside.

1.3 Forward Plan:

Twenty-eight days' notice of this report was not able to be given due to the nature of the Covid-19 pandemic. The report first appeared on the Forward Plan that was published on 4 June 2020.

1.4 Council Plan and Policy Framework

This report relates to all of the priorities in the 2018-2021 Our North Tyneside Plan. All recovery planning and activity will be shaped by the Our North Tyneside Plan the Authority's core values as set out below:

We listen – our detailed plans will be informed through engagement with council staff, residents, businesses, community/voluntary sector and other partners

We care – the health and safety of our teams and residents will be our top priority at all times and our Customer Service Programme vision will continue throughout

We are ambitious – we will take this opportunity to be flexible, innovative and to stop doing what we no longer need; to keep and nurture what we value and to hold on to the new things we do (“build back better”)

We are good value for money – tight financial control, planning and risk management will continue to be a priority

1.5 Information:

Planning Assumptions

1.5.1 In drawing up this framework for recovery, the Authority’s planning assumptions for the recovery phase are as set out below. In line with the Government’s Covid-19 Recovery Strategy:

- the Authority must adapt to live with the virus in the community for the foreseeable future;
- any further easements to lockdown and the restart of businesses and services set by Government will be very gradual and on a phased basis;
- the “test, track and trace” arrangements will slow the spread of the virus and the Authority will work with partners on local outbreak control measures;
- shielding for the most medically critically vulnerable will remain for some time and the Authority will need to retain its support arrangements for those people;
- the Authority will see a changing nature of demand for some services such as Adult Social Care;
- social distancing and good respiratory hygiene will be key to manage the spread of infection and all work places, schools and other education facilities, retail settings and public spaces will need to be Covid-Secure;
- PPE will still be required where appropriate and the Authority will follow and promote Government guidance on its use such as the use of face coverings on public transport and in some other settings;
- there will be a significant financial impact for the Authority;
- the economic impact across the Borough as a whole will be substantial – nationally the forecast is for 14% GDP down this year and 15% GDP up next

Context in North Tyneside

1.5.2 It is still relatively early to be able to fully assess the impact which the pandemic has had and continues to have across North Tyneside. But as is already known, just like all other areas across the UK, it already looks and feels very different as a place. This will continue to be the case as the Borough adapts to live with the virus for example by re-shaping public spaces to ensure that they are Covid-Secure and safe for people to get around or spend time and for businesses to operate. Schools and other education facilities in North Tyneside are adapting so that they can gradually get back to places where more children, young people and others can safely attend.

- 1.5.3 The pandemic is creating a profound economic and social shock that will not be straightforward or quick to recover from. Local government has a key role to play in that, working with all other key partners. Economically the crisis will shift patterns of investment, activity and consumption and it will be important not to assume that things will either be able to, or be desired to, revert back to the pre-pandemic situation. The social impact is also great with differential impacts on different groups of people in the Borough from a health and social inequalities point of view. It is likely that the pandemic will have exacerbated already existing inequalities across the Borough and in relation to the numbers of people living in poverty. In addition, the health impact goes way beyond those directly impacted by having the virus including mental health and well-being.

Strategic Objectives

- 1.5.4 In line with the Our North Tyneside Plan, the recovery framework for North Tyneside is designed to meet the following clear set of strategic objectives

Our People

- to provide calm and resilient leadership – both within the Authority and across the Borough as a whole – mitigating the deep impacts of the pandemic on the Authority, communities and the local economy
- to protect the vulnerable as a priority
- to restore hope and confidence in future amongst communities and creating a platform for social recovery
- to contain the spread of infection
- to protect the safety of staff, residents and visitors
- to address the impacts of the pandemic from an equalities point of view in relation to protected characteristics, health, well-being education and income

Our Places

- to ensure Covid Secure open spaces and town centres to support confidence and to keep North Tyneside a great place to live, work and visit

Our Economy

- to support local businesses to enable economic recovery and growth

Our Organisation

- to ensure clear democratic oversight is in place
- to follow national Government guidance in all that the Authority does and link in with relevant plans and initiatives at a regional level
- to reflect the current context in North Tyneside – through evidence-based decision making with the ability to react and respond to opportunities and challenges

- to evaluate and learn lessons as the Authority moves forward (“better never stops”)

A phased approach

1.5.5 The Authority’s approach to recovery for North Tyneside is a long term one, starting with three distinct phases linked to the Government’s Covid-19 Recovery Strategy as well as the regional economic recovery framework. The three phases are

- Immediate “**restart**” phase (June – September 2020):

Focus is on : putting in right arrangements to enable effective decision making; establishing good governance and full political oversight; getting right early plans and actions in place in line with national Government guidance and new public health driven Covid-Secure standards; supporting eased lockdown through Local Outbreak control; re-starting Council services in line with Government guidance; supporting businesses, town centres and schools to re-open in a safe way; launching new Poverty Intervention Fund; ongoing financial support to businesses

- Medium “**transition**” phase (October 2020 to March 2021 linked to Government’s “Smarter Controls” phase):

Focus is on : planning for further transition from lockdown and replacing social restrictions with smarter controls; actions to address social and economic recovery; plans to live with Covid-19 in the community; working with the NHS to plan for winter; setting new budget and medium term financial plan; ending of local easements on planning and licensing

- Long term “**rebuild and grow**” phase (April 2021 – July 2021 linked to Government’s “Reliable Treatment” phase) :

- Focus is on: building a strong economy ; Ambition for North Tyneside; care home sector future; future of public transport; first phase of “as normal”

A Comprehensive Plan

1.5.6 Overseen by Cabinet and working in partnership, the Authority will deliver this phased approach through a very broad and comprehensive set of activity across the following workstream areas:

Our People

- *adult social care* – evaluating the impact on clients and adult population generally; re-starting service delivery to incorporate best practice re technology; working with the provider market. A continued focus on care homes and protecting the most vulnerable residents from infection.
- *children’s services* – evaluating the impact on children, young people and families; re-starting service delivery to incorporate best practice re technology;
- *schools and childcare* – working with schools and early years providers re phased re-opening plans; develop the Education Strategy for North Tyneside (linked to work North of Tyne re Education Challenge)

- *health and well-being* –promoting health and wellbeing across communities, identifying and responding to inequalities caused by Covid 19. Evaluating the broader health and well-being impacts from the pandemic and maximising opportunities to address these Promoting infection prevention and control to reduce the spread of coronavirus. Promoting the national test, track and trace service locally.

Establishing a Covid 19 Health Protection Board in partnership with the NHS and others a plan for local incident management and outbreak control;

- *shielding the critically vulnerable* – continuing to operate the Local Support arrangements
- *community and voluntary sector / volunteering* - reviewing the lessons learnt by the Community and Voluntary Sector in their response to Covid 19 and working across the sector to build back better, developing new opportunity including from an increase in volunteers, the use of technology and strengthening partnerships and collaborations that focus on the needs of beneficiaries.
- *welfare and benefit support* – providing financial support and advice to vulnerable residents including through : Hardship Fund and welfare assistance; ensuring all residents able to claim support under Government schemes or welfare benefits; reviewing debt management policies
- *public confidence and feelings of safety*- working through the Safer North Tyneside partnership to refresh work plan in light of the Covid-19 Recovery context; engaging with communities re Covid secure public spaces and town centres

Our Places

- *Covid secure public spaces* – in line with Government guidance providing Covid secure and accessible open spaces to support public confidence including over time : beaches, public toilets, parks, playsites and skate parks, visitor attractions, public rights of way and waggon ways; cemeteries and burial grounds; publicly accessible playing fields, green space and communal gardens
- *Covid secure workplace/public buildings* – in line with Government guidance providing Covid secure Authority workplaces and all public buildings
- *culture, sport and leisure* – in line with Government guidance, considering the re-instatement of all services and facilities in a Covid secure way
- *environmental operations* – in line with Government guidance, considering the re-instatement of all services (beyond just those essential services that have continued throughout the pandemic) across : waste and recycling collections; street cleansing and environmental operations; horticulture; fleet management and bereavement services
- *housing and construction* – ensuring that all housing and construction services can be reinstated in a Covid secure way in line with Government guidance including : advice and support for housing tenants; anti-social behaviour and

community protection; homelessness support; repairs and maintenance for council housing; planned improvements to council housing and other public buildings, schools and regeneration projects; delivery of affordable homes

- *highways* – ensuring that all highways services can be reinstated in line with Government guidance including : highways maintenance; gully cleansing; car park management; parking enforcement. Part of this will be to support the work to re-open *public spaces, town centres and shopping areas in a safe way*
- *regulatory services* – ensuring that any new legislation is incorporated into regulatory activities and supporting businesses to adapt to the new Covid secure environment including through : environmental health; licensing; trading standards; planning and building control. This also includes appropriate enforcement activity.

Our Economy

- *business support* – supporting local businesses to recover and grow through access to financial support; advice and information
- *inclusive economy strategy* – ensuring that no-one is left behind and everyone shares the benefits of growth during the recovery. From those recently made redundant, young people thinking about a career, those with poor digital or transport connectivity, residents with health issues, a budding entrepreneur with an enterprising idea, an established company looking to expand in an attractive, accessible location.
- *employability, skills and adult learning* – restarting services to support people to be able to access opportunities and develop skills through Connexions, adult learning and employability
- *transport* – supporting the work to restart businesses and to enable town centres and open spaces to be Covid-secure. Maximising the opportunity of maintaining the environmental impacts of modal shift to more sustainable forms of transport
- *digital connectivity* – ensuring that the Authority's digital infrastructure is sufficiently robust to support : increased demand for online services; sustained remote working; online security resilience; increased use of digital by businesses
- *supply chain* – ensuring that the Authority's supply chain can recover and grown in a sustainable way
- *town centres* – ensuring a co-ordinated recovery for town centres through : infrastructure changes to enable Covid-secure operation; future programmes of events and activities; communications and marketing campaigns to support Covid-secure plus to promote local consumption

Our Organisation

- *political recovery/democratic oversight* – enabling full Member engagement and meetings at all levels; ensuring readiness for future electoral events held under Covid-19 restrictions

- *finance* – understanding the impact of the pandemic on the Authority from a financial point of view re the 2020/21 budget as well as the Medium Term Financial Plan
- *HR and organisational development* – ensuring that the Authority team continue to be safe, paid, healthy, happy and capable through : health and safety (including Covid-secure workplace); workforce development plan and organisational development strategy

All of the activity workstreams will be supported by performance management (a dashboard of key information will be monitored on a twice weekly basis); comprehensive risk management; an end to end communications plan of activity to ensure clear communications with all key stakeholders; engagement with residents and other key stakeholders; equality impact assessment work; public health and hygiene advice, guidance and support.

Governance

- 1.5.7 The recovery activity will be overseen by Cabinet through both individual lead Cabinet Member oversight of the activity workstreams as well as written weekly progress reports to Cabinet on an informal basis and quarterly progress reports into full Cabinet meetings. Cabinet will provide written weekly progress updates to all Elected Members and progress reports will also be provided through the programme of Member Briefings.
- 1.5.8 At an Officer level, the activity is overseen by the Recovery Co-ordinating Group (co-chaired by the Head of Environment, Housing and Leisure and the Head of Corporate Strategy and Customer Service. This Group reports into the Senior Leadership Team of the Council.
- 1.5.9 In addition, the Chairs of Overview, Scrutiny, and Policy Development Committee, and the associated Sub-Committees, are meeting to consider a revised work programme of topics, intended to compliment the themes set out in the plan above, in order to provide maximum benefit for the Authority. As part of this, each Chair will be encouraged to discuss any proposed topic with their respective Head of Service, ensuring full coverage of all recovery activities. It is anticipated that this meeting will take place in mid- to late-June, with the intention of Committee and Sub-Committee activity commencing in July.

Decision options:

- 1.5.10 The following decision options are available for consideration by Cabinet

Option 1

Cabinet to agree

- (i) the proposed approach for Covid-19 recovery in North Tyneside as set out in paragraphs 1.5.4 to 1.5.6
- (ii) the proposed governance arrangements as set out in paragraphs 1.5.7 to 1.5.9

Option 2

Cabinet not to agree the proposed approach and governance arrangements and request officers to consider other options for Cabinet's consideration.

1.6 Reasons for recommended option:

Option 1 is recommended for the following reasons:

This would allow a comprehensive and structured approach to recovering from the Covid-19 pandemic, in line with relevant Government guidance and plans as well as clear governance arrangements to ensure transparency and accountability.

1.7 Appendices:

None.

1.8 Contact officers:

Jackie Laughton, Head of Corporate Strategy and Customer Service, tel. (0191) 643 5724

Phil Scott, Head of Environment, Housing and Leisure, tel (0191) 643 7295

1.9 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

Government guidance re Covid-19

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

Initial estimates of the financial impact of COVID-19 on the Authority are £24.930m for March 2020 and the 2020/21 financial year. This is made up of £14.959m of additional expenditure and £9.971m of income foregone. The support grant received from the Government is £12.531m. The current financial estimates are far in excess of the grant which are being received and as such there is a significant financial risk to the Authority.

The assumptions that form the basis for the estimated financial impact of COVID-19 are under regular review and continue to be updated as the Authority move through the different phases of the pandemic. Nationally, local government continue to report significant financial pressures relating to COVID-19, the implications of which are likely to be ongoing for the medium to long-term. for the short and medium term. The Local Government Association (LGA) and other representative organisations continue to apply pressure to the Government for additional financial support to help alleviate the significant financial pressures that each local authority is facing.

2.2 Legal

There are no direct legal implications arising from this report. In managing the recovery process the Authority has to be mindful of its statutory obligations and the amendments to those duties and obligations enacted by the Coronavirus Act 2020 as well as guidance issued to local authorities by the Government.

The matter falls within the responsibility of Cabinet pursuant to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 and the Local Government Act 2000.

Whilst ordinarily emergency planning actions under the Civil Contingencies Act 2004 are undertaken through delegated authority, in accordance with the Scheme of Delegation, the Council has never encountered a situation such as the present one, and it is therefore appropriate that Cabinet approval is sought for the recovery plan.

Although it has not been possible to give 28 days' notice of the decision, in accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Framework does not itself contain any Key Decisions, and subsequent decisions will be taken in accordance with the Constitution and the Scheme of Delegation, as appropriate.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Consultation with all Cabinet Members has taken place.

2.3.2 External Consultation/Engagement

Engagement with the following key stakeholders has taken place throughout the pandemic and this will continue for the recovery phase : North Tyneside Strategic Partnership; Business Forum and Chambers of Commerce; Community and Voluntary Sector groups and organisations; Headteachers; Care Providers; Trade Unions; NHS.

The Authority also works at a regional and sub-regional levels through relevant structures including : the North of Tyne Combined Authority; the North East Local Enterprise Partnership; the Local Resilience Forum; joint structures with the NHS.

2.4 Human rights

There are no human rights implications arising from the proposals in this report.

2.5 Equalities and diversity

Development of the Recovery Framework has been informed by the findings of the COVID-19 review of disparities in risks and outcomes published by Public Health England (PHE) on 2 June 2020. The PHE findings will form a key element of the equality impact assessment work that will be undertaken to support each of the activity workstreams.

2.6 Risk management

Each recovery workstream will identify and manage any risks in line with the corporate risk management approach.

2.7 Crime and disorder

There are no crime and disorder implications arising from the proposals in this report.

2.8 Environment and sustainability

The recovery plan detailed in 1.5.6 includes a number of actions that will be taken to support the environment and key pieces of work such as developing Covid secure workplace/public buildings will consider environmental sustainability impacts. Additionally, capital projects supporting the recovery phase will also be assessed for environmental sustainability impacts.

PART 3 - SIGN OFF

- Chief Executive ☒
- Head(s) of Service ☒
- Mayor/Cabinet Member(s) ☒
- Chief Finance Officer ☒
- Monitoring Officer ☒
- Head of Corporate Strategy and Customer Service ☒

North Tyneside Council Report to Cabinet Date: 29 June 2020

Title: Poverty Intervention Fund

| | |
|---|--|
| Portfolio(s): Deputy Mayor Finance and Resources | Cabinet Member(s): Councillor Bruce Pickard Councillor Ray Glendon |
| Report from Service Area: Responsible Officer: Jackie Laughton Wards affected: All | Corporate Strategy and Customer Service (Tel: (0191) 643 5724) |

PART 1

1.1 Executive Summary:

The purpose of this report is to set out the proposed approach for the operation of the Poverty Intervention Fund which was included in the Council's budget for 2020/21. The overall aim of the Fund is to enable support to families and individuals to alleviate the impacts of living in poverty.

1.2 Recommendation(s):

It is recommended that Cabinet agree:

- (1) the policy aims and objectives for the Poverty Intervention Fund
- (2) the delivery approach which will be followed to operate the Fund
- (3) the governance arrangements which will be put in place to oversee and deliver the Fund

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 27 May 2020.

1.4 Council Plan and Policy Framework

This report relates to the following priority in the 2018-2021 Our North Tyneside Plan: our people will be cared for, protected and supported.

The Fund will also support the delivery of the Children and Young People Plan which is the Council's Child Poverty Strategy. In addition, it will contribute to the delivery of the Council's Digital Strategy (in respect of support to improve digital inclusion). Also, the Fund will support the way in which North Tyneside recovers from the Covid-19 pandemic.

1.5 Information:

Background and Context

1.5.1 What do we mean by poverty?

Based on the definition used by the Joseph Rowntree Foundation, poverty is when your resources are well below your minimum needs. This means not being able to heat your home, pay your rent, or buy the essentials you need. There is no single measure of poverty in the UK but:

- there is relative income poverty where households have less than 60% of contemporary median income;
- there is material deprivation where you can't afford essential items and activities; and
- there is destitution where you can't afford basics such as shelter, heating, food and essential toiletries.

1.5.2 What is the current poverty situation within North Tyneside?

Most residents live in areas that are not judged as being deprived, relative to the rest of England, and this is an improving position over the last decade.

However, within North Tyneside there are communities that have higher levels of poverty. Around 1 in 10 residents live in an area that is ranked as the most deprived in England.

Around 42% of children in our most deprived wards (Riverside, Chirton and Howdon) are living in poverty and this compares to an average of 1 in 5 children across the Borough as a whole (after housing costs).

It is known that the impact of deprivation is visible throughout the life cycle; from childhood obesity, educational attainment, employment rates through to the overall position of a gap in life expectancy of 11 years depending on where someone lives in the borough. Though there are also issues based on people's health and personal circumstances.

It is also known that the proportion of residents experiencing financial hardship is greater in the southern area of the Borough; 14% have not been able to afford food (compared to 8% overall) and 20% cannot pay fuel and energy bills.

It is also important to recognise the increase of people in 'in work' poverty. The Joseph Rowntree Foundation said that while paid employment reduces the risk of

poverty, about 56% of people living in poverty in 2018 were in a household where at least one person had a job, compared with 39% 20 years ago. Seven in 10 children in poverty are now in a working family, the charity's annual UK poverty report found.

Last year's local Residents Survey showed that more residents feel that they are at greater risk of losing their job or have already experienced a job loss or redundancy

- poverty now includes in-work poverty rather than poverty linked to worklessness
- pensioners and children are most at risk from the impacts of poverty
- gaps in life expectancy and healthy life expectancy can be linked to deprivation
- living with a disability or being a carer can often mean that someone is more likely to experience poverty

1.5.3 How has Covid-19 impacted on poverty in North Tyneside?

It is still very early days to try to assess this but from the research available, indications are that for people living in poverty, the Covid-19 situation has further increased the issues they are facing.

Plus, the economic impact of the pandemic is likely to increase unemployment which will impact over time on poverty levels. Provisional Universal Credit data up to April 2020 shows that there are 15,393 claimants in North Tyneside, which is a 39.9% rise from March 2020. This is a similar percentage rise as the national position (39.4%) but higher than the regional position (33.8%). The number of claimants has doubled compared to the 7,579 in April 2019.

That said, certain initiatives might also have eased the situation for some families e.g. the provision of food vouchers for those entitled to Free School Meals during school holidays.

1.5.4 What is the Authority doing in relation to poverty?

The Authority is tackling the *causes* of poverty in a variety of ways. This has included through working as part of the North of Tyne Combined Authority to: improve economic growth; attract inward investment to create jobs; support businesses to grow and create new opportunities; enable people to gain skills; improve education outcomes.

In addition, the Authority has targeted support for: businesses; families in need and via its Skills Strategy.

The Tackling Deprivation work within the most deprived wards has also had success in addressing the underlying causes of poverty.

In relation to issues caused by the welfare benefit system, the Authority's Welfare Reform Task Group has successfully addressed matters such as benefit sanctions and improving digital skills.

The Authority provides financial support through : the provision of benefits to support people on low incomes; welfare assistance scheme to help people with food (via the Food Bank) and other essentials

The Authority also addresses the health impacts of poverty through Public Health funding supported initiatives including through Active North Tyneside; mental health and well-being.

Policy Aim and Objectives

1.5.5 The overarching policy aim for the Poverty Intervention Fund is:

- “To help to alleviate the impacts of poverty on families and individuals across North Tyneside with particular emphasis on children, by providing support to those who need it”

1.5.6 In order to deliver that policy aim, the Fund will have the following lower level policy objectives:

- to address the **financial impacts of poverty** by targeting support to areas where people are struggling to make ends meet to be able to afford the basics or where they are having to go without certain things which others take for granted;
- to address the **social impacts of poverty** by targeting support so that people can play a full role in society and for activities which will have a positive impact; and
- to address the **health impacts of poverty** by targeting support on relevant areas such as risk-taking behaviour and mental health and well-being.

Delivery Approach

1.5.7 The delivery approach with the Fund will be guided by the following set of principles:

- evidence based – to ensure both that the Fund is targeted to meet need and is based on proven best practice/research;
- inclusive – the Authority will engage externally and internally to inform our approach;
- fair – the Authority will conduct an Equality Impact Assessment to ensure that the approach provides opportunities for the widest possible reach and that no-one is disadvantaged;
- targeted – the Fund will be used to meet the greatest levels of evidenced need in the Borough;
- funding may be allocated to groups or organisations via a mix of grant funding and commission-based approaches;

- collaborative – working in partnership to deliver the best outcomes to meet need;
- creative and flexible – to respond to changing need (particularly key in the Covid-19 situation); and
- measured – we will ensure that we are able to monitor, measure and evaluate outcomes.

Governance

1.5.7 The delivery of the Fund will be overseen by:

- a Steering Group comprised of 1 elected member per ward (with appropriate arrangements for mixed wards) and also to include the Young Mayor/Cabinet Member with representation from relevant external organisations. The Steering Group will meet at least quarterly; and
- a Delivery Group chaired by the Deputy Mayor to include relevant Cabinet Members to meet on a monthly basis to have oversight of the detailed operation of the Fund.

1.6 Decision options:

The following decision options are available for consideration by Cabinet

Option 1

Cabinet to agree the proposed approach to operate the Poverty Intervention Fund including: aims and objectives; delivery approach and governance arrangements as set out in paragraphs 1.5.5 to 1.5.8.

Option 2

Cabinet not to agree the proposed approach to operate the Poverty Intervention Fund including: aims and objectives; delivery approach and governance arrangements as set out in paragraphs 1.5.5 to 1.5.8.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

This would allow the Poverty Intervention Fund to be established from July 2020.

1.8 Appendices:

None.

1.9 Contact officers:

Jackie Laughton, Head of Corporate Strategy and Customer Service, tel. (0191) 643 5724

Vicki Nixon, Senior Manager Participation, Advocacy and Engagement, tel (0191 8215)

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

Residents Survey

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The Council's budget for 2020/21 contained £1m for the Poverty Intervention Fund. Operation and delivery of the Fund will be managed within existing resources.

2.2 Legal

There are no direct legal implications arising from this report.

Under the provisions of Section 1 of the Localism Act 2010 the Authority has general powers of competence that allows the Authority "to do anything that individuals generally may do".

This is a matter that falls to Cabinet to determine pursuant to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 and the Local Government Act 2000.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Consultation with all Cabinet Members as well as the Young Mayor and Cabinet has taken place.

2.3.2 External Consultation/Engagement

Engagement with the following key stakeholders has taken place : North Tyneside Strategic Partnership; Community and Voluntary Sector groups and organisations; Young Mayor and Cabinet.

2.4 Human rights

There are no human rights implications arising from the proposals in this report.

2.5 Equalities and diversity

An Equality Impact Assessment (EIA) has been carried out regarding the proposed approach for the Fund, this will inform the development of the detailed process for the administration of the

Fund by the Steering Group and Delivery Group and the drafting of a new EIA of the administration process.

2.6 Risk management

The relevant risks have been discussed with the senior risk management advisor and will be managed in line with the agreed corporate approach.

2.7 Crime and disorder

There are no crime and disorder implications arising from the proposals in this report.

2.8 Environment and sustainability

There are no environment and sustainability implications arising from the proposals in this report.

PART 3 - SIGN OFF

- Chief Executive ☐ x
- Head(s) of Service ☐ x
- Mayor/Cabinet Member(s) ☐ x
- Chief Finance Officer ☐ x
- Monitoring Officer ☐ x
- Head of Corporate Strategy and Customer Service ☐ x

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North Tyneside Council Report to Cabinet Date: 29 June 2020

Title: Adult Social Care Action Plan

| | |
|---|--|
| Portfolio(s): Adult Social Care Finance and Resources | Cabinet Member(s): Councillor Gary Bell Councillor Ray Glindon |
| Report from Service Area: | Commissioning & Asset Management Head of Health, Education, Care & Safeguarding |
| Responsible Officer: | Mark Longstaff, Head of Commissioning & Asset Management (Tel: (0191) 6438089) Jacqui Old, Head of Health, Education, Care & Safeguarding (Tel: (0191) 6437317) Janice Gillespie, Head of Resources (Tel: (0191) 6435701) |
| Wards affected: | All Wards |

PART 1

1.1 Executive Summary:

The health and wellbeing of residents is one of our top priorities. We care for people every day and will continue to do so despite the challenges faced. The sector is hugely important to support people in our communities offering safe and dignified places for residents who may be struggling at home or with specific medical needs.

This report sets out the approach which North Tyneside Council and its partners are taking in response to the Covid-19 pandemic in respect of adult social care. The report is aligned to the overarching Our North Tyneside Plan and the Department for Health and Social Care (DHSC) Social Care Action Plan¹.

The report also sets out a proposed approach to securing greater market stability within a longer -term program of work to consider service redesign and market reshaping as a result of the experience of Covid-19 and the changing nature of demand for adult social care services.

1.2 Recommendation(s):

It is recommended that Cabinet:

- (1) Note the work done to date to support the adult social care market; and
- (2) Agree the approach to securing longer term market stability

¹ DHSC "Covid-19: our action plan for social care"

(3) Authorise the Chief Executive, Head of Health Education Care and Safeguarding, Head of Resources and Head of Commissioning and Asset Management in conjunction with the Cabinet Member for Adult Social Care and Cabinet Member for Resources to work towards a sustainable and affordable solution to an appropriate social care offer to meet the needs of residents

(4) Receives a further report on progress and considers any future contractual proposals.

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 29 May 2020.

1.4 Council Plan and Policy Framework

This report relates to the following priority contained within the 2020-2024 Our North Tyneside Plan. Our People will:

- Be listened to so that their experience helps the council work better for residents.
- Be healthy and well – with the information, skills and opportunities to maintain and improve their health, well-being and independence, especially if they are carers.
- Be cared for, protected and supported if they become vulnerable including if they become homeless.
- Be encouraged and enabled to, whenever possible, be more independent

1.5 Information:

1.5.1 Background

The health and wellbeing of residents is one of our top priorities. We care for people every day and will continue to do so despite the challenges faced. The sector is hugely important to support people in our communities offering safe and dignified places for residents who may be struggling at home or with specific medical needs.

Covid-19 has imposed significant and additional demands on the care market. Local care providers, the Local Authority and NHS services, have been working together since the start of the pandemic to understand and respond to these challenges.

Within North Tyneside Council, the total adult social care budget for 2020/21 is £62.9m. Of this, £30.5m is used to commission services from the adult social care provider market. This is determined by a joint strategic assessment with North Tyneside Clinical Commissioning Group (CCG).

Services are commissioned from 92 providers (both commercial and not-for-profit) to deliver services to 3,455 people,² and, collectively, the adult social care provider market is one of the largest employers in North Tyneside, employing around 3,140 people.

Services provided are in the following categories and Table 1 below shows the current numbers involved:

² Figures correct as of 19 May 2020

- residential and nursing care (older people, learning disability and mental health)
- homecare or domiciliary services (delivered in a person's own home)
- extra care services (larger group-based sites to support those with their own tenancy)
- Independent Supported Living (ISLs); individual or small group-based settings in individual houses

Table 1: North Tyneside Adult Social Care Market (as at 19 May 2020)

| Service | Homes / Schemes | Providers | Customers | Staff |
|---|-----------------|-----------|--------------|--------------|
| Older People Residential & Nursing Care | 31 | 20 | 1,495 | 1,350 |
| LD/MH Residential & Nursing Care | 13 | 10 | 179 | 260 |
| Home Care | - | 29 | 1,100 | 615 |
| Extra Care | 9 | 3 | 381 | 165 |
| Supported Living | 130 | 30 | 300 | 750 |
| Totals | 79 | 92 | 3,455 | 3,140 |

Beyond the current context with Covid-19, the adult social care market faces the same challenges as those seen nationally i.e. increasing intensity and complexity of need; rising staffing costs due to the National Living Wage; and, care staff recruitment and retention.

The Care Act 2014 gave local authorities, the NHS and the CQC (Care Quality Commission) clear legal responsibilities for managing different elements of the adult social care market. These include:

- developing the quality and range of services that local people want and need
- integrating commissioning of services from the care market with key partners, including the NHS and housing, and
- ensuring a diverse range of services, so people have choice.

The Care Act 2014 also sets out duties on local authorities when providers fail. Local authorities routinely manage closures of smaller-scale services and are always required to meet an adult's needs for care and support which are no longer being met as a result of the provider failing. These specific duties apply to all individuals present in the Authority's area, including those who are self-funders, and those whose services are funded by another local authority.

Should a care provider fail financially and services cease, the local authority must take steps to ensure that all people receiving care do not experience a gap in the services they need. This duty applies temporarily until the local authority is satisfied that each person's needs will be met by a new provider or in a different way.

In North Tyneside our key objectives with the market since 19th March are set out in the Authority's overall Covid-19 response plan which aims to:

- slow the spread of infection by flattening the curve and protecting the vulnerable
- protect staff, and
- support the Borough by delivering essential services and working in partnership with business and the community and voluntary sector.

As part of the Government's response to the Covid-19 pandemic, some temporary relaxations have been made to the duties on local authorities under the Care Act (from 31 March 2020), making it possible for local authorities to reduce some of their usual

duties. However, these relaxations do not apply to any Care Act duties for market oversight. The Department of Health and Social Care's Action Plan, 16 April 2020, sets out their approach which is made up of 4 pillars:

- controlling the spread of infection
- supporting the workforce
- supporting independence, supporting people at the end of their lives and responding to individual needs
- supporting providers of care and support

Set out below is an assessment of the current situation and how Covid-19 has impacted on Adult Social Care in North Tyneside. This is set out against each of the pillars in this plan.

1.5.2 Minister for Care – Support for Care Homes

On 14 May 2020, the Minister for Care required all local authorities with adult social care responsibilities to work with system partners to agree a return consisting of:

- A letter setting out an overview of current activity and a forward plan
- Completion of a short template confirming the current level of access to the support offer
- Confirmation that the Local Authority is carrying out a daily review of the local care market, including care homes

This information was submitted to the Minister for Care on 29 May 2020 and has subsequently been published on the North Tyneside Council website. This gives the detail on the North Tyneside position on each of the bullet points set out above.

1.5.3 Impact of Covid-19 on Adult Social Care in North Tyneside

1.5.4 Controlling the spread of infection in Care Settings

1.5.4.1 Current Position

- In North Tyneside, a total of 132 people died with Covid-19 between 6 March 2020 and 15th May 2020. 52 of those deaths were care home residents. This represents 13.8% of the total deaths in care homes for that period, compared to 27.5% across England as whole. The rate in Covid-19 deaths in care homes started to rise from the week ending 10 April.

1.5.4.2 Key progress to date

- Northumbria NHS Foundation Trust's Infection Prevention Control (IPC) team have provided training and audit support prior to the pandemic and have continued to provide advice and guidance throughout the period – all care homes across North Tyneside have had the required training in line with NHS England requirements.
- Northumbria NHS Foundation Trust have provided fit testing for those staff looking after customers in the community that may require aerosol generating procedures. Northumbria University have also provided the CCG with a list of companies from industry that are certified fit testers.

- A new multi-disciplinary Prevent and Protect Team has been set up with the Authority and CCG staff to provide additional support to care homes with practice-based issues and assurance visits. This team are delivering the national infection control training programme in each Care Home.
- Providing alternative accommodation; the Local Authority and CCG commissioned 30 Covid -19 positive specific step down beds from a large care home provider in early April 2020. Overall, activity and usage has been low; the bed capacity reduced to 14 from 1st June 2020. There are a further 40 beds across two sites that can be accessed for hospital discharge, as well as the widely used reablement team, for short term focussed home care support for people in their own homes.

1.5.4.3 Next Steps

- Continued offer of training and support for care providers and workforce in care home settings
- Guidance on infection control, testing etc. as this is further developed and updates are received to ensure this is understood locally and implemented by providers
- Commenced an assurance process with all care homes to ensure that infection protection and control, good hygiene, isolating and shielding is understood by all staff within each care home setting and the practice in the care home meets current good practice and guidance

1.5.5 Supporting the Workforce

1.5.5.1 Current Position

- The impact of staff absent from work due to Covid-19 has varied throughout the period and by care sector. This is set out in Table 2 below and although the greatest impact in terms of numbers of staff absences has been in extra care, this has been able to be mitigated more easily than the situation in care homes. In addition, whilst the average absence for staff in care homes at 10% is consistent with what is happening nationally, this can vary a great deal from home to home with some experiencing absences up to 40% for a period.
- The majority of providers have used their own workforce during the period, with minimal use of agency or mutual aid. This has helped to prevent cross infection and has enabled continuity of care provision. All providers are now seeing a very small but positive increase in the number of staff returning to work

Table 2: Care Market Staff Absences

| Sector | Total Staff | Staff Absence (1 st May) |
|--|--------------|--|
| Older People Residential & Nursing Care | 1,350 | 10% |
| Learning Disability/Mental Health Residential & Nursing Care | 260 | 10.5% |
| Home Care | 615 | 13% |
| Extra Care | 165 | 14.5% |
| Supported Living | 750 | 8% |
| Total / Average | 3,140 | 11.2% |

1.5.5.2 Key Progress to date

- Support for care providers to order PPE through the Local Authority has been put in place and full guidance has been provided to all care homes regarding the appropriate usage of PPE
- Symptomatic testing for all care home residents and staff is available via the NHS local lab (Pillar 1 testing)
- Testing for all asymptomatic residents and staff is provided through the national care home testing portal (Pillar 2 testing). A prioritisation exercise has been undertaken in line with Government guidance, to include care settings that work with older people and larger care homes (50+ beds)
- For Pillar 1 testing, the Public Health England Local Health Protection Team is notified of all results and support is provided to care homes in the management of outbreaks. There is an agreed standard operational procedure. For Pillar 2 testing, the Director of Public Health jointly with the Director of Adult Social Services will receive notification of results and this will inform local action to support care homes with complex outbreaks, in partnership with The Public Health England Local Health Protection Team
- For those in receipt of domiciliary care who are symptomatic, tests can be accessed via self-referral testing portal (Pillar 2 testing). Information from this will inform the risk assessment process for staff providing care into people's homes
- Technical training has been provided, including linked to infection control work
- Psychological /mental health and wellbeing support has also been made available to all care home staff through Cumbria, Northumberland Tyne & Wear NHS Mental Health Trust.

1.5.5.3 Next Steps

- Contact tracing will be undertaken by a mixed model of national and local teams. Initial contact tracing work will be based on laboratory confirmed cases who have been identified through local NHS labs (Pillar 1) and national testing (Pillar 2). Any complex cases will be passed to the Local Health Protection Team for management supported by Local Authority Public Health Teams.

1.5.6 **Supporting Independence**

1.5.6.1 Current Position

- There is no clear evidence to show that the quality of care offered by providers has reduced or is adversely impacting on people. However, the quality of life of people with social care needs will have been disproportionately impacted by social distancing and shielding requirements, in all care and community settings.
- Communal activities in care homes have been significantly reduced and social elements of all community care packages have similarly been curtailed. In addition, on site routine quality monitoring activity by commissioners and CQC have in the main been suspended.

1.5.6.2 Key Progress to date

- North Tyneside CCG have provided care homes with the Whzan News kits (and relevant training) for undertaking clinical observations and recording of the NEWS2 score which helps to identify deteriorating patients
- Working with the CCG and FT on hospital discharge
- Working with the CCG and FT on hospital discharge plus the commissioning of 30 additional step-down beds rather than direct discharge to care homes
- Care homes have received Reminiscence Interactive Therapy software for people with dementia and additional Samsung tablets which are being used to communicate with relatives and undertake video consultations with the GP practice and frailty nurses
- The CCG have supported care homes to access NHS mail accounts for the safe transfer of patient information.
- NHFT Palliative Care Nurses are contacting all care homes daily to offer clinical advice about end of life care
- The NHFT Tissue Viability team had rolled out 'react to red', a pressure ulcer prevention campaign, prior to the outbreak and continue to support homes with its implementation
- The frailty nurse team are endeavouring to deliver a service as close to normal as possible, whilst only attending the homes when necessary
- The District Nursing Service is working 7 days per week with no reduction of staff numbers over the weekend

1.5.6.3 Next Steps

- Continued support to discharge process for people coming out of hospital, jointly with the CCG and other providers across the health care system
- Continued support for people to access primary and community health care services as well as social care services as required

1.5.7 **Supporting Providers of Care and Support**

1.5.7.1 Current Position

- The Commissioning team have spent some time in detailed direct conversations with care setting owners, managers and staff. They have told us that the following issues are important:
 - ensuring the safety of residents/customers and managing infection
 - ensuring the provision of suitable PPE
 - the availability and supply of staff
 - ensuring clear advice and information is provided
 - the effective co-ordination of hospital discharges
 - management of Covid-19 positive residents admitted to care homes
 - additional costs incurred and how these will be met
 - longer-term financial sustainability (linked to care home occupancy)

- Occupancy levels have been affected by the pandemic. Where levels have fallen below what is expected, we are working with those providers directly in line with our statutory duty.
- As of mid- March 2020, the number of vacancies across all older person's care homes was 181, which equates to 12.5% of beds. Latest data on number of vacancies as of Monday 19th May 2020 was 242 (16%).

1.5.7.2 Key Progress to date

- In April 2020 the Authority provided to care providers, a 5% increase in funding (£1.453m) along with an additional 5% to cover other Covid-19 costs (reviewable every 4 weeks). The 5% increase in funding has been paid 2 weeks in advance to ease financial pressures
- In addition, care home providers have been asked to submit requests for any further financial support for additional Covid-19 costs (over the 5% already paid) and these are being be paid as soon as possible.
- A new market resource team has been set up within the Authority to support care providers to source additional staffing capacity where needed through a combination of mutual aid and redeployed staff from within the Authority
- The Authority's commissioning team contact all care home at least twice weekly, to offer support and gather information
- Care homes are being encouraged to use the North East Commissioning Support (NECS) Tracker in line with national guidance
- The Authority co-ordinates the communication of all current guidance (on behalf of the Authority and CCG) via email and website
- Advance distribution of the market share of the national £600m fund for Infection control. 50% has been forwarded to all care homes with the remaining balance to be paid following evidence of compliance with the grant conditions.

1.5.7.3 Next Steps

- Additional staffing capacity for care homes will be in place through recruitment of staff (including via a regional recruitment campaign and a regional redeployment hub for returning nurses and medical students)
- Further improvements will be made to ensure a more streamlined and targeted approach to the communication of guidance.

1.5.8 Future Commercial Framework

Notwithstanding the work done to date a longer- term approach and commercial framework needs to be established in order to secure and sustain an appropriate social care offer to meet the needs of residents. The Negotiating Remit within the Framework would encompass the following elements:

1.5.8.1 Strategic Objectives

The Authority is aiming for a set of commercial arrangements which:

- **Need;** Meet our assessment of need for social care services in North Tyneside in line with our statutory duty and our Joint Strategic Needs Assessment
- **Sustainability;** Support a sustainable care market which can treat its staff and customers well; and
- **Value for money;** Which represents transparent value for money for the tax-payer and can be accommodated in the Medium-Term Financial Plan.

1.5.8.2 Negotiating Context

The Authority is negotiating in the following context:

- **Required outcomes;** the list of needs to be met, outcomes required and services which would deliver those outcomes
- **Current market assessment;** the range of providers currently engaged and their characteristics
- **Current commercial assessment;** how many providers the Authority contracts with, what is paid and how that compares nationally and locally
- **Social Value;** the Authority's current social value policy and how that applies to the care market – for example local supply and good employment practice; and
- **Our strategic plans and values;** how those the Authority works with will contribute to the strategic goals. For example, local business, engagement with a health and social care career framework.

1.5.8.3 Value for money

Based on the Medium-Term Financial Plan (MTFP), what the Authority can afford. While the current crisis is putting significant pressure on the Authority's budget and MTFP, the Authority needs to take a judged view on what is possible and affordable.

This would also be triangulated with where the Authority sits relative to other fees from other local authorities.

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

Note the current position, work done to date, progress and next steps and agree approach to outlined in establishing the Commercial Framework.

Option 2

Note the current position, work done to date, progress and next steps and not agreeing the approach to outlined in establishing the Commercial Framework.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

It provides a detailed update on the response work done in Adult Social Care and establishes a structured approach to a set of commercial arrangements with all social care providers.

1.8 Appendices:

There are no Appendices to this report.

1.9 Contact officers:

Mark Longstaff, Head of Commissioning & Asset Management, tel. (0191) 643 8089
Jacqui Old, Head of Health, Education, Care & Safeguarding, tel. (0191) 643 7317
Janice Gillespie, Head of Resources, tel. (0191) 643 5701
Scott Woodhouse, Strategic Commissioning Manager, Adults, tel. (0191) 643 7082

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

(1) [DHSC-Covid 19: Our action plan for adult social](#)

(2) [DHSC-Covid 19: Care home support package](#)

(3) DHSC- Covid 19: Infection Control Grant Funding Guidance

(4) Care Home Planning Return North Tyneside Council

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

Within North Tyneside Council, the total adult social care budget for 2020/21 is £62.9m. Of this, £30.5m is used to commission services from the adult social care provider market. This is determined by a joint strategic assessment with North Tyneside Clinical Commissioning Group (CCG).

Over and above the inflationary fee increase for 2020/21 of 5% a further 5% additional increase is being paid to recognise additional pressures across all care service provision together with funding to support evidenced based additional costs.

National Infection Control Fund allocation of £600m, with North Tyneside receiving its share of just over £2.2m. 75% of this funding just over £1.65m to be forwarded to registered care homes to assist with infection control measures. There are specific grant conditions in relation to the Infection Control Fund which care homes will have to comply with, any non-compliance could result in claw back of the grant.

The Authority's current estimate of the financial risk due to the additional pressures of Covid-19 is in the region of £21m. The Authority has received £12m of Government support grant, which has been allocated to meet these pressures, leaving a net financial risk of £9m.

The financial impact of negotiations on future contractual arrangements will be included within the MTFP.

2.2 Legal

The Care Act 2014 gave local authorities, the NHS and the CQC clear legal responsibilities for managing different elements of the adult social care market. These include:

- developing the quality and range of services that local people want and need
- integrating commissioning of services from the care market with key partners, including the NHS and housing, and
- ensuring a diverse range of services, so people have choice.

The Care Act 2014 also sets out duties on local authorities when providers fail. Local Authorities routinely manage closures of smaller-scale services and are always required to meet an adult's needs for care and support which are no longer being met as a result of the provider failing. These specific duties apply to all individuals present in the Authority's area, including those who are self-funders, and those whose services are funded by another local Authority.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

There has been a whole Council approach to dealing with COVID-19 and specifically in relation to support for the social care market.

The Commissioning Team, colleagues in Adult Social Care and Public Health have played significant role in supporting this work and this work is governed and overseen by:

- Chief Executive
- Head of Health Education Care and Safeguarding (lead)
- Head of Commissioning and Asset Management
- Head of Resources
- Director of Public Health

2.3.2 External Consultation/Engagement

External consultation and engagement have taken place with a range of partners as part of the overall response to COVID-19 and in relation to the response to the care market, including care homes.

Specifically, in relation to this work, this has included:

- North Tyneside CCG
- Northumbria Healthcare Trust
- Healthwatch North Tyneside
- Health and Wellbeing Board
- Care Home Providers and representative bodies

2.4 Human rights

The proposals within this report do not have direct implications in respect of the Human Rights Act 1998.

2.5 Equalities and diversity

Public Health England recently published (June 2nd 2020) a report 'COVID-19 review of disparities in risks and outcomes'. The report sought to review the impact of the pandemic particularly in terms of the differential risks of both infection and death for service users and staff with protected characteristics. In particular the impact was considered greater for:

- Older people
- Males
- People living in more deprived area
- Black, Asian and Minority Ethnic people.

The emerging evidence base will continue to inform future work.

The Care Act 2014 gave local authorities, the NHS and the CQC clear legal responsibilities for managing different elements of the adult social care market. These include:

- developing the quality and range of services that local people want and need
- integrating commissioning of services from the care market with key partners, including the NHS and housing, and
- ensuring a diverse range of services, so people have choice.

2.6 Risk management

Potential future financial pressures against the Authority are covered in this report and registered through the Authority's risk management process. The early findings from the recently Public Health England report (June 2nd, 2020) 'COVID-19 review of disparities in risks and outcomes' will continue to inform future work and consideration of risk management arrangements for care workers and service users.

2.7 Crime and disorder

There are no crime and disorder implications arising from this report

2.8 Environment and sustainability

There are no environment and sustainability implications arising from this report

PART 3 - SIGN OFF

- Chief Executive ☒
- Head(s) of Service ☒
- Mayor/Cabinet Member(s) ☒
- Chief Finance Officer ☒
- Monitoring Officer ☒
- Head of Corporate Strategy and Customer Service ☒

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North Tyneside Council Report to Cabinet Date: 29 June 2020

Title: 2019/20 Provisional Finance Outturn Report

| | |
|---|--|
| Portfolios: Elected Mayor Finance and Resources | Cabinet Member: Norma Redfearn Councillor Ray Glindon |
| Report from Service Area: Finance | |
| Responsible Officer: | Janice Gillespie, Head of Resources Tel: 643 5701 |
| Wards affected: | All |

PART 1

1.1 Executive Summary:

1.1.1 This report, and the supporting Annex 1 and its Appendices, set out the provisional outturn for the General Fund, Schools Finance, Housing Revenue Account, the financial and delivery aspects of the Investment Plan and the delivery of the Treasury Management Strategy for the financial year 2019/20.

1.1.2 The purpose of this report is therefore to:

- (a) Advise Cabinet of the provisional 2019/20 outturn for the General Fund, Schools Finance and Housing Revenue Account (Annex 1, Sections 5, 6 and 7) together with a financial overview of the year and an outlook into 2020/21 with reference to considerations around the potential impact of Covid-19 on medium term financial planning (Annex 1, Section 1);
- (b) Advise Cabinet of decisions made under the Reserves and Balances Policy (Annex 1, Paragraph 1.7, and Appendix A);
- (c) Inform Cabinet of the Authority's Investment Plan spend during 2019/20, and the financing put in place (Annex 1, Section 8);
- (d) Seek Cabinet approval for approval of reprogramming of £6.262m within the Investment Plan (Annex 1, Section 8, Paragraph 8.8 and Appendix C);

- (e) Advise Cabinet of the Authority's Treasury Management performance (Annex 1, Section 9);
- (f) Advise Cabinet of the performance of both Capital and Treasury Management Prudential Indicators (Annex 1 Section 9 and Appendix D); and,
- (g) Approve the receipt of £46.103m of new revenue grants.

1.2 Recommendations:

1.2.1 It is recommended that Cabinet:

- (a) Notes the provisional 2019/20 outturn for the General Fund, Schools Finance and Housing Revenue Account (Annex 1, Sections 5, 6 and 7) together with a financial overview of the year (Annex 1, Section 1);
- (b) Notes the decisions made under the Reserves and Balances Policy (Annex 1, Paragraphs 1.7, and Appendix A);
- (c) Notes the Authority's Investment Plan spend during 2019/20, and the financing put in place (Annex 1, Section 8);
- (d) Approves reprogramming of £6.262m within the Investment Plan (Annex 1, Section 8, Paragraph 8.8 and Appendix C);
- (e) Notes the Authority's Treasury Management performance (Annex 1, Section 9);
- (f) Notes the performance against the Capital and Treasury prudential indicators (Annex 1 Section 9 and Appendix D); and,
- (g) Approve the receipt of £46.103m of new revenue grants.

1.3 Forward Plan

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 21 February 2020.

1.4 Council plan and policy framework.

The Budget is part of the Authority's Budget and Policy Framework.

1.5 Information - Executive Summary

- 1.5.1 Annex 1 to this report sets out the provisional outturn for 2019/20 for the General Fund, the Housing Revenue Account, Schools Finances and the Investment Plan. It also provides a summary position on the achievement of the Treasury Management Strategy during the year together with the associated Prudential Indicators.
- 1.5.2 **General Fund Revenue Budget:** The Budget for 2019/20 was approved by full Council at its meeting of 21 February 2019. The net General Fund Budget was set at £155.730m including efficiency savings of £10.533m. The monitoring report up to 31 January 2020 projected a pressure of £2.932m; the final position is an

underspend of £0.050m. In addition to this, the Authority received a one-off £0.637m dividend receipt from the Airport, as well as a one-off £0.400m dividend receipt following the closure of the Keir NT Joint Venture. In other years where a surplus has been generated this would be held in reserve for future investment in the Borough but in light of the significant and unexpected impact of the Covid-19 pandemic, it is proposed that these balances are transferred into General Fund Balances (£0.195m) and the Strategic Reserve (£0.842m) to support the increased financial impact and risk to the Authority expected during 2020/21 and future years. The remaining balance of (£0.050m) is also proposed to be taken to the Strategic Reserve. With these final transfers included, the General Fund Revenue Budget will show spend on budget for 2019/20.

- 1.5.3 Reserves, Balances and Provisions:** As part of the 2019/20 financial statements, amounts have been set aside as provision and reserves for known liabilities, risks and uncertainties that remain in future years.
- 1.5.4 Housing Revenue Account:** The Housing Revenue Account has year-end balances of £7.803m, which is a £2.831m improvement against the in-year Budget.
- 1.5.6 Schools Finance:** School balances have decreased from £1.599m to £0.165m, these balances include a significant amount of committed funds and the permitted carry forward of grants for the remainder of the academic year.
- 1.5.7 Investment Plan:** The final capital expenditure position for the year was £59.080m, with a recommendation noted above for Cabinet to approve reprogramming of £6.262m into 2020/21.
- 1.5.8 Treasury Management:** The Authority has acted in line with the agreed strategy that the security of the Authority's resources is of greater importance than investment returns. The level of investments at 31 March 2020 was £52.100m (£35.100m with HM Treasury and £17.000m with other local authorities). The level of borrowing (excluding PFI) was £466.913m (up from the 2018/19 level of £450.146m) which is well within the Capital Financing Requirement agreed as part of Budget-setting, primarily due to continued level of 'internal borrowing'.
- 1.5.9 New Revenue Grants:**

| Service | Grant Provider | Grant | Purpose | 2019/20 value £m |
|------------------------------------|-------------------------------------|--|--|---------------------|
| Commissioning and Asset Management | Education and Skills Funding Agency | Year 7 Catch Up Premium Allocations for Maintained Schools and PRU's | For the educational benefit of pupils who did not achieve level 4 Key Stage 2 in reading and/or mathematics. | 0.150 |

| Service | Grant Provider | Grant | Purpose | 2019/20 value £m |
|------------------------------------|---|--|---|---------------------------------|
| Commissioning and Asset Management | Education and Skills Funding Agency | Free School Meals Supplementary Grant | Due to the roll-out of Universal Credit, the ESFA have introduced an income-based threshold for free school meal eligibility. As a result of this change to the benefit system and free school meal eligibility, the number of pupils eligible for free school meals will increase. This grant will provide schools with extra funding to help them meet the higher costs of providing extra meals before the lagged funding system catches up. | 0.351 |
| Commissioning and Asset Management | European Regional Development Fund | Killingworth Sustainable Retrofit Project | Killingworth Sustainable Retrofit Project | 0.027 |
| Public Health | Department of Health | Public Health England Innovation Fund - Bottled Up | Identifying and Supporting Children and Families to reduce Alcohol Harm. | 0.263 |
| Central Items | Ministry of Housing, Communities and Local Government | Covid-19 Local Authority Support Grant | To support the local authority in funding the financial impact of Covid-19 | 6.822 |
| Central Items | Ministry of Housing, Communities and Local Government | Business Support Grant | To support small businesses effected by the Covid-19 pandemic | 38.490 |
| Total | | | | 46.103 |

- 1.5.10 **Strategic Issues:** Like all local authorities, North Tyneside Council has felt the impact of the ongoing Covid-19 pandemic. The Authority received a £6.822m share of the Government's Local Support Grant in March 2020 to support local authorities with the additional costs and income lost due to Covid-19. As 'Lockdown' measures were only announced on 23 March 2020, the impact in 2019/20 was £0.733m and the remaining balance of £6.089m was moved to a ringfenced reserve, ready to be utilised in 2020/21 when the greater impact is expected.
- 1.5.11 A further tranche of the Local Support Grant of £5.709m was received in May 2020 bringing the total received by the Authority to £12.531m. After the carry forward from 2019/20, the Authority currently has £11.798m of Local Support Grant funding in reserve. As the majority of the financial impact will be felt in 2020/21, work is ongoing between Finance and the wider service areas to quantify the impact of costs and income forgone against the 2020/21 Budget. Monthly returns are being submitted to the Ministry for Housing, Communities and Local Government containing the latest estimates of the financial impact of Covid-19 on the Authority. The May 2020 return projected the financial impact to be £24.930m (both General Fund and HRA), far in excess of the current funding that has been made available to the Authority from the Government. The impact of Covid-19 on the medium-term financial plan is currently being considered and a refreshed plan will be presented in a future report to Cabinet.
- 1.5.12 In addition to the Local Support Grant, the Authority also received a £38.494m grant from the Government aimed at supporting small businesses during the pandemic. Using records held in the Northgate system, initial estimates were that 3,014 small businesses would be eligible to apply for this grant at a cost of £34.270m. At the end of May 2020, the Authority had made payments to 2,567 (85.17%) of the eligible businesses, totalling £29.495m, with payments still being made on a daily basis.

1.6 Decision options:

Option 1

Cabinet can agree the recommendations as set out in Section 1.2 of this report.

Option 2

Cabinet can disagree with all or some of the individual recommendations set out in section 1.2 of the report.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

It is recommended that Cabinet agree the proposals set out in section 1.2 of this report as it forms part of the 2019/20 Statement of Accounts. Reprogramming of the Investment Plan will ensure successful delivery of projects included within the Investment Plan.

1.8 Appendices:

| | |
|------------|--|
| Annex 1 | 2019/20 Provisional Finance Outturn Report |
| Appendix A | Reserves & Balances |
| Appendix B | Investment Plan Financing Summary |

| | |
|------------|--|
| Appendix C | Investment Plan Summary of Variations |
| Appendix D | Prudential & Treasury Indicators |
| Appendix E | Financial Interventions by the Government for Covid-19 |

1.9 Contact officers:

Janice Gillespie – Corporate Finance matters – Tel 643 5701

Claire Emmerson – School and Corporate Finance matters – Tel 643 8109

David Dunford – General Fund and Corporate Finance matters – Tel 643 7027

Darrell Campbell – Housing Revenue Account matters – Tel 643 7052

Cathy Davison – Investment Plan and Corporate Finance matters – Tel 643 5727

Amar Hassan – Treasury Management matters – Tel 643 5747

1.10 Background information:

The following background papers and research reports have been used in the compilation of this report and are available at the offices of the author:

- (a) Revenue Budget 2019/20.
<https://my.northtyneside.gov.uk/sites/default/files/web-page-related-files/NTC%20Revenue%20Budget%20201920.pdf>
- (b) Approved Investment Plan 2019-2023.
<https://my.northtyneside.gov.uk/sites/default/files/meeting/related-documents/7%20Appendix%20D%28i%29%202019-23%20Investment%20Plan%20Summary.pdf>
- (c) Reserves and Balances Policy – Appendix G
<https://my.northtyneside.gov.uk/sites/default/files/meeting/related-documents/12%20Appendix%20G%20Reserves%20and%20Balances%20Policy%20201920.pdf>
- (d) Investment Programme Board – End of year report 2019/20 (available at offices of author)

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

As this is a financial report, implications are covered in the body of the report and Annex 1.

2.2 Legal

The Authority has a duty to ensure it can deliver a balanced Budget. The Local Government Act 2003 imposes a duty on an authority to monitor its budgets during the year and consider what action to take if a potential deterioration is identified.

2.3 Consultation/community engagement

Internal consultation

Internal consultation has taken place with the Cabinet Member for Finance and Resources, the Elected Mayor, the Senior Leadership Team and senior Finance officers. This report will also be presented to the Authority's Finance Sub-Committee at its meeting on 14 July 2020.

Community engagement

The 2019/20 Budget was agreed after widespread consultation in line with the Authority's approved Budget Engagement Strategy. Appendix F of the 2019/20 Financial Planning and Budget Process report to full Council on 7 February 2019 provides details of the consultation.

2.4 Human rights

The proposals within this report do not have direct implications in respect of the Human Rights Act 1998.

2.5 Equalities and diversity

There are no direct equalities and diversity implications arising from this report.

2.6 Risk management

Potential future financial pressures against the Authority are covered in this report and registered through the Authority's risk management process.

2.7 Crime and disorder

There are no direct crime and disorder implications arising from this report.

2.8 Environment and sustainability

There are no direct environmental and sustainability implications arising from this report.

PART 3 - SIGN OFF

- Chief Executive ☐
- Head of Service ☐
- Mayor/Cabinet Member(s) ☐
- Chief Finance Officer ☐
- Monitoring Officer ☐
- Head of Corporate Strategy and Customer Service ☐

2019/20 Provisional Finance Outturn Report

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Section 1 – EXECUTIVE SUMMARY

1.1. Summary

- 1.1.1. The Authority's audited Statement of Accounts (the Accounts) for 2019/20 will be presented to the Audit Committee for approval in November 2020. This will be later than in other financial years as a result of the Covid-19 pandemic. National changes were made to deadlines covered in legislation relating to the publication and external auditing of the Accounts. These changes resulted in the deadline for the Chief Finance Officer to "certify" the draft accounts changing to 31 August 2020 and therefore the approval of the accounts by Audit Committee will not take place until November 2020. Audit Committee have been briefed on these changes. The figures contained in this report are provisional until the completion of the Accounts. .
- 1.1.2. The Accounts are a statutory document which set out the Authority's financial position and performance for the year in a series of formal accounts prepared according to a specific statutory and regulatory framework. Successive changes to local government accounting practice have made the Accounts a very technical document. As in previous years, this report sets out the Authority's financial performance in an outturn report. This reflects the Authority's structure and is set out on a similar basis to the financial management reports presented to Cabinet throughout the year.
- 1.1.3. The financial year has seen the Authority continue to manage its finances despite on-going funding reductions and continuing cost pressures in respect of social care services. Despite these challenges the proactive management of the General Fund Budget throughout the year has led to a year-end surplus of £0.050m. It is proposed to deal with this surplus by a transfer to the Strategic Reserve. In addition to this the Authority received two one-off dividend payments (£0.637m for the Airport and £0.400m following the closure of the Kier NT Joint Venture) in-year. In other years where a surplus has been generated this would be held in reserve for future investment in the Borough but in light of the significant and unexpected impact of the Covid-19 pandemic, it is proposed that these are transferred to reserves (£0.195m to General Fund balances and £0.842m to the Strategic Reserve) to support the increased financial impact and risk to the Authority expected during 2020/21 and future years. After the final transfers, the General Fund Revenue Account shows spend on Budget for 2019/20, with a closing balance on the Strategic Reserve of £15.489m and General Fund balances of £7.000m. Retaining these levels of balances is important for managing the financial resilience of the Authority through 2020/21 and beyond.
- 1.1.4. School balances have reduced from £1.599m at the start of the financial year to £0.165m at 31 March 2020. Whilst some schools have seen their individual balances increase, the value of individual school deficits overall has increased which contributes to the £1.434m reduction in balances. Overall the position improved by £6.095m from initial projected overall deficit balances of £4.661m. Further details are contained in Section 6 of this Annex.

- 1.1.5. The Housing Revenue Account balances have increased from £7.303m to £7.803m, an in-year increase of £0.500m. This change is as a result of an in-year improvement against Budget of £2.831m (this represents 4.1% of the gross Budget). Further details are given in Section 7 of this Annex.
- 1.1.6. The initial approved Investment Plan for 2019/20 was £62.758m. Variations and reprogramming of £2.424m were approved by Cabinet during 2019/20 to give a revised Investment Plan of £65.182m. Capital expenditure for the year was £59.080m (90.64% of the revised plan), a variation of £6.102m. This outturn includes further reprogramming of £6.262m as shown in Section 8.

1.2. Strategic Management of the Authority's Budget

- 1.2.1. Whilst statutorily the Authority's Budget and Statement of Accounts must be prepared annually, the pressures and opportunities that the Authority faces often extend across several accounting years. Decisions taken in one year may be felt in subsequent periods. One of the benefits of the Authority's regular Budget monitoring process is that issues can be identified early in the year and action taken to address them. The outcomes of these actions can then inform both Budget-setting and preparation of the Financial Statements. Budget-setting, Budget management and the Financial Statements can therefore be seen as related parts of a continuous process of financial management by the Authority. This part of the report sets out some of the key strategic issues managed by the Authority during 2019/20.

1.3. General Fund

- 1.3.1. The Budget for 2019/20 was approved by full Council at its meeting of 21 February 2019. The net General Fund Budget was set at £155.730m including efficiency savings of £10.533m (£6.875m new to 2019/20 and £3.658m of prior year savings requiring a permanent solution in 2019/20).
- 1.3.2. The Monitoring report up to 31 January 2020 projected a pressure of £2.932m and the final position is an underspend of £0.050m.

1.4. Budget Savings Programme

- 1.4.1. The Efficiency Programme for 2019/20 included savings of £6.875m and £3.658m of savings targets carried forward from 2018/19, for the delivery of projects/actions included as part of the previous Creating A Brighter Future Programme. The scale of the financial challenge for the year meant that wide ranging efficiencies and service reconfiguration were required to be implemented during 2019/20 leading to £6.233m or 90.66% of the £6.875m savings targets being achieved. The remaining balance of £0.642m combined with the £3.658m of prior year balances were handled through a range of alternative management activities, the success of which is demonstrated in the outturn. The majority of the prior year balances related to ambitious cross-cutting savings proposals that were identified as being challenging to achieve. The high-risk nature of these savings was identified early in the financial year and as such growth funding was allocated for 2020/21 in the 2020-2024 Medium-Term Financial Plan. The Efficiency

Programme is monitored as part of the overall financial position of the Authority, and regular updates of progress is shared with the Mayor and Cabinet members and also reported to Cabinet as part of the bi-monthly Financial Management reports. Further details of the Efficiency Programme outcomes are detailed in section 3.

1.5. Treasury Management

- 1.5.1. There has been an increase in the level of actual external borrowing (excluding PFI) from £451.146m at 31 March 2019 to £466.913m at 31 March 2020. The level of internal funding remains high at £57.655m at 31 March 2020 (£84.047m at 31 March 2019), subsequently this avoids interest charges. During 2019/20 the sustained approach to maximising the use of internal borrowing, using short-term borrowing at lower rates and the impact of reprogramming within the Investment Plan resulted in interest savings of £3.641m in-year (General Fund and HRA).

1.6. Reserves and Outlook

- 1.6.1. The end of the financial year 2019/20 saw the beginning of the COVID-19 Pandemic, the impact of which has been unexpected and significant. Cabinet and all Members have been kept up to date of the response the authority has implemented as lockdown was put in place and what that meant for essential services being maintained for the most vulnerable residents of the borough. There have been a range of services suspended such as the leisure and culture and the financial impact on the authority arising from additional costs and lost income is anticipated to be significant during 2020/21 and beyond.
- 1.6.2. There have been a range of financial interventions introduced by the Government, these are set out in Appendix E. Like all local authorities, North Tyneside Council has felt the impact of the on-going Covid-19 pandemic. The Authority received its share of the Government's Local Support Grant of £6.822m in March 2020 to support local authorities with the additional costs and income lost due to Covid-19. As 'Lockdown' measures were only introduced on 23 March 2020, the financial impact of this in 2019/20 was £0.733m and the remaining balance of £6.089m was moved to a ringfenced reserve on the balance sheet, ready for utilisation in 2020/21 when the greater financial impact is expected.
- 1.6.3. A further tranche of the Local Support Grant of £5.709m was received in May 2020 bringing the total received by North Tyneside Council to £12.531m. After the carry forward from 2019/20, the Authority currently has £11.798m of Local Support Grant funding in reserve. As the majority of the financial impact will be felt in 2020/21, work is on-going between Finance and the wider service areas to review and update on a regular basis the financial impact of additional costs and income forgone currently anticipated during 2020/21. Monthly returns are being submitted to the Ministry for Housing, Communities and Local Government containing the latest estimates of financial impact of Covid-19 on the Authority's finances. The May 2020 return projected the financial impact to be in the region of £24.930m (both General Fund and HRA), far in excess of the current funding made available

from the Government. There are longer term impacts anticipated through an increased number of residents being eligible for Local council tax support, impact on collection of council tax. In addition, despite a range of government support being put in place we anticipate there being a significant impact on the businesses in the borough which will impact on Business rates raised and collected both during 2020/21 and beyond.

- 1.6.4. In addition to the Local Support Grant, the Authority also received a £38.494m grant from the Government aimed at supporting businesses in the retail, hospitality and leisure sector, small businesses in receipt of small business rate relief and other organisations such as community associations and sporting clubs during the pandemic. Using records held in the Northgate system, initial estimates were that 3,014 business premises would be eligible to apply for this grant at a cost of £34.270m. At the end of May 2020, the Authority had made payments to 2,567 (85.17%) of the eligible businesses, totalling £29.495m, payments have continued to be made during June.
- 1.6.5. Further impacts of the Covid-19 pandemic include the delay in the 2020 Spending Review, which was scheduled to be completed by July this year. This has been delayed to enable the Government to remain focused on responding to the ongoing coronavirus outbreak. Current indications suggest a one year settlement may be issued again, with a full spending review delayed with no timetable yet as to when indicative funding for local government for 2021/22 is likely to be announced.
- 1.6.6. Additionally the Fair Funding and Business Rates Retention (BRR) schemes review, scheduled for implementation in April 2021, will now not go ahead until April 2022 at the earliest. This lead to further significant risk remain to the Authority's ability to update the four year financial plan.
- 1.6.7. The general fund outturn position includes £1.037m of dividend that in "normal" circumstances Cabinet could have considered to use to fund further investment in the borough, however in light of the financial risks the authority faces it is being recommended to Cabinet to use this funding to increase the General Fund Balance to £7.000m and the Strategic Reserve to £15.489m.
- 1.6.8. It has been highlighted previously by the Chief Finance Officer that the Authority has a relatively low level of reserves. The level of uncertainty with regard to the levels of funding for Local Government Finance beyond 2020/21 alongside the uncertain long terms implications of how the borough and indeed the country will recovery from the impacts of Covid-19 is of concern when considering the financial sustainability of the authority remains a significant concern, particularly when taken in the context of funding reductions the authority has managed since 2007/18. Appendix A sets out in detail the movement on Reserves and Balances and despite some increases the general level of Reserves available to support the Authority's Budget remains relatively low when considering the current estimated gap arising from the financial impact of Covid-19.

- 1.6.9. The Strategic Reserve represents 4.32% of the General Fund 2020/21 gross Budget and 9.60% of the 2020/21 net Budget, with the General Fund balances added, these represent 6.27% of the 2020/21 gross Budget and 13.94% of the 2020/21 net General Fund Budget. There is no prescribed level of reserves advise by finance bodies with the level being considered in light of risks the authority faces not just in the current year but looking ahead.
- 1.6.10. The net movement in HRA reserves and balances is an increase of £1.567m. The HRA reserves have increased by £1.067m to £22.870m in 2019/20. The use of up to £1.500m of HRA PFI Reserve was approved by Cabinet under the Use of Reserves policy to finance the payment of a settlement agreement with S4NT & Galliford Try relating to the construction phase of the North Tyneside Living PFI project. Within the HRA reserve total, over £11.000m relates to PFI reserves. Included in the overall movement is an increase in Housing Revenue Account balances of £0.500m as set out in Section 7 of this Annex.
- 1.6.11. School Balances show a reduction of £1.434m as set out in section 6 of this Annex, but as stated previously this is a significant improvement of £6.095m against the planned deficit balance position of £4.661m. As at 31 March 2020, the DSG account is showing a net deficit balance of £3.262m. This compares to a surplus balance of £0.746m in 2018/19. Whilst the Authority does have some plans to recover this deficit position, there remains uncertainty as to how this is to be resolved, adding further risk for the Authority in the short to medium term.
- 1.6.12. Table 1 below represents the reserves and balances position of the Authority as at 31 March 2020. It shows a comparison of the position expected for the reserves and balances to be carried forward into 2020/21 (as at budget setting) an the actual position carried forward into 2020/21. Included in the carried forward figure for General Fund ringfenced reserves is £6.089m relating to the Covid-19 Local Authority Support Grant.

1.6.13. **Table 1: Reserves and Balances position as at 31 March 2020**

| Reserves and Balances | 2019/20 B/Fwd £m | 2020/21 Projected £m | 2020/21 C/Fwd £m |
|--|---------------------------------|-------------------------------------|---------------------------------|
| Reserves | | | |
| General Fund ringfenced | 25.318 | 24.113 | 28.581 |
| General Fund un-ringfenced | 19.492 | 18.369 | 19.181 |
| General Fund grants | 3.795 | 1.243 | 0.084 |
| HRA | 19.852 | 17.279 | 19.102 |
| Reserves Sub Total | 68.457 | 61.004 | 66.948 |
| Balances | | | |
| General Fund | 6.805 | 6.805 | 7.000 |
| Schools | 1.599 | (0.201) | 0.165 |
| HRA | 7.304 | 7.593 | 7.804 |
| Balances Sub Total | 15.708 | 14.197 | 14.969 |
| Grand Total Reserves and Balances | 84.165 | 75.201 | 81.917 |

1.6.14 In these unrepresented times the importance of robust financial management across the authority remains paramount. A range of tighter spending controls have been put in place to ensure no-non essential spend is incurred during 2020/21 and to ensure any Covid-19 related expenditure is appropriately considered and approved in advance of being incurred.

SECTION 2 - GENERAL FUND INCOME AND EXPENDITURE SUMMARY

2 General Fund Revenue Provisional Outturn

- 2.1 This section of the report details the provisional outturn at 31 March 2020. The Authority's approved net revenue Budget of £155.730m is provisionally expected to underspend by £0.050m. This is an improvement of £2.982m on the previous position reported to Cabinet based on forecasts at January 2020 which showed a pressure of £2.932m. The Budget includes £6.875m of 2019/20 savings as agreed at full Council on 21 February 2019. Table 2 in paragraph 2.5 below sets out the variation summary across the General Fund. In addition to this position is a £0.637m one-off dividend receipt from the Airport and a £0.400m one-off dividend receipt following the closure of the Keir NT Joint Venture. It is proposed that these balances are transferred into the General Fund balances (£0.195m) and the Strategic Reserve (£0.842m). The General Fund surplus of (£0.050m) is also proposed to be taken to the Strategic Reserve. With these final transfers included, the General Fund will show spend on Budget for 2019/20.

Accounting Adjustments

- 2.2 As part of the statutory reporting regulations there is a requirement to ensure that there is a clear audit trail between the figures reported to Cabinet and those published in the Statement of Accounts. The outturn therefore includes a series of year-end accounting adjustments which, whilst having no impact on the final overall position against the Budget, provide a link from the outturn reported to Cabinet to the published accounts. These adjustments include:
- Adjusting both budget and actual positions for support services. This has no impact on variances;
 - Adjusting the service positions for actual (rather than budgeted) capital expenditure items; and,
 - Adjusting the service positions for the impact of Private Finance Initiatives (PFI) which has reduced the reported costs of the services by £5.533m and has had the opposite impact on the corporate budget lines.
- 2.3 As in previous years, these accounting adjustments were not included in the previously reported forecasts presented to Cabinet.
- 2.4 Table 2 below shows the variance between the outturn to be published in the Statement of Accounts and the Budget and also shows the adjustments required to allow comparison of the provisional outturn for Cabinet to the last reported position:

2.5 Table 2: 2019/20 General Fund Revenue Provisional Outturn as at 31 March 2020

| | Budget | Final Accounts Outturn | Variance | Accounting Adjustments | Adjusted Variance for Cabinet | January Forecast Variance for Cabinet | Movement from Last Cabinet Report |
|--|----------------|------------------------------|----------------|---------------------------|-------------------------------------|--|---|
| Services | £m | £m | £m | £m | £m | £m | £m |
| Health, Education, Care and Safeguarding | 67.463 | 73.291 | 5.828 | (0.069) | 5.759 | 7.149 | (1.390) |
| Commissioning and Asset Management | 21.445 | 5.503 | (15.942) | 16.120 | 0.178 | 0.300 | (0.122) |
| Environment, Housing and Leisure | 42.140 | 38.114 | (4.026) | 3.389 | (0.637) | (0.302) | (0.335) |
| Regeneration and Economic Development | 1.259 | 1.687 | 0.428 | (0.153) | 0.275 | 0.035 | 0.240 |
| Corporate Strategy | 0.419 | 0.416 | (0.003) | 0.000 | (0.003) | (0.068) | 0.065 |
| Chief Executive's Office | (0.100) | (0.190) | (0.090) | 0.000 | (0.090) | (0.048) | (0.042) |
| Resources | 1.538 | 2.002 | 0.464 | (0.012) | 0.452 | (0.097) | 0.549 |
| Law and Governance | 0.019 | 0.223 | 0.204 | 0.000 | 0.204 | 0.171 | 0.033 |
| Central Items | 1.534 | 14.621 | 13.087 | (19.275) | (6.188) | (4.208) | (1.980) |
| Support Services | 20.013 | 20.013 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Authority before dividends | 155.730 | 155.680 | (0.050) | 0.000 | (0.050) | 2.932 | (2.982) |
| Newcastle Airport Dividend | 0.000 | (0.637) | (0.637) | 0.000 | (0.637) | 0.000 | (0.637) |
| Kier NT Dividend | 0.000 | (0.400) | (0.400) | 0.000 | (0.400) | 0.000 | (0.400) |
| Total Authority | 155.730 | 154.643 | (1.087) | 0.000 | (1.087) | 2.932 | (4.019) |

Main Movements From Previous Reported Forecast Variance (January Report)

- 2.6 Comparing the adjusted outturn variance to the previously reported January forecast outturn shows an overall improvement of £2.982m before dividends. The main reasons for these movements are itemised below with more detailed explanations of both the outturns and the changes compared to the January report being contained in Section 5 of this report.

Health Education Care and Safeguarding

- 2.7 There has been an overall improvement of £1.390m since the January report resulting mainly from an adjustment to direct payment costs reflecting a payment in advance for services supporting these clients.

Commissioning and Asset Management

- 2.8 There has been an improvement of £0.122m within Commissioning and Asset Management since the January report. There has been an increase in overspend within Facilities and Fair Access of £0.261m relating to price inflation in Catering and Cleaning and pressures within Home to School Transport resulting from higher numbers and increased complexity of the needs of children attending special schools. This has been offset by an improved position in Property due to PFI credits and a contribution from commercial arrangements with the Authority's Technical Partner.

Environment Housing and Leisure

- 2.9 Environment Housing and Leisure saw an improvement of £0.335m since the January report largely due to an improved position in relation to waste disposal costs.

2.10 Regeneration and Economic Development

There has been an increased overspend of £0.240m compared to the January report, mainly due to an underachievement of a target to recharge staff costs to capital schemes. This has resulted from a transfer of project management work to Commissioning and Asset Management allowing Regeneration and Economic Development to focus on sourcing external funding for capital investments within the Borough.

2.11 Resources

There has been an increased overspend of £0.549m, mainly due to not drawing down reserves to cover IT costs that had been previously planned within the January position. The overall improvement in the outturn position made this drawdown unnecessary.

Central Items

- 2.12 Central Items has improved by £1.980m since the January report. There has been £0.395m of additional Government funding received, whilst the position has benefited from £1.158m of year-end accounting adjustments in capital, PFI and salary sacrifice. The position on the Regional Adoption Agency has allowed a £0.175m support service recharge be made to Central Items and there is a surplus position on the Education Services Support Grant which is held centrally. Further details can be found within paragraph 5.9.

Other Services

- 2.13 Other services have been grouped together as individually the movements in outturn variances are not material. The largest items within the overall worsening of £0.056m related to reduced income and increased marketing costs in Corporate Strategy and additional barrister fees and coroner costs within Law and Governance following a period of staff turnover.

SECTION 3 - DELIVERY OF BUDGET SAVINGS PROPOSALS

- 3.1 The combined budget savings of £6.875m in 2019/20 approved by full Council in February 2019 bring the total savings the Authority has had to find in the nine years following the 2010 Comprehensive Spending Review (CSR) to £126.951m.

3.2 **Table 3: Year on Year savings since 2010 CSR**

| Year | £m |
|----------------------|----------------|
| 2011/12 | 16.169 |
| 2012/13 | 16.739 |
| 2013/14 | 12.240 |
| 2014/15 | 16.552 |
| 2015/16 | 14.158 |
| 2016/17 | 15.737 |
| 2017/18 | 18.338 |
| 2018/19 | 10.143 |
| 2019/20 | 6.875 |
| Total Savings | 126.951 |

- 3.3 In addition to the £6.875m of savings proposals required in 2019/20, £3.658m of prior year savings required a permanent solution after these savings were successfully achieved by in-year management actions during 2018/19. The total amount of savings that needed to be achieved in 2019/20 was therefore £10.533m.
- 3.4 The full savings programme total of £10.533m has been achieved in-year with a total of £6.233m (90.66%) of the new projects achieved requiring £4.300m of the remaining savings targets to be achieved by other management actions evidenced by the balanced position within the General Fund for 2019/20. These figures include the mitigating items of £1.100m of management actions which were identified early in the year as achievable via Central Items in 2019/20 and the £0.300m additional health income reported previously which mitigated a savings target within HECS. Continued good management of the Authority's Treasury Management function has allowed the remaining balance to be met in-year. The high-risk nature of the cross-cutting savings was identified early in the financial year and as such growth funding was allocated for 2020/21 in the 2020-2024 Medium-Term Financial Plan, removing the impact of these savings in future years.

3.5 Table 4: Efficiency Savings by Service at March 2020

| Service | 2019/20 Target £m | Projected Delivery £m | Management Actions £m |
|--|-------------------------|-----------------------------|-----------------------------|
| Regeneration and Economic Development | 0.103 | 0.103 | 0.000 |
| Central Items | 6.058 | 2.376 | 3.682 |
| Commissioning & Asset Management | 0.176 | 0.176 | 0.000 |
| Corporate Strategy | 0.042 | 0.042 | 0.000 |
| Environment, Housing & Leisure | 0.886 | 0.886 | 0.000 |
| Health, Education, Care & Safeguarding | 3.268 | 2.650 | 0.618 |
| Total | 10.533 | 6.233 | 4.300 |

- 3.6 The governance structure of the Efficiency Savings Programme includes a monthly review of progress by the Senior Leadership Team (SLT). In addition, in-year Budget and performance progress meetings were held between officers and Cabinet Members to consider progress and actions being taken to deliver savings. The main variations in relation to the savings achieved by management actions are as follows:

Central Items

- 3.7 The £3.682m of savings targets within Central Items included a total of £2.582m forecast as still needing achievement in the January report. These savings related to cross-cutting targets from the following Efficiency Statement categories; A Focus on the Social Care Customer Experience (£0.903m), How We Are Organised (£0.687m) and Delivering Our Fees & Charges Policy (£0.992m). The improvement in the Central Items outturn position has allowed the delivery of these targets in 2019/20.
- 3.8 These ambitious cross-cutting savings proposals were identified as being challenging to achieve. The high-risk nature of these savings was identified early in the financial year and as such growth funding was allocated for 2020/21 in the 2020-2024 Medium-Term Financial Plan.

Health, Education, Care and Safeguarding

- 3.9 HECS has delivered £2.650m (81%) of its original savings targets during the year with the remainder achieved through additional management actions. Targets yet to be permanently achieved are primarily made up of two schemes. An amount of £0.100m relating to the implementation of assistive technology under the Efficiency Statement category of A Focus on the Social Care Customer Experience. This project trialed new approaches in 2019/20 and there is cautious optimism that the full target will be permanently delivered in 2020/21 although the full impact of Covid-19 on this delivery is still being fully assessed. There is a further amount of £0.168m relating to expenditure reductions within Early Help and Vulnerable Families and HECS is working hard to identify permanent measures to achieve this target. A target relating to 2018/19, for care fee costs, has been met in-year by additional CCG income with arrangements progressing to permanently deliver this saving from 2020/21 although the impact of Covid-19 on the care market will make this more challenging.

SECTION 4 – NEW REVENUE GRANTS

- 4.1 The following new revenue grants have been received or notified during February and March 2020.

Table 5: Grants Received or Notified in February and March 2020

| Service | Grant Provider | Grant | Purpose | 2019/20 value £m |
|------------------------------------|-------------------------------------|--|---|-----------------------------|
| Commissioning and Asset Management | Education and Skills Funding Agency | Year 7 Catch Up Premium Allocations for Maintained Schools and PRU's | For the educational benefit of pupils who did not achieve level 4 Key Stage 2 in reading and/or mathematics. | 0.150 |
| Commissioning and Asset Management | Education and Skills Funding Agency | Free School Meals Supplementary Grant | Due to the roll-out of Universal Credit, the ESFA have introduced an income-based threshold for free school meal eligibility. As a result of this change to the benefit system and free school meal eligibility, the number of pupils eligible for free school meals will increase. This grant will provide schools with extra funding to help them meet the higher costs of providing extra meals before the lagged funding system catches up. | 0.351 |
| Commissioning and Asset Management | European Regional Development Fund | Killingworth Sustainable Retrofit Project | Killingworth Sustainable Retrofit Project | 0.027 |

| Service | Grant Provider | Grant | Purpose | 2019/20 value £m |
|----------------|---|--|--|---------------------------------|
| Public Health | Department of Health | Public Health England Innovation Fund - Bottled Up | Identifying and Supporting Children and Families to reduce Alcohol Harm. | 0.263 |
| Central Items | Ministry of Housing, Communities and Local Government | Covid-19 Local Authority Support Grant | To support the local authority in funding the financial impact of Covid-19 | 6.822 |
| Central Items | Ministry of Housing, Communities and Local Government | Business Support Grant | To support small businesses effected by the Covid-19 pandemic | 38.490 |
| Total | | | | 46.103 |

SECTION 5 – SERVICE COMMENTARIES

5.1 Meetings have been held throughout the year between Finance officers and budget managers to review the forecast positions for 2019/20, with forecasts being prepared on a prudent basis. Meetings have taken place to review the quarter one, two and three positions with the Elected Mayor, the Deputy Mayor, the Cabinet Member for Finance and Resources, and other relevant Cabinet Members to discuss the in-year finance and performance position. Heads of Service and their senior teams also attend these challenge sessions to discuss plans in progress to mitigate any pressures.

5.2 Health, Education, Care & Safeguarding (HECS)

5.2.1 HECS has ended the year with an overspend of £5.759m against its £67.463m net controllable expenditure Budget. This represents an improvement of £1.390m since the January forecast variance of £7.149m. Please note that the Child Protection, Independent Assessment and Review Service has transferred to HECS from Commissioning and Asset Management since the January report (pressure of £0.025m at January) and the January comparative figure has been adjusted to reflect this change. This forecast position excludes the application of contingency budgets set aside in Central Items for overspends in Adult Services of £1.800m and within Children's Services of £2.616m.

5.2.2 The HECS service has been heavily impacted by the Covid-19 crisis and has put in place a range of responses to support existing clients and other residents directly affected by the virus who have required new support packages to be put in place on discharge from hospital or to prevent an admission. Work has also been ongoing to support social care providers to maintain their vital services. The following Covid-19 related costs have been identified within HECS in the last month of 2019/20 and have been transferred to Central Items and are offset by a drawdown from the Covid-19 Local Support Grant received in March 2020.

5.2.3 Table 6: Impact of Covid-19 on HECS

| Service Area | Value £m | Description |
|------------------------|---------------------|--|
| Wellbeing & Assessment | 0.068 | Lost client contributions and additional care packages |
| Employment & Skills | 0.004 | Lost course fee income |
| School Improvement | 0.038 | Lost income from the Langdale Centre and High Borran |
| Total | 0.110 | |

5.2.4 The improvement is mainly within Adult Services where an accounting adjustment of £1.257m has been made to reflect expenditure on direct payments to clients where the services supporting those clients had not been received by 31 March. Further details are shown in paragraphs 5.2.8 to 5.2.38.

5.2.5 Table 7: Outturn Variation for HECS at March 2020

| | Budget £m | Outturn March £m | Variance March £m | Variance Jan £m |
|--|----------------------|---------------------------------|----------------------------------|--------------------------------|
| Corporate Parenting & Placements | 16.316 | 21.615 | 5.299 | 5.110 |
| Child Protection, Independent Assurance and Review | 0.673 | 0.679 | 0.006 | 0.025 |
| Early Help & Vulnerable Families | 1.317 | 1.228 | (0.089) | (0.032) |
| Employment & Skills | 0.546 | 0.478 | (0.068) | (0.028) |
| Integrated Disability & Additional Needs Service | 2.376 | 2.780 | 0.404 | 0.453 |
| School Improvement | 0.086 | (0.080) | (0.166) | (0.081) |
| Regional Adoption Agency | 0.000 | 0.000 | 0.000 | 0.000 |
| Children's Services Sub-total | 21.314 | 26.700 | 5.386 | 5.447 |
| Wellbeing, Governance & Transformation | 2.252 | 2.351 | 0.099 | 0.045 |
| Disability & Mental Health | 29.835 | 29.350 | (0.485) | (0.265) |
| Wellbeing & Assessment | 11.024 | 12.212 | 1.188 | 2.161 |
| Integrated Services | 2.639 | 2.234 | (0.405) | (0.286) |
| Business Assurance | 0.294 | 0.270 | (0.024) | 0.047 |
| Adult Services Sub-total | 46.044 | 46.417 | 0.373 | 1.702 |
| Public Health | 0.105 | 0.105 | 0.000 | 0.000 |
| Total HECS | 67.463 | 73.222 | 5.759 | 7.149 |

Main budget pressures across HECS

5.2.6 Throughout the year, in addition to its normal complex budget management, HECS has been required to deal with a combination of pressures and national policy changes. There are continuing upward pressures on care providers' fees partially resulting from the National Living Wage and negotiations continue around ensuring funding contributions from the NHS for clients with health needs as the North Tyneside Clinical Commissioning Group (NTCCG) themselves face continuing budget constraints. The financial impact of the Covid-19 crisis has been felt in the last month of the year, however this has been accounted for within Central Items and has been offset by a drawdown from the Covid-19 Local Support Grant. Under Government guidance which applied from 19 March 2020, the costs of packages for residents who have been discharged from hospital and any increased costs of packages which prevented admissions to hospital have been charged into a new pooled fund where the costs will be met by contributions from the Government paid via the NTCCG.

5.2.7 The main factor behind the overall outturn position is the significant pressure within Corporate Parenting and Placements in relation to care provision for children in care and care leavers. Although the number of children in care rose to 321 in January 2020, the numbers have now dropped to 299. (see 5.2.27 below) however, the numbers of care nights provided in 2019/20 overall has been almost 3000 higher than in 2018/19. In addition to third party care provision pressures, there are also on-going pressures in the workforce arising from staff retention costs and recruitment costs. Within adult services, cost pressures remain in relation to third party care provision especially in relation to older people.

Adult Services

5.2.8 In Adult Services, there is an overspend of £0.373m, which has reduced by £1.329m from the reported position in January.

5.2.9 The reduced position relates mainly to a review of balances on individual accounts of clients who receive a direct payment to arrange their own care. A sum of £1.257m has been identified which has been paid out to these clients but which has not yet been spent on care services at 31 March. An adjustment has been made to reflect this expenditure as a payment in advance.

5.2.10 There are on-going pressures in third party payments for care provision which is £4.195m above budget levels. There is also a smaller overspend relating to premises costs (£0.171m). These are partially offset by client contributions and contributions from the NHS (£3.482m). There are underspends against staffing budgets and supplies and services of £0.327m and £0.075m respectively. The demand pressures were foreseen by Cabinet and backed by £1.800m of centrally-held contingencies.

5.2.11 In common with most local authorities, the Authority has seen demand for adult social care continue to rise as the success story of longer lifespans means there are many more people with care and support needs arising from a mixture of physical health and mental health conditions including dementia and frailty in old age. In addition to older people, younger adults with learning disabilities and physical disabilities are also living longer, often with multiple complex issues.

5.2.12 In order to manage this demand as effectively as possible and ensure that the most intensive services are targeted at those in the greatest need, HECS has been going through transformation to develop an asset-based approach that focuses on enhancing an individual's strengths and informal support networks to maximise their independence. This has had the impact of containing the overall size of the population in receipt of services with a cost to the Authority, but the average cost of those services has increased due to the increased average complexity of the needs of those clients.

5.2.13 Pressures within external payments for care provision total £4.195m above budget. Table 8 below shows external payments for care pressures analysed into service types. The reduction in costs in Other Community Based Care results mainly from the reduced direct payment costs described in paragraph 5.2.9.

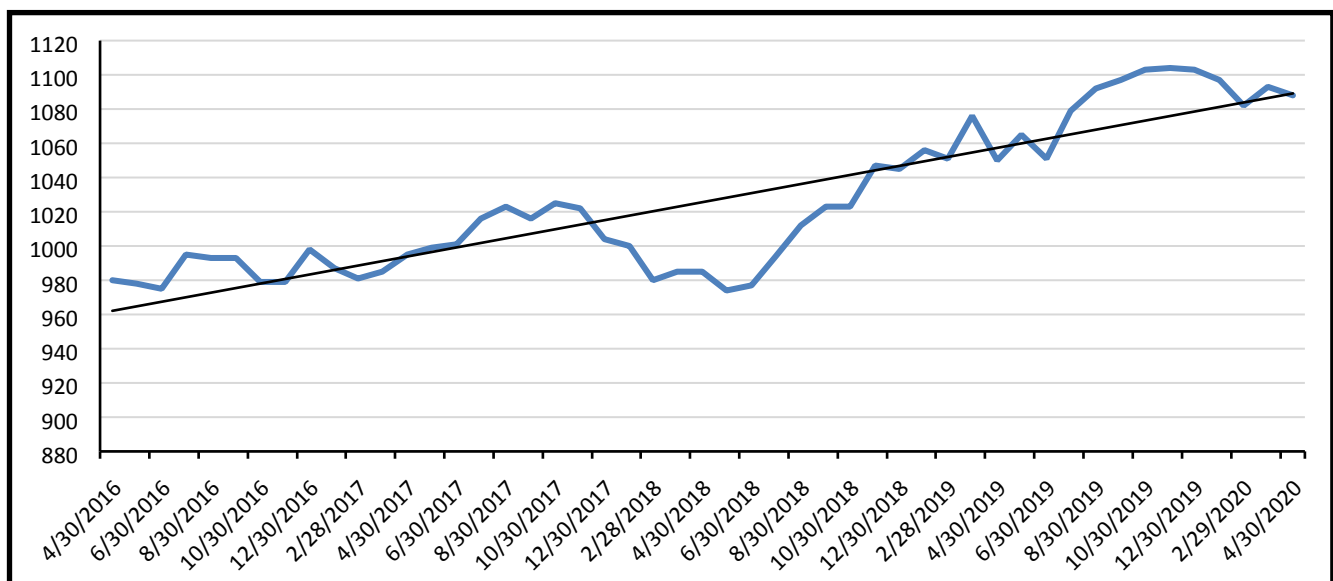
Table 8: Analysis of Adult Services Care Provision Pressure by Service Type

| Type of Service | March £m | January £m |
|------------------------------|--------------|---------------|
| Residential and Nursing Care | 3.934 | 3.770 |
| Homecare and Extra Care | 1.151 | 1.051 |
| Other Community-Based Care | (0.890) | 0.262 |
| Total | 4.195 | 5.083 |

Residential and Nursing Care

- 5.2.14 In relation to Residential and Nursing Care, an increase in short-term placements in the later part of 2018/19 saw numbers of placements overall rise to 1,066 by the end of that financial year. Internal processes to monitor the use of short-term placements have been strengthened and numbers of placements had fallen in the first part of 2019/20 (1,027 at July 2019). However, challenges remain, for example the option to move clients from short-term placements to community provision diminishes after longer lengths of stay in short-term placement as clients lose skills and family concerns increase around risks at home.
- 5.2.15 Alternative provisions of services are being identified for short-term placements to prevent admission to long-term residential care such as reablement services, community-based intermediate care or extra care provisions. HECS is continuing a focused review of all short-term placements with support from colleagues from sheltered accommodation and with a view to maximising the appropriate use of assistive technology to identify exit plans for those people needing to move on from short-term residential placements.
- 5.2.16 The numbers of placements overall for residential and nursing care, however, has continued in an overall upward trend since July 2019 with a total number of clients placed in care homes of 1,093 at the end of March. The increased numbers of clients placed in residential and nursing care has led to further increase in the overspend for this type of service to £3.934m (£3.770m in January). HECS is continuing to review all placements made through an internal panel and is examining individual cases and the flow of clients through the whole system to understand the causes of this increased level of demand. The movement in numbers placed in residential and nursing care is shown in Chart 1 below.

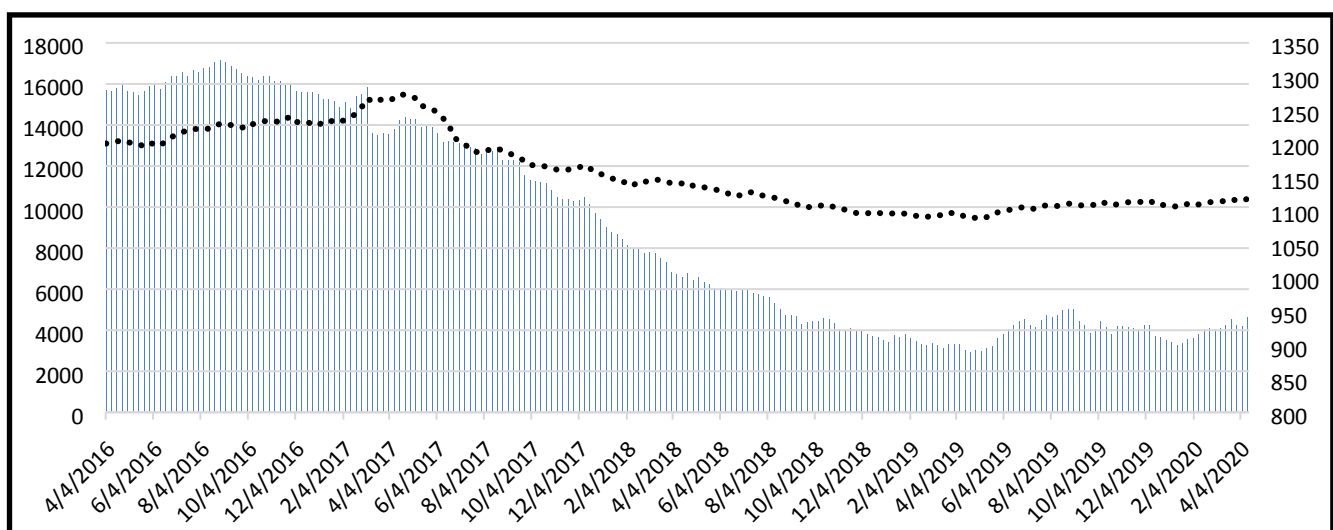
Chart 1: Movement in Numbers of Clients in Residential and Nursing Care since April 2016



Homecare and Extra Care

5.2.17 As reported during 2018/19, the Authority, in line with the national trend, has seen an increase in the number of homecare hours provided despite a fall in the total number of clients receiving this type of service. It is noted, however, that the number of clients has risen by 3% during 2019/20 however the number of hours delivered has risen by 8.3%. The movement in client numbers (left axis) and hours delivered (right axis) is shown in Chart 2 below:

5.2.18 Chart 2: Trend in Annual Cost per Client of Homecare/Extra Care Services



5.2.19 HECS is working hard to continue to embed the asset-based approach by re-engineering the customer pathway through the service to ensure that assessments are proportionate and that clients receive the appropriate level of support to meet their needs to the extent that they are eligible under the Care Act as cost-effectively as possible. Work is continuing to develop further technology solutions to meet needs related to areas such as medication prompts and shopping in a more cost-effective way.

Client Related Income

5.2.20 There has been a net reduction in NTCCG contributions of £0.471m due to a reduction in contributions for clients who have a significant health need but who do not meet the threshold for continuing healthcare often referred to as 'shared care'. Shared care is not subject to the same statutory guidance as Continuing Healthcare and funding arrangements are agreed on an individual client basis between the Authority and the NTCCG. This form of funding has been reducing since 2015/16. Management within HECS are working hard to ensure that clients with significant health needs are appropriately supported by contributions from NHS funding. Contributions from clients and from the NHS ended the year significantly above budget with a surplus of £3.482m, partially offsetting the overspends within payments for externally provided care.

Premises

5.2.21 There is an overspend of £0.127m in premises costs relating mainly to rent for respite premises for clients with a learning disability and accommodation costs for teams based within the community.

Children's Services

5.2.22 In Children's Services the £5.386m overspend relates mainly to demand pressures of £5.299m in Corporate Parenting and Placements and £0.404m in Integrated Disability and Additional Needs. These overspends are partially offset by underspends in Early Help and Vulnerable Families, Employment and Skills and School Improvement. The pressures were foreseen by Cabinet and backed by £2.616m of centrally-held contingencies. The outturn position has improved overall since the last report in January of £5.447m. Note that the Child Protection, Independent Assessment and Review Service has transferred to HECS from Commissioning and Asset Management since the January report (pressure of £0.025m at January) and the January comparative figure has been adjusted to show this change.

5.2.23 Services for children in care did not suffer any additional expenditure relating to Covid-19 issues in the last weeks of 2019/20, however, a total of £0.042m in lost income has been identified within School Improvement and Employment and Skills and these amounts have been transferred to Central Items and have been met by a drawdown from the Covid-19 Local Support Grant.

Corporate Parenting and Placements

5.2.24 The overspends within Corporate Parenting and Placements can be broken down as follows:

Table 9: Analysis of Overspends in Corporate Parenting and Placements

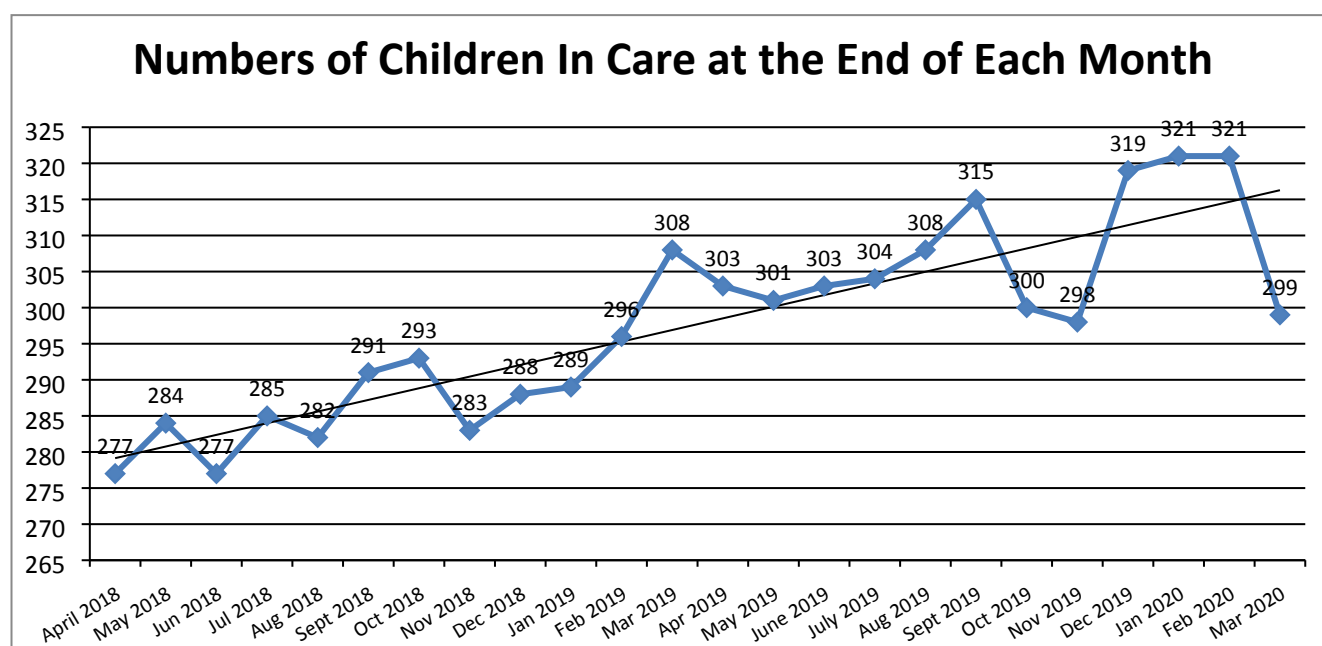
| Type of Service | Budget 2019/20 £m | Variance March £m | Variance January £m |
|-----------------------------------|----------------------|----------------------|------------------------|
| Care provision – children in care | 9.167 | 4.362 | 4.089 |
| Care provision – other children | 3.200 | 0.634 | 0.416 |
| Management & Legal Fees | (0.221) | (0.104) | 0.165 |
| Social Work | 4.126 | 0.402 | 0.436 |
| Safeguarding Operations | 0.044 | 0.005 | 0.004 |
| Total | 16.316 | 5.299 | 5.110 |

5.2.25 The increase of £0.189m since the last report mainly relates to one new placement in residential care for the last two months of the year (£0.064m) and one extended placement (£0.024m) in addition to one new placement (£0.046m) and three extended placements (£0.028m) in supported accommodation.

Care Provision – Children in Care

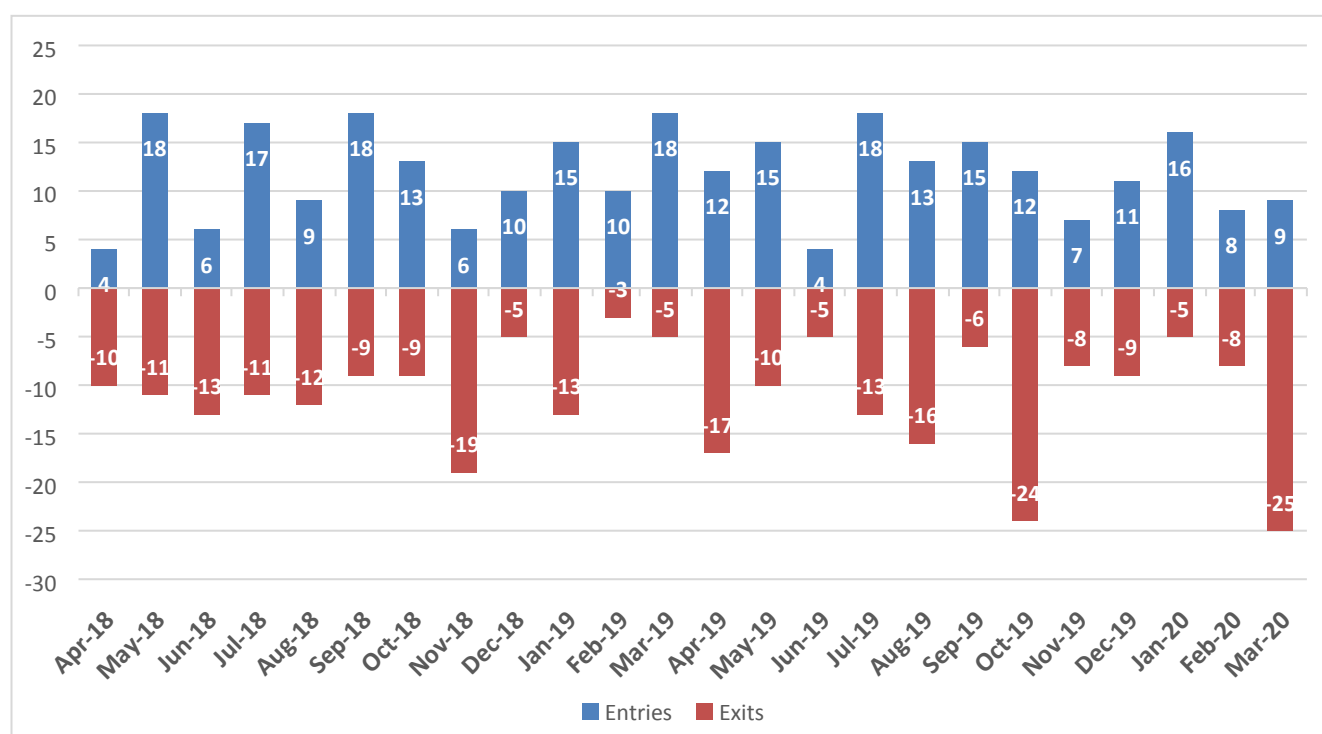
5.2.26 Over recent years, there has been an increase nationally in demand for children's residential placements but with no corresponding increase in government-funded provision. In North Tyneside over the last few years the overall number of children in care has mirrored the increases being felt nationally. Numbers were, however, steady through 2018/19 before rising to 308 at the year end. Although the number of children in care fell slightly from this during the first few months of this financial year, they rose to 321 in January and remained at that level until falling to 299 at the end of March.

5.2.27 Chart 3: Children in Care at the End of Each Month



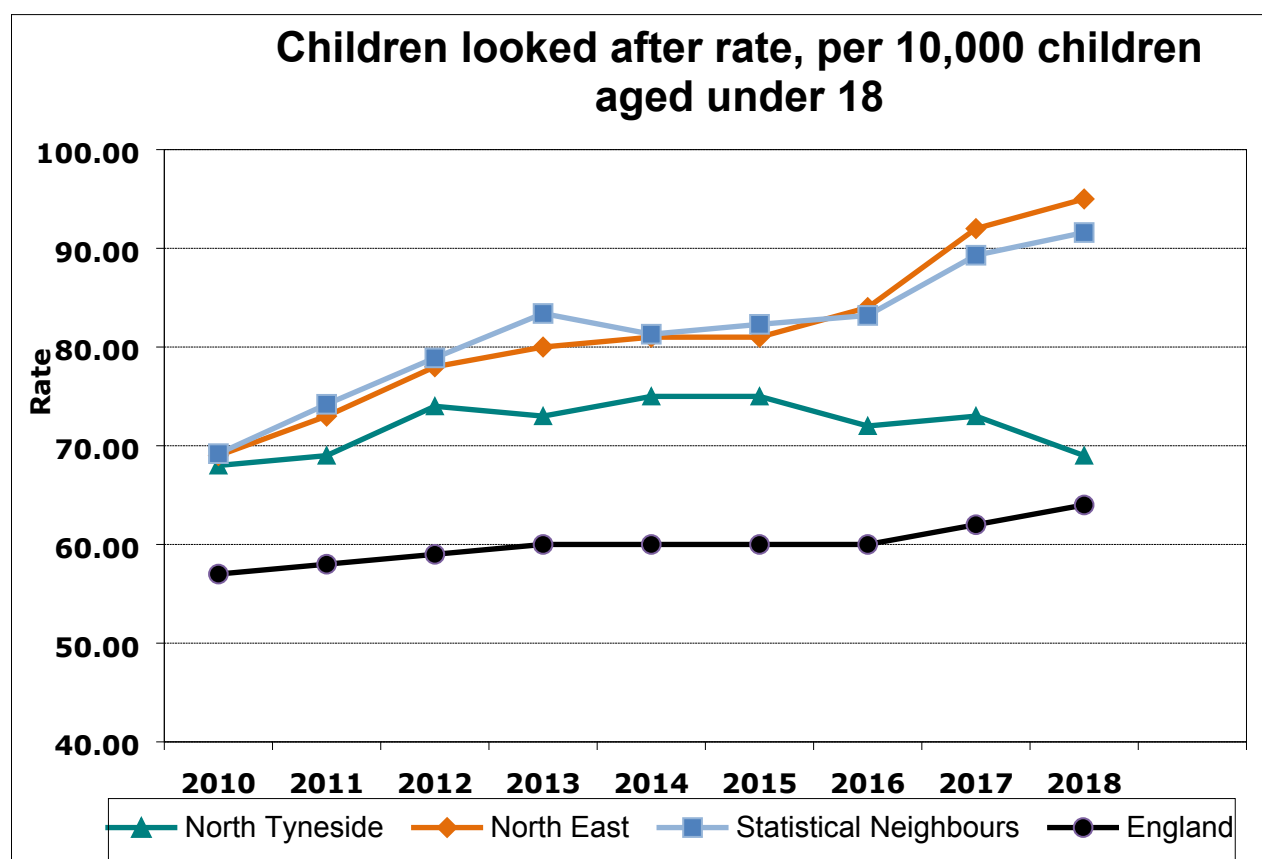
5.2.28 Delays within the court system continue to impact on the numbers of children leaving care. Although the situation had initially improved since the autumn, the impact of the Coronavirus pandemic has introduced further issues. The Authority currently has 11 cases delayed either because the court cannot complete the hearings remotely or because Covid-19 has affected the availability of specialist assessments. The impact of this is that children are remaining in care for longer where otherwise an improved situation for them could have achieved in a shorter time frame. The financial impact is the ongoing cost of placements. The pattern of children leaving care has proven to be much more volatile in 2019 as compared to 2018 but with a general pattern of less children leaving care, as shown in Chart 4 below.

Chart 4: Detailed Movement in the Numbers of Children in Care



5.2.29 The most recent available national comparators from 2018/19, as demonstrated by Chart 5 below, shows that North Tyneside, although above the England average, has historically performed well within the North East region in relation to the rates of children in care.

5.2.30 Chart 5: Comparative Performance in Rates of Children in Care per 10,000 Children under 18



5.2.31 Placement mix continues to change, moving towards the complex end of the spectrum and this is driving an increase in overall costs. Placements for adolescents (particularly males) with a combination of risks including aggressive behaviour, offending, substance use and sexualised behaviour are increasingly difficult to source. This has resulted in the use of more costly bespoke individual placements, where it is not suitable to place young people in group environments. This is demonstrated in Table 10 below where the main pressure results from residential placements which, in terms of total bed nights, represents only 8% of provision by bed nights but is very costly amounting to 65% of the overall placement cost. The average cost of a residential care placement at present is £0.264m; however, this is very volatile and is dependent on the individual needs of the cohort of children and young people in externally provided residential placements at any point in time. In 2019/20 there have been 18 children in residential services with a weekly cost in excess of £0.005m. External supported accommodation can also be expensive and there has been a cohort of eight young people with very complex needs being supported for the majority of the year at an average cost of approximately £0.005m per week.

5.2.32 **Table 10: Forecast cost, forecast variance, average placement cost and placement mix**

| Placement Type | 19/20 Outturn Variance | Average Annual Placement cost (£m) | 19/20 Bed nights | Placement Mix | No. of children Mar 20 | No. of children Jan 20 |
|----------------------------------|------------------------|------------------------------------|------------------|---------------|------------------------|------------------------|
| External Residential Care | 2.454 | 0.264 | 8,649 | 8% | 23 | 24 |
| External Fostering | 0.179 | 0.038 | 11,184 | 10% | 26 | 28 |
| In-House Fostering Service | 0.341 | 0.022 | 76,731 | 68% | 203 | 220 |
| External Supported Accommodation | 1.377 | 0.183 | 4,349 | 4% | 15 | 17 |
| Other* | 0.011 | various | 11,709 | 10% | 32 | 30 |
| Total | 4.362 | | 112,622 | 100% | 299 | 319 |

*Other includes Placed for Adoption, Placed with Parents/Parental Responsibility and NTC Children's Homes.

5.2.33 The impact of the increasingly complex needs of children within the care system can be seen in the increase in average costs of placements between 2018/19 and 2019/20 shown in Charts 6 and 7 below.

Chart 6: Changes in Average, Minimum and Maximum Weekly Fee Rates Between 2018/19 and 2019/20 for Residential Care (net of health and education contributions)

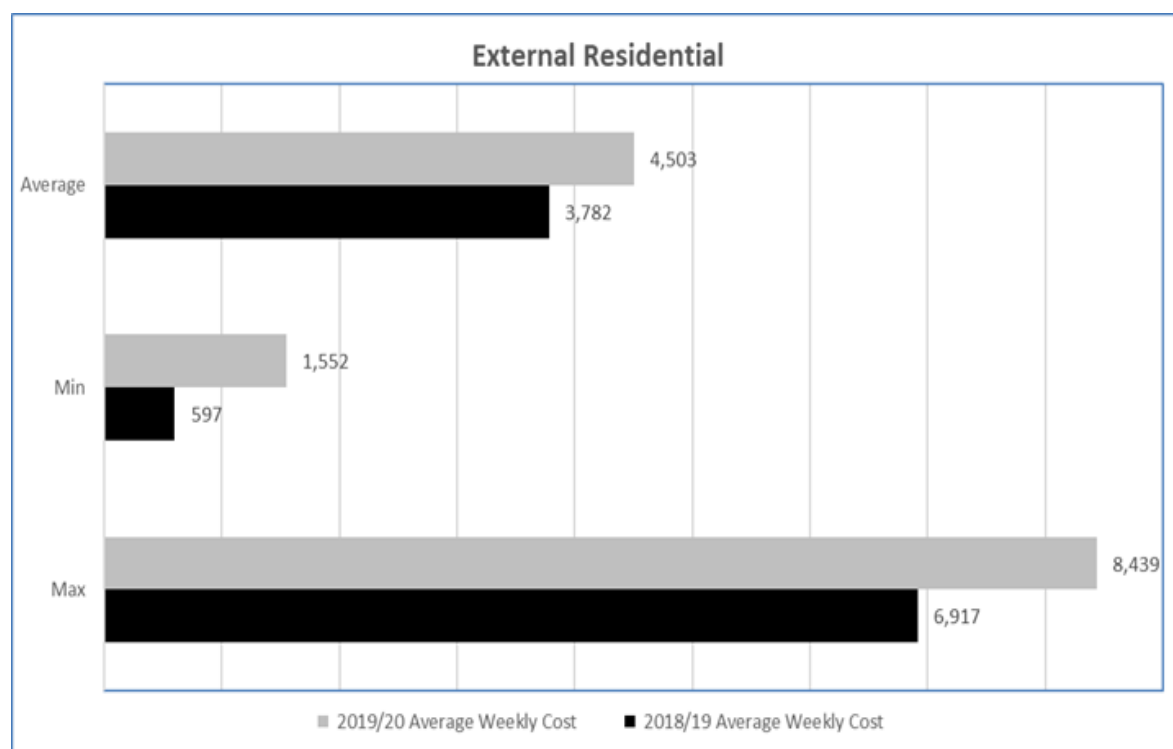
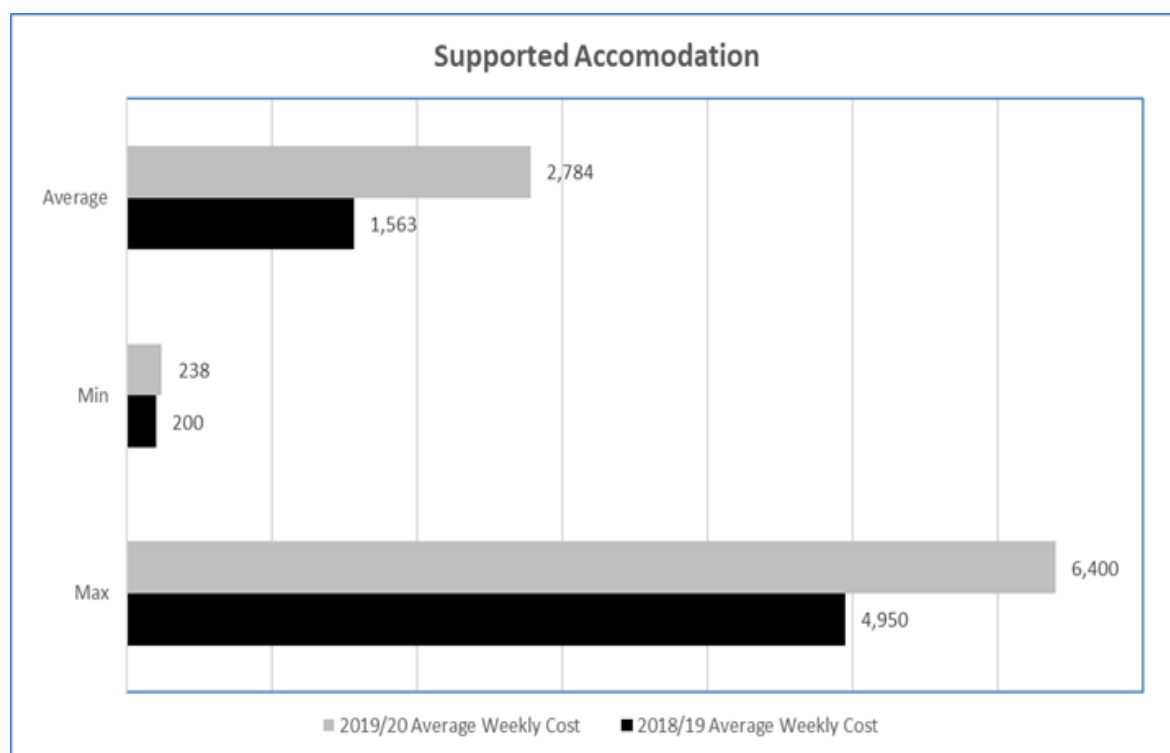


Chart 7: Changes in Average, Minimum and Maximum Weekly Fee Rates Between 2018/19 and 2019/20 for Supported Accommodation (net of health and education contributions)



5.2.34 Children's Services has been successful in reducing the use of externally provided supported accommodation, which is the next most expensive form of provision after residential care. This has been achieved by making full use of the Authority's in-house provision jointly working with the housing team and supporting young people who have been involved in risk taking behaviour with stable and resilient staff teams. This has allowed the placement of young people within internal services that may otherwise have required an external placement at significant additional cost.

Care Provision – Children not in care

5.2.35 The overspend of £0.634m relating to care provision for children not in the care system relates predominantly to children under a Special Guardianship Order (SGO). Cabinet will recall that the Authority's policy for supporting children in SGOs was amended in 2018 and that this brought about additional costs. The contingency budget of £2.616m established in Central Items in 2018/19 was, in part, intended to mitigate against these costs.

Management and Legal Fees

5.2.36 This area ended the year with an underspend position of £0.104m (January: pressure of £0.165m) due to the release of grant funding to support pressures across the service.

Social Work

- 5.2.37 Within the overall overspend of £5.299m for Corporate Parenting and Placements, there are staffing overspends of £0.199m. Cabinet is aware of the particular challenges faced across the children's social care sector nationally. The net overspend is due to the need to establish an additional team, to support with case load management (£0.150m) and market supplement payments (£0.160m). Children's services ended the year with no agency staff in place and caseloads were in line with good practice. There is also an overspend of £0.184m within the social work team budgets for child related costs such as professional fees, DNA tests, drug and alcohol testing, asylum seeker support, counselling sessions and costs for other therapeutic interventions.

Integrated Disability and Additional Needs

- 5.2.38 There was an overspend of £0.404m at March 2020 which is an improvement of £0.049m since the last report. Within this service area the main overspends relate to operational staffing costs within in-house residential services of £0.150m, and an associated unachieved health income target of £0.096m. There were also staffing overspends of £0.138m in Educational Psychology during the year partly relating to cover arrangements associated with maternity leave. The IDANS service is continuing to carefully review planned provision.

5.3 Commissioning and Asset Management

- 5.3.1 Commissioning and Asset Management (C&AM) has an outturn overspend of £0.178m as set out in Table 12. This is an improvement of £0.122m compared to the previously reported variance of £0.300m. Note that the Child Protection, Independent Assessment and Review Service has transferred to HECS from Commissioning and Asset Management since the January report (pressure of £0.025m) and the January comparative figure has been adjusted to reflect this change.
- 5.3.2 The Commissioning and Asset Management service has been heavily impacted by the Covid-19 crisis particularly in relation to supporting schools and in relation to lost income. The following Covid-19 related costs have been identified within C&AM in the last month of 2019/20 and have been transferred to Central Items and are offset by a drawdown from the Covid-19 Local Support Grant received in March 2020.
- 5.3.3 **Table 11: Covid-19 Financial Impact within Commissioning and Asset Management**

| Service Area | Value £m | Description |
|--------------|--------------|--|
| Catering | 0.352 | Lost school meals income and hospitality income and costs of providing additional free school meals services |
| Cleaning | 0.025 | Lost course fee income |
| Total | 0.377 | |

5.3.4 Table 12: Commissioning and Asset Management Outturn Variation

| | Budget £m | Outturn £m | Variance March £m | Variance Jan £m |
|---|---------------|---------------|-------------------------|-----------------------|
| School Funding & statutory staff costs | 18.288 | 18.259 | (0.029) | (0.036) |
| Commissioning Service | 0.383 | 0.373 | (0.010) | 0.000 |
| Facilities & Fair Access | 0.530 | 1.035 | 0.505 | 0.244 |
| Community & Voluntary Sector Liaison | 0.439 | 0.421 | (0.018) | (0.015) |
| Strategic Property & Investment | 0.894 | 0.894 | 0.000 | (0.005) |
| High needs Special Educational Needs | 0.000 | 0.000 | 0.000 | 0.000 |
| Property | 0.786 | 0.517 | (0.269) | 0.120 |
| Commissioning & Asset Management & support | 0.154 | 0.153 | (0.001) | (0.008) |
| Procurement | (0.029) | (0.029) | 0.000 | 0.000 |
| Total Commissioning & Asset Management | 21.445 | 21.623 | 0.178 | 0.300 |

- 5.3.5 The main budget issues relate to Facilities and Fair Access which worsened by £0.261m since the January report. The overspends are across Cleaning (£0.112m), Home to School Transport (£0.223m), Catering (£0.170m) and Quadrant car parking income (£0.036m) marginally offset by an underspend on Attendance and Placement Access and Admissions (£0.036m). The issues in Catering and Cleaning relate to inflationary cost increases which have not been met by increases in income while the Home to School Transport pressures relate to the increase in children with complex needs attending special schools which is a known issue nationally and is also impacting on the High Needs budget within the Dedicated Schools Grant (see paragraphs 6.17 to 6.23 for more details).
- 5.3.6 The previously reported Property pressures of £0.120m were mitigated by a PFI surplus and a contribution from commercial arrangements with the Authority's technical partner resulting in an underspend of £0.269m.
- 5.3.7 C&AM is continuing to look at additional ways to achieve further efficiencies across the Catering and Cleaning services to mitigate these overspends in 2020/21 although this will be further complicated by the ongoing challenge of Covid-19 related changes to the way schools will operate in 2020/21. Within Home to School Transport, work is actively progressing on route rationalisation using the new QRoute system.

5.4 Environment, Housing & Leisure (EHL)

- 5.4.1 EHL has made a saving of £0.637m against the £42.140m budget, as set out in Table 14 below, which is an improvement of £0.335m from the January forecast. This monitoring position reflects a transfer from reserves to cover Private Finance Initiative (PFI) pressures and includes £0.889m savings against the waste and recycling disposal service due to reduced waste volumes.
- 5.4.2 EHL has been heavily impacted by the Covid-19 crisis most notably by the closure of its Sports and Leisure facilities and libraries. The following Covid-19 related financial impacts have been identified within EHL in the last month of 2019/20 and have been transferred to Central Items and are offset by a drawdown from the Covid-19 Local Support Grant received in March 2020.

5.4.3 Table 13: Impact of Covid-19 on EHL

| Service Area | Value £m | Description |
|------------------------------|--------------|--|
| Sport and Leisure | 0.164 | Lost income due to closures of facilities and additional costs |
| Local Environmental Services | 0.027 | Additional costs and lost income from café closures |
| General Fund Housing | 0.001 | Additional bed and breakfast costs to prevent homelessness |
| Total | 0.192 | |

5.4.4 Table 14: Outturn Variation in Environment Housing & Leisure to Budget

| | Budget £m | Outturn £m | Variance March £m | Variance Jan £m |
|--|---------------|---------------|-------------------------|-----------------------|
| Sport & Leisure | 3.100 | 3.410 | 0.310 | 0.187 |
| Cultural Services | 6.925 | 6.969 | 0.044 | 0.069 |
| Security & Community Safety | 0.301 | 0.310 | 0.009 | 0.028 |
| Fleet Management | 0.808 | 0.827 | 0.019 | 0.000 |
| Waste and Recycling Disposal | 7.129 | 6.240 | (0.889) | (0.581) |
| Waste Management | 3.707 | 3.808 | 0.101 | 0.074 |
| Local Environmental Services | 7.245 | 7.139 | (0.106) | (0.051) |
| Head of Service and Resilience | 0.234 | 0.198 | (0.036) | 0.045 |
| Street Lighting PFI | 4.396 | 4.396 | 0.000 | 0.000 |
| Consumer Protection & Building Control | 0.928 | 0.888 | (0.040) | (0.042) |
| Transport and Highways | 6.328 | 6.312 | (0.016) | 0.003 |
| Planning | 0.217 | 0.273 | 0.056 | 0.000 |
| General Fund Housing | 0.822 | 0.733 | (0.089) | (0.034) |
| Total | 42.140 | 41.503 | (0.637) | (0.302) |

- 5.4.5 Cabinet will recall from previous reports that EHL committed to delivering a balanced position. Whilst EHL started the year with identified pressures around energy and staffing costs plus target income pressures, a plan of mitigation was identified which included the following areas:
- Waste volume cost
 - Fleet operational costs
 - Whitley Bay Playhouse profit-share
 - Bereavement income
 - Operational costs in Cultural Services and Local Environmental Services
- 5.4.6 This planned management of pressures has been successful in 2019/20, as in previous years, with mitigating actions and savings now offsetting the pressures and resulting in an overall saving.
- 5.4.7 The main area of the underlying improvement in the position since January is in relation to waste disposal tonnage volumes, which have been lower than previously forecast resulting in improved savings.

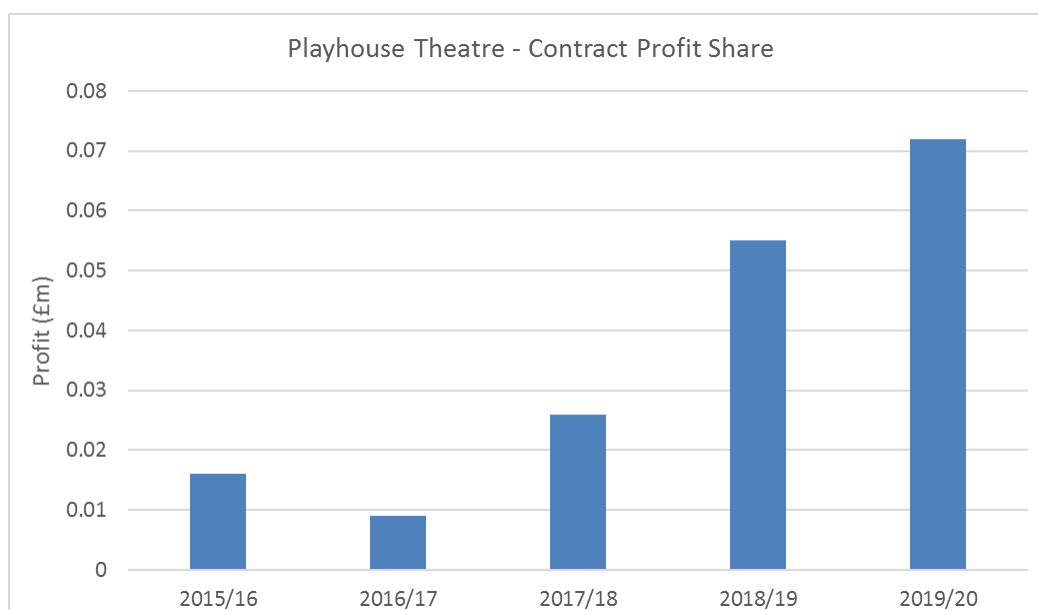
Sport & Leisure

- 5.4.8 Cabinet will recall Sport & Leisure had an increased income target of £0.600m in the 2019/20 Budget following increased income streams in 2018/19. At January the forecast showed an expectation to significantly improve over this budgeted position however the income levels closed nearer to budget, despite inclusion of a £0.164m grant draw-down to cover the impact of Covid-19. Sport and Leisure has reported overspends of £0.103m around staffing costs which is mainly caused by the need to cover shifts and back-fill for sickness.
- 5.4.9 The service also has other overspends relating to premises costs of £0.207m, principally energy and water costs, in addition to other, smaller operational overspends. This leaves Sport & Leisure overall showing a net overspend of £0.310m.

Cultural Services

- 5.4.10 Cultural Services is showing an outturn overspend of £0.044m, which includes historical issues due to energy and rates costs and income shortfalls due to changing patterns of consumer behaviour.
- 5.4.11 Cultural Services overspends are partially mitigated by the profit share from the Playhouse, along with continued close management of operational expenditure.

5.4.12 Chart 8: Playhouse Profit Shares for previous 5 years



Security & Community Safety

- 5.4.13 Cabinet will recall from previous reports that this service area has reviewed and realigned both structure and finances to increase its overall viability. Following this review, it has closed with a small £0.009m overspend.

Fleet Services/Facilities Management

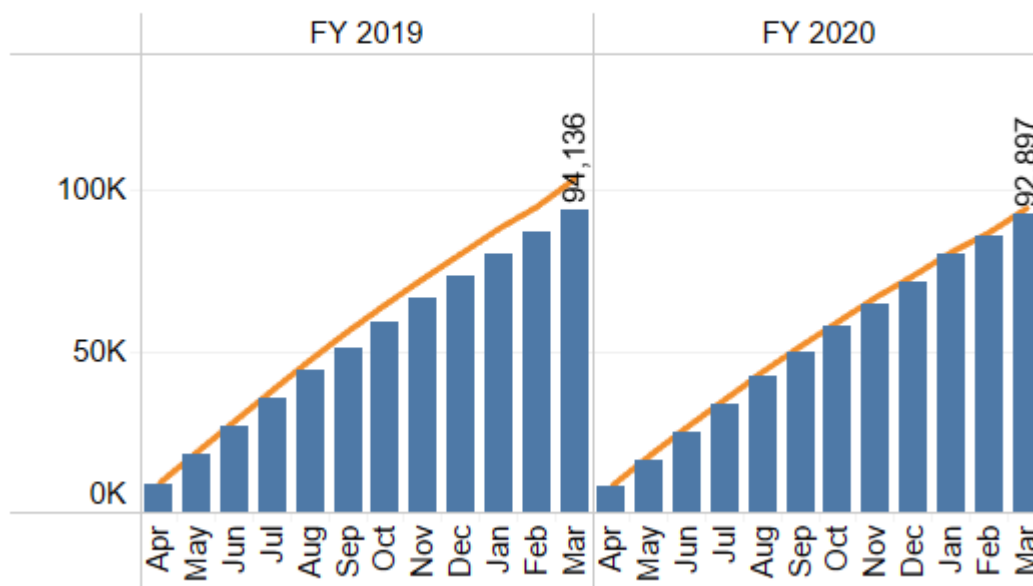
- 5.4.14 The Fleet Services and Facilities Management Service ended the year with a marginal overspend against budget of £0.019m despite absorbing a cost burden of £0.310m in relation to meeting the increased capital financing costs for newly purchased vehicles. The additional costs have continued to be offset by the associated reduction in servicing and maintenance costs of a newer fleet. In addition, the service area has benefitted from reduced fuel costs associated with more efficient vehicles.

Waste Management including Recycling and Disposal

- 5.4.15 The Waste Management service experienced overspends following policy decisions to provide larger bins at no extra cost to residents. There have been expenditure increases during the year linked to coping with expanding routes for new housing developments across North Tyneside totalling £0.139m.
- 5.4.16 The proportion of household refuse, recycling and composting continued to show improvement since the introduction of alternate weekly collections. The reduction in waste volumes going to landfill has resulted in a significant underspend for the year of £0.889m against the waste disposal contract costs. The chart below shows the change in waste volume, both in total waste collected and in waste produced per household, over the last two years.

5.4.17 **Chart 9: Improvement of Municipal Waste Volumes Year on Year 2018/19 to 2019/20**

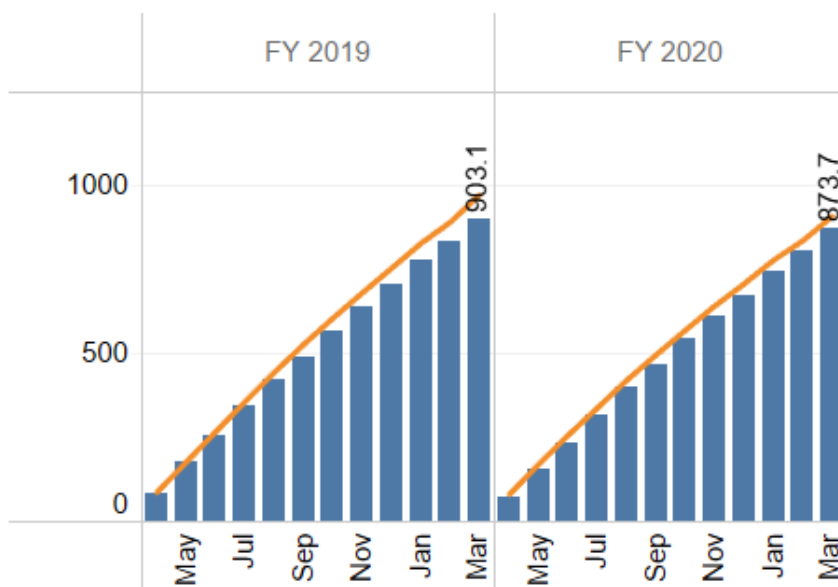
Total Municipal Waste collected from households and operations



— indicates target level

5.4.18 **Chart 10: Improvement of Household Waste Volumes Year on Year 2018/19 to 2019/20**

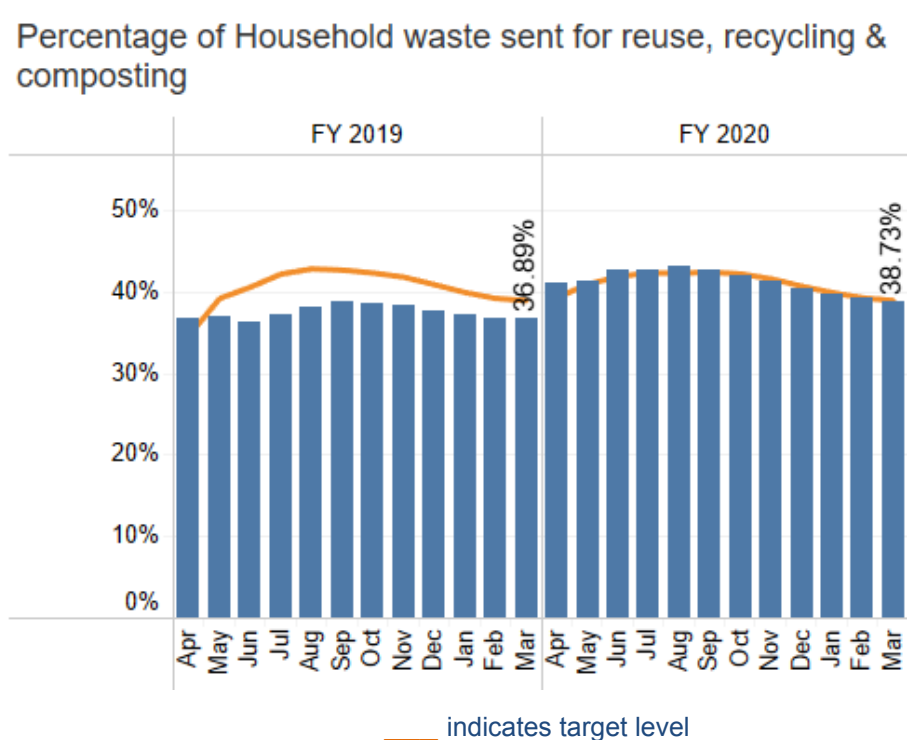
Total waste produced per household



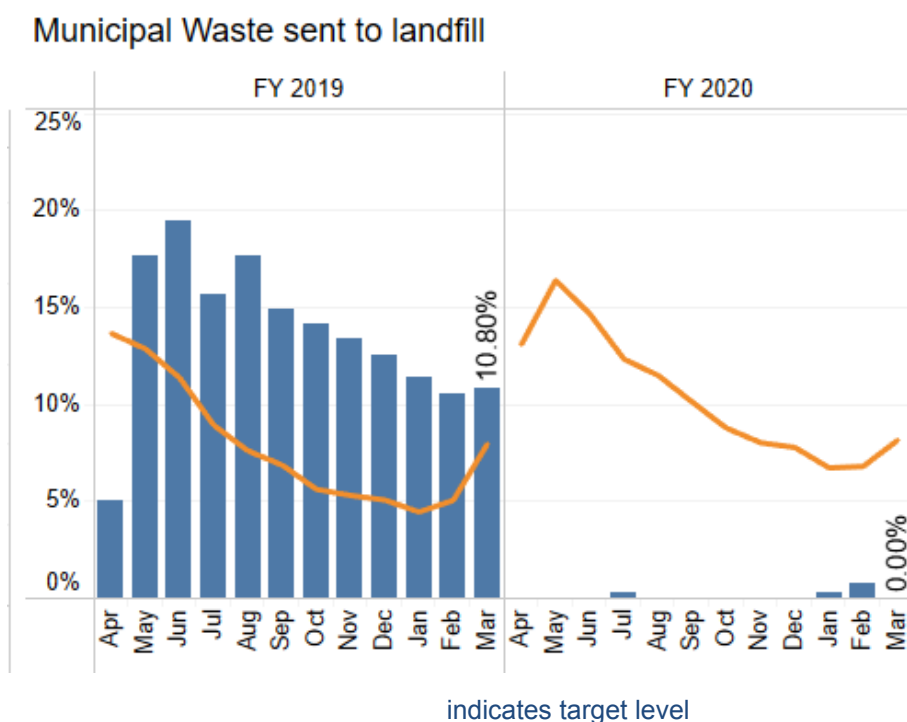
— indicates target level

5.4.19 The change in overall waste disposal is even clearer when reviewing the change in household waste recycled and municipal waste disposed in landfill, as shown in Charts 11 and 12 below.

5.4.20 **Chart 11: Percentage changes in waste disposal methods for household waste**



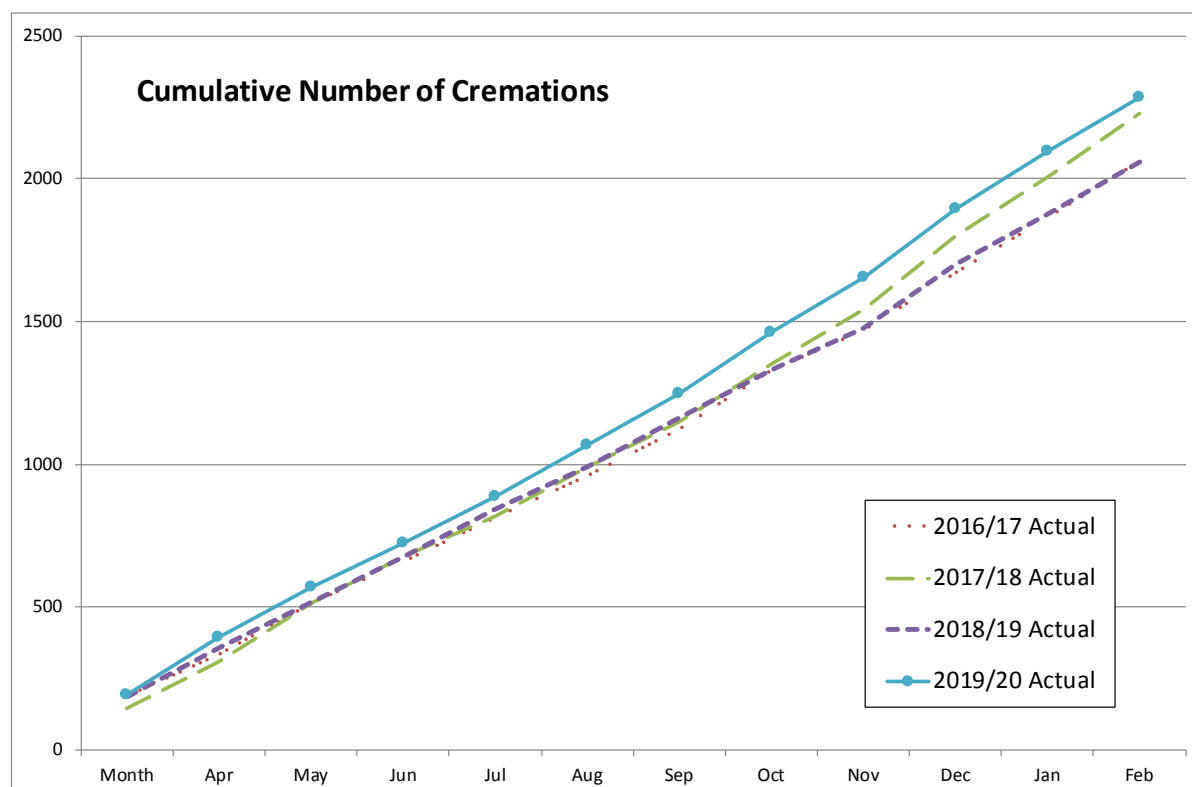
5.4.21 **Chart 12: Percentage changes in waste disposal methods for municipal waste**



Local Environmental Services

5.4.22 Local Environmental Services has produced an underspend of £0.106m against budget. The main variances relate to savings in Grounds Maintenance operational costs, which has improved further since January and includes an favourable variance of £0.041m on Bereavement income. Bereavement income has improved since a dip in 2018/19, as seen in Chart 13 below:

5.4.23 Chart 13: Annual Number of Cremations (2016/17 to 2019/20)



Street Lighting PFI

5.4.24 Following the draw-down of reserves for the street-lighting PFI, the area is balanced.

Technical Package Services

5.4.25 These services include Planning, Transport and Highways, Consumer Protection and Building Control which show a joint break-even position. The outturn position regarding Planning has resulted in a variance of £0.056m. This is mainly as a result of reduced income from planning applications of £0.051m following a reduction in the number of applications towards the end of the year.

5.4.26 Overall the Technical Package (including the services within Commissioning and Asset Management) has delivered a balanced position in 2019/20.

General Fund Housing

5.4.27 This service has reported a final outturn saving of £0.089m, mainly due to reduced costs in Housing Growth and increased recharges for staff time to the HRA.

5.5 Regeneration & Economic Development (R&ED)

5.5.1 R&ED has ended the year with an overspend of £0.275m as shown in Table 15 below. The movement of £0.240m since the January report is due to combination of staffing costs no longer being rechargeable to capital schemes, reduced income at the Swan Hunter sites plus Spanish City utility cost pressures pre let. There were no identified Covid-19 cost or income implications for R&ED in 2019/20 due to the crisis hitting at the end of the financial year. R&ED is continuing to review the impact moving into 2020/21 on commercial income and site management costs.

5.5.2 **Table 15: Outturn Variation Regeneration and Economic Development**

| | Budget £m | Actual Outturn £m | Variance March £m | January Variance £m |
|-------------------------|----------------------|----------------------------------|----------------------------------|------------------------------------|
| Business & Enterprise | 0.753 | 0.731 | (0.022) | (0.065) |
| Regeneration | 0.309 | 0.576 | 0.267 | 0.079 |
| Resources & Performance | 0.197 | 0.227 | 0.030 | 0.021 |
| Total | 1.259 | 1.534 | 0.275 | 0.035 |

5.5.3 The Regeneration outturn has worsened by £0.188m since the January reported position. The service ended the year carrying staffing costs that had been previously forecast to be recharged to various capital schemes, which makes up £0.113m of this overspend. This shortfall has arisen due to a transfer of project management work to Commissioning and Asset Management allowing Regeneration and Economic Development to focus on sourcing external funding for capital investments within the Borough. An early reallocation of this target across the Investment Programme will be undertaken in 2020/21.

5.5.4 Other previously reported pressures result from a shortfall against budget for berthing fee income of £0.103m and for rental income for business units at the Swans Centre for Innovation of £0.092m. These overspends are partially offset by savings in supplies and services at Swans Quay, mainly relating to security services.

5.5.5 The rest of the service includes operational overspends in Resources & Performance predominantly from staffing being partially offset by savings in Business & Enterprise resulting from grants to business organisations being lower than budget.

5.6 Resources

5.6.1 Overall the Chief Executive Office & Resources is showing an outturn overspend of £0.362m, a movement of £0.507m since the January forecast of a £0.145m underspend. This is mainly due to not drawing down £0.594m from reserves to cover costs of IT transformation which was assumed in the January forecast position. This transfer from reserves was not required due to the overall improvement of the General Fund position.

5.6.2 Table 16: Outturn Variation Chief Executive Office & Resources

| | Budget | Outturn | Variance | Variance |
|---------------------------------|---------------|----------------|-----------------|-----------------|
| | £m | £m | March | Jan |
| | | | £m | £m |
| Chief Executive | (0.100) | (0.190) | (0.090) | (0.048) |
| ICT | 1.891 | 2.446 | 0.555 | 0.681 |
| Finance | (0.329) | (0.479) | (0.150) | (0.835) |
| HR & Organisational Development | (0.024) | 0.023 | 0.047 | 0.057 |
| Total | 1.438 | 1.800 | 0.362 | (0.145) |

5.6.3 The Chief Executive office is showing a saving against the non-staffing budgets, which increased since January following a transfer of budget to Corporate Strategy relating to Marketing. In addition, the service received funding from the North of Tyne Combined Authority for officer time.

5.6.4 The overspend within HR relates to staffing costs, including the costs of transferring HR services back to the Authority from its partner organisation, Engie. Revenues and Benefits has further improved by £0.288m over the period, through £0.128m improvement in bad debt provision and £0.160m in the final subsidy and overpayments positions.

5.6.5 Costs relating to the transformation programme have increased spend in ICT as it was previously assumed these would be met from reserves however, due to the overall improvement in the Authority's position, the drawdown was no longer required.

5.7 Corporate Strategy

5.7.1 Corporate Strategy has ended the year with a surplus of (£0.003m) as set out in Table 17 below (January, underspend of £0.068m). The movement since the January reported position is due to reduced income generation within Corporate Strategy Management and within Marketing. Corporate Strategy identified only £0.001m of Covid-19 related costs in 2019/20 comprising of marketing materials. This cost has been transferred to Central Items to be offset by a drawdown from the Covid-19 Local Support Grant.

5.7.2 Table 17: Outturn Variation Corporate Strategy

| | Budget | Outturn | Variance | Variance |
|-------------------------------------|---------------|----------------|-----------------|-----------------|
| | £m | £m | March | Jan |
| | | | £m | £m |
| Children's Participation & Advocacy | (0.019) | (0.131) | (0.112) | (0.034) |
| Corporate Strategy Management | 0.162 | 0.251 | 0.089 | 0.009 |
| Elected Mayor & Executive Support | 0.013 | 0.008 | (0.005) | (0.012) |
| Marketing | 0.019 | 0.081 | 0.062 | 0.046 |
| Policy Performance and Research | 0.244 | 0.207 | (0.037) | (0.077) |
| Total Corporate Strategy | 0.419 | 0.416 | (0.003) | (0.068) |

- 5.7.3 The final outturn income shortfalls were offset by previously reported reductions in costs due to staffing costs being rechargeable and transformation costs being met from reserves.

5.8 Law & Governance

- 5.8.1 Law & Governance has ended the year with an overspend of £0.204m compared to the January forecast of £0.171m. The movement since the last report relates to increased barristers' fees and higher than forecasted running costs within the Coroner's Service. There were no identified Covid-19 cost or income implications for Law and Governance in 2019/20 due to the crisis hitting at the end of the financial year. Law & Governance is however, continuing to review the impact moving into 2020/21 on commercial income and Coroner's costs.

5.8.2 **Table 18: Outturn Variation Law and Governance**

| | Budget £m | Outturn £m | Variance March £m | Variance Jan £m |
|---------------------------------------|----------------------|-----------------------|----------------------------------|--------------------------------|
| Customer, Governance and Registration | (0.076) | (0.073) | 0.003 | 0.003 |
| Democratic and Electoral Services | (0.063) | (0.062) | 0.001 | 0.025 |
| Information Governance | 0.000 | 0.007 | 0.007 | 0.040 |
| Legal Services | (0.135) | 0.002 | 0.137 | 0.102 |
| North Tyneside Coroner | 0.293 | 0.349 | 0.056 | 0.001 |
| Total | 0.019 | 0.223 | 0.204 | 0.171 |

- 5.8.3 The pressure predominantly relates to staffing within the service as it was forced to incur high costs for locum staff. In addition, costs for the shared Coroner's Service have proven higher than anticipated.

5.9 Central Budgets & Contingencies

- 5.9.1 The 2019/20 draft outturn set out in Table 19 below reflects an underspend of £6.188m on central budgets (January: underspend of £4.208m).

5.9.2 **Table 19: Outturn Variation Central Budgets and Contingencies**

| | Budget £m | Outturn £m | Outturn Variance £m | Variance Jan £m |
|-----------------------------|----------------------|-----------------------|------------------------------------|--------------------------------|
| Corporate & Democratic Core | 9.521 | 9.539 | 0.018 | 0.000 |
| Other Central Items | (7.987) | (14.193) | (6.206) | (4.208) |
| Total Central Items | 1.534 | (4.654) | (6.188) | (4.208) |

- 5.9.3 The improvement of £1.980m in Central Items relates mainly to the items shown below;
- Levy account surplus £0.162m (one-off)
 - Section 31 Grant- NNDR £0.233m (continues into 2020/21)
 - Cost of Capital £0.411m (one-off)
 - PFI adjustments £0.400m (one-off)
 - Salary sacrifice £0.211m (continues)
 - Regional Adoption Agency support service charge £0.175m (continues)
 - Education Services Grant £0.193m (subject to review)
- 5.9.4 Within Other Central Items, throughout the year there were several areas where spend and income were forecasted to deviate from budget. Continued savings have been identified in 2019/20 resulting from the application of the Authority's Treasury Management Strategy. There is a saving of £1.462m relating to Public Works Loan Board loans taken out at a lower rate of interest than budgeted for (£0.355m) and a reduction in borrowing costs resulting from higher 'internal borrowing' (£1.334m). In addition, reprogramming within the Investment Plan has delivered a credit against Minimum Revenue Provision of £0.370m. Of this total saving, an amount of £1.100m was proposed as in-year mitigation to the cross-cutting savings targets outlined in sections 2.7 to 2.9. There is also a saving against budget of £0.966m for Strain on the Fund costs, increased from £0.900m at January. There are contingency budgets of £4.526m including the £4.416m held against pressures in social care. There is a construction service contribution to insurance provision for 2019/20 of £0.200m, the use of the construction and maintenance reserves of £0.250m for corporate costs and a total of £0.311m other smaller savings.
- 5.9.5 These underspends are partially offset by savings targets shortfalls outlined in sections 2.7 to 2.9. These relate to the following Efficiency Statement Categories: A Focus on the Social Care Customer Experience, How We Are Organised and Delivering Our Fees and Charges Policy.

SECTION 6 - SCHOOLS FINANCE

Schools Balances in 2019/20

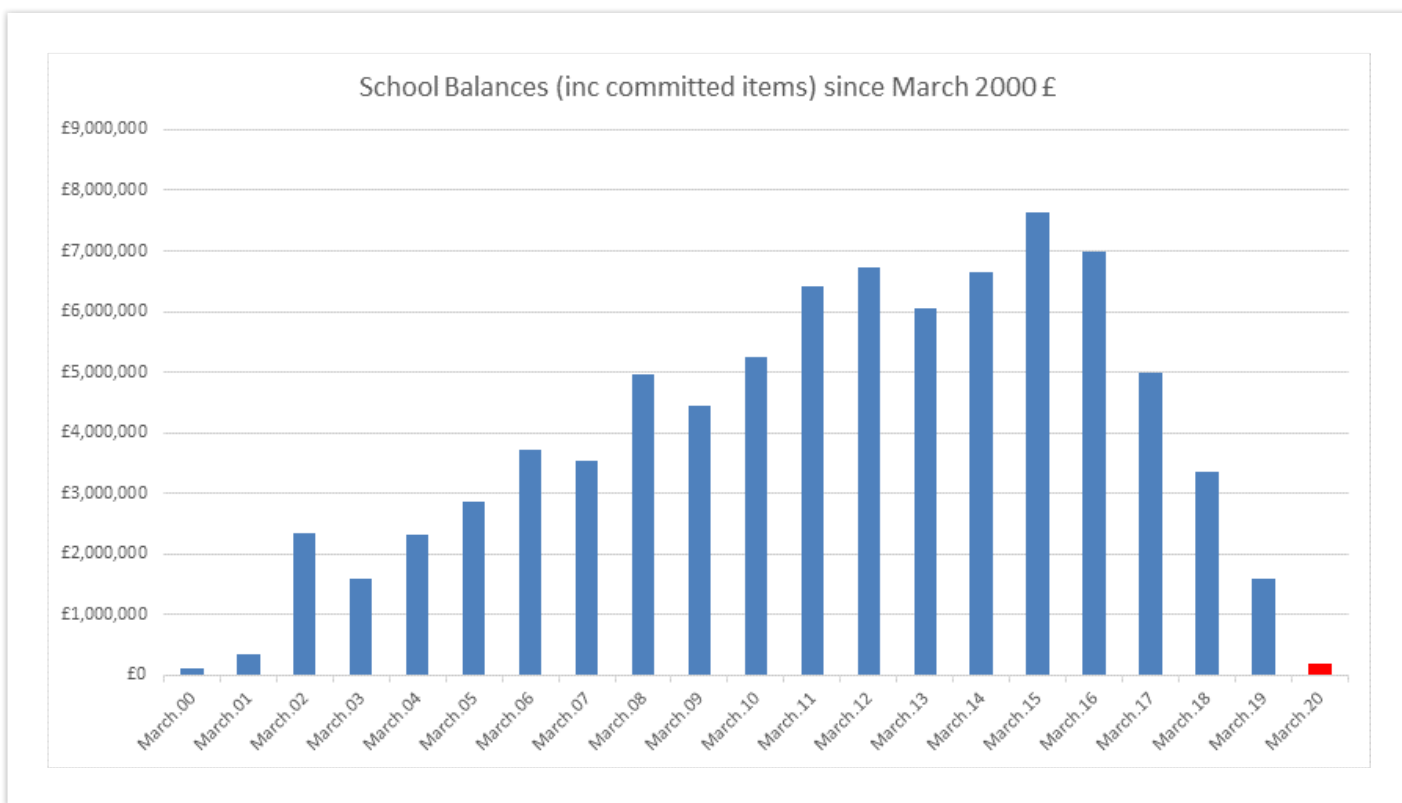
- 6.1 Schools have concluded their 2019/20 accounts closure in line with the Local Scheme For Financing Schools and the Authority's year-end timetable. Collective school balances in North Tyneside maintained schools reduced from a surplus of £1.599m at the start of the year to a closing surplus of £0.165m. This position is significantly better, by £6.095m, than the forecast at the start of the year when the outturn was expected to be an overall deficit of £4.661m. The most recent set of monitoring performed with schools during the year and completed in early February 2020 showed an overall forecast deficit balance of £3.935m. The final balance position for schools is reported in the Authority's statutory accounts and is before any commitments are taken into account. The reported position across 2019/20 is analysed below in Table 20 by phase:

- 6.2 **Table 20: Total School balance position against plan Surplus/ (Deficit) - committed and uncommitted**

| Phase | Outturn 2018/19 £m | Budget Plan 2019/20 £m | Monitoring 1 2019/20 £m | Monitoring 2 2019/20 £m | Provisional Outturn 2019/20 £m | Annual Movement £m |
|---------------|--------------------------|---------------------------------|----------------------------------|----------------------------------|---|--------------------------|
| Nursery | 0.009 | 0.002 | 0.029 | 0.097 | 0.127 | 0.118 |
| First | 0.654 | 0.412 | 0.433 | 0.433 | 0.636 | (0.018) |
| Primary | 3.134 | 2.346 | 2.317 | 2.314 | 3.497 | 0.363 |
| Middle | 0.380 | 0.369 | 0.346 | 0.256 | 0.547 | 0.167 |
| Secondary | (3.658) | (8.028) | (7.817) | (7.647) | (5.549) | (1.891) |
| Special / PRU | 1.080 | 0.238 | 0.501 | 0.612 | 0.907 | (0.173) |
| Total | 1.599 | (4.661) | (4.191) | (3.935) | 0.165 | (1.434) |

- 6.3 Cabinet will be aware that, under legislation, schools retain a high degree of autonomy when setting budgets unless they are in a deficit position. Therefore, whilst Elected Members and officers are able to advise schools on the adequacy of balances, they cannot intervene. Schools have been reminded of the need to forecast as accurately as possible so that decisions are taken in the light of accurate budget projections.
- 6.4 Although the outturn position for 2019/20 is better than predicted during the year, this is the fifth year of balances decreasing following a long-term trend of rising balances in North Tyneside. Chart 14 below sets out the long-term trend:

6.5 Chart 14: Long-Term Trend in School Balances within North Tyneside



- 6.6 Adequacy of school funding continues to be a high profile issue nationally and the position of school balances provides a useful indicator of the health of school finances. Moving forward into 2020/21, the Department for Education (DfE) has increased funding to schools, however indications are the number of schools expecting to be in deficit is increasing.

School Deficits

- 6.7 Cabinet will recall from the January update that some individual schools continue to face significant financial challenges. During the year, the Authority and Schools Forum paid particular attention to those schools with approved deficits.
- 6.8 There were eleven schools with approved deficits in 2019/20, with an initial total budgeted deficit value of £10.052m. Schools Forum and senior officers worked closely and collaboratively with these schools during the year which contributed to an improved outturn of £9.289m, a movement of £0.763m. Four of these schools ended the year in a surplus position. The progress of individual schools is outlined in Table 21 below:

6.9 **Table 21: Provisional Outturn – Schools in deficit**

| Deficit School Positions 2019/20 | Deficit Approval £m | Provisional Outturn £m | Improvement £m |
|----------------------------------|------------------------|---------------------------|-------------------|
| Beacon Hill | (0.210) | 0.149 | 0.359 |
| Fordley Community Primary | (0.018) | (0.055) | (0.037) |
| Forest Hall Primary | (0.013) | 0.000 | 0.013 |
| Holystone Primary | (0.053) | (0.051) | 0.002 |
| Ivy Road Primary | (0.288) | (0.257) | 0.031 |
| St Aidan's R C Primary | (0.025) | 0.001 | 0.026 |
| St Bartholomew's C of E Primary | (0.018) | 0.004 | 0.022 |
| Longbenton High | (2.195) | (2.093) | 0.102 |
| Marden High | (0.513) | (0.479) | 0.034 |
| Monkseaton High | (4.420) | (4.310) | 0.110 |
| Norham High | (2.299) | (2.198) | 0.101 |
| Total | (10.052) | (9.289) | 0.763 |

6.10 Cabinet should note that seven schools are expected to remain in deficit for 2020/21. In addition to these schools with planned deficits in 2020/21, an additional three schools have warned the Authority that they expect to need to apply for a licenced deficit agreement in 2020/21. Consequently, ten schools are expected to request deficit approval in 2020/21. Initial deficit challenge sessions have taken place during May 2020. Full details of deficit approval applications will be reported to Members as part of the first financial management report of 2020/21.

6.11 In 2019/20, Schools Forum agreed to delegate an amount of £0.133m for schools in financial difficulty often referred to as 'headroom' funding. Schools Forum also agreed to centrally retain a sum of £0.250m to support schools with falling rolls. In addition to the 2019/20 centrally retained and de-delegated sums, an amount of £0.803m was carried forward from 2018/19 (net of repayments of funding back to academies during the year). After support payments made, an amount of £0.752m has been carried forward into 2020/21 as summarised in Table 22 below:

6.12 **Table 22: Centrally retained and de-delegated funds to support schools in financial difficulty**

| | £m |
|-------------------------------------|--------------|
| Carried forward from 2018/19 | 0.803 |
| Less repayments to academies | (0.029) |
| Falling Rolls Payments to Schools | (0.049) |
| Headroom Payments to Schools | (0.356) |
| Falling rolls funding 2019/20 | 0.250 |
| Headroom funding 2019/20 | 0.133 |
| Procurement Officer costs | 0.000 |
| Carried forward into 2020/21 | 0.752 |

- 6.13 Unlike previous years, the DfE is not requiring the Authority to report details of schools balances through the Consistent Financial Reporting (CFR) return, to ease the burden on schools during the Covid-19 outbreak. This return would normally be co-ordinated by the Authority to be submitted by the deadline in July 2020.

Traditionally, the CFR is used to populate parts of the s251 outturn return, however, the DfE has removed this requirement for this year. The Authority will continue to work with schools to allow the value of each individual schools' balance after commitment adjustments to be reported to Cabinet in due course.

- 6.14 Cabinet will recall that a programme of work is in progress with schools to consider further actions required to address the longer-term approach to financial planning in North Tyneside. The programme is focussing on three work streams and is also consolidating work on two existing projects. The work streams are:-

- Financial review and analysis;
- Planning and modelling;
- Tools for schools;
- Keeping Children and Young People in school; and
- Closing the Gap.

2019/20 Dedicated Schools Grant (DSG) Outturn

- 6.15 After allowing for school allocations, the 2019/20 DSG account of £141.425m (after removing academy funding) is showing a net deficit balance of £3.262m. This compares to a surplus of £0.746m in 2018/19. Cabinet should note that in 2019/20 the DfE issued guidance that any shortfall in dedicated schools grant should not be supported using funds from the General Fund.
- 6.16 Within the individual blocks, the balance on the High Needs block is a pressure of £4.542m. This is partially offset by an underspend of £0.432m on the Early Years block and an underspend of £0.848m on Centrally Retained and de-delegated items which mainly relates to the headroom and falling roles funding referred to in section 6.12 above. As the DSG is a ringfenced account, any balance is carried forward into the next financial year.

High Needs Block

- 6.17 Cabinet will recall that the High Needs block outturn in 2018/19 was a pressure of £0.920m. This pressure has continued in 2019/20 in line with national trends. In recognition of the nationwide issue of increasing demand within Special Educational Needs and Disabilities (SEND), the Government announced additional funding for High Needs in 2018/19 and 2019/20. The additional funding amounted to £0.426m for the Authority in each of the two years. This funding was built into forecasts in 2019/20, however, despite this additional funding, in-year forecasted pressure in January was £3.886m. The provisional 2019/20 outturn has improved slightly to £3.622m (excluding the carried forward balance from 2018/19). Cabinet should note that the High Needs block forms part of the DSG, which is ringfenced and does not form part of the General Fund.

6.18 This overall pressure in the High Needs block is in line with the national and regional picture and results from additional places required in special schools, out of borough placements and in relation to top up payments as outlined in Table 23 below;

6.19 **Table 23: Breakdown of High Needs Pressures at March 2020**

| Provision | Budget £m | Provisional Outturn Variance £m | Comment |
|---------------------------------|---------------|--|---|
| Special schools and PRU | 11.398 | 1.474 | Pressure on places for children with Profound, Multiple Learning Difficulties, Social Emotional and Mental Health problems and Autism Spectrum Disorder |
| ARPs/Top ups | 3.520 | 1.314 | Pressures in pre 16 top ups e.g. Norham ARP |
| Out of Borough | 1.225 | 0.944 | Additional costs of the most complex children currently not able to be supported in the Borough |
| Commissioned services | 3.977 | (0.110) | |
| Subtotal | 20.120 | 3.622 | |
| 2018/19 brought/forward balance | | 0.920 | |
| Cumulative Outturn | | 4.542 | |

6.20 The Department for Education guidelines state that Schools Forum can approve a transfer of up to 0.5% of the School Block to support other blocks. Transfers have been made to the High Needs Block from the Schools Block in previous years. The Authority has not requested a transfer for 2020/21.

Management of the High Needs Block Pressure

6.21 North Tyneside, like many local authorities in the North East and nationally, continues to experience a significant increase in the numbers of children with Special Educational Needs and Disabilities (SEND). All local authorities have a statutory responsibility to keep High Needs provision under review. In North Tyneside, review work has taken place in line with the High Needs Strategic Plan endorsed by School's Forum and the Joint Commissioning Strategy agreed with the North Tyneside Clinical Commissioning Group. Work has focussed on improving data and intelligence to inform the future pattern of educational provision, considering changes needed to commissioned services and how inclusion in mainstream schools could be strengthened. It has involved the Authority working with School's Forum, the Special School Heads Group, Primary Learning Partnership (primary headteachers), Education Improvement Partnership (secondary headteachers), the NTCCG, NHS Foundation Trust Therapeutic Services, the Parent Carer Forum and other stakeholders.

6.22 A new North Tyneside Inclusion Strategy will be developed in 2020 to strengthen the Authority's capacity to meet the needs of children with SEND in line with North Tyneside Children's Services pledges to:

- Intervene early with evidence based, family focussed services;
- Work in partnership to keep children in school;
- Keep children safe at home and connected to their local communities.

6.23 Plans are in progress to strengthen the graduated response in mainstream schools, strengthen the gatekeeping around access to High Needs top-up funding and to improve management of demand for out of borough placements by looking at the reasons behind current requests for an external placement.

Early Years Block

6.24 The Early Years block has ended the year with a cumulative surplus of £0.432m. This included a brought forward surplus of £0.881m from 2018/19. The 2018/19 surplus included £0.571m surplus generated on the 3 and 4 year-old funding, £0.471m of which was returned to providers of the 3 and 4 year-old entitlement as was recommended by the Early Years Sub-Group of Schools Forum. An adjustment to funding takes place each May/June when the DfE reviews initial funding estimates in relation to the numbers of pupils actually taking places compared to the initial funding estimates based on the January pupil census prior to the financial year. The Authority is anticipating a clawback of funding as a result of this review.

SECTION 7 - HOUSING REVENUE ACCOUNT (HRA)

Outturn Position

- 7.1 The HRA shows an underspend of £2.831m against the in-year 2019/20 Budget, with a further £1.101m improvement against budgeted brought forward balances. The overall position is shown in Table 24 below and shows a position that has improved steadily throughout the year. Rental income showed continued improvement against budget as the number of empty homes continued to out-perform business plan assumptions (£0.367m). In addition, income from temporary dispersed accommodation came in above budget (£0.115m); whilst service charge income, including furniture packs also maintained the positive trend to year-end coming in well above budget (£0.108m) with garage rents coming in slightly better than budget (£0.024m). Income from commercial properties and properties rented to HECS for various client groups came in well above budget (£0.124m), with a number of new properties coming on stream e.g. Bonchester Mews, Bridlington Close as well as existing schemes at Mitford Gardens, Perth Gardens and Purley Close.
- 7.2 There is a significant underspend of £2.061m in the position for HRA Management Costs, which is down to a number of factors. A significant proportion was part of the benefits realisation from the Construction Options Project (COP), and the creation of the in-house Construction Service. This had the following main elements:
- A permanent saving from the creation of the new structure for the in-house Service and the assimilation of the former Housing Property Client service of £1.000m;
 - In addition there were one-off in-year savings of £0.710m against the Construction Project budget for delivery of the transition;
 - A one-off saving from reductions and a rebate on Council Tax payments for empty homes totalling £0.258m; and,
- There were a range of other smaller variations, one-off savings and pressures totalling a saving of £0.093m in water rate commission, training, staffing, equipment and consultancy costs due to timings around appointments and development of the project requirements.
- 7.3 A Use of Reserves decision was made in 2018 to utilise PFI Reserve Resources of up to £3.000m to fund the purchase of the new fleet for the in-house Construction Service, of which £2.760m was used. This funding is being recovered through hire charges from fleet users, with the sums collected put initially into a Vehicle Replacement Reserve, with the stipulation that the PFI Reserve has first call on the funds collected. A total of £0.183m was returned to the PFI reserve via this route in 2019/20, however, the improved position in-year on the HRA enabled additional contributions to be made back to the reserve (£0.637m) which will significantly reduce the time taken to get the reserve back into balance as per the original financial model.

- 7.4 The continued flexible approach to Treasury Management enables advantage to be taken of low interest rates on temporary borrowing to be able to achieve interest charges below budgeted levels, and due to additional debt set aside from increased prior year right to buy sales, this led to a year-end improvement £0.221m in the interest payments charged to the HRA.
- 7.5 The growing rate of take-up of Universal Credit has seen an increasing impact on the in-year bad debt provision requirement and the outturn position was an overspend of £0.240m. In addition, the HRA general contingency provision will not be required, resulting in a saving of £0.150m and the Transitional Protection Fund used to maintain PFI tenants rents at pre PFI levels continued to trend under budget resulting in a saving of £0.015m.
- 7.6 All of the £1.866m of savings identified in the 2019/20 Budget approved by Cabinet were delivered in full.

7.7 Table 24: Outturn Variance Housing Revenue Account

| | FULL YEAR – 2019/20 | | | Jan 2020 Variance £m |
|--|---------------------------|-----------------|---------------------------|----------------------------|
| | | Outturn | | |
| | Full Year Budget £m | Actual £m | Outturn Variance £m | |
| <u>INCOME</u> | | | | |
| Rental Income | (58.697) | (59.311) | (0.614) | (0.836) |
| Other Rental Income - Shops & Offices etc. | (0.275) | (0.399) | (0.124) | (0.000) |
| Interest on Balances | (0.050) | (0.058) | (0.008) | (0.000) |
| PFI Credits | (7.693) | (7.693) | 0.000 | 0.000 |
| | (66.715) | (67.461) | (0.746) | (0.836) |
| <u>EXPENDITURE</u> | | | | |
| Capital Charges - Net Effect | 12.110 | 11.889 | (0.221) | (0.000) |
| HRA Management Costs | 12.014 | 9.953 | (2.061) | (2.039) |
| PFI Contract Costs | 9.641 | 10.278 | 0.637 | 0.438 |
| Repairs | 11.981 | 11.457 | (0.524) | (0.511) |
| Revenue Support to Capital Programme | 9.053 | 9.053 | 0.000 | 0.000 |
| Contribution to Major Repairs Reserve – Depreciation | 12.392 | 12.401 | 0.009 | 0.000 |
| Contingencies, Bad debt Provision & Transitional Protection Payments | 1.000 | 1.075 | 0.075 | 0.315 |
| Pension Fund Deficit Funding | 0.855 | 0.855 | 0.000 | 0.000 |
| | 69.046 | 66.961 | (2.085) | (1.797) |
| | 2.331 | (0.500) | (2.831) | (2.633) |
| BALANCES BROUGHT FORWARD | (6.202) | (7.303) | (1.101) | (1.101) |
| BALANCES TO CARRY FORWARD | (3.871) | (7.803) | (3.932) | (3.734) |

Rent Arrears and Universal Credit Cases

- 7.8 The Authority has faced an increasingly difficult set of challenges in rent collection, which have impacted on maintaining the level of rent collected. One of the biggest issues has been the Government's welfare reform changes and the introduction of Universal Credit (UC) which was fully implemented across North Tyneside on 2 May 2018. This means the authority has seen a steady fall in the level of direct payments in the form of Housing Benefit to cover housing rents via the Department of Work and Pensions (DWP), and an increased level of cash that has to be collected because of the increased numbers of UC cases where tenants are paid directly for the housing element of benefit along with all other benefit due to them.

The Authority continues to work with residents to provide ICT support to help them make applications and to provide personalised budget support to help residents manage their household finances. A team is working proactively with tenants to minimise arrears, and this was closely monitored as the year progressed to identify any adverse impacts on the budget position. For the first time in the last 15 years, 2018/19 saw a pressure on the bad debt provision, which was repeated this year; an indication of the impact this change is having on levels of arrears.

There are currently around 40 tenants per week moving onto UC. At 1 April 2019 there were 1,991 North Tyneside Homes tenants on UC with arrears totalling £1,142,459, by 31 March 2020 this number had increased to 3,503 with related arrears of £2,140,743. The overall position on Rent Arrears has seen a £2.000m increase in the overall level of arrears over the last five years. Table 25 below illustrates the change in levels of rent arrears and UC cases over the last five years:

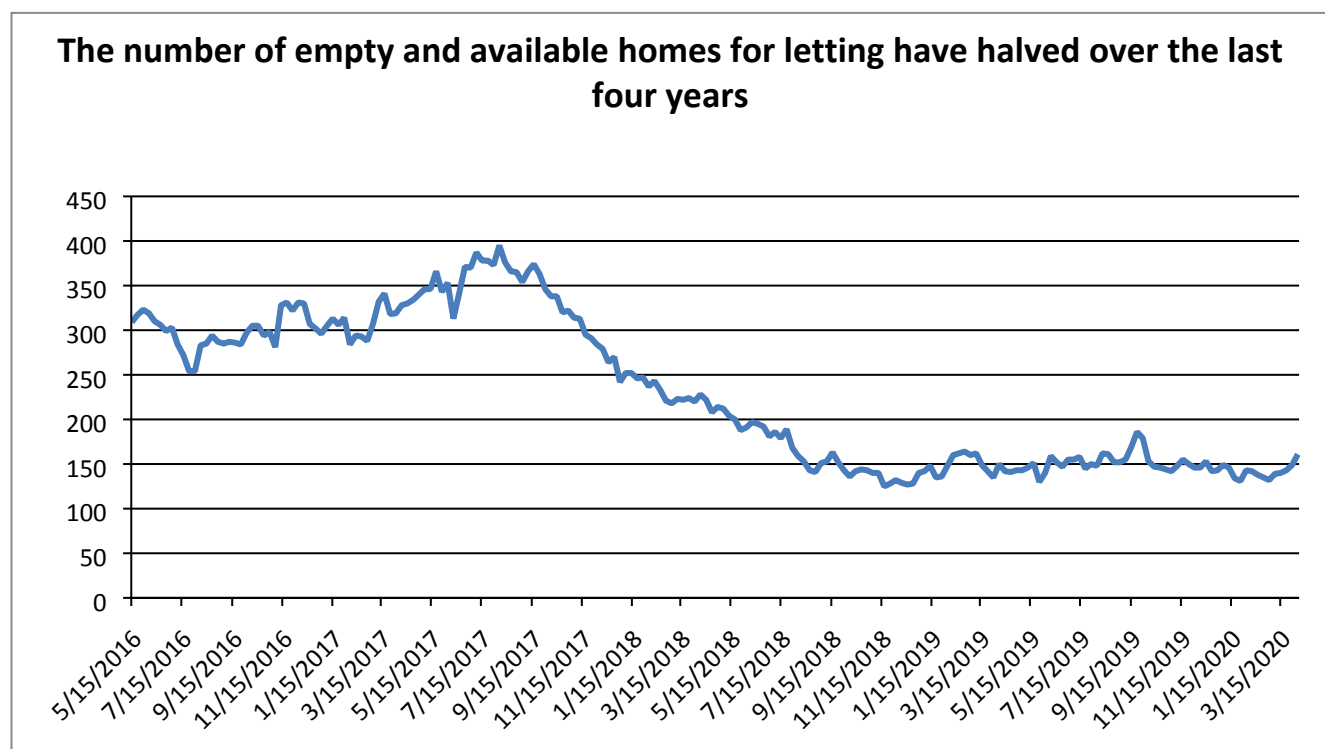
7.9 **Table 25: Trends in rent arrears and Universal Credit cases 2015-2020**

| Year | Rent Arrears (Former and Current) | Number of Universal Credit Cases | Rent Arrears for those on UC |
|---------|-----------------------------------|----------------------------------|------------------------------|
| 2015-16 | £3.295m | 0 | 0 |
| 2016-17 | £3.575m | 0 | 0 |
| 2017-18 | £3.748m | 231 | £0.133m |
| 2018-19 | £4.375m | 1,991 | £1.142m |
| 2019-20 | £5.299m | 3,503 | £2.141m |

Empty Homes

- 7.10 In terms of the impact of empty homes on the financial picture to date, rates during 2019/20 generally continued to trend below previous levels and this positive performance continues the trend over the last couple of years following the completion of the North Tyneside Living Schemes. As a result, income received exceeded budget projections, as there was a positive impact on both rental income and service charges attached to the increased level of occupancy. Chart 15 below illustrates the movement in levels of empty homes over the last four years from 2017/18 through to the end of 2019/20. There was a spike in the numbers of empty homes at year-end due to the impact of the Covid-19 pandemic during the last few weeks of the 2019/20 financial year:

7.11 Chart 15: Number of Empty Homes vacant and available for letting



Right to Buy (RTB) Trends

7.12 The impact of RTB is critical to long-term planning for the HRA. Prior to the introduction of self-financing in 2012, average RTB sales had dropped to around 25 per annum, mainly due to the capped discount (£22,000) which had remained static as property values had increased, making RTB less financially attractive to tenants. Shortly after self-financing began, the Government announced a change to RTB significantly increasing the maximum discount, initially to £75,000 and then subsequently annual inflation was added to the maximum. Table 26 below shows the trend in RTB sales since that time, and the financial impact this has had on income for the HRA:

7.13 **Table 26: RTB Trends and Financial Impact**

| | Sales assumed by self-financing | Actual RTB Sales | Additional RTB Sales above Budget assumptions | Estimated lost rent per annum (£m) | Capital Receipts (£m) |
|----------------|---------------------------------|------------------|---|------------------------------------|-----------------------|
| 2012-13 | 40 | 85 | 45 | 0.315 | 3.477 |
| 2013-14 | 47 | 122 | 75 | 0.457 | 4.957 |
| 2014-15 | 53 | 100 | 47 | 0.397 | 3.938 |
| 2015-16 | 55 | 135 | 80 | 0.577 | 5.548 |
| 2016-17 | 55 | 136 | 81 | 0.557 | 5.632 |
| 2017-18 | 56 | 158 | 102 | 0.630 | 7.758 |
| 2018-19 | 56 | 135 | 79 | 0.538 | 6.533 |
| 2019-20 | 57 | 118 | 61 | 0.475 | 5.662 |
| | 419 | 989 | 570 | 3.946 | 43.505 |

- 7.14 In the period (2012-2020), the Authority has built over 150 new homes through the HRA, which has helped mitigate a portion of the revenue loss from the 989 sales in the same period. However, the cumulative impact on HRA annual rental income from RTB over this period is in excess of £3.900m per annum.

SECTION 8 - INVESTMENT PLAN

- 8.1 The Investment Plan represents the Authority's capital investment programme in projects across all service areas, including General Fund and HRA activities.
- 8.2 All capital investment follows a structured gateway process, and is challenged by Members and senior officers, from the initial ideas stage, through the delivery stage and finally to post implementation. Delivery of the Investment Plan year by year, through both physical on site development and capital spend, is key to the successful attainment of the Authority's objectives.

2019/20 Capital Expenditure

- 8.3 The initial 2019/20 Investment Plan Budget was £62.758m (£36.944m General Fund and £25.814m Housing). Further variations to the Plan and reprogramming were agreed by Cabinet during the year as part of the Financial Monitoring process to give an approved Plan at the year-end of £65.182m (£40.873m General Fund and £24.309m Housing). Table 27 below summarises these changes:

Table 27: 2019/20 Investment Plan – Summary of changes to Budget

| | £m |
|---|---------------|
| Investment Plan approved by full Council – 21 February 2019 | 62.758 |
| Reprogramming from 2018/19 | 14.317 |
| Reprogramming to 2020/21 | (17.739) |
| Other variations (net) | 5.846 |
| Revised Investment Plan | 65.182 |

- 8.4 Actual capital expenditure in 2019/20 totalled £59.080m (£69.359 in 2018/19), comprising General Fund expenditure of £35.911m and £23.169m on Housing Schemes.
- 8.5 Not all of the expenditure relates to the creation or improvement of fixed assets for the Authority. £6.551m relates to spend on other items, with £2.409m for share capital, £1.941m on loans, £1.493m spent on Disabled Facilities Grants and £0.336m grants for Clean Bus Technology.
- 8.6 Table 28 below compares the actual capital expenditure with the revised Budget for the year, as well as the actual spend for 2018/19:

Table 28: Comparison of Capital Expenditure to Revised Budget for 2019/20

| Actual Capital Expenditure 2018/19 £m | | Revised Capital Budget 2019/20 £m | Actual Capital Expenditure 2019/20 £m | Variation from Budget over / (under) £m |
|--|--------------|--------------------------------------|--|--|
| 41.708 | General Fund | 40.873 | 35.911 | (4.962) |
| 27.651 | Housing | 24.309 | 23.169 | (1.140) |
| 69.359 | Total | 65.182 | 59.080 | (6.102) |

- 8.7 Included within the appendices is further information on the Investment Plan and activities in the year. **Appendix B** shows the final expenditure, and how that expenditure was financed, with **Appendix C** showing a comparison of expenditure against budget for each individual project. The reasons for these variations have been analysed as reprogramming and other variations.
- 8.8 Across all capital projects, further reprogramming of £6.262m has been identified and it is requested that Cabinet approve the carry forward of this amount into the 2020/21 Investment Plan. A detailed breakdown of this amount is included in **Appendix C**.
- 8.9 The major achievements delivered as part of the capital investment programme in 2019/20 include:

(a) Completion of projects including;

- a new artificial grass pitch at Amberley Playing Fields;
- accommodation improvements to meet the requirements of children with Special Education Needs and Disabilities (SEND) at Beacon Hill School, Melrose resourced provision at Longbenton High School and Silverdale School;
- highway improvement works including resurfacing of 12.5 miles of roads, 38 footway improvement schemes, 16 road safety schemes, Gibraltar rock stabilisation of the clifftop sea wall, as well as improvement works A189 Haddricks Mill to West Moor; and, cycling and walking improvements to Northumberland Park to Cobalt, Tyneview Terrace and Coast Road;
- various works to housing stock (kitchen and bathroom replacements, heating upgrades, roof replacements, replacement windows and doors);
- various projects as part of the Asset Planned Maintenance programme (including replacing sports hall floor and roof works at the Lakeside Leisure Centre, boiler works at Segedunum Museum, works at Tynemouth Pool and Saville Exchange);
- improvement works to the schools estate (DDA improvements, roof replacements, heating improvements, electrical rewires, kitchen refurbishments etc.);
- environmental improvements at Lockey Park;

- fleet replacements including gritters, grounds maintenance vehicles, sweepers, small vans and hybrid cars;
- ICT refresh; and,
- purchase of a further 13 affordable homes for rent and completion of 12 homes for sale at Empress Point by North Tyneside Trading Company.

(b) In addition there are a number of projects underway including;

- the Centre for Innovation (CFI) phase 2 at the former Swan Hunter site;
- operational depot accommodation;
- internal fit out of Wallsend Customer First Centre to accommodate the substance use service and local police office;
- building new HRA affordable homes at various locations; and,
- North Tyneside Trading Company building homes for sale.

Further details can be found in the Investment Programme Board end of year report which is included as a background paper to this report.

Capital Financing

8.10 Local authorities can finance capital expenditure from a variety of sources: grants; external contributions; capital receipts; borrowing; and contributions from revenue. This section of the report considers how the Investment Plan has been financed.

8.11 Under the Prudential System for capital financing, the Authority can decide to borrow to fund capital expenditure, known as prudential (or unsupported) borrowing. There are associated revenue costs (interest and Minimum Revenue Provision (MRP)) which must be met from the Authority's own resources, i.e. funded by Council Tax payers. MRP is a charge included in the Authority's accounts that effectively spreads the cost of capital expenditure over a period that generally equates to the period in which the asset is used. When deciding whether to take out additional borrowing, the Authority must consider whether the Investment Plan is affordable, sustainable and prudent.

8.12 When determining how to finance the Authority-funded element of the Investment Plan, the Authority's MRP Policy is used to maximise the effectiveness of borrowing in relation to individual schemes in the Investment Plan.

8.13 The total capital expenditure of £59.080m has been financed as shown in table 29 below:

Table 29: 2019/20 Capital Financing

| | 2019/20 Capital Financing £m |
|---|---|
| <u>Council Contribution</u> | |
| Prudential (Unsupported) Borrowing – General Fund | 12.001 |
| Capital Receipts -General Fund | 0 |
| Capital Receipts – HRA | 0.357 |
| Direct Revenue Funding - General Fund | 0.173 |
| Direct Revenue Funding – HRA | 12.012 |
| Major Repairs Allowance | 10.800 |
| | 35.343 |
| <u>External funding</u> | |
| Specific Government Grants | 15.355 |
| ERDF | 0.128 |
| Capital Grants and Contributions | 8.254 |
| | 23.737 |
| | |
| | 59.080 |

- 8.14 Total Prudential borrowing for the General Fund was £12.001m. During the year £2.119m of General Fund capital receipts were generated. £1.446m have been used to repay loans and £1.773m will be carried forward for future years.
- 8.15 For Housing, capital receipts of £6.295m were received during 2019/20, of which £1.874m were pooled and paid across to central government leaving a balance of £4.421m available for financing. This balance plus the brought forward receipts of £7.251m gave an available balance of £11.672m. Of this £0.357m was used to finance 2019/20 capital spend and £3.003m was set aside to repay debt leaving a balance of £8.312m to be carried forward into 2020/21.
- 8.16 Table 30 below shows the movement in capital receipts during 2019/20 including receipts received during 2018/19 (identified in paragraphs 6.15 and 6.16 above), receipts brought forward at 1 April 2019, receipts used to finance the 2019/20 Investment Plan, receipts set aside to repay debt and loans, and receipts carried forward at 31 March 2020.

Table 30: Movement in Capital Receipts during 2019/20

| | Receipts brought forward 1 April 2019 £m | Net Useable Receipts received £m | Receipts used for financing £m | Receipts set aside for repayment of debt £m | Receipts set aside for repayment of loans £m | Receipts carried forward 31 March 2020 £m |
|--------------|---|-------------------------------------|-----------------------------------|--|---|--|
| General Fund | 1.100 | 2.119 | 0 | 0 | (1.446) | 1.773 |
| Housing | 7.251 | 4.421 | (0.357) | (3.003) | 0 | 8.312 |
| Total | 8.351 | 6.540 | (0.357) | (3.003) | (1.446) | 10.085 |

8.17 The Authority also used £15.355m of funding from specific Government grants. These grants included:

- £5.533m Education and Schools Capital funding;
- £7.796m Transport and Infrastructure funding; and,
- £1.493m Better Care Fund (including Disabled Facilities Grant).

8.18 Capital Grants and Contributions of £8.254m used in the year included:

- £2.675m North East Local Enterprise Partnership (NELEP);
- £1.612m Section 278 highway works; and,
- £3.229m Section 106 contributions.

8.19 As required, under self-financing for Housing, there is a Major Repairs Allowance calculated and used to finance ongoing works to Council dwellings. This contribution is financed from within the HRA (i.e. it is self-financed) and so appears as part of the Authority's contribution shown in Table 29 above.

8.20 An analysis of the overall capital financing is also shown in **Appendix B**.

International Financial Reporting Standards (IFRS) adjustments to Capital Expenditure in 2018/19

8.21 Under IFRS any expenditure incurred relating to PFI schemes and finance leases is classed as capital expenditure and the resulting assets are added to the Authority's balance sheet.

8.22 During 2019/20 spend of £0.136m was incurred under the street lighting PFI contract.

Priority Schools Building Programme 2 (PSBP2)

8.23 The refurbishment of Cullercoats Primary School was delivered as part of PSBP2 and as such it was not part of the Authority's own Investment Plan. Works commenced in May 2018 with the main works being completed at the end of August 2019 and handed across to the Authority. All works are now finalised and the refurbished buildings are included on the Authority's balance sheet. The notional cost of the works has been assumed to be £5.800m based on the original grant award from the Government.

SECTION 9 – ANNUAL TREASURY MANAGEMENT REVIEW AND PRUDENTIAL INDICATORS

9.1 Regulatory Environment

- 9.1.1 The Authority is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2019/20. This section of the report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).
- 9.1.2 During 2019/20 the minimum reporting requirements were that the full Council or Cabinet should receive the following reports:
- an annual treasury strategy in advance of the year (Council 21 February 2019);
 - a mid-year (minimum) treasury update report (Cabinet 25 November 2019); and
 - an annual review following the end of the year describing the activity compared to the strategy (this report).
- 9.1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Authority's policies previously approved by members.
- 9.1.4 The Authority confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports. Reports are reviewed by Lead Member Briefing before they are reported to Cabinet. A joint session for North Tyneside Council and North of the Tyne Combined Authority Member training on treasury management issues was undertaken during the year on 10 December 2019 in order to support members' scrutiny role.

9.2 Capital Expenditure and Financing

- 9.2.1 The Authority undertakes capital expenditure on long-term assets. These activities may either be:
- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Authority's borrowing need; or
 - If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.
- 9.2.2 The actual capital expenditure forms one of the required prudential indicators. Table 31 below shows the actual capital expenditure and how this was financed. Further details of this are shown in table 29 in section 8 of this report.

Table 31: Actual Capital Expenditure and its Financing

| | 2018/19 Actual £m | 2019/20 Estimate £m | 2019/20 Actual £m |
|---|----------------------------------|------------------------------------|----------------------------------|
| General Fund | 41.708 | 40.873 | 35.911 |
| HRA | 27.651 | 24.309 | 23.169 |
| Total Capital Expenditure | 69.359 | 65.182 | 59.080 |
| | | | |
| Financed in-year (grants, contributions and capital receipts) | 48.994 | 53.589 | 47.079 |
| Unfinanced Capital Expenditure (Prudential borrowing) | 20.365 | 11.593 | 12.001 |

9.3 The Authority's Overall Borrowing Need

9.3.1 The Authority's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

9.3.2 **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Authority should ensure that its gross external borrowing does not, except in the short-term, exceed the total of the capital financing requirement in the preceding year (2018/19) plus the estimates of any additional capital financing requirement for the current (2019/20) and next two financial years. This essentially means that the Authority is not borrowing to support revenue expenditure. Table 32 below highlights the Authority's gross borrowing position against the CFR. The Authority has complied with this prudential indicator.

Table 32: Gross Borrowing against the CFR

| | 2018/19 Actual £m | 2019/20 Estimate £m | 2019/20 Actual £m |
|--------------------------|----------------------------------|------------------------------------|----------------------------------|
| CFR General Fund | 323.761 | 325.714 | 317.191 |
| CFR HRA | 328.669 | 324.774 | 321.772 |
| Total CFR | 652.430 | 650.488 | 638.963 |
| | | | |
| Gross borrowing position | 568.383 | 585.404 | 581.308 |
| Under/over funding | 84.047 | 65.084 | 57.655 |

9.3.3 **The authorised limit** - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Authority does not have the power to borrow above this level. The table below demonstrates that during 2019/20 the Authority has maintained gross borrowing within its authorised limit.

9.3.4 **The operational boundary** – the operational boundary is the expected borrowing position of the Authority during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

9.3.5 **Table 33 - Actual financing costs as a proportion of net revenue stream** - this indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

| | 2019/20 £m |
|--|---------------|
| Authorised limit | 1,250.000 |
| Maximum gross borrowing position during the year | 585.367 |
| Operational boundary | 680.000 |
| Average gross borrowing position | 565.364 |
| | |
| Financing costs as a proportion of General Fund net revenue stream | 15.83% |
| Financing costs as a proportion of HRA net revenue stream | 27.56% |

9.4 Treasury Position as at 31 March 2020

9.4.1 The Authority’s treasury position (excluding borrowing by PFI and finance leases) at 31 March 2019 and 31 March 2020 is shown in table 34 below:

Table 34: Treasury Position as at 31 March

| Borrowing Position | 31 March 2020 Principal £m | Rate/Return % | 31 March 2019 Principal £m | Rate/Return % |
|-------------------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|
| Fixed Rate Funding: | | | | |
| -*PWLB long - term | 250.250 | 3.81 | 231.250 | 4.12 |
| (HRA-Self Financing) | 128.193 | 3.49 | 128.193 | 3.49 |
| -Market **(LOBO's) | 20.000 | 4.35 | 20.000 | 4.35 |
| -Temporary | 68.470 | 1.09 | 70.703 | 0.80 |
| Total External Debt | 466.913 | 3.35 | 450.146 | 3.43 |
| | | | | |
| CFR | 524.568 | | 534.193 | |
| Over (Under) borrowing | (57.655) | | (84.047) | |

*Public Works Loan Board **Lender Option Borrower Option

Table 35: The maturity structure of the external debt portfolio was as follows:

| | 31 March 2020 Actual £m | 31 March 2019 Actual £m |
|--------------------------------|--------------------------------|--------------------------------|
| Within 12 months | 54.470 | 76.703 |
| 12 months and within 24 months | 15.000 | 11.000 |
| 24 months and within 5 years | 14.000 | 19.000 |
| 5 years and within 10 years | 38.475 | 21.575 |
| 10 years and within 20 years | 77.200 | 74.100 |
| 20 years and within 30 years | 63.575 | 73.575 |
| 30 years and within 40 years | 115.000 | 115.000 |
| 40 years and within 50 years | 69.193 | 48.193 |
| Greater than 50 years | 20.000 | 11.000 |

9.5 Investment Portfolio

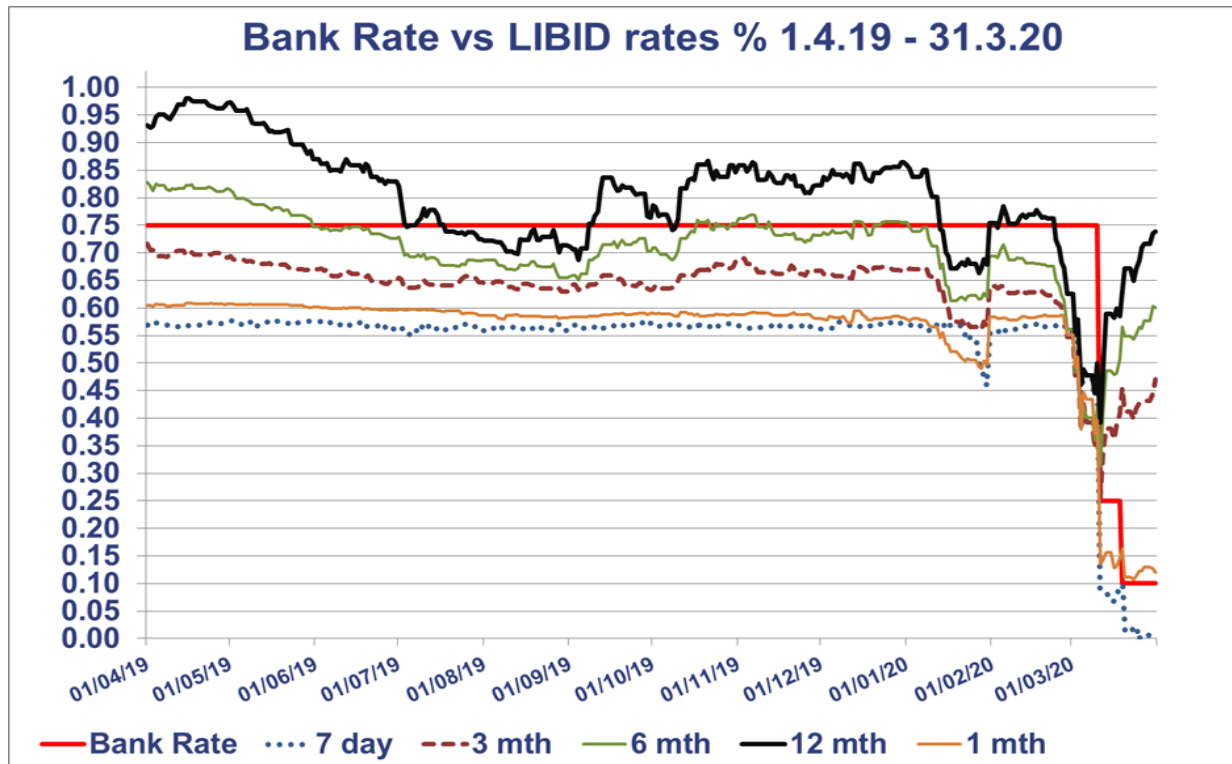
Table 36: Treasury and Non Treasury Investments

| Treasury investments | Actual 31 March 2020 £m | Actual 31 March 2019 £m |
|---|--|--|
| DMADF (H M Treasury) Other Local Authorities | 35.100 17.000 | 12.300 0.000 |

| Non Treasury investments | Actual 31 March 2020 £m | Actual 31 March 2019 £m |
|---|--|--|
| Joint venture | 1.322 | 2.650 |
| Companies | 4.000 | 1.869 |
| TOTAL NON TREASURY INVESTMENTS | 5.322 | 4.519 |

- 9.5.1 Investment returns remained low during 2019/20. The expectation for interest rates within the treasury management strategy for 2019/20 was that the Bank Rate would stay at 0.75% during 2019/20 as it was not expected that the MPC would be able to deliver on an increase in the Bank Rate until the Brexit issue was finally settled. However, there was an expectation that the Bank Rate would rise after that issue was settled, but would only rise to 1.0% during 2020.
- 9.5.2 Rising concerns over the possibility that the UK could leave the EU at the end of October 2019 caused longer term investment rates to be on a falling trend for most of April to September. They then rose after the end of October deadline was rejected by the Commons but fell back again in January before recovering again after the 31 January departure of the UK from the EU. When the coronavirus outbreak hit the UK in February/March, rates initially plunged but then rose sharply back up again due to a shortage of liquidity in financial markets. As longer term rates were significantly higher than shorter term rates during the year, value was therefore sought by placing longer term investments where cash balances were sufficient to allow this.

Chart 16: Investment strategy and control of interest rate risk



9.6 Borrowing strategy and control of interest rate risk

- 9.6.1 During 2019/20, the Authority maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt, as cash supporting the Authority's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were low and minimising counterparty risk on placing investments also needed to be considered.
- 9.6.2 A cost of carry remained during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost, the difference between (higher) borrowing costs and (lower) investment returns.
- 9.6.3 The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when the Authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

9.6.4 Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Head of Resources monitored interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risks:

- if it had been felt that there was a significant risk of a sharp fall in long and short-term rates, (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long-term borrowings would have been postponed, and potential rescheduling from fixed rate funding into short-term borrowing would have been considered; and,
- if it had been felt that there was a significant risk of a much sharper rise in long and short-term rates than initially expected, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

9.6.5 Interest rate forecasts expected only gradual rises in medium and longer term fixed borrowing rates during 2019/20 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period.

Chart 17: Interest Rate View

| Link Asset Services Interest Rate View 31.3.20 | | | | | | | | |
|--|--------|--------|--------|--------|--------|--------|--------|--------|
| | Jun-20 | Sep-20 | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 | Mar-22 |
| Bank Rate View | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 |
| 3 Month LIBID | 0.45 | 0.40 | 0.35 | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 |
| 6 Month LIBID | 0.60 | 0.55 | 0.50 | 0.45 | 0.40 | 0.40 | 0.40 | 0.40 |
| 12 Month LIBID | 0.75 | 0.70 | 0.65 | 0.60 | 0.55 | 0.55 | 0.55 | 0.55 |
| 5yr PWLB Rate | 1.90 | 1.90 | 1.90 | 2.00 | 2.00 | 2.00 | 2.10 | 2.10 |
| 10yr PWLB Rate | 2.10 | 2.10 | 2.10 | 2.20 | 2.20 | 2.20 | 2.30 | 2.30 |
| 25yr PWLB Rate | 2.50 | 2.50 | 2.50 | 2.60 | 2.60 | 2.60 | 2.70 | 2.70 |
| 50yr PWLB Rate | 2.30 | 2.30 | 2.30 | 2.40 | 2.40 | 2.40 | 2.50 | 2.50 |

9.6.6 Gilt yields were on a generally falling trend during the last year up until the coronavirus crisis hit western economies. Since then, gilt yields have fallen sharply to unprecedented lows as investors have panicked in selling shares in anticipation of impending recessions in western economies, and moved cash into safe haven assets i.e. government bonds. However, major western central banks also started quantitative easing purchases of government bonds which will act to maintain downward pressure on government bond yields at a time when there is going to be a huge and quick expansion of government expenditure financed by issuing government bonds; (this would normally cause bond yields to rise). At the close of the day on 31 March, all gilt yields from 1 to 5 years were between 0.12 – 0.20% while even 25-year yields were at only 0.83%.

9.6.7 HM Treasury has imposed two changes in the margins over gilt yields for PWLB rates in 2019-20 without any prior warning; the first on 9 October 2019, added an additional 1% margin over gilts to all PWLB rates. That increase was then partially reversed for some forms of borrowing on 11 March 2020, at the same time as the Government announced in the Budget a programme of increased spending on infrastructure expenditure. It also announced that there would be a consultation with local authorities on possibly further amending these margins; this ended on 4 June. It is clear that the Treasury intends to put a stop to local authorities borrowing money from the PWLB to purchase commercial property if the aim is solely to generate an income stream.

Following the changes on 11 March 2020 in margins over gilt yields, the current situation is as follows: -

- **PWLB Standard Rate** is gilt plus 200 basis points (G+200bps)
- **PWLB Certainty Rate** is gilt plus 180 basis points (G+180bps)
- **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
- **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)

9.6.8 There is likely to be little upward movement in PWLB rates over the next two years as it will take national economies a prolonged period to recover all the momentum they will lose in the sharp recession that will be caused during the coronavirus shut down period. Inflation is also likely to be very low during this period and could even turn negative in some major western economies during 2020/21.

9.7 Borrowing Outturn for 2019/20

9.7.1 Long-term borrowing undertaken during the year for the General Fund to fund capital expenditure and maturing debt was £25.000m and is detailed in table 37 below:

Table 37 - Replacement PWLB Loans 2019/20

| Principal £m | Interest Rate % | Start Date | Maturity Date | Certainty Rate |
|-----------------|-----------------------|---------------|-------------------|-------------------|
| 5.000 | 2.18 | 26 March 2020 | 03 September 2029 | PWLB |
| 5.000 | 1.50 | 24 March 2020 | 01 May 2065 | HRA |
| 5.000 | 1.50 | 24 March 2020 | 30 April 2066 | HRA |
| 5.000 | 1.49 | 24 March 2020 | 03 May 2067 | HRA |
| 5.000 | 2.28 | 26 March 2020 | 01 October 2069 | PWLB |

This compares with a budget assumption of borrowing at an interest rate of 3% which was set in line with projections from the Authority's treasury management advisors.

9.7.2 Internal borrowing and low rate short-term borrowing was also undertaken during the year. General Fund short-term borrowing outstanding at 31 March 2020 was £49.000m. The HRA also took advantage of low rate short-term borrowing with a balance of £19.470m outstanding at 31 March 2020.

9.7.3 Maturing long-term loans of £6.000m were repaid in 2019/20 as detailed in Table 38 below:

Table 38 - Maturing Long-Term Loans repaid during 2019/20

| Principal £m | Interest Rate % | Date Repaid |
|-----------------|--------------------|-----------------|
| 6.000 | 11.25 | 15 October 2019 |

9.7.4 Short-term savings were achieved during the year by internally financing new capital expenditure by running down existing cash balances and replacing maturing debt by taking advantage of borrowing low rate loans from PWLB as detailed in Table 37 above. Lower cash balances also meant lower counterparty risk on the investment portfolio.

9.7.5 Borrowing in advance of need

The Authority has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

9.7.6 Rescheduling

No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

9.7.8 Summary of debt transactions

Management of the debt portfolio resulted in £3.412m in interest savings for the General Fund and £0.229m for the HRA.

9.8 Investment Outturn

9.8.1 **Investment Policy** – the Authority's investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by full Council on 21 February 2019. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data, (such as rating outlooks, credit default swaps, bank share prices etc.).

9.8.2 The investment activity during the year conformed to the approved strategy, and the Authority had no liquidity difficulties.

9.8.3 **Resources** – the Authority's cash balances comprise revenue and capital resources and cash flow monies. The Authority's core cash resources comprised as follows:

Table 39: Core Cash Balances

| Balance Sheet Resources | 31 March 2020 £m | 31 March 2019 £m |
|-------------------------|---------------------|---------------------|
| Balances | 14.968 | 15.707 |
| Earmarked reserves | 66.948 | 68.455 |
| Provisions | 4.015 | 4.374 |
| Usable capital receipts | 10.085 | 8.351 |
| Total | 96.016 | 89.784 |

- 9.8.4 **Investments held by the Authority** - The Authority maintained an average balance of £17.908m of internally managed funds invested with the Debt Management Office (DMO). Additionally an average balance of £5.000m was deposited with other local authorities for a period between December 2019 into January 2020, and an average balance of £3m was deposited with Lloyds Bank from November 2019 to March 2020. The internally-managed funds earned an average rate of return of 0.635% and, total investment income was £0.170m compared to a budget of £0.023m.
- 9.9 A full list of the Prudential and Treasury Indicators is shown in **Appendix D**.

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| Reserve | Purpose of Reserve | Opening Balance | Cont To | Cont From | Closing Balance |
|---|---|-----------------|----------------|--------------|-----------------|
| General Insurance Reserve | Risks covered by the reserve include fire, employer and third party liability, contract guarantee bonds, motor cars, personal accident and other general risks | (7,297,578.81) | (1,143,635.02) | 451,568.38 | (7,989,645.45) |
| Planning Functions 20% Fee | Reserve set aside to account for the 20% uplift in planning application fees. The reserve to be invested into the planning service | (134,938.00) | (107,937.00) | | (242,875.00) |
| Private Landlord Lease to Let Scheme | Reserve set aside to modernise private landlord properties for future lettings | (159,465.93) | (33,460.00) | 4,561.00 | (188,364.93) |
| Street Lighting | Set up to equalise cash flows relating to the Council's street lighting PFI scheme | (3,350,020.30) | (30,905.00) | 601,171.79 | (2,779,753.51) |
| Lettings Agents Transparency & Redress Scheme | Grant to support the monitoring of lettings agents in the Lettings Agents Transparency & Redress Scheme | (4,770.68) | | | (4,770.68) |
| Music Service | Development of music education hub | (107,780.90) | (103,575.70) | 107,780.90 | (103,575.70) |
| North Shields Christmas Market | The Xmas Market runs annually at a 'cost neutral' basis. The balance handed over & now retained in NTC's accounts acts as a contingency for the market (given that the market event is run for the community). If the event makes a loss, the balance/funding held is used to meet the expense. Similarly, if the event makes a profit, the balance will increase. It is expected that the annual event runs on a 'cost neutral' basis for some time to come | (10,547.00) | | 1,239.00 | (9,308.00) |
| Riverside Way/ Elm House | The Children's Social Care Innovation Programme and Partners in Practice support the development, testing and spreading of more effective ways of supporting children and families who need help from children's social care services. | (90,662.26) | | 90,662.26 | 0.00 |
| Partners in Practice Programme | Reserve established following receipt of S31 income to improve children's services. Commitments exist in 2019/20. | (151,406.38) | | 151,406.38 | 0.00 |
| Construction & Maintenance Reserve | Options Post Kier 2019 | (250,000.00) | | 250,000.00 | 0.00 |
| Wallsend Festival | The Wallsend Festival runs annually at a 'cost neutral' basis. The balance handed over & now retained in NTC's accounts acts as a contingency for the festival (given that the festival is run for the community). If the event makes a loss, the balance/funding held is used to meet the expense. Similarly, if the event makes a profit, the balance will increase. It is expected that the annual event runs on a 'cost neutral' basis for some time to come | (6,428.00) | | 1,128.00 | (5,300.00) |
| Tynemouth Pool Restoration | A grant from Ministry of Housing, Communities and Local Government to provide planning application support for Tynemouth Pool Restoration | (46,800.00) | | | (46,800.00) |
| Reinvestment in Leisure Service | Reinvestment in Leisure Service | (500,000.00) | | 75,420.86 | (424,579.14) |
| Alternate Weekly Waste Collection Reserve | Alternate Weekly Waste Collection Reserve | (200,000.00) | | 30,000.00 | (170,000.00) |
| Redundancy & Remuneration Reserve | Reserve to meet the expected cost of redundancies arising from the Change Programme | (2,850,236.15) | | 1,191,214.27 | (1,659,021.88) |
| Support for Change Programme | Reserve to support the implementation of the Change Programme | (4,894,136.00) | | 1,202,653.80 | (3,691,482.20) |
| Community Infrastructure Levy | To be used on the costs associated with the Community Infrastructure Levy | (42,882.00) | (20,844.00) | | (63,726.00) |
| Affordable Homes | Carry forward of budget to continue to develop initiatives and create the requisite delivery mechanisms to help achieve Cabinet's ambition to enable delivery of 3,000 affordable homes in the Borough over the next 10 years | (91,358.32) | | | (91,358.32) |
| Capacity Funding | This is a grant received in 2014/15 from the Ministry of Housing, Communities & Local Government (MHCLG) for Capacity Funding towards the feasibility of the redevelopment of Murton Gap for Housing, with spend commencing in 2015/16 | (7,192.72) | | | (7,192.72) |
| Adopt North East | Adopt North East (ANE) is the new regional adoption agency, which combines local authority adoption services from North Tyneside, Gateshead, Newcastle, Northumberland and South Tyneside, that went live on 1st December 2018 and is hosted in North Tyneside Council. It was agreed that the service is to be funded from each of the five local authorities. The reserve is a ring-fenced account and will be used to offset any future pressures ANE may encounter. | (214,853.25) | | 214,853.25 | 0.00 |
| Lead Local Flood Authority | Funding to support the Council's programme of flooding work in its role as Lead Local Flooding Authority | (5,686.00) | (6,154.00) | | (11,840.00) |
| MHCLG - New Burdens Funding | Planning applications for Brownfield sites | (4,099.81) | | 4,099.81 | 0.00 |
| MHCLG - Self Build | Works associated with the self build and custom build register | (68,681.33) | (13,975.00) | | (82,656.33) |
| CAPITA NTC Managed Budget Reserve | The reserve has been established to hold any surplus balance generated by the Capita NTC Managed Budget. Funds held in this reserve will be ring-fenced to help support any potential future in-year pressures that the Managed Budget might experience. | (133,709.00) | | 133,709.00 | 0.00 |
| New Burdens UC Funding | To support welfare in future years as a result of the impact of Covid-19 | 0.00 | (19,318.00) | 0.00 | (19,318.00) |
| Training Reserve | This reserve will be available to supplement and support the delivery of the Corporate Training Plan | (100,000.00) | | | (100,000.00) |

| | | | | | |
|---|--|-----------------|----------------|------------|-----------------|
| Welfare Reform | Grant funding from central government to meet the on-going cost of implementing welfare reform | (63,317.96) | (56,266.00) | 63,317.96 | (56,266.00) |
| Education PFI Reserve | Established to provide a mechanism which takes account of project cashflows over a 30-year period to enable the yearly equalisation of the additional costs of the PFI schools | (1,327,862.04) | (200,000.00) | 463,312.60 | (1,064,549.44) |
| Hackney Carriage Unmet Demand Survey Reserve | A ring fenced reserve set up at the request of the Hackney Carriages and Private Hire Trade representatives whereby any surplus from fees is reinvested in the service | (21,163.00) | | | (21,163.00) |
| Building Control Reserve | The reserve has been set up to assist in complying with the accounting requirements of the Building (Local Authority Charges) regulations 2010 | (106,996.14) | (26,913.00) | 3,169.00 | (130,740.14) |
| Feasibility Study Reserve | Set up to fund feasibility studies of potential capital schemes | (480,043.19) | (119,276.03) | | (599,319.22) |
| Strategic Reserve | Established to address future potential significant external pressures on the Council's budget | (14,597,396.43) | (891,845.26) | | (15,489,241.69) |
| Dudley/Shiremoor Joint Service Centre PFI Reserve | Established to provide a mechanism which takes account of project cashflows over a 25-year period to enable the yearly equalisation of the additional costs of the Joint Service Centre | (1,201,171.35) | (145,594.47) | 86,218.63 | (1,260,547.19) |
| Schools PFI Lifecycle Costs | Established to provide a mechanism to reflect the costs of replacing items of equipment over the life of the PFI contract | (2,865,872.90) | (268,967.46) | 901,949.38 | (2,232,890.98) |
| MHCLG Bond Bank | This reserve is used to underwrite the deposit required when renting a property and therefore enabling people (over 18) who are homeless or have a housing need to access private lettings | (39,935.00) | | | (39,935.00) |
| Dudley PFI Lifecycle Costs | Established to provide a mechanism to reflect the costs of replacing items of equipment over the life of the PFI contract | (289,272.72) | | | (289,272.72) |
| Smokehouses Fish Quay Sinking Fund | Sinking Fund re Smokehouses - North Shields Fish Quay | (2,500.00) | | 2,500.00 | 0.00 |
| Dockmasters Fish Quay Sinking Fund | Sinking Fund re Dockmasters - North Shields Fish Quay | (2,000.00) | | 2,000.00 | 0.00 |
| Union Quay/Working Above Shops Sinking Fund | Sinking Fund re Union Quay - North Shields Fish Quay | (7,000.00) | | 7,000.00 | 0.00 |
| Vita House Fish Quay Sinking Fund | Sinking Fund re Vita House | (2,500.00) | | 2,500.00 | 0.00 |
| Barracks Building Fish Quay Sinking Fund | Sinking Fund re Barracks Building | (2,000.00) | | 2,000.00 | 0.00 |
| North Shields Business Centre Sinking Fund | Sinking Fund re Business Centre | (4,000.00) | | | (4,000.00) |
| Salisbury House North Shields Sinking Fund | Sinking Fund re Salisbury House | (9,400.00) | | 9,400.00 | 0.00 |
| Salisbury House N Shields Ringfence | Salisbury House Reserve | (14,694.42) | (14,443.89) | (9,400.00) | (38,538.31) |
| Saville Exchange N Shields Ringfence | Saville Exchange Reserve | (15,419.04) | | | (15,419.04) |
| 131 Bedford Street | North Shields Reserve - 131 Bedford Street. | (102,513.81) | | | (102,513.81) |
| Stag Line Building | North Shields Reserve - Stag Line Building. | (8.30) | | 8.30 | 0.00 |
| Smokehouses Reserve | Fish Quay Reserve - Smokehouses | (67,558.84) | (14,213.43) | (2,500.00) | (84,272.27) |
| Service Improvement Fund | Support fund established to facilitate the delivery of the major change programme that is required to ensure we continue to provide the services that our people need. The fund also provides Cabinet with the flexibility to make service improvement choices based on feedback from the residents and other key stakeholders | (712,880.74) | (195,000.00) | 555,886.00 | (351,994.74) |
| Waste Procurement Reserve | A reserve established to manage the future costs of waste provision | (734,012.73) | | | (734,012.73) |
| Pow Dene Reserve | Fish Quay Reserve - Pow Dene | (199,799.58) | | 5,061.32 | (194,738.26) |
| Dockmasters Reserve | Fish Quay Reserve - Dockmasters | (16,218.83) | | 1,968.36 | (14,250.47) |
| Working Above The Shops | Fish Quay Reserve - Union Quay Reserve | (32,572.88) | (9,140.35) | (7,000.00) | (48,713.23) |
| Local Safeguarding Board | To hold the balance of contributions from various partners and income generated from the LSCB charging policy (in relation to training) on behalf of the LSCB | (51,733.41) | (30,206.45) | 26,440.71 | (55,499.15) |
| Vita House Reserve | Fish Quay Reserve - Vita House reserve | (43,330.43) | (11,734.37) | (2,500.00) | (57,564.80) |
| Ballards Smoke House Reserve | Fish Quay Reserve - Ballards Smoke House | (816.64) | (186.98) | | (1,003.62) |
| Barracks Building Reserve | Fish Quay Reserve - Barracks Building | (37,009.49) | | 1,968.47 | (35,041.02) |
| Whitley Bay CFC PFI Reserve | Established to provide a mechanism which takes account of project cashflows over a 25-year period to enable the yearly equalisation of the additional costs of the Customer First Centre | (752,377.53) | (41,413.51) | 16,887.51 | (776,903.53) |
| Whitley Bay CFC PFI Lifecycle Costs | Established to provide a mechanism to reflect the costs of replacing items of equipment over the life of the PFI contract | (212,798.05) | | | (212,798.05) |
| Covid 19 Local Authority Support | Funding from MHCLG to support local authorities with Covid funding | 0.00 | (6,088,914.66) | | (6,088,914.66) |
| Apprenticeships | To support the further development of the Council's apprenticeship and training programme, with a particular focus on working with the business partners ENGIE and Capita Symonds | (70,000.00) | | | (70,000.00) |

| | | | | | | |
|---|--|-----------------|-----------------|--------------|-----------------|-----|
| Internal Refurbishment Reserve | A furniture reserve to fund a rolling programme of refurbishments to the Direct Access Units and Dispersed Units | (49,741.50) | (40,000.00) | 54,585.27 | (35,156.23) | HRA |
| HRA Solar PV Green Fund | To support the provision of energy efficiency measures on council dwellings | (638,432.39) | (96,859.58) | 30,309.08 | (704,982.89) | HRA |
| Older Peoples Homes for the Future PFI Reserve | Set up to equalise cash flows relating to the Council's North Tyneside Living PFI scheme | (12,221,160.48) | (917,629.21) | 1,549,419.00 | (11,589,370.69) | HRA |
| New Build | Established to support the provision of New Build Council Housing | (2,627,412.43) | | 1,185,000.00 | (1,442,412.43) | HRA |
| Housing PFI Lifecycle Costs | Established to provide a mechanism to reflect the costs of replacing items of equipment over the life of the PFI contract | (3,730,636.17) | (993,556.43) | 274,285.79 | (4,449,906.81) | HRA |
| Surplus on RTB Admin Costs | Reserve created to recognise additional administration payments over and above those required to fund RTB administration costs over the previous two years, have been set aside to supplement financing available for the Housing Investment Plan. | (472,676.00) | (71,333.80) | | (544,009.80) | HRA |
| HRA Solar PV Maintenance | Maintenance of solar PV systems on new build council dwellings | (11,463.14) | (88.70) | 2,850.00 | (8,701.84) | HRA |
| Repairs Options Post 2019 | To assist with Repairs Offer Options post 2019 | (100,000.00) | (45,000.00) | | (145,000.00) | HRA |
| HPC Vehicle Replacement Reserve | A delegated decision on Use of Reserves was taken as part of the project to create the Housing Property and Construction Group which released up to £3m from the North Tyneside Living PFI reserve to fund the purchase of the new fleet. As part of this decision it was agreed that the money recovered to cover the purchase costs over time from the financing element of hire rates, would initially be put into a VRR in order to build resource to replace the fleet as appropriate over the longer term. However, the one stipulation was that the PFI Reserve would have first call on the money to restore its position should that be required. For 2019-20 this resulted in the total applicable sum of £365,394 being split evenly between the Reserve and the VRR with each receiving a contribution of £182,697 | 0.00 | (182,697.00) | | (182,697.00) | HRA |
| | Sub Total - General Reserves | (64,660,930.40) | (11,941,084.30) | 9,738,106.08 | (66,863,908.62) | |
| Grants | | | | | | |
| Air Quality Monitoring Grant | Grant to fund support on measures to improve air quality in the local authority area | (56,019.00) | | 5,330.00 | (50,689.00) | |
| Step up to Social Work Grant | A programme to provide accelerated entry route into social work for high achieving graduates and career changers | (63,230.28) | (47,019.00) | 24,230.28 | (86,019.00) | |
| Rogue Landlords Grant Reserve | To provide improved reporting systems to assist in tackling rogue landlords in North Tyneside | (4,368.00) | | 2,427.94 | (1,940.06) | |
| Tobacco Burdens Grant | To cover any additional costs incurred as a direct result of the implementation new tobacco legislation | (3,480.58) | (3,016.93) | | (6,497.51) | |
| Public Health Grant | Department of Health ring-fenced grant made available to local authorities to allow them to discharge their new public health responsibilities | (809,161.29) | (595,894.06) | 809,161.29 | (595,894.06) | |
| Education Funding Agency | The 16-19 Bursary Fund aims to ensure that every young person participates and benefits from a place in 16-19 training. The SEN element of the reserve is intended to develop special educational needs and disability implementation and services | (268,973.85) | (758,869.24) | 268,973.85 | (758,869.24) | |
| Syrian Refugee Grant | The reserve is for the Syrian Refugee Relocation Programme and will be used for spend in-line with this programme. The grant will be spent over the 5 years of the programme, but will be added to/ reduced as the next wave of refugees enter our Borough, with their 5 years of funding starting from this point | (114,818.55) | (66,681.00) | | (181,499.55) | |
| Tackling Troubled Families | Grant reserve to support the delivery of outcomes for families with complex and multiple needs | (142,500.00) | | 142,500.00 | 0.00 | |
| Assessed & Supported Year in Employment Programme | The Assessed and Supported Year in Employment (ASYE) is designed to help newly qualified social workers develop their skills, knowledge and capability, and strengthen their professional confidence. It provides them with access to regular and focused support during their first year of employment in social work | (13,087.96) | | | (13,087.96) | |
| North East Social Work Alliance | Development of a North East Social Work Alliance website providing a comprehensive one stop resource for everything to do with social work education within the region | (15,000.00) | | | (15,000.00) | |
| Flexible Homelessness Support Grant | Grant to allow councils greater flexibility to prioritise homelessness prevention through new ways of working | (256,788.50) | | 116,409.00 | (140,379.50) | |
| Homeless Veterans Grant Reserve | Grant to allow councils greater flexibility to prioritise homelessness prevention through new ways of working | (90,909.00) | | 90,909.00 | 0.00 | |
| RRP Tenancy Support | Tenancy Support for Rapid Rehousing Pathway Scheme for Homelessness | 0.00 | (32,084.00) | | (32,084.00) | |
| Local Authority EU Exit Preparation | As Central Government is committed to ensuring councils have the support and the funding they need to prepare for an orderly exit from the EU and do appropriate contingency planning, this funding will help councils to adapt to changes caused by Brexit, while still protecting vital local services | (104,984.00) | (231,714.80) | | (336,698.80) | |
| Homeless Reduction Act Grant | Grant to support the introduction of the Homeless Reduction Act from 1st April 2018 | (61,375.50) | | | (61,375.50) | |
| Grant Reserves under £100k | Safer North Tyneside (53,777.04);Heritage Events (1,606.50);Local Authority Parks Improvement Funding (35,659.00);National Community Clean-Up Campaign (35,844.00) ; Adoption Support Fund (167,638.18);Moving on Tyne and Wear (14,551.98);Universal Credit (31,176.10);Domestic Abuse (14,634.00); Reducing Parental Conflict (40,100.00) | (394,986.80) | (127,869.69) | 293,200.37 | (229,656.12) | |

| | | | | | |
|-------------------------------------|---|-----------------|-----------------|---------------|-----------------|
| Training & Development | School-centred initial teacher training (SCITT) - Networks of schools that have been approved to run school-centred courses are known as SCITTs. They provide practical, hands-on teacher training, delivered by experienced, practising teachers based in their own school or a school in their network. SCITT courses generally last one year, and many include a postgraduate certificate in education (PGCE) and/or Master's-level credits. Training as part of a SCITT gives you the opportunity to learn 'on the job'. You will benefit from working and learning every day in a school and getting an immediate insight into what teaching involves. | (39,965.83) | (25,368.51) | 39,965.83 | (25,368.51) |
| Parks - Heritage Lottery Fund Grant | Ring-fenced grant for the future maintenance and managements costs associated with Wallsend Parks and Northumberland Parks | (561,106.36) | (244,985.00) | 23,000.00 | (783,091.36) |
| Preventing Repossession Fund | To offer assistance to individuals to avoid repossession of their property | (2,407.00) | | 2,407.00 | 0.00 |
| NE One Public Estate Grant | Grant as part of a national programme (NT are part of North East Scheme) to transform local communities and public services | (43,633.00) | | 17,950.00 | (25,683.00) |
| LAA Performance Grant | To support local authorities in England towards expenditure lawfully incurred | (2,098.59) | | | (2,098.59) |
| | Sub Total of Grant Reserves | (3,048,894.09) | (2,133,502.23) | 1,836,464.56 | (3,345,931.76) |
| Dedicated Schools Grant | This Grant is a ring-fenced specific grant and must be used in support of the Schools Budget as financed in the School Finance (England) Regulations 2008 | (745,941.54) | 3,261,612.75 | 745,941.54 | 3,261,612.75 |
| | Total all Reserves | (68,455,766.03) | (10,812,973.78) | 12,320,512.18 | (66,948,227.63) |

Check:
Total GF per Note to the Accounts = -47,846
Total HRA per Note to the Accounts = -19,102
-66,948

Total All Reserves = -66,948
Difference = 0

Link to source document:
<S:\Central\2019-20 Final Accounts\Reserves\Reconciliation of Reserves 2019-20.xlsx>

| | Actual Gross Expenditure £000 | Financing | | | | | | Total Financing £000 |
|---------------|--|----------------------------------|-----------------------------|------------------------------|--------------|-----------------------------------|----------------------------|----------------------------|
| | | Unsupported Borrowing £000 | Capital Receipts £000 | Government Grants £000 | ERDF £000 | Grants & Contributions £000 | Revenue Funding £000 | |
| General Fund | 35,911 | -12,001 | 0 | -15,356 | -128 | -8,253 | -173 | -35,911 |
| Housing (HRA) | 23,169 | 0 | -357 | 0 | 0 | 0 | -22,812 | -23,169 |
| Total | 59,080 | -12,001 | -357 | -15,356 | -128 | -8,253 | -22,985 | -59,080 |
| | | | | | | | | |

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2019/20 INVESTMENT PLAN OUTTURN VARIATIONS

| | | Gross Expenditure | Budget | Variance | (Under)/Overspend (-)/+ £000 | Funding adjustments £000 | Reprogramming £000 |
|---------------------------|---|-------------------|---------------|---------------|------------------------------------|-----------------------------|-----------------------|
| | | £000 | £000 | £000 | | | |
| GENERAL FUND | | | | | | | |
| BS026 | Asset Planned Maintenance Programme | 1,856 | 1,892 | -36 | 0 | 53 | -89 |
| BS029 | Wallsend Customer First Centre | 46 | 506 | -460 | 0 | 0 | -460 |
| CO064 | Social Care Information System | 100 | 99 | 1 | 0 | 1 | -0 |
| CO076 | Lockey Park Environmental Improvements | 51 | 74 | -23 | 0 | 0 | -23 |
| CO077 | Amberley Playing Field Artificial Grass | 709 | 714 | -5 | -5 | 0 | -0 |
| CO078 | Coastal Revival Fund | 48 | 48 | -0 | 0 | -0 | -0 |
| CO079 | Playsites 2019/20 | 0 | 50 | -50 | 0 | 0 | -50 |
| CO080 | Burradon Recreation Ground | 14 | 100 | -86 | 0 | 0 | -86 |
| DV054 | The Dome (Including Pre 18/19 Coastal Regeneration) | 43 | 45 | -2 | 0 | 0 | -2 |
| DV058 | Swan Hunter Redevelopment | 1,563 | 2,185 | -622 | 0 | -390 | -232 |
| DV064 | Council Property Investment | 1,015 | 942 | 73 | 0 | 0 | 73 |
| DV066 | Investment in North Tyneside Trading Company | 4,350 | 4,772 | -423 | 0 | 0 | -423 |
| DV067 | Northern Promenade | 38 | 128 | -90 | 0 | 0 | -90 |
| DV068 | Southern Promenade | 24 | 0 | 24 | 0 | 0 | 24 |
| DV069 | High Point Development | 7 | 0 | 7 | 0 | 7 | 0 |
| DV070 | Forest Hall Regeneration | 18 | 18 | -0 | -0 | -0 | 0 |
| DV071 | Section 106 Contributions to set up Health Facilities | 78 | 78 | 0 | 0 | 0 | -0 |
| ED075 | Devolved Formula Capital | 878 | 929 | -51 | 0 | 61 | -112 |
| ED100 | 30Hrs Grant | 15 | 75 | -60 | 0 | -60 | 0 |
| ED120 | Basic Need | 20 | 184 | -164 | 0 | 0 | -164 |
| ED132 | LEA Formula Capital Maintenance Programme | 3,607 | 3,814 | -207 | 0 | -197 | -10 |
| ED186 | Backworth Park Primary | 0 | 0 | 0 | 0 | 0 | 0 |
| ED188 | Special Educational Needs and Disabilities | 1,061 | 849 | 212 | 0 | 212 | -0 |
| ED189 | Schools Nursery Capital Fund | 0 | 0 | 0 | 0 | 0 | 0 |
| EV034 | Local Transport Plan | 3,348 | 3,383 | -35 | 0 | 197 | -232 |
| EV055 | Surface Water Management | 30 | 0 | 30 | 0 | 30 | 0 |
| EV056 | Additional Highways Maintenance | 3,153 | 3,254 | -101 | 0 | 0 | -101 |
| EV069 | Transport Review | 905 | 1,300 | -395 | 0 | 0 | -395 |
| EV073 | A1058 Coast Road Improvements to Junctions | 0 | 0 | 0 | 0 | 0 | 0 |
| EV076 | Operational Depot Accommodation Review | 3,313 | 3,122 | 191 | 0 | 0 | 191 |
| EV077 | A1056/A189 Weetslade Junction Imps | 69 | 0 | 69 | 0 | 69 | 0 |
| EV078 | A19 Employment Corridor Access Imps | 0 | 0 | 0 | 0 | 0 | 0 |
| EV079 | A191 Coach Lane & Tyne Park Junction Imps | 0 | 0 | 0 | 0 | 0 | 0 |
| EV080 | Coast Road Cycle Route | 467 | 468 | -1 | -1 | 0 | -0 |
| EV082 | North Bank of Tyne Infrastructure | 1,236 | 1,214 | 22 | 0 | 22 | 0 |
| EV083 | Street Lighting LED | 0 | 0 | 0 | 0 | 0 | 0 |
| EV084 | A189 Improvements Haddricks Mill to West Moor | 2,031 | 3,887 | -1,856 | 0 | 0 | -1,856 |
| EV086 | Clean Bus Technology Fund | 336 | 358 | -22 | 0 | -22 | 0 |
| EV087 | Air Quality Early Measures Fund | 628 | 635 | -7 | 0 | 0 | -7 |
| EV088 | Tyne View Terrace Cycleway | 419 | 427 | -8 | 0 | 0 | -8 |
| EV090 | Section 278 Avant Homes | 1,396 | 1,223 | 173 | 0 | 239 | -66 |
| GEN11 | Donated Assets - Cullercoats Primary Refurb | 139 | 218 | -79 | 0 | -3 | -76 |
| GEN12 | Local Infrastructure Projects (General Fund) | 1,493 | 1,500 | -7 | 0 | 0 | -7 |
| HS004 | Disabled Facility Grants | 0 | 0 | 0 | 0 | 0 | 0 |
| HS036 | NT Warm Zones | 163 | 389 | -226 | 0 | 0 | -226 |
| HS051 | Private Sector Empty Homes Programme | 0 | 100 | -100 | 0 | 0 | -100 |
| HS052 | Killingworth Moor Infrastructure | 1,132 | 1,234 | -102 | 0 | 0 | -102 |
| IT020 | ICT Strategy | 6 | 0 | 6 | 0 | 6 | 0 |
| IT026 | ICT Citizen Interaction and Self Serve | 103 | 100 | 3 | 0 | 3 | 0 |
| IT027 | Self Service Kiosk Replacement | 35,911 | 40,314 | -4,403 | -6 | 229 | -4,626 |
| | | 0 | 559 | -559 | 0 | -69 | -489 |
| GEN03 | Contingency Provision | 35,911 | 40,873 | -4,962 | -6 | 159 | -5,115 |
| TOTAL GENERAL FUND | | | | | | | |
| HOUSING | | 18,940 | 19,804 | -864 | -1 | 0 | -863 |
| HS015 | Refurbishment / Decent Homes Improvements | 1,040 | 1,041 | -1 | -1 | 0 | 0 |
| HS017 | Disabled Adaptations | 101 | 110 | -9 | 0 | 76 | -85 |
| HS039 | Integrated Housing Computer System | 1,500 | 1,654 | -154 | 0 | 0 | -154 |
| HS041 | Housing PFI | 1,190 | 1,235 | -45 | 0 | 0 | -45 |
| HS044 | HRA New Build | 398 | 465 | -67 | 0 | -67 | 0 |
| HS050 | Construction Options Project | 23,169 | 24,309 | -1,140 | -2 | 9 | -1,147 |
| TOTAL HOUSING | | | | | | | |
| | | 59,080 | 65,182 | -6,102 | -8 | 168 | -6,262 |
| TOTAL | | | | | | | |

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Prudential and treasury indicators

| 1. PRUDENTIAL INDICATORS | 2018/19 | 2019/20 | 2019/20 |
|--|----------|----------|-----------|
| | actual | revised | actual |
| | £m | £m | £m |
| Capital Expenditure | | | |
| Non – HRA (General Fund) | £41.708 | £49.036 | £35.911 |
| HRA | £27.651 | £25.964 | £23.169 |
| TOTAL | £69.359 | £75.000 | £59.080 |
| Ratio of financing costs to net revenue stream | | | |
| Non – HRA (General Fund) | 14.98% | 15.90% | 15.83% |
| HRA | 27.51% | 28.07% | 27.56% |
| Ratio of financing costs for Prudential Borrowing to net revenue stream | | | |
| Non – HRA (General Fund) | 9.07% | 10.23% | 10.61% |
| HRA | 7.94% | 4.45% | 7.73% |
| Gross borrowing requirement General Fund (CFR excluding PFI) | | | |
| brought forward 1 April | £271.772 | £279.462 | £279.462 |
| carried forward 31 March | £279.462 | £283.356 | £274.968 |
| in year borrowing requirement | £7.690 | (£3.894) | (£4.494) |
| Gross borrowing requirement HRA (CFR excluding PFI) | | | |
| brought forward 1 April | £259.531 | £254.731 | £254.731 |
| carried forward 31 March | £254.731 | £252.129 | £249.600 |
| in year borrowing requirement | (£4.800) | (£2.602) | (£5.131) |
| Gross debt (excluding PFI) | £461.155 | £468.019 | £461.155 |
| CFR | | | |
| Non – HRA | £323.761 | £325.714 | £317.191 |
| HRA | £328.669 | £324.774 | £321.772 |
| TOTAL | £652.430 | £650.488 | £638.963 |
| Annual change in Capital Financing Requirement | | | |
| Non – HRA | £5.995 | £1.953 | (£6.570) |
| HRA (applies only to housing authorities) | (£6.504) | (£3.895) | (£6.897) |
| TOTAL | (£0.509) | (£1.942) | (£13.467) |

| 2. TREASURY MANAGEMENT INDICATORS | 2018/19 | 2019/20 | 2019/20 |
|---|-------------------|-------------------|-------------------|
| | actual | revised | actual |
| | £'000 | £'000 | £'000 |
| Authorised Limit for external debt - | | | |
| borrowing | £1,200.000 | £1,100.000 | £1,100.000 |
| other long term liabilities | £160.000 | £150.000 | £150.000 |
| TOTAL | £1,280.000 | £1,250.000 | £1,250.000 |
| Operational Boundary for external debt - | | | |
| borrowing | £560.000 | £550.000 | £550.000 |
| other long term liabilities | £140.000 | £130.000 | £130.000 |
| TOTAL | £700.000 | £680.000 | £680.000 |
| Actual external debt | £571.251 | £585.404 | £581.308 |

| Maturity structure of fixed rate borrowing during 2019/20 | upper limit | lower limit |
|--|--------------------|--------------------|
| under 12 months | 50% | 0% |
| 12 months and within 24 months | 50% | 0% |
| 24 months and within 5 years | 50% | 0% |
| 5 years and within 10 years | 75% | 0% |
| 10 years and within 20 years | 100% | 25% |
| 20 years and within 30 years | 100% | 25% |
| 30 years and within 40 years | 100% | 25% |
| 40 years and within 50 years | 100% | 25% |

| Funding source | Quantum for North Tyneside | Notes |
|---|--|---|
| <p>£1.6 billion national funding to Local Authorities for initial additional costs, including additional pressures in social care.</p> <p>A further £1.6billion national funding announced, with a changed methodology for distribution</p> | <p>£6.822 million</p> <p>£5.709million</p> <p>Total to date £12.531m</p> | <p>The grant has not been allocated to individual Services at this stage. However, the Authority has submitted a return to MHCLG which outlines the headline pressures in terms of Expenditure, Income and Cashflow. For May 2020, these are as follows;</p> <p>Expenditure - £14.959 million Income - £9.971 million</p> <p>Due to the advance of a number of grants due to be received in 2020/21 the Authority have not identified any issues with cashflow at present. However, this is under regular review.</p> <p>The return that has been submitted to MHCLG has identified the expenditure and income pressures as Red now until further work is carried out to substantiate the level of estimated pressure.</p> <p>It is anticipated that the Authority will be required to respond to additional requests for information in the future and we will provide an updated position as necessary.</p> |
| <p>£500m Hardship Fund</p> | <p>£2.02 million</p> | <p>Intended to support those of Working Age in receipt of Local Council Tax Support. This meant that 9,683 people had their Council Tax bill reduced by £150.</p> <p>We have built in contingency for further applications with a total estimated cost of £1.534 million. The remainder of the hardship funding will be used to support the Welfare Assistance Crisis Support.</p> |
| <p>Extended Retail Discount</p> | <p>£26 million</p> | <p>Retail, Hospitality & Leisure businesses will pay no Business Rates in the financial year 2020/21. No matter how big they are. 821 businesses in North Tyneside qualify for this discount.</p> |

| | | |
|---|--|---|
| Nursery Premises Discount | £223,803 | Nor will Business Rates be charged in 2020/21 for children's nursery premises. 19 businesses in North Tyneside qualify for this discount. |
| Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund | Our records indicate we have a potential 3,014 qualifying businesses in North Tyneside that will be eligible for a total £34.270 million in funding. | <p>Businesses that are eligible for Small Business Rate Relief can now access a grant of £10,000.</p> <p>Businesses in the retail, hospitality and leisure sectors can access support through the Retail, Hospitality and Leisure Grant Fund (RHLGF) which provides:</p> <ul style="list-style-type: none"> • £10,000 for those businesses with a rateable value of up to £15,000 or • £25,000 for those businesses with a rateable value of over £15,000 and less than £51,000. <p>At the end of May, we have paid grants to a total of 2,567 businesses with a cash value of £29.495 million.</p> <p>Work continues to identify and contact businesses who have not claimed. Although in some cases, because this system is based on property, some of those properties are not eligible businesses and some businesses have stopped trading. The local Chambers, the Business Forum and Sage have been pushing these messages out to their contacts.</p> <p>We are also dealing with businesses who have made application but do not qualify under the government criteria or whose details do not match our existing records.</p> |
| National Infection Control Fund | £2.200 million | <p>75% of this funding just over £1.650m to be forwarded to registered care homes to assist with infection control measures.</p> <p>There are specific grant conditions in relation to the Infection Control Fund which care homes will have to comply with, any non-compliance could result in claw back of the grant.</p> |

North Tyneside Council Report to Cabinet Date: 29 June 2020

Title: North Tyneside Transport Strategy Annual Report

| | | | |
|-------------------|----------------------------------|------------------------|--------------------------------|
| Portfolio: | Environment and Transport | Cabinet Member: | Councillor Carl Johnson |
|-------------------|----------------------------------|------------------------|--------------------------------|

Report from Service

Area: Environment, Housing and Leisure

Responsible Officer: Phil Scott, Head of Environment, Housing and Leisure **Tel: (0191) 643 7295**

Wards affected: All

PART 1

1.1 Executive Summary:

The North Tyneside Transport Strategy, adopted by Cabinet on 8 May 2017, sets out the Authority's vision for transport in the borough. It seeks to ensure that "North Tyneside will have a safe, easy to use, healthy, affordable, accessible and integrated travel and transport infrastructure that works for residents, businesses and visitors effectively and efficiently", and sets out five principles which are key to achieving this.

The Strategy includes a commitment to provide Cabinet with an annual information report.

This report presents to Cabinet the 2019/20 information report.

1.2 Recommendation:

It is recommended that Cabinet notes the content of this report and associated supporting information contained within Appendices 1 and 2.

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 22 May 2020.

1.4 Council Plan and Policy Framework

The proposals in this report relate to a number of priorities in Our North Tyneside, the Council Plan 2020 to 2024, in particular:

- Our people will:
 - Be ready for school

- Be ready for work and life
- Be healthy and well
- Our places will:
 - Recognise the climate emergency by further reducing the Borough's overall carbon footprint
 - Have an effective transport and physical infrastructure

1.5 Information:

1.5.1 Background

The North Tyneside Transport Strategy was adopted by Cabinet on 8 May 2017 and sets out the Authority's vision for transport in the borough. It seeks to ensure that "North Tyneside will have a safe, easy to use, healthy, affordable, accessible and integrated travel and transport infrastructure that works for residents, businesses and visitors effectively and efficiently". It sets out five principles which are key to achieving this. In order to provide regular information about transport in North Tyneside the Transport Strategy contains a commitment to provide an annual information report to Cabinet.

Since the adoption of the Transport Strategy, the following policies and strategies relating to transport in North Tyneside have been revised:

- Supplementary Planning Document – Transport and Highways (LDD12) – adopted May 2017
- North Tyneside Parking Strategy – adopted February 2018
- Highway Asset Management Plan (HAMP) – adopted September 2017
- North Tyneside Cycling Strategy – adopted March 2018
- North Tyneside Travel Safety Strategy – adopted March 2018
- North Tyneside Network Management Plan – adopted October 2018
- North Tyneside Hackney Carriage and Private Hire Licensing Policy – adopted February 2020

One of the Transport Strategy's key principles involves reducing carbon emissions, by encouraging modal shift and taking part in regional initiatives to encourage wider adoption of low-carbon technologies in both vehicles and transport infrastructure.

The importance of this objective was magnified when full Council formally declared a Climate Emergency at its meeting on 25 July 2019. In declaring the climate emergency full Council set a target to halve the Authority's and the borough's carbon footprint by 2023. It also committed the Authority and the borough to being carbon neutral by 2050 in line with the national target.

Transport accounts for just over a third (34% in 2019) of the UK's carbon dioxide emissions, and since 2016 transport, rather than energy supply, has been the largest source of carbon dioxide emissions in the UK. In order to deliver the Authority's Climate Emergency aims it is therefore vital that the Authority meets its objectives and makes transport more sustainable.

Everyday cycling is a sustainable and healthy way of getting around the borough: switching car journeys to cycling helps improve local air quality and reduces traffic jams. The substantial increase in participation in cycling over recent months represents a vital opportunity which the Authority plans to capture by moving swiftly to provide more

protected cycling routes which will make it quicker and easier to get around the borough by cycle.

1.5.2 Performance

The annual information report is attached as Appendix 1. A Transport Strategy Data Factsheet summarising the key performance data for 2019/20 is included as Appendix 2.

The five principles of the Transport Strategy guide the Authority's actions and act as a framework for measuring performance. The annual information report summarises the Authority's performance against each of the principles below:

- Principle 1 – Improve safety, health and well-being outcomes and sustainability; in relation to people, communities and the environment;
- Principle 2 – Support economic growth; through effective movement for people, businesses and goods and to support the regional aim of “more and better jobs”;
- Principle 3 – Improve connectivity; with all parts of the borough, the region, the rest of the country and the world;
- Principle 4 – Enable smart choices for all; help people, businesses and visitors find out how to get to where they need to; and
- Principle 5 – Manage demand; on transport networks and assets and address current and future transport challenges.

1.5.3 Summary of performance

The annual report covers the period 1 April 2019 to 31 March 2020 and sets out relevant local transport data over that period of time.

The Authority's programme of investment during 2019/20 has seen work proceed to deliver six major schemes to improve the operation of the Authority's transport network, support its Local Plan objectives and improve provision for sustainable travel. The Authority has improved traffic management technology on its network, while supporting the efficient operation of the network by improved management of road works by utility companies through the Streetworks permit system.

The report highlights that the numbers of road collisions, and associated casualties, continue to decrease in North Tyneside. Serious collisions decreased in 2019, which compares very positively with the regional picture, while slight collisions have more than halved since the baseline years 2005-09.

The figures suggest that the Authority's targeted major scheme investment has helped to reduce the number of collision cluster sites (those with more than five collisions over a three-year period within a 50m radius) – for the period 2017-19 there were six cluster sites, compared with seven in 2016-18 and nine in 2015-17 – although clearly there remains a need to continue the Authority's ongoing work to analyse and reduce road collisions. There is also a decreasing trend in the number of collisions which involve somebody cycling, even as everyday cycling becomes more popular.

To support the sustained growth in everyday cycling in North Tyneside, the Authority has continued to invest in high standard cycling infrastructure: for example, the Authority's

major scheme at the A189 Killingworth Road includes a 2.5km protected cycleway (phase 1 complete; developer-funded phase 2 to follow). Equally, it remains important to continue to engage in training which encourages people to travel more sustainably and supports road safety. Road safety education is offered in schools, and national standard 'Bikeability' cycling training is delivered to increasing numbers of children in the borough.

It will remain important to continue to engage with schools in the borough to encourage children and their parents to travel actively to school or use 'park and stride' rather than drive to school gates. Following North Tyneside's participation in the national pilot of the "School Streets" event, where the street outside a school was reserved for cycling and walking, working with Sustrans, there are opportunities to hold similar events more regularly. The Authority's ongoing 'Go Smarter' programme promotes the use of sustainable and active transport in schools, as well as involving children in identifying improvements to cycling and walking infrastructure, and is achieving a shift away from car use of up to 15%, which helps to support air quality and health objectives.

Since mid-March 2020, the COVID-19 pandemic has had substantial and wide-ranging effect on many aspects of people's life and work. As the Government begins to ease the national 'lockdown' measures, the ongoing restrictions on travel and requirement for social distancing will have a significant effect on how people travel for work and personal business and how goods are distributed. The Authority will continue to review the latest Government guidance so as to continue to manage the highway network safely and effectively whilst supporting residents, business and visitors during the recovery period. This will include looking at ways to continue to maximise the air quality benefits obtained during the lockdown period, while recognising the need to reduce carbon emissions from transport to address the climate emergency.

People in the borough have been cycling much more over the last three months, which has wide-ranging benefits for people's health, carbon reduction and air quality as well as reducing queues of cars on the highway network. The Authority plans to capture this opportunity by moving swiftly to provide more protected cycling routes which will make it quicker and easier to get around the borough by cycle, alongside supporting people's travel needs and local businesses in the new circumstances by reallocating road space to walking and cycling.

1.6 Decision options:

No decision is being taken by Cabinet. It is asked to note the content of the Transport Strategy Annual Information Report for 2019/20.

1.7 Appendices:

Appendix 1 – Transport Strategy Annual Information Report
Appendix 2 – Transport Strategy Data Factsheet

1.8 Contact officers:

Colin MacDonald, Senior Manager Technical and Regulatory Services, 0191 643 6620
Andrew Flynn, Integrated Transport Manager, 0191 643 6083
John Cram, Integrated Transport Officer, 0191 643 6122
Cathy Davison, Principal Accountant Investment (Capital) and Revenue, 0191 643 5727

1.9 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) [North Tyneside Transport Strategy](#) (approved by Cabinet on 8 May 2017)
- (2) [Tyne and Wear third Local Transport Plan \(LTP3\)](#)
- (3) [North East Transport Manifesto](#)
- (4) [North Tyneside Local Plan](#)
- (5) [Supplementary Planning Document LDD12 – Transport and Highways](#)
- (6) [North Tyneside Travel Safety Strategy](#)
- (7) [North Tyneside Cycling Strategy](#)
- (8) [North Tyneside Parking Strategy](#)
- (9) [North Tyneside Highway Asset Management Plan \(HAMP\)](#)
- (10) [North Tyneside Network Management Plan](#)
- (11) [North Tyneside Joint Health and Wellbeing Strategy 2013-2023](#)
- (12) [North Tyneside Hackney Carriage and Private Hire Licensing Policy](#) (approved by Cabinet on 24 February 2020)
- (13) [Equality Impact Assessment - North Tyneside Transport Strategy](#)
- (14) [Bike Life Tyneside 2019 report](#)
- (15) [Cabinet report 20 January 2020](#) 'Tyneside Air Quality Plan'
- (16) [2019 UK greenhouse gas emissions, provisional figures](#) (National Statistics and Department for Business, Energy and Industrial Strategy)

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There are no financial and resource implications directly arising from this report. This report provides the Annual Information Report relating to the North Tyneside Transport Strategy.

It is envisaged that all actions within the Transport Strategy itself can be delivered within existing budgets (the Local Transport Plan capital budget and Technical Services Partnership managed budget) or using specific external grant funding, where applicable. Any expenditure which cannot be contained within existing budgets will be reported to Council / Cabinet, as appropriate for a decision before any expenditure is incurred or committed.

2.2 Legal

The Authority is responsible for undertaking a number of transport-related functions and statutory duties under relevant pieces of legislation and those obligations are discharged via specific policies, plans and programmes which are approved by the relevant decision-making forum.

Some of the Authority's transport functions must be discharged through the North East Joint Transport Committee which is a joint committee established by the Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority (Establishment and Functions) Order 2018 or the Joint Transport Committee Tyne and Wear Sub-Committee. The Authority works with the Joint Transport Committee and its Tyne and Wear Sub-Committee on a range of transport-related matters.

By virtue of section 9D of the Local Government Act 2000 any function of the Authority is the responsibility of the Executive unless there is a contrary intention expressed in legislation. There is nothing in the Acts referred to in this section or the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 that indicate that the Transport Strategy is not to be a matter for Cabinet.

2.3 Consultation/community engagement

There are no consultation or community engagement implications directly arising from this report. This report provides the Annual Information Report relating to the North Tyneside Transport Strategy.

Actions within the Transport Strategy itself involve engagement as appropriate: for example, the Authority continues to engage with schools in the borough to encourage children and their parents to travel actively to school or use 'park and stride' as described in section 1.5.3.

Major scheme investment delivered in the context of the Transport Strategy, such as the North Bank of the Tyne transport scheme, has involved considerable engagement with local residents, businesses and other stakeholders, including drop-in events, e-bulletins and updates via social media. The Authority also engaged extensively and constructively with residents in West Allotment to address a specific issue related to through traffic diverting along a local road, during the construction of Highways England's A19 Silverlink major scheme.

2.4 Human rights

There are no human rights implications directly arising from this report.

2.5 Equalities and diversity

There are no equalities and diversity issues directly arising from this report. An Equality Impact Assessment was undertaken at the time of the approval of the Transport Strategy and was reviewed in June 2020 in light of the Covid-19 pandemic.

2.6 Risk management

There are no risk management implications arising directly from this report. Strategic and operational risks associated with transport matters are assessed via the established corporate process.

2.7 Crime and disorder

There are no crime and disorder implications arising directly from this report.

2.8 Environment and sustainability

There are no environment and sustainability issues directly arising from this report.

PART 3 - SIGN OFF

- Chief Executive ☐
- Head(s) of Service ☐
- Mayor/Cabinet Member(s) ☐
- Chief Finance Officer ☐
- Monitoring Officer ☐
- Head of Corporate Strategy and Customer Service ☐

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North Tyneside Transport Strategy Annual Information Report 2019/20



North Tyneside

Transport Strategy Annual Information Report 2019/20

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1. Introduction

The North Tyneside Transport Strategy was adopted by Cabinet on 8 May 2017 and sets out the Authority's vision for transport in the borough. It seeks to ensure that "North Tyneside will have a safe, easy to use, healthy, affordable, accessible and integrated travel and transport infrastructure that works for residents, businesses and visitors effectively and efficiently". It sets out five principles which are key to achieving this. In order to provide regular information about transport in North Tyneside the Transport Strategy contains a commitment to provide an annual information report to Cabinet.

Strategic policies that feed into the Transport Strategy are the:

- Our North Tyneside Plan 2020 – 2024;
- Local Plan 2017 – 2032; and
- Health and Wellbeing Strategy 2013 – 2023.

The Authority's policies and strategies specific to transport matters, which are aligned with the Transport Strategy, are the:

- Local Development Document LDD12 – Transport and Highways;
- North Tyneside Cycling Strategy;
- North Tyneside Travel Safety Strategy;
- North Tyneside Parking Strategy;
- North Tyneside Highway Asset Management Plan (HAMP); and
- North Tyneside Network Management Plan.

2. The Transport Strategy Annual Information Report

The purpose of the annual information report is to demonstrate progress against delivery of the North Tyneside Transport Strategy. This report covers the period 1 April 2019 to 31 March 2020 and sets out relevant local transport data over that period of time.

In July 2019 the Authority declared a Climate Emergency, and seeks to halve its own and the borough's carbon footprint by 2023 and commits that itself and the borough will be carbon neutral by 2050 in line with the national target. This is in line with the first of the Transport Strategy's five principles, which includes a commitment to assist in reducing carbon emissions, by encouraging modal shift and taking part in regional initiatives to encourage wider adoption of low-carbon technologies in vehicles and transport infrastructure.

A summary of the Authority's detailed transport policies and strategies which sit beneath the Transport Strategy is provided as Appendix A.

2.1 Performance 2019/20

The five principles of the Transport Strategy guide the Authority actions and act as a framework for measuring performance. The annual information report summarises the Authority's performance against each of the principles below:

- Principle 1 - Improve safety, health and well-being outcomes and sustainability; in relation to people, communities and the environment;
- Principle 2 - Support economic growth; through effective movement for people, businesses and goods and to support the regional aim of "more and better jobs";
- Principle 3 - Improve connectivity; with all parts of the borough, the region, the rest of the country and the world;
- Principle 4 - Enable smart choices for all; help people, businesses and visitors find out how to get to where they need to; and
- Principle 5 - Manage demand; on transport networks and assets and address current and future transport challenges.

A "Transport Strategy Data Factsheet" summarising the key performance data for 2019/20 has also been produced and is included in Appendix B to this report.

3. Principle 1 - Improve safety, health and well-being outcomes and sustainability; in relation to people, communities and the environment

3.1 Road Collisions

As shown in the Collisions by Year and Severity 2015-2019 graph included in the Data Factsheet in Appendix B, the total number of collisions in North Tyneside has shown a broadly steady trend over the last three years.

The figures for North Tyneside, like those for all other local authorities in the region, have been affected by the change in Police reporting methods which took place in 2016. This has resulted in a change in the proportions of Serious and Slight collisions. The change in reporting has resulted in an increased number of collisions being interpreted as Serious, e.g. where casualties are detained in hospital or suffer from a fracture, concussion or burn. Serious collisions are reported within the category of KSI (those in which one or more individual is killed or seriously injured).

The standard practice is to record an authority's performance based on a rolling 3 year average, which gives a clearer picture of the underlying trend despite possible annual variation in the data.

For the three types of collision recorded:

- Collisions in which one or more individual is killed or seriously injured (KSI) – following the change in Police reporting of Serious collisions described above, the 3-year average figure for KSI for 2017-19 was 62. For comparison, the baseline average figure for 2005-09 was 63 (note that this was before a change in Police reporting which affected which collisions were classed as Serious).
- There was a decrease of around 15% in collisions in which a child is killed or seriously injured (Child KSI) compared with the baseline – over the period 2017-19 there was an annual average of 11 such collisions, compared with an annual average of 13 during the baseline years 2005-09.
- Collisions classified as Slight – the 3-year average figure for 2017-19 was 257, which has more than halved (57% lower) since the 2005-09 baseline average figure of 603.

When comparing the figures for 2019 with 2018, overall serious collisions have shown a decrease (of 9.4%¹), which compares very positively with the regional picture. This may in part reflect the substantial major scheme investment which the Authority has undertaken in recent years to improve traffic movements and pedestrian and cycle crossing facilities at major junctions.

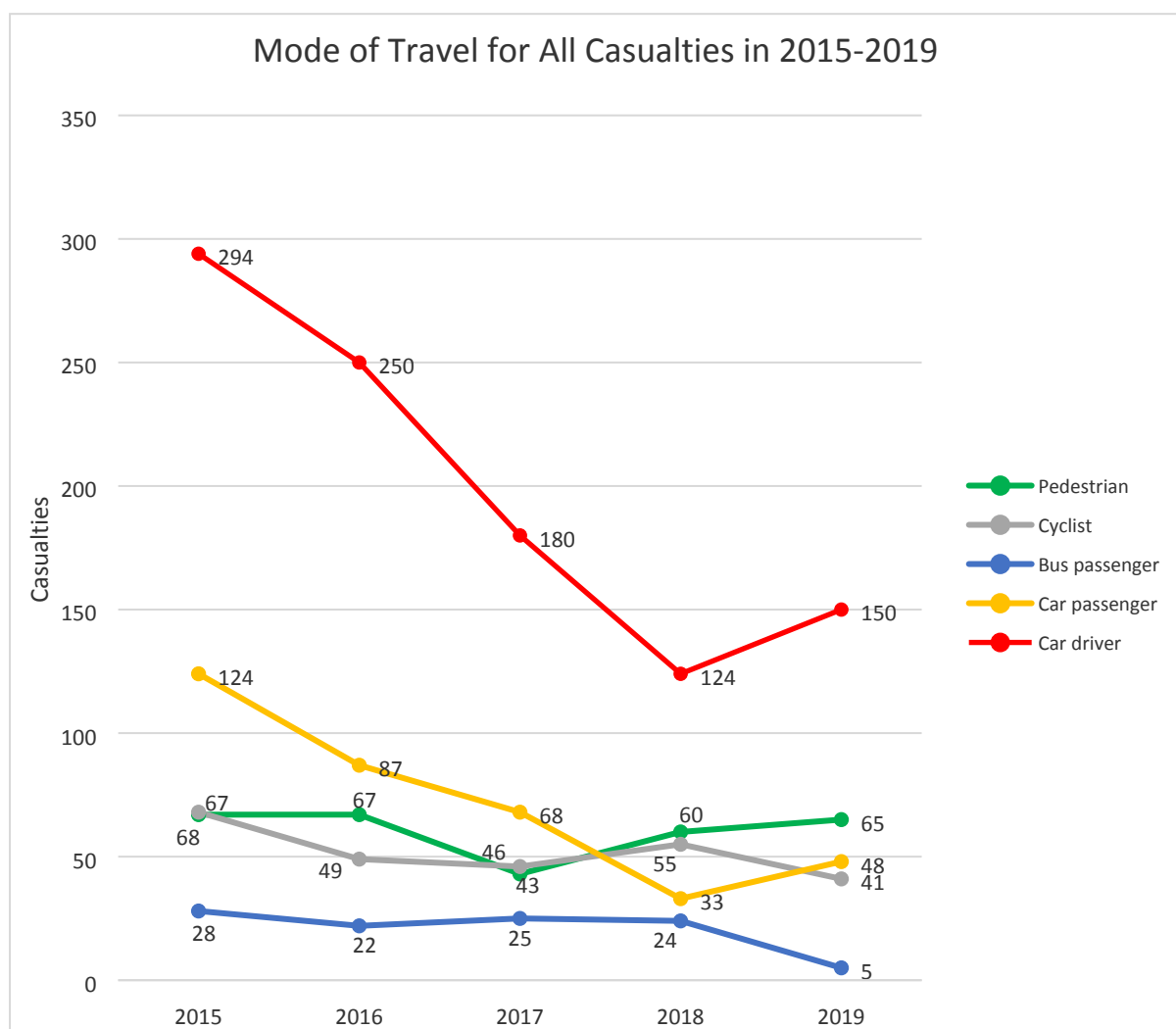
Nevertheless, the total number of casualties has increased to a limited extent (by 4.4%), despite the clear declining trend over the last five years.

[1] The total number of collisions in 2019 was 260, as in 2018, however fewer of these were classed as Serious. The total number of casualties in 2019 was 309 compared with 296 the previous year.

3.1.1 Casualties by mode of travel

The graph below shows how all casualties are distributed across different travel modes, specifically walking, cycling, as a passenger (car or public transport), and as a car driver. The data shows that in 2019 around a third (34%) of casualties were walking or cycling, around one in six (17%) were a passenger and just under half (49%) were driving.

Figure 3.1: Mode of Travel for All Casualties



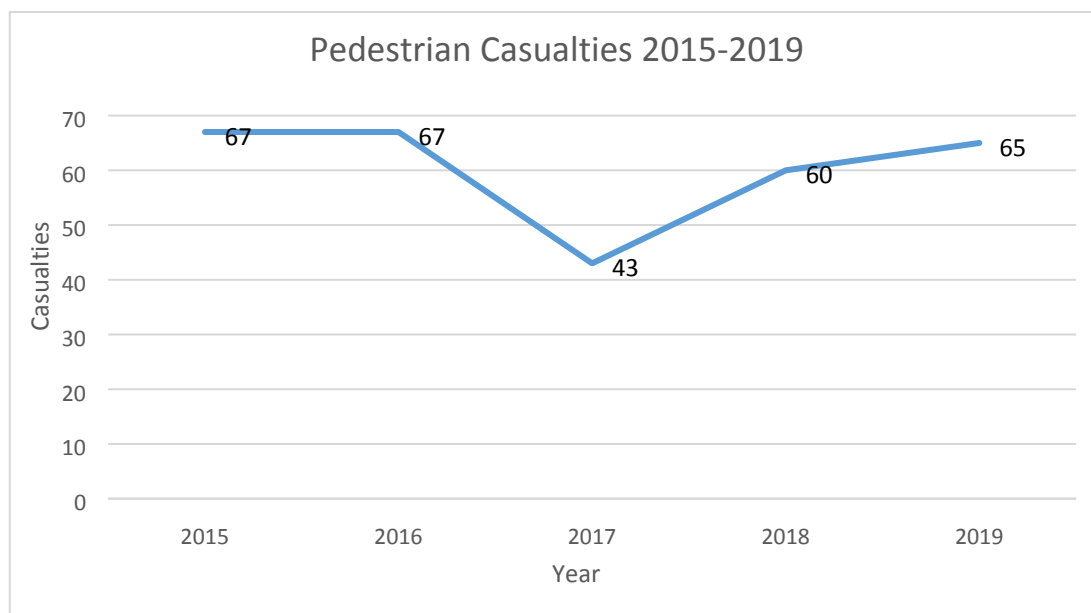
The numbers of casualties involving car drivers and car passengers both increased in 2019, although over recent years these have shown a clear decreasing trend and both remain substantially below 2017 levels. By contrast, casualties involving bus passengers decreased substantially in 2019, having been largely static over previous years. However, the trend in pedestrian and cycling casualties is less clear, despite a notable decrease in cycling casualties in 2019: these are discussed in more detail below.

3.1.2 Casualties involving pedestrians

The graph below emphasises how numbers of pedestrian casualties on the highway network have been quite consistent in recent years except for 2017, which saw a lower number of pedestrian casualties: the average annual number of pedestrian casualties over 2015-2019 was 60.4. In 2019, 21% of the recorded casualties were pedestrians.

Pedestrians are vulnerable road users and are almost always injured when in a collision with a vehicle. The Authority continues to invest in upgrading and introducing additional crossings across the network to support the safe interaction of pedestrians and highway traffic. The Authority continues to review the details of pedestrian-related collisions that have occurred to assist in directing funds to the appropriate interventions.

Figure 3.2: Pedestrian Casualties



3.1.3 Collisions involving cycling

The graph below shows how the number of collisions involving cyclists since 2015 has followed a broadly decreasing trend, with some variation between years: note that this is against a background of increasing cycling. As identified in the North Tyneside Cycling Strategy the Authority has ambitious growth targets for cycling of 7% per year and aim to develop a Network of Strategic Cycle Routes (“Tube Map”), see Appendix C. In view of this it is essential to support people in feeling confident that they can safely cycle to destinations in the borough.

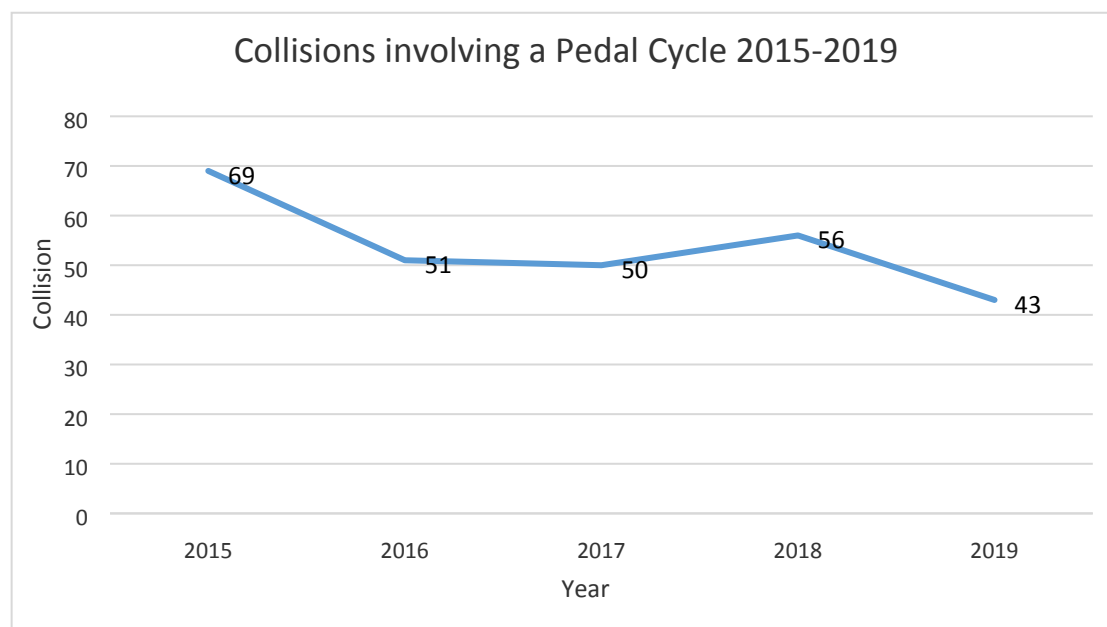
In 2019, 16.5% of collisions involved a cyclist: this remains a disproportionately high figure, when considering the proportion of work trips undertaken by cycling was 3% according to the 2011 Census. The Authority continues to review the details of cycling-related collisions that have occurred to assist in directing funds to the appropriate interventions.

The Authority is part of the Northumbria Safer Roads Initiative (NSRI) Partnership which in addition to speed camera enforcement undertakes a wide range of education, training and publicity initiatives, including media campaigns, to promote road safety. The Authority is also a partner in the North East Freight Partnership. Through its Fleet Operator Recognition Scheme (FORS), in 2019/20 the Freight Partnership offered two Safe Urban Driving courses, which provided HGV drivers with classroom-based training on how to behave safely around people cycling and offered the opportunity for the drivers to experience the road from a cycling viewpoint.

The Authority continues to deliver cycling training to school children through the Department for Transport’s (DfT) Bikeability programme: the number of training places delivered rose to 2,238 in 2019/20 compared with 1,978 the previous year. The Authority

continues to examine which Bikeability training modules are offered and how best it can deliver this. The North Tyneside Cycling Design Guide supports the delivery of appropriate infrastructure that supports increased cycling numbers and design considerations that improve safety.

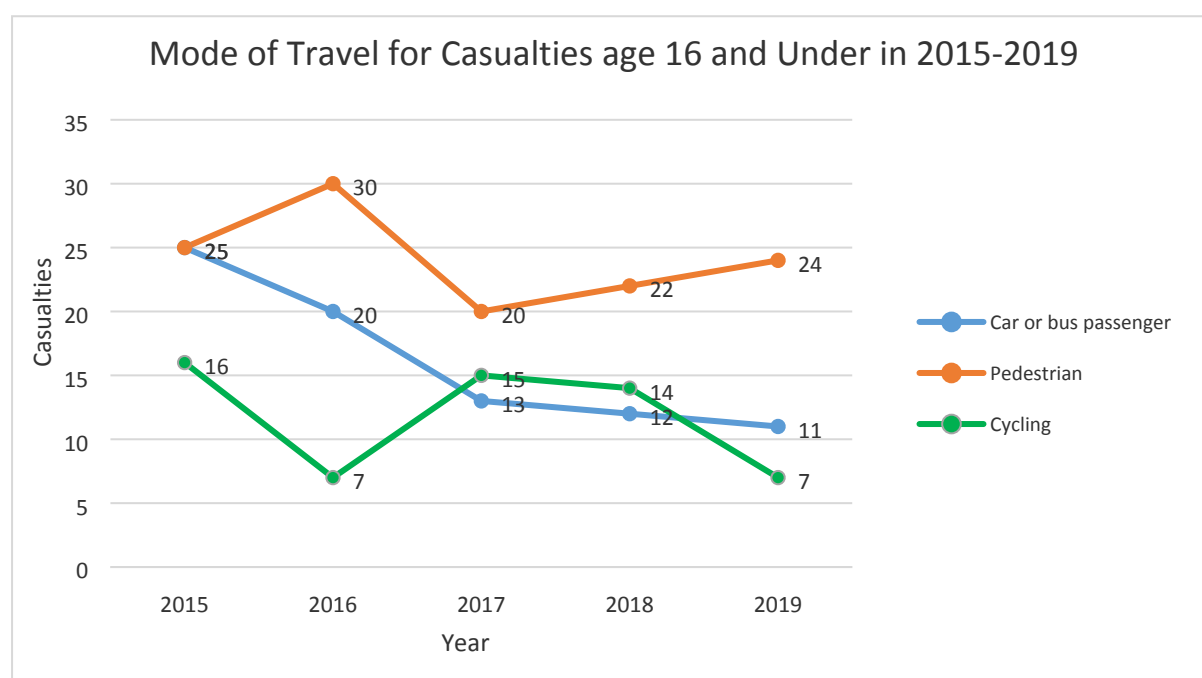
Figure 3.3: Collisions involving a Pedal Cycle



3.1.4 Casualties involving children

The graph below shows how those casualties involving children (16 and under) are distributed across different travel modes, specifically walking, cycling, and as a passenger (car or public transport). The data shows that casualties have been declining among children travelling as passengers, while the trend is less clear for walking and cycling trips.

Figure 3.4: Mode of Travel for Casualties age 16 and under



As part of the Go Smarter North Tyneside behavioural change programme (see details under Principle 4 below) the Authority is investing in infrastructure along routes to schools to support more sustainable travel choices. The Authority's Go Smarter work is coordinated with road safety training such that pupils are made aware of how to safely use the new and existing infrastructure and become confident in travelling by foot, child's scooter, or cycle. Continuously improving the safety record outside and around schools is a key focus in encouraging parents and children to travel more sustainably. The Authority produces an Annual Go Smarter Report which reports the shift to sustainable travel: the rate of sustainable travel to schools (for which the Authority has data) has risen by 6.4% to 66% since the Authority started its Go Smarter work, however when looking at the primary schools engaged by Go Smarter, the increase is 12%.

3.1.5 Collisions by speed limit

The charts below show 2019 collisions based on the speed limit and classification of the roads where they occurred. The chart shows that only 10% of collisions occurred on a road subject to a 20mph limit, some of which will be outside of a residential 20mph zone, despite around three-quarters of the local highway network being subject to a 20mph limit.

While the risk of a collision occurring is more closely related to traffic volumes than traffic speeds, traffic speeds have a significant bearing on the severity of a subsequent collision. The chart shows that most collisions occur on 30mph roads which only account for around 15% of the local highway network, the majority of which are A and B roads where traffic volumes are substantially higher.

Figure 3.5: Collisions by Speed Limit 2019

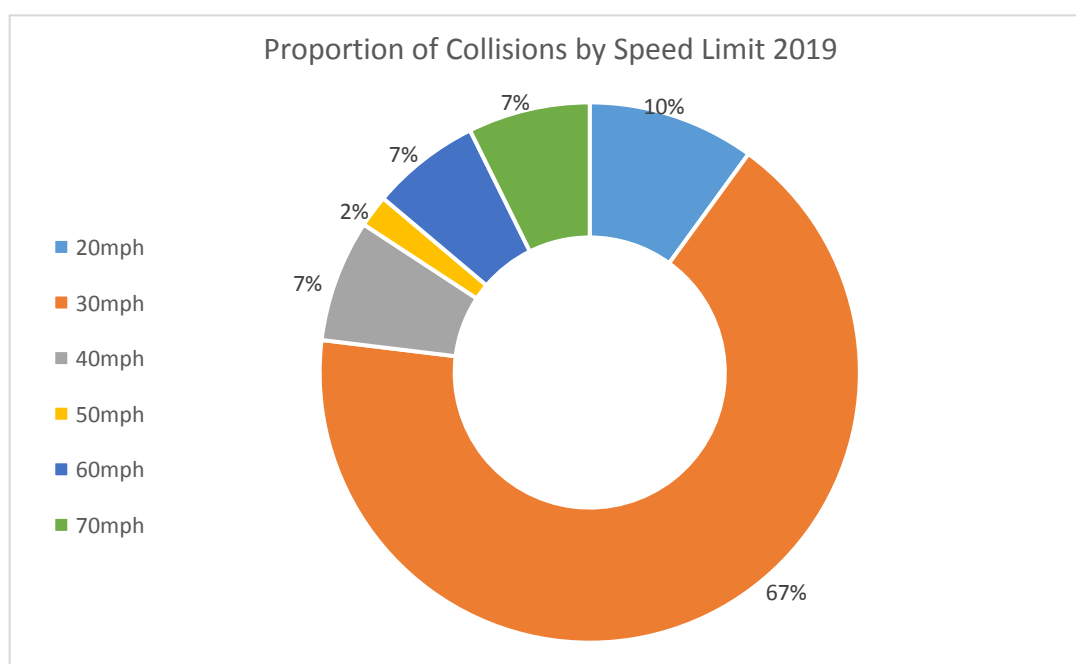
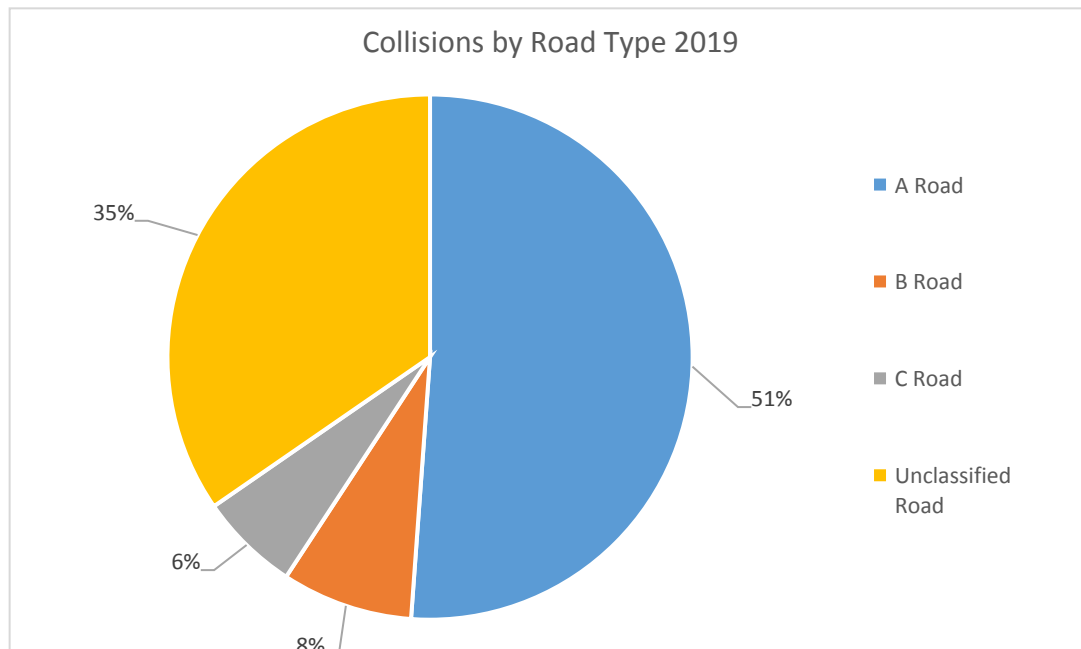


Figure 3.6: Collisions by Road Type 2019



3.1.6 Collision cluster locations

The Authority has delivered a significant highway investment programme which started in 2014. The majority of the main highway congestion hot-spots and locations of road safety concern have been subject to junction improvements by way of a major scheme. This has had a profound effect upon the latest collision cluster analysis, which was previously dominated by these locations.

A cluster site is identified as a location where more than 5 collisions have occurred over a 3 year period within a 50m radius. The table below identifies the six locations where these criteria were met (for the period 2017-2019) and identifies what current and future schemes will seek to address them. This is a reduction on the seven cluster locations identified last year (2016-2018) and nine cluster locations identified in the previous year (2015-2017). Three of the clusters remain from last year while three of the clusters are new, two of which were clusters in 2015-2017. A plan of the Collision Cluster Locations is included in Appendix D.

Table 3.2: Cluster Locations within North Tyneside

(where more than 5 collisions have occurred over a 3 year period within a 50m radius)

| Cluster Location | Cluster Rank | Slight | Serious | Fatal | Daily Traffic Volume (Est.) | Proposed Scheme or Measures |
|---|---------------------|---------------|----------------|--------------|------------------------------------|--|
| A19 Fisher Lane (Seaton Burn) roundabout | 1 | 13 | 2 | 0 | 50,000 | Road managed by Highways England. Potential for improvements to be considered as part of the national Road Investment Strategy beyond 2025. |
| A188-A191 Four Lane Ends junction | 2 | 4 | 3 | 0 | 30,000 | Following major scheme investment, number of collisions in the vicinity of the junction decreased from 10 in 2014 to 4 in 2015 (year scheme was completed) and 2 in 2016. Since then, the junction and links have experienced a significant increase in traffic volumes associated with A189 Killingworth Road Bridge closure. Continue to monitor following A189 reopening. |
| A19 Silverlink roundabout | 3 | 5 | 1 | 0 | 70,000 | Completed Highways England major scheme. All collisions are from prior to/during major scheme construction. |
| A186 Station Rd / Mullen Road | 4 | 5 | 1 | 0 | 15,000 | Recent works funded by a developer (East Benton Rise) under a Section 278 agreement. |
| A193-Norham Road roundabout | 5 | 6 | 0 | 0 | 12,000 | Some remodelling of junction as part of recent major scheme. Majority of collisions are from prior to/during major scheme construction. |
| A186 Station Rd / A1058 Coast Rd roundabout | 6 | 6 | 0 | 0 | 20,000 | Works to be funded by a developer (East Benton Rise) under a Section 278 agreement. |

3.2 Scheme delivery

During 2019/20 the Authority delivered:

- 15 LTP road safety schemes aimed at e.g. addressing local sections of highway subject to excessive speeding and improving crossing provision on busy roads;
- 4 schemes aimed at improving access to public transport;
- 32 parking improvement schemes (double yellow lines, etc.);
- 9 LTP sustainable travel schemes aimed at improving sustainable links: many of these were delivered in conjunction with the Go Smarter programme to improve links around schools; and
- cycling infrastructure:
 - approximately 3.5km of new or upgraded cycle route infrastructure (through major transport schemes and the Authority's Local Transport Plan, LTP, programme);
 - approximately 5.3km of improvements to dust-surfaced paths such as the Waggonways;
 - 7 access improvements;
 - 12 heavy vegetation cuts; and
 - 12 signage, markings and street furniture improvements.

Six major schemes have been delivered with two currently under construction which includes developer funded works.

One of the road safety improvement schemes was introduced on The Links in Whitley Bay (phase 1 delivered in 2018/19; phase 2 in 2019/20). The scheme was developed in consultation with local residents following a fatal collision in May 2017, which involved excessive vehicle speeds. Prior to the fatal collision, the section of road had 10 collisions in a five-year period. The scheme involved:

- extending the 30mph speed limit further north;
- installing a raised table parallel crossing next to the Brierdene car park; and
- landscaping the central reservation for the length of the dual carriageway section.

Highway maintenance work delivered in the borough is reported separately as part of the HAMP (Highway Asset Management Plan) Annual Report, which is provided to Cabinet in Autumn each year.

3.3 Road safety and speed monitoring

The Authority has a rotation programme for driver speed feedback signs ('your speed' indicators), also known as Variable Message Signs (VMS), which covers a total of 127 locations. This data can be used if any issues are highlighted at these locations. In such cases the Authority undertakes a review of existing highways infrastructure at these locations and identifies if any additional mitigation measures are required. The feedback signs themselves usually achieve a reduction of approximately 3-4mph bringing speeds into compliance with the signed speed limit and therefore provide a positive effect for local residents.

Some of the Authority's VMS signs are approaching the end of their functional life and the Authority is two-thirds of the way through a three-year replacement programme. The Authority have purchased 'Smiley Face' VMS units for use in the School VMS Programme: these units display the driver's speed as well as a green happy face or red angry face as appropriate. An example of the sign is shown below.

Figure 3.7: 'Smiley face' driver feedback sign



Below are the different Driver Speed Feedback Sign rotation programmes which the Authority is currently running:

- Residents' VMS Programme

This programme was developed to reduce speeds in locations where there was a perceived speeding problem. These VMS are at each location 4-5 times per year.

- School VMS Programme

In addition to 20mph zones and associated signage these units are rotated around schools in the borough. These VMS are at each location 6 times per year. During school holiday times these units are used at various locations in Tynemouth and Beacon Drive in Wideopen.

The Authority also has Permanent VMS 'flashing 20' units at nine school sites: owing to the age of these units the Authority is currently considering options for these locations.

- Ward Rotational Programme

This programme involves the VMS being at each location up to 10 times a year.

- Ad-Hoc VMS Programme

This programme is the most utilised programme and was developed for one-off requests to deal with potential issues around speeding in various locations across the borough and enables us to receive data regarding the volume and speed of vehicles. The Authority has two sets of units which remain on site for two weeks so they can cover 52 sites per year.

In addition, the Authority has fixed feedback signs at the following locations:

- Beaumont Drive (St Mary's ward);
- Park Lane (Valley ward);
- Park Avenue (Whitley Bay ward);
- Battle Hill Drive (Battle Hill ward); and
- Seatonville Road (Monkseaton South ward).

The Authority undertakes an analysis of the DfT Trafficmaster data for the borough to identify roads where speeds are in excess of DfT recommended tolerances. For each of the identified roads the Authority reviews the locations to assess whether it is appropriate for any physical measures to be introduced, and to add the location to the Ad-Hoc VMS Programme and review the data collected from the VMS units.

3.4 Perceived Safety

Planning and design is crucial for creating safe and sustainable public transport options. People can be discouraged from using public transport facilities if there are safety and security issues, which reduce their quality of life by creating a barrier to using these facilities.

Nexus undertake Customer Satisfaction Surveys on the Metro and buses operating within Tyne and Wear. The feedback they have received on personal safety is below:

- Metro (average score out of 10)
 - Your personal security approaching the station is 7.4
 - Your personal security at the station is 7.3
 - Your personal security on trains is 7.0
- Bus (Percentage of people who answered yes to the questions)

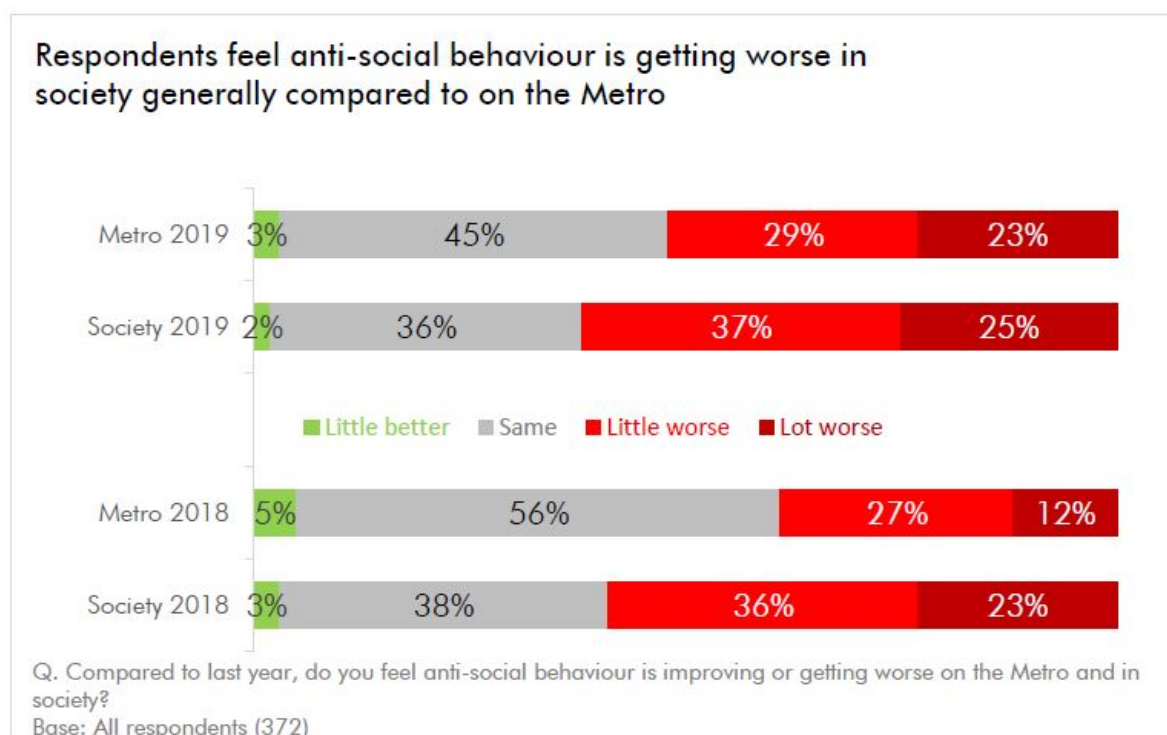
Table 3.4: Perceptions of Safety from Nexus Customer Satisfaction Surveys on the bus in Tyne & Wear

| Survey question | 2017/18 | 2018/19 | 2019/20 | 2019/20 sample |
|--|---------|---------|---------|----------------|
| Do you feel safe travelling on the bus in darkness? | 94.1% | 95.2% | 94.9% | 453 |
| Do you feel safe travelling on the bus in daylight? | 100.0% | 100.0% | 99.9% | 3,918 |
| Do you feel safe waiting at this bus station in darkness? | 94.1% | 94.9% | 94.7% | 453 |
| Do you feel safe waiting at this bus station in daylight? | 96.1% | 94.9% | 94.5% | 3,920 |
| Do you feel safe walking to and from this bus station in darkness? | 88.3% | 85.9% | 83.7% | 2,237 |
| Do you feel safe walking to and from this bus station in daylight? | 99.9% | 100.0% | 99.9% | 3,919 |
| Do you know if this station is covered by CCTV? | 51.3% | 59.1% | 62.9% | 3,339 |
| Have you witnessed any Anti-Social Behaviour? | 3.9% | 4.1% | 4.3% | 3,339 |

Nexus have created an Insight Panel open to people living in Tyne and Wear, Northumberland and Durham. Members are asked to complete a short online survey once a month with the results shared on the Nexus website.

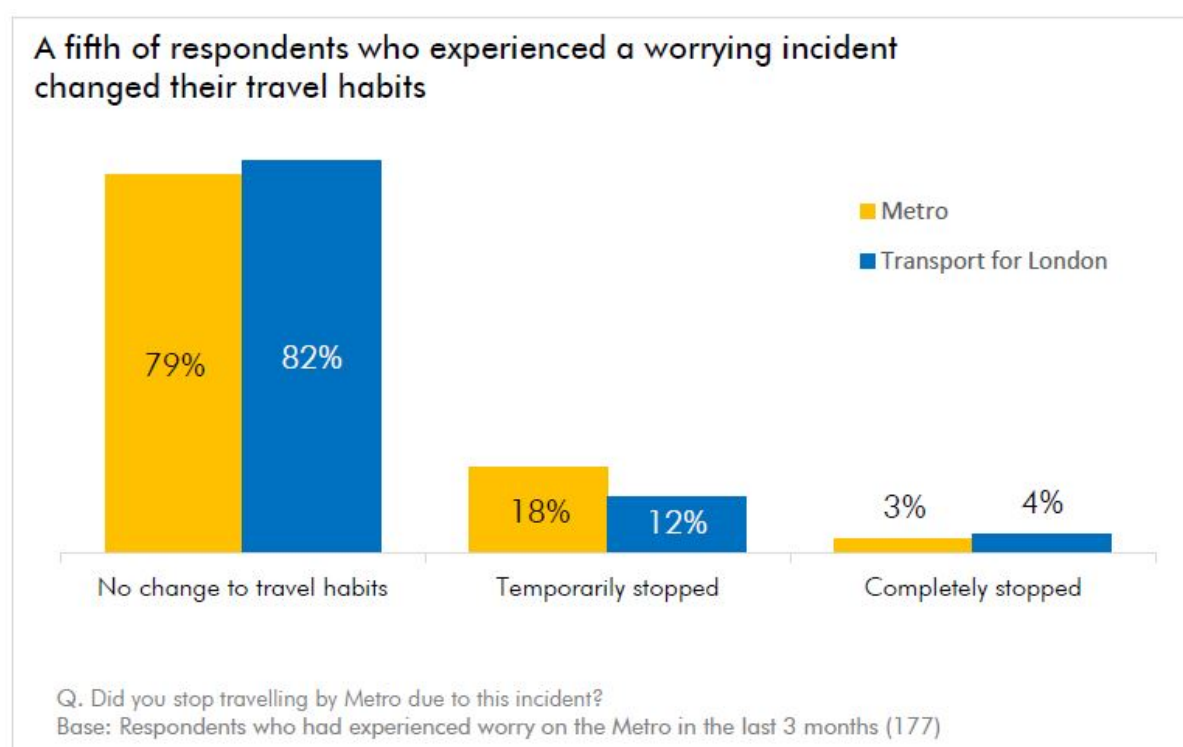
The figure below from the Nexus Insight Panel show that more than half of respondents feel that anti-social behaviour is getting worse on the Metro, although a larger number also feel that it is getting worse in society as a whole.

Figure 3.8: Perception of anti-social behaviour on the Metro from Nexus Insight Panel Survey for Tyne & Wear 2019



The figure below from the Nexus Insight Panel show that a fifth of respondents who experienced a worrying incident changed their travel habits with 3% of them completely stopping using the Metro.

Figure 3.9: People who changed their travel habits on the Metro due to an incident from Nexus Insight Panel Survey for Tyne & Wear 2019



In order to support personal security, Nexus, as operator of the Metro network, provides the following:

- regular co-ordination meetings with Police and other partners resulting in targeted interventions;
- displaying security telephone/text number at all stations and trains;
- periodic community reassurance exercises, with mobile staff on the Metro system interacting with the community;
- ensuring all stations meet the standard to comply with the relevant Safer Tram Stop/Station schemes; and
- over 600 station CCTV cameras, train CCTV and body-worn cameras for staff.

In addition, at Nexus-run bus interchange facilities:

- CCTV is installed at all interchanges;
- Nexus works extensively with Youth Offending Teams with regard to intervention and diversionary methods to deter willing individuals not to reoffend; and
- Nexus has a Schools Liaison Officer who works throughout Tyne and Wear.

3.5 Infrastructure for ultra low-emission vehicles

Many owners of electric vehicles (EVs) find it most convenient to charge their vehicles at home and overnight: charging overnight, when overall electricity demand is lower, also helps reduce carbon emissions further by maximising the use of renewable energy. Government grants are available for residents and businesses to install EV charging infrastructure at their premises. However, to encourage the use of EVs in preference to petrol or diesel vehicles, it is important that public charging infrastructure is readily available.

The Authority secured external funding to install EV Rapid charge points, serving 4 vehicles at once and capable of charging a vehicle in 20-30 minutes, at Beaconsfield car park in Tynemouth in 2019/20. There are also plans for new public EV charging provision in Whitley Bay, North Shields and Wallsend in 2020/21. The Authority will continue to review the opportunities for EV charging infrastructure in line with its Climate Emergency declaration.

3.6 Air Quality

Motor vehicles are a major source of air pollution at national level, particularly nitrogen dioxide (NO₂), and while North Tyneside has no locations where air quality exceeds national thresholds (exceedances), the Authority will continue to support wider efforts to improve air quality.

In 2017 the Government issued a legal order to a number of local authorities, requiring them to prepare a plan to bring reduce NO₂ emissions to below specified limits in the shortest possible time. This included a short section of the A1058 Coast Road between the A186 Station Road and the City of Newcastle boundary. As traffic patterns across the North Tyneside Council, Newcastle City Council, and Gateshead Council areas are interlinked, the three authorities worked jointly on a feasibility study.

Following two rounds of public consultation, in December 2019 the Tyneside authorities submitted a business case outlining the preferred plan. This involves the introduction of a charged Clean Air Zone ('CAZ C') in 2021 covering central Newcastle and each of the central Tyne bridge crossings (the Tyne, Redheugh, and Swing Bridges). The clean air zone charge will apply to all non-compliant vehicles except private cars.

In March 2020, it was confirmed that North Tyneside Council was in compliance with legal limits for nitrogen dioxide. This had been assisted by ongoing measures such as a programme to retrofit all buses travelling along the A1058 Coast Road bringing their emissions in line with the latest 'Euro VI' emissions thresholds. The retrofitting programme is due to conclude in 2020.

While North Tyneside is no longer subject to a legal direction on air quality, the Authority will continue to work with Gateshead and Newcastle Councils to deliver the Tyneside plan to address NO₂ exceedances.

4. Principle 2 - Support economic growth; through effective movement for people, businesses and goods and to support the regional aim of “more and better jobs”

The Authority’s highway investment programme has seen substantial junction and corridor improvements aimed at addressing longstanding road safety, congestion, and sustainable transport issues. The main objective of the majority of these schemes is to support economic growth at local employment sites and provide improved access to these locations by all transport modes.

Around £18m has been invested, the majority of which is external funding, to deliver six major schemes which have been recently completed or are currently on site, as shown in the table below; two of these schemes have additional phases involving works delivered by a developer.

Table 4.1: Recent Major Scheme Delivery Programme in North Tyneside

| Scheme | Construction start date | Construction end date |
|--|--------------------------------|------------------------------|
| North Bank of the Tyne | September 2017 | March 2019 |
| A189 Corridor (Salters Lane) – Cycle Improvement Scheme Includes developer funded works to be delivered | September 2018 | January 2020 (for phase 1) |
| A1056 Weetslade Corridor Includes developer funded works to be delivered | March 2016 | August 2017 (for phase 1) |
| A1058 Coast Road Cycle Route Delivered in phases | July 2016 | March 2020 |
| Tyne View Terrace, Willington Quay - East Howdon – Cycle Improvement Scheme | August 2019 | March 2020 |
| Northumberland Park Metro to Cobalt Business Park – Walking and Cycling Improvements | July 2019 | March 2020 |

The major schemes completed in previous years which were jointly funded, using external funding from the Local Growth Fund (LGF), are subject to post-scheme monitoring and evaluation. There was a delay in undertaking some of this monitoring owing to the traffic impacts of the construction of Highways England’s Silverlink major scheme.

Following the completion of the Silverlink scheme, the data analysis and Monitoring and Evaluation reports are in preparation for the five major schemes listed below:

- A1058 Coast Road
- A19 Cobalt Corridor
- A1056 Weetslade Corridor Phase 1
- North Bank of the Tyne
- A191 Tyne View Park

The analysis will include comparisons of road safety, journey times, traffic volumes and speeds, cycling usage, carbon and noise. The early analysis to date is showing:

- Improvements in road safety;
- Air quality improved, traffic flowing better at new sites due to increased capacity and shorter queue lengths; and
- Cycling activity increased overall.

The Silverlink major scheme is now complete. It is the responsibility of Highways England, who will undertake the appropriate monitoring for this scheme – details will be included in a subsequent annual report.

The Silverlink scheme included cycling and pedestrian improvements, notably the construction of two new cycling-pedestrian bridges over the A1058 slip roads on the line of the Coast Road Cycle Route, which is one of the Strategic Cycle Routes defined in the North Tyneside Cycling Strategy, and a new cycling and walking route linking the A1058 with the Tyne Tunnel Trading Estate.

5. Principle 3 - Improve connectivity; with all parts of the borough, the region, the rest of the country and the world

The Authority, through its highway investment programme, has delivered the provision of new cycling infrastructure to support growth in cycling. Across the major schemes and Local Transport Plan (LTP) programme approximately 3.5km of cycle route infrastructure has been delivered in 2019/20. There have also been approximately 5.3km of improvements to dust surfaced paths such as the Waggonways, 7 access improvements, 12 heavy vegetation cuts and 12 signage, markings and street furniture improvements.

Following a major refurbishment, the Tyne Pedestrian and Cyclist Tunnels reopened in August 2019. As one of the only two cycling and walking links between North and South Tyneside, alongside the Shields Ferry, the tunnels form an important strategic link in the cycling and walking network and facilitate a sustainable journey to work for many commuters as well as numerous leisure trips.

As part of the Cycling Strategy a Strategic Cycle Network 'tube map' is published, included at Appendix C. The Authority continues to seek opportunities for the improvement and delivery of sections of the tube map. The Authority has delivered improvements to a number of sections of the tube map in 2019/20, including:

- delivering a high standard two-way cycle track along A189 Killingworth Road-Salters Lane (part of the Red route on the tube map: phase 1 completed; phase 2 developer-funded works to be delivered in 2020/21);
- cycle track at Tyne View Terrace, Willington Quay-East Howdon, linking to the recently re-opened Tyne Pedestrian and Cyclist Tunnels (Yellow route); and
- cycling and walking improvements between Northumberland Park and Cobalt (linking Red and Yellow routes).

The Authority is currently developing a North Tyneside Local Cycling and Walking Infrastructure Plan (LCWIP), in accordance with Government advice. The LCWIP has been based on the 'tube map' routes and cycling and walking improvements in town centres, and will be used for future bids for funding and in seeking developer funding.

6. Principle 4 - Enable smart choices for all; help people, businesses and visitors find out how to get to where they need to

6.1 Go Smarter in North Tyneside

In September 2017 the Authority launched the Go Smarter in North Tyneside behavioural change programme with a focus on reducing car trips for journeys to schools. The programme began with a phased approach, dealing initially with schools that had the most significant barriers to sustainable travel. As of the 2019/20 academic year, all 79 North Tyneside schools are now eligible for engagement.

For some schools, travel survey data has now been collected for three years, showing positive results which indicate that the programme is delivering a shift towards sustainable travel. While the rate of sustainable travel to schools (those for which the Authority has data) has risen by 6.4% to 66% over the period, when looking at the primary schools engaged by Go Smarter, the increase is 12%.

The team delivers travel behaviour change activity in schools, including car-free days, site audits with pupils, assembly presentations and in-class sessions.

As part of the Go Smarter programme, the Authority is investing in infrastructure along routes to schools to support more sustainable travel choices. The infrastructure, such as new crossing facilities, is designed in conjunction with schools and pupils in order to improve local road safety, remove severance issues, and enhance routes to schools. Eight schools received, or are due to receive, infrastructure developments during 2019/20 academic year, with more identified and designed for the following year.

The Authority's Go Smarter work is coordinated with road safety training such that pupils are made aware of how to safely use the new and existing infrastructure and become confident in travelling by foot, child's scooter, or cycle. Continuously improving the safety record outside and around schools is a key focus in encouraging parents and children to travel more sustainably.

The Go Smarter team engaged with 5,876 school pupils in 19 separate schools over the 25 weeks of the 2019/20 academic year so far (prior to Covid-19 related school closures), which equates to 235 pupils per week.

There is considerable scope for Go Smarter to continue, adapting the Authority's delivery to concentrate on working directly with schools which have greater need for assistance, while providing an online resource and similar support to schools which have the capacity to promote sustainable transport to pupils and parents themselves.

6.2 Bikeability training and road safety education

In addition, the Authority continues to deliver cycling training to school children through the Department for Transport's (DfT) Bikeability programme: the number of training places delivered rose to 2,238 in 2019/20 compared with 1,978 the previous year. The Authority continues to examine which Bikeability training modules are offered and how best it can deliver this.

The Authority delivered road safety training to 3,820 pupils in the 2019/20 academic year (prior to Covid-19 school closures).

6.3 School Streets

North Tyneside took part in the national pilot of 'School Streets' events, in partnership with Sustrans and Public Health teams, at Monkseaton Middle School: the event involved the street outside the school being reserved for walking and cycling only around school start and finish times.

Following the success of this event, there are plans to engage in more 'School Streets' events. These make it easier for pupils, staff and parents to choose active travel for their journey to school, while also improving safety, congestion and air quality. Working in partnership with schools, this could ultimately lead to streets being regularly reserved for walking and cycling around school gates during the hours of school drop-off and pick-up, with permanent arrangements or changes to infrastructure where appropriate. Involving the school and parents and partnership working, e.g. with voluntary sector organisations, is an important means to take this forward.

6.4 Cycle counter equipment

The Authority has evidence for sustained cycling growth across a number of cycling sites. Unfortunately owing to the age of some of the automatic cycle counter equipment it is difficult to specify the level of growth across the borough.

The Authority therefore plans to undertake an exercise to review all of its cycle counter equipment and rationalise cycle counting technology to ensure that it is delivered in the most appropriate locations for the developing network (see also details of the Strategic Cycle Routes in chapter 5).

7. Principle 5 - Manage demand; on transport networks and assets and address current and future transport challenges

7.1 Cycling infrastructure

North Tyneside adopted its first Cycling Design Guide in March 2018 which sets out minimum requirements for delivering safe, well designed cycling infrastructure that supports the Authority's aspirations for growth in cycling journeys.

A major scheme in the Authority's investment programme has been the delivery of a 2.5km high standard segregated cycle route along the A189 corridor between the Haddricks Mill junction in Newcastle and West Moor roundabout in North Tyneside: phase 1 is complete, with the developer-funded phase 2 to follow. This was the first major investment that applies the recently adopted design principles in the Cycle Design Guide. The Authority has worked with Newcastle City Council coordinating its cross-boundary cycle infrastructure routes, with its construction works on this route delivered during the closure of Killingworth Road for separate Newcastle City Council works.

The Tyne View Terrace pedestrian and cycle scheme was completed in 2019/20 and consists of a new segregated shared use route connecting the newly opened Pedestrian and Cycle Tunnels with East Howdon, where cyclists can then join National Cycle Network (NCN) route 72.

The Northumberland Park Metro to Cobalt Business Park Walking and Cycling Improvement scheme was completed in March 2020 incorporating a new off-road cycleway and improvements to crossing facilities, funded from a variety of sources including developer funding, Government funding relating to air quality and the Department for Transport's Transforming Cities Fund.

7.2 Bike Life 2019 Tyneside report

Bike Life is the biggest assessment of cycling in urban areas in the UK and Ireland. It is delivered by Sustrans in collaboration with 17 cities/urban areas. The 2019 Bike Life report covers the Tyneside area (North Tyneside, Newcastle and Gateshead), expanded from the previous 2015 and 2017 reports which covered Newcastle only.

The information in the Tyneside report comes from local cycling data, modelling and an independent survey of a representative sample of residents, not only those who already cycle (1,298 residents aged 16 or above from April to July 2019), conducted by social research organisation NatCen.

Some findings in the 2019 Bike Life Tyneside report are as follows:

- 25% of all Tyneside residents do not cycle but would like to start. While one-third (33%) of residents feel that cycling safety is good, there is clearly scope to improve the network to provide safer cycling routes which are accessible for all
- 50% of adult residents do not have access to a pedal bike. Some local voluntary sector organisations work to expand access to bikes, e.g. by refurbishing second-hand bikes
- 44% of residents responded that they feel they should cycle more

- 72% of respondents said it would help them to cycle more if protected cycle tracks were provided – however only 14% of households currently have cycle tracks nearby (within 125m)

The graphic below shows the widespread support there is for delivering improvements to cycling safety, including among many people who do not ride a bike regularly at present.

Figure 7.1: Support for improving cycling safety

Many residents are less likely to cycle regularly, for example women and disabled people.

However, all groups want cycling safety to be improved.

Proportion of residents who cycle at least once a week

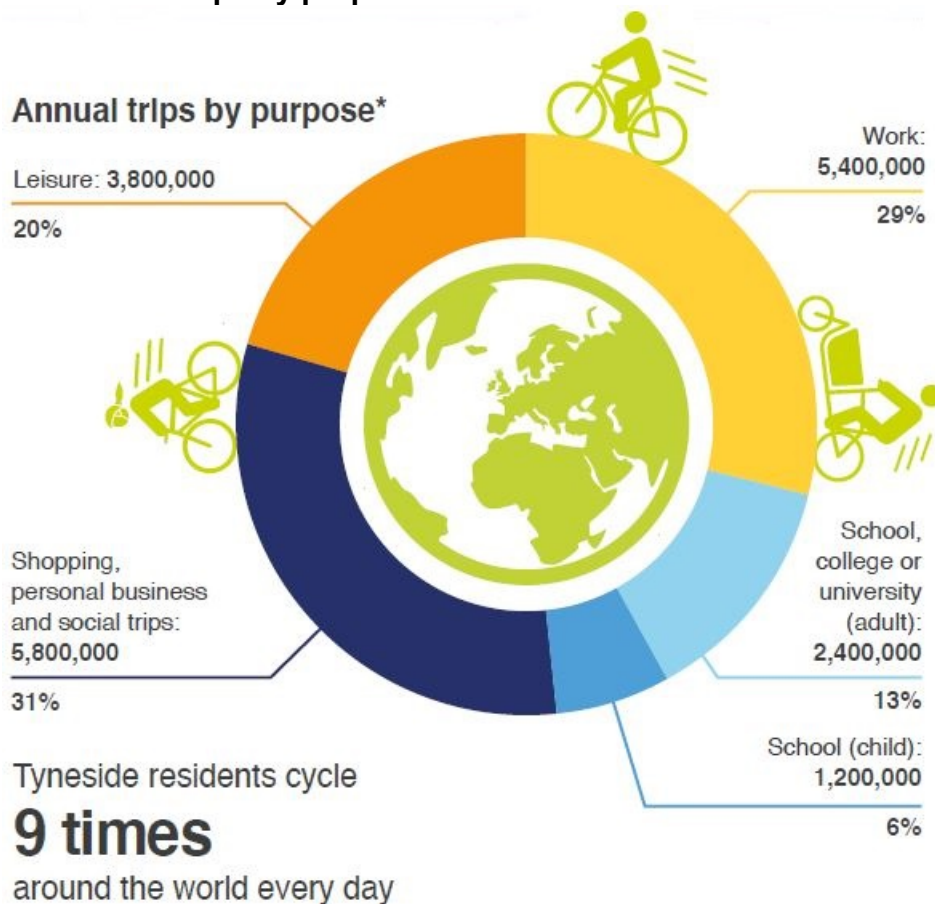


Proportion of residents who think cycle safety needs improving



The graphic below demonstrates that only 20% of cycling trips by Tyneside residents were for leisure, with a similar proportion travelling to school or college, while around three in every ten cycling trips were for work and a similar proportion for shopping/personal business.

Figure 7.2: Annual trips by purpose



The full Bike Life 2019 Tyneside report is available online at:

https://www.sustrans.org.uk/media/5955/bikelife19_tyneside_web.pdf

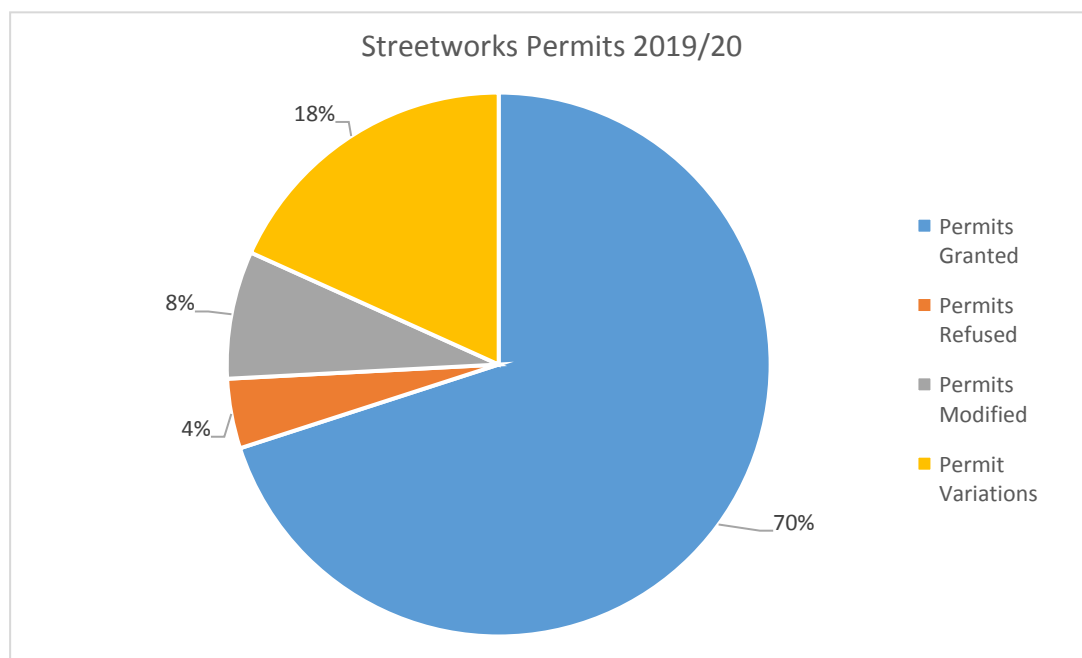
7.3 Managing streetworks

In support of effective management of the Highway Network, North Tyneside was the first local authority in the region to operate a Streetworks permitting system. This provides greater control over when and how utility companies carry out work on the highway network. The utility companies are required to provide 3 months' advance notice of any major works and submit traffic management proposals, which enables the Authority to challenge the traffic management arrangements if these would cause significant delays on the network or if works in the vicinity are already underway.

During the delivery of North Tyneside's programme of major transport schemes over recent years, the Streetworks permitting system has helped with the operation of the transport network as it enables the Authority to restrict any non-emergency works proposed by utilities on routes affected by major scheme construction.

The chart below shows that 30% (3,577) of the 11,930 permit requests received have been challenged or modified through the permitting process. The majority of these refusals are associated with identified conflicts in concurrent road works on the highway network. Those permit requests subject to modification or variation were associated with challenging and changing the traffic management proposals (avoiding the use of 3-way traffic signal control where possible), hours of operation (limiting works to off-peak hours only), and clarifications around specific works extents and locations. The permit system is working well with very few over-runs occurring on the network. The compliance rate on site is good, with very few Fixed Penalty Notices being issued for non-compliance.

Figure 7.3: Streetworks Permits 2019/20



7.4 Highway network management technology

The Authority has identified areas where technology can support its network management. This assists in ensuring that traffic signals operate efficiently to the benefit of all road users.

To support this approach, major signal controlled junctions across the 11 corridors defined in the North Tyneside Network Management Plan are being upgraded to be connected to the regional UTMC (Urban Traffic Management and Control) control room. The junctions are also being provided with additional real-time traffic counter equipment that can monitor and analyse fluctuations in demand on each approach allowing timings to be further refined remotely by the UTMC team.

This technology can be used to link all traffic signals within a corridor, e.g. to prioritise bus movements at peak times. It is proposed that the Authority's first UTC (Urban Traffic Control) corridor will be the A191 between Station Road (Forest Hall) and Four Lane Ends.

As part of a successful regional bid to the National Productivity Improvement Fund (NPIF) the Authority secured a substantial investment to upgrade and roll out new traffic management technology. This will include the completion of 11 journey time corridors which will install ANPR (Automatic Number Plate Recognition) and traffic cameras at key locations allowing real-time journey time information to be gathered and shared with the public. This data will allow more informed decisions to be taken about when and along which routes to travel across the borough.

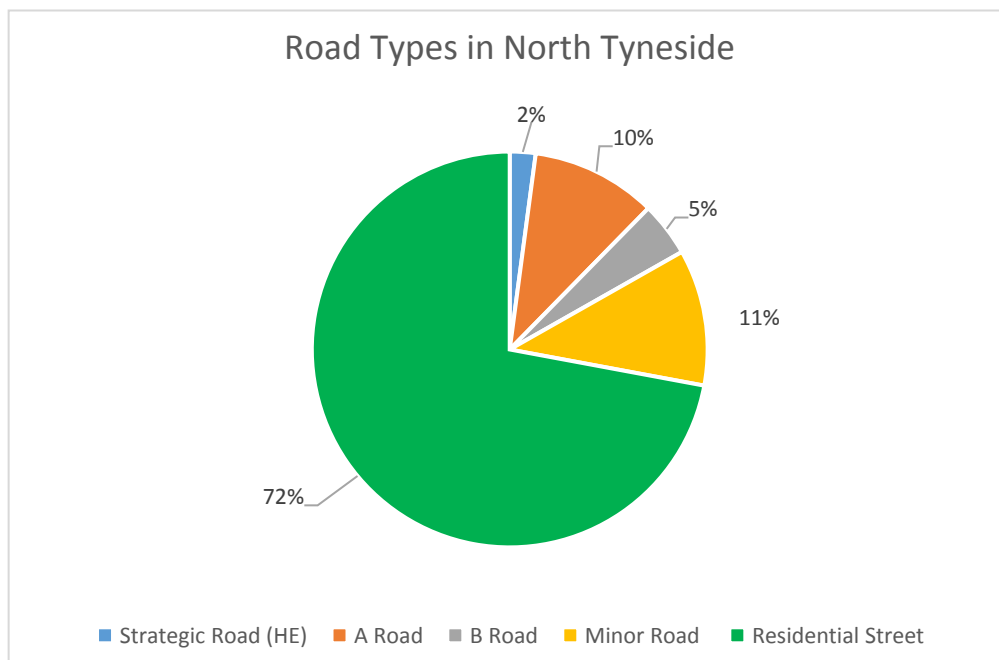
The ANPR and traffic camera data will also provide real-time incident monitoring capabilities allowing the regional UTMC control room to identify incidents and implement network recovery plans promptly to minimise delays and disruption caused. Those cameras already installed can be viewed [here](#).

Linked to this ANPR network will be several new VMS (Variable Message Signs) placed at strategic route decision making points around the highway network. These VMS displays will advise on current journey times being experienced along routes by different modes, advocate alternative routes if congestion is high, and report incidents that are likely to impact network operation.

7.5 Highway maintenance

In 2019/20 there was approximately 23.45km of carriageway resurfaced in North Tyneside. There were also 28 footway improvement schemes undertaken in 2019/20. The highway network incorporates roads of differing standard and class as shown in the graph below.

Figure 7.4: Road Types in North Tyneside



The North Tyneside Highway Asset Management Plan (HAMP) includes a commitment as Part 3 to provide an annual report on network performance in terms of maintenance and condition of assets. The annual HAMP report is submitted separately to Cabinet and therefore this report will not include further details of highway maintenance and condition.

8. Summary of performance

The annual report covers the period 1 April 2019 to 31 March 2020 and sets out relevant local transport data over that period of time.

The Authority's programme of investment during 2019/20 has seen work proceed to deliver six major schemes to improve the operation of its transport network, support its Local Plan objectives and improve provision for sustainable travel. The Authority has improved traffic management technology on its network, while supporting the efficient operation of the network by improved management of road works by utility companies through the Streetworks permit system.

The report highlights that the numbers of road collisions, and associated casualties, continue to decrease in North Tyneside. Serious collisions decreased in 2019, in contrast to the regional trend, while Slight collisions have more than halved since the baseline years 2005-09.

The figures suggest that the Authority's targeted major scheme investment has helped to reduce the number of collision cluster sites (those with more than five collisions over a three-year period within a 50m radius) – for the period 2017-19 there were six cluster sites, compared with seven in 2016-18 and nine in 2015-17 – although clearly there remains a need to continue the ongoing work to analyse and reduce road collisions. There is also a decreasing trend in the number of collisions which involve somebody cycling, even as everyday cycling becomes more popular.

To support the sustained growth in everyday cycling in North Tyneside, the Authority continues to invest in high standard cycling infrastructure: for example, the major scheme at the A189 Killingworth Road includes a 2.5km protected cycleway (phase 1 complete; developer-funded phase 2 to follow). Equally, it remains important to continue to engage in training which encourages people to travel more sustainably and supports road safety. Road safety education is offered in schools, and national standard 'Bikeability' cycling training is delivered to increasing numbers of children in the borough.

It will remain important to continue to engage with schools in the borough to encourage children and their parents to travel actively to school or use 'park and stride' rather than drive to school gates. Following North Tyneside's participation in the national pilot of the "School Streets" event, where the street outside a school was reserved for cycling and walking, working with Sustrans, there are opportunities to hold similar events more regularly. The Authority's ongoing 'Go Smarter' programme promotes the use of sustainable and active transport in schools, as well as involving children in identifying improvements to cycling and walking infrastructure, and is achieving a shift away from car use of up to 15%, which helps to support air quality and health objectives.

Since mid-March 2020, the COVID-19 pandemic has had substantial and wide-ranging effects on many aspects of people's life and work. As the Government begins to ease the national 'lockdown' measures, the ongoing restrictions on travel and requirement for social distancing will have a significant effect on how people travel for work and personal business and how goods are distributed. The Authority will continue to review the latest Government guidance so as to continue to manage the highway network safely and effectively whilst supporting residents, business and visitors during the recovery period.

This will include consideration of measures to support people's travel needs and local businesses in adapting to new circumstances, including reallocating road space to cycling and walking where appropriate. As part of this the Authority will look at ways to continue to maximise the air quality benefits obtained via the lockdown period, while recognising the need to reduce carbon emissions from transport to address the climate emergency.

Appendix A – Transport policies and strategies

The North Tyneside Transport Strategy provides the overall strategic context for transport in the borough, as described in section 2 of the main report.

This is supplemented by the following policies and strategies related to transport, which have been updated over the period 2017 to 2018:

North Tyneside Local Development Document 12 (LDD12) Supplementary Planning Document (SDP) - adopted May 2017

This document sets out in detail the policies and procedures adopted by the Authority with regards to the traffic and transport impacts of new development. The document focuses on the need to ensure sustainability in all new development and improved connectivity to local centres, schools and employment sites through new and enhanced infrastructure.

The document supports the housing and jobs growth requirements of the Local Plan whilst challenging development to; limit car based travel to 50% of trips, support an increase in public transport to 25% of trips, and sets a minimum target of 10% for walking and cycling trips.

The Travel Plan requirements for new developments have been made more rigorous to encourage developers to deliver on the robust targets outlined above and ensure the opportunity for sustainability travel is maximised from the outset.

The revised LDD12 was adopted by Cabinet in May 2017 and directly supports all of the principles set out in the Transport Strategy.

North Tyneside Parking Strategy – adopted February 2018

On average, 96% of the lifetime of a car is spent parked and parking management is an ongoing challenge. The revised strategy enabled the Authority to review charging levels with a consistent charge rate now applicable along the entire foreshore area with the added flexibility to pay for an all-day ticket that is transferrable for use along the coast.

The North Tyneside Parking Strategy also sets out a transparent and fair assessment procedure for considering requests for restrictions and permits. The new procedure aims to reduce the assessment time and allow prompt decisions to be taken with clear next steps shared with an applicant.

Parking forms an integral part of the Authority's transport strategy for the borough. It is essential that parking controls are transparent and consistently applied. This will become even more important as the regeneration of the borough brings new challenges and opportunities.

The new approach applies a "Solutions Tool" to any request that identifies the source of the problem and seeks to resolve inconsiderate parking through engagement first before resorting to restriction measures. When inconsiderate parking is causing an acute road safety or access restriction for services these requests will be expedited. If engagement

is unsuccessful at reducing the scale of the problem then requests would still result in restrictions being considered.

In relation to the design and provision of new car parking relating to developments brought forward through the planning process, the Authority's approach is set out in LDD12. The revised Parking Strategy was adopted by Cabinet in February 2018 and directly supports the principles set out in the Transport Strategy.

Highway Asset Management Plan (HAMP) – adopted in September 2017

The local highway network is the responsibility of local highway authorities. The local highway network is the largest, most valuable and most visible infrastructure asset for which the Authority is responsible. Well maintained and accessible highway infrastructure is vital and fundamental to the economic, social and environmental wellbeing of the communities of North Tyneside. The aim to maintain a good highway network is complementary to the Our North Tyneside Council Plan and the Authority's commitment to making North Tyneside a great place to live, work and visit. Resident surveys and other feedback show that a well-maintained highway network is a high priority.

The HAMP sets out the Authority's strategic approach to highway and infrastructure maintenance. In order to provide regular information about the highway and infrastructure the HAMP contains a commitment to provide an annual information report to Cabinet. The HAMP annual information report is presented to Cabinet in Autumn each year and provides information on work undertaken within the last 12 months, future planned activities and other items of general interest.

The HAMP supports all of the principles set out in the Transport Strategy.

North Tyneside Cycling Strategy – adopted March 2018

Cycling is a healthy and sustainable way of making everyday journeys, which often replace motorised journeys, and supporting the demand for increased participation in cycling can boost the local economy, people's health and quality of life, helping to make North Tyneside a great place to live, work and visit.

The revised Strategy supports and encourages the growth of cycling in the borough, with a focus on securing further growth in everyday cycling, working in partnership to deliver projects which get more people cycling of all ages and in all areas. Wherever possible, improving the borough's infrastructure and information, delivering a programme of works which makes everyday cycling simple, safe direct and attractive and supports the growth in everyday cycling.

The Cycling Strategy is supported by the North Tyneside Cycling Design Guide which provides design guidance to make sure that cycling is considered as part of all highway and regeneration projects and any new infrastructure is in line with best and emerging good practice.

The Cycling Strategy and supporting Design Guide were adopted by Cabinet in March 2018 and directly support all of the principles set out in the Transport Strategy.

North Tyneside Travel Safety Strategy – adopted March 2018

The refreshed Travel Safety Strategy has broadened the previous road safety remit to consider the safety of all users of the highway including, pedestrians, cyclists, horse riders, motorists and public transport patrons (bus/metro/taxi). A key aim for both the Authority's Transport Strategy and the North Tyneside Local Plan is to provide a safer environment for road users and to continue to reduce the number of people injured on the transport network in North Tyneside.

The Strategy sets out how the Council intends to further improve road safety by reviewing and improving infrastructure, increasing awareness and education of road safety matters and working in partnership to address travel safety concerns on the Authority's transport network.

The Strategy makes a commitment to report on performance against key road safety casualty reduction targets and progress against the actions set within the strategy itself. The Travel Safety Strategy was adopted by Cabinet in March 2018 and directly supports the principles of the Transport Strategy.

North Tyneside Network Management Plan – adopted October 2018

The refreshed Network Management Plan sets out how the Authority intends to “manage the peaks” in highway operations using a corridor-based approach to manage demand on the network through better use of technology, promoting behavioural change and investing in infrastructure improvements when it is appropriate to do so.

The Plan focuses on 11 key routes identified that cater for the majority of journeys undertaken across the Borough. The corridor based approach will seek to deliver a comprehensive network of links between key origins and destinations for all modes of transport and support greater levels of investment, deliver wider local benefits, and increase the opportunity for securing developer contributions through the planning system.

The Authority will develop a service standard that each corridor should aim to operate at based on measurable attributes such as journey time reliability, level of delay, duration and scale of congestion relative to off-peak average journey times, public transport service level, cycling provision and number of cyclists.

Please see attached the following Appendices to the report:

Appendix B – Transport Strategy Data Factsheet

Appendix C – Network of Strategic Cycle Routes (“Tube Map”)

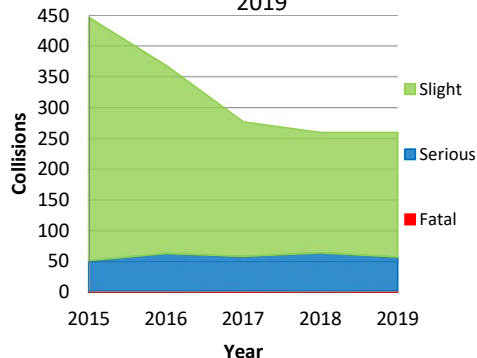
Appendix D – 2017-2019 Collision Cluster Locations

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Transport Strategy Data Factsheet 2019/20

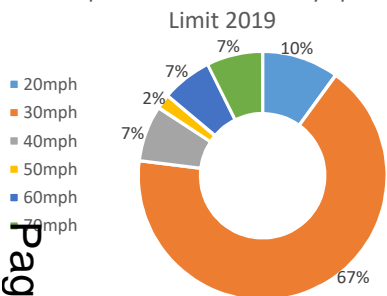
Road Safety

Collisions by Year and Severity 2015 to 2019

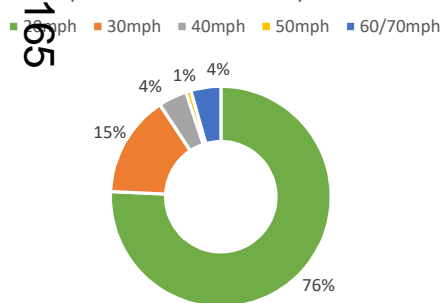


14% reduction in all collisions 2016-18 to 2019

Proportion of Collisions by Speed Limit 2019



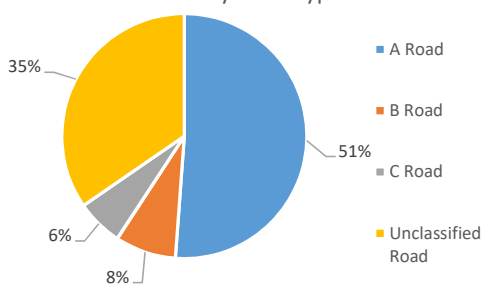
Speed Limits in North Tyneside



There are 6 Cluster Sites in North Tyneside within the 3 year period 2017 - 2019

A Cluster Site is defined by at least 5 Collisions within a 50m radius

Collisions by Road Type 2019



Sustainable Travel

Go Smarter delivered 23

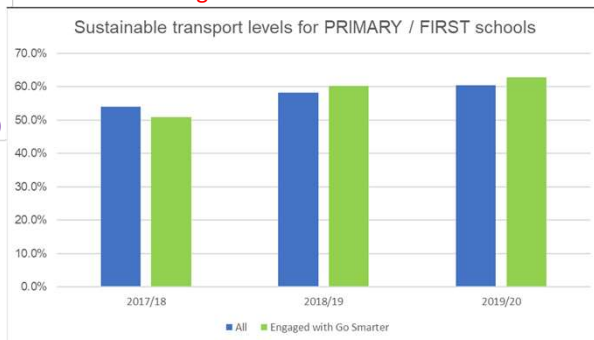
activities to 17 schools, collecting data from 57.

8 schools have received walking and cycling infrastructure in the 2019/20 academic year.

Surveys show over 66% of total school journeys (including secondary schools) are by sustainable travel, with a future target of 75%.



All schools figures are for 2019/20 academic year up to the March 2020 Covid-19 lockdown



Sustainable travel is 'Active' travel (walk, cycle, scooter) plus 'other sustainable travel (train / Metro, bus, park and stride)

Training Engaged with:

- 5,876 school pupils through Go Smarter;
- 2,238 received Bikeability Training; and
- 3,820 received Road Safety Training.



Cycling

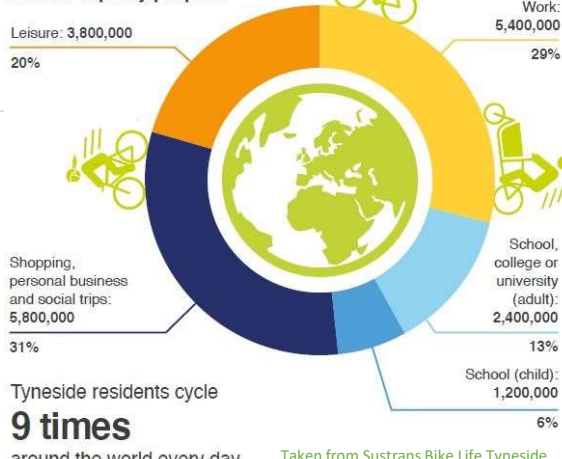
16 Schemes delivering approx. 8.8km new / upgraded infrastructure. Plus 7 Access Improvement Schemes.

Sustained cycling growth in North Tyneside.

Decrease in collisions involving cyclists from 56 to 43.

Sustrans Regional Cycling Behaviour Survey:

Annual trips by purpose*



Tyneside residents cycle

9 times

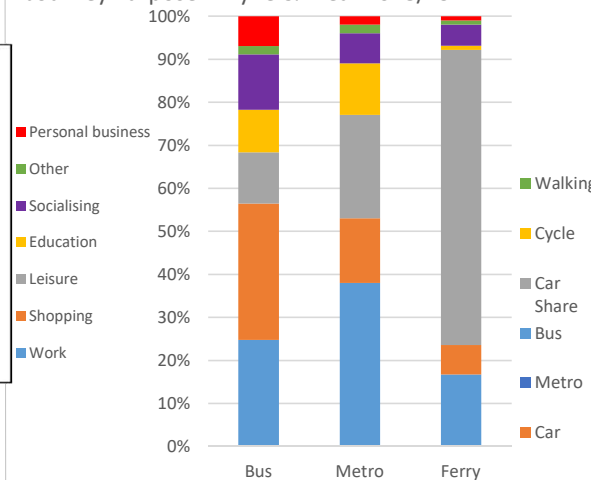
around the world every day

Taken from Sustrans Bike Life Tyneside

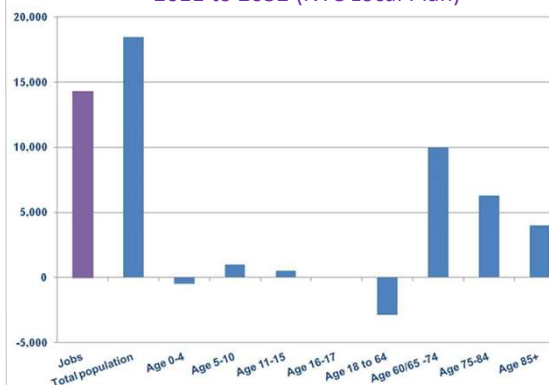
Note: The annual report covers the period 1 April 2019 to 31 March 2020, hence the data presented here generally precedes the 'lockdown' period associated with the Covid-19 pandemic.

North Tyneside Travel Trends

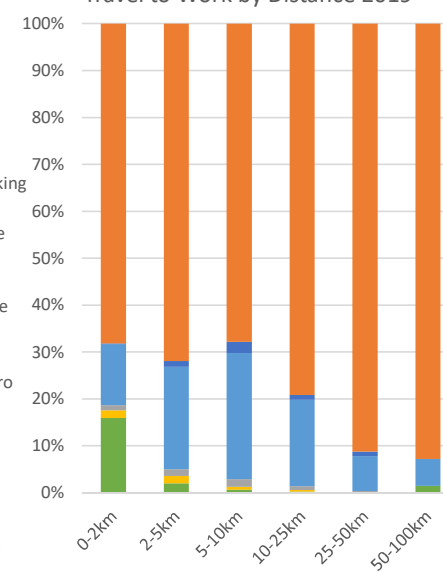
Journey Purpose in Tyne & Wear 2018/19



Predicted Growth in North Tyneside 2011 to 2032 (NTC Local Plan)



Cobalt Business Park Main method of Travel to Work by Distance 2019



Investment

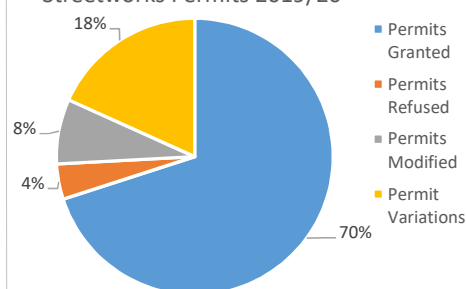
Continued investment in Major Schemes with 6 schemes delivered this year which includes 2 schemes with elements of developer funded works.

In 2019/20 there were approx. 23.45km of Highways resurfaced out of a network of c.800km.

In 2019/20 there were 32 parking improvement schemes delivered (e.g. double yellow lines etc.).

Network Management

Streetworks Permits 2019/20



37% of North Tyneside is within 800m of a Metro Station

352,928 trips on the Ferry in 2019/20.

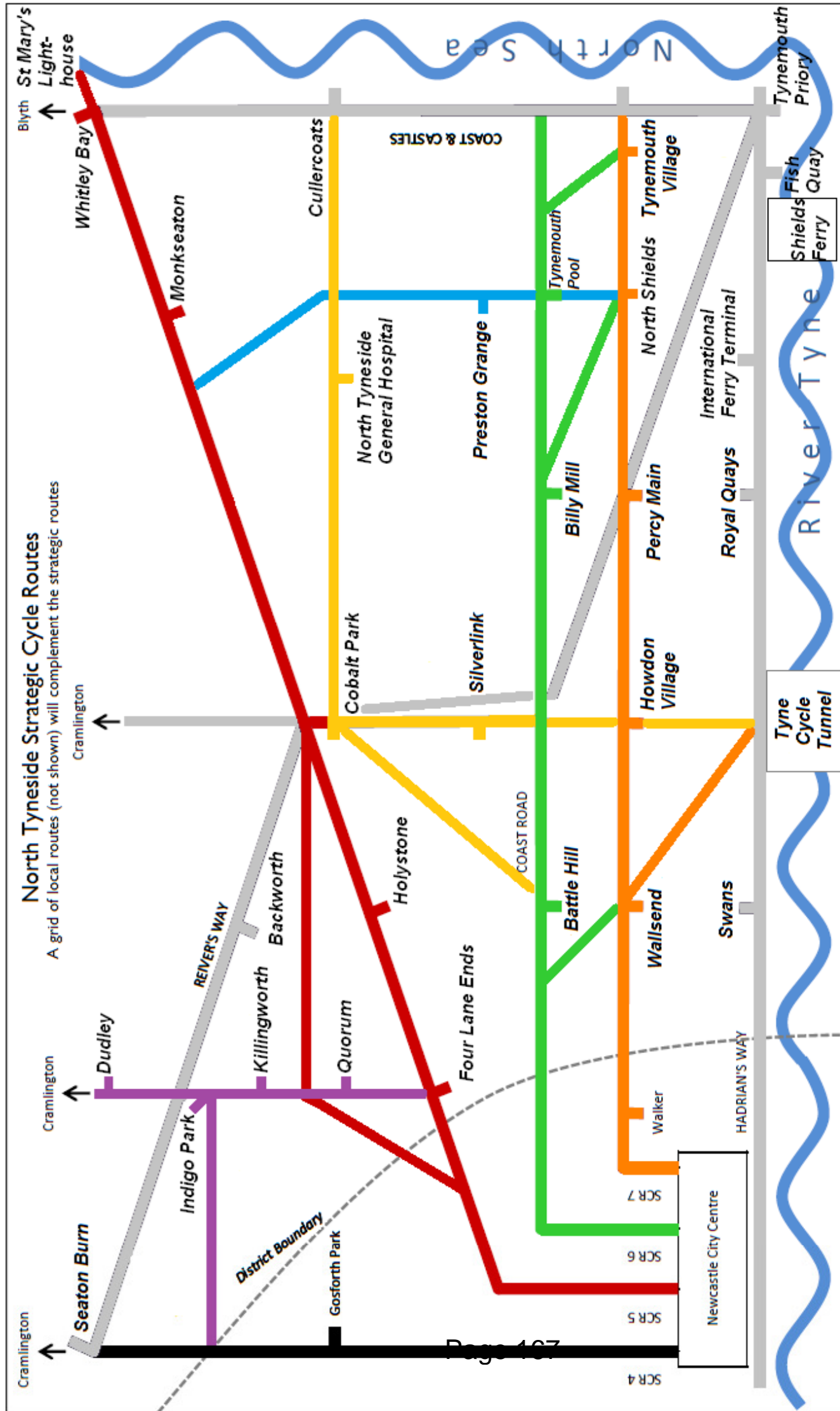
Approx. 5.9 million miles of bus journeys within North Tyneside in 2018/19 and approx. 32.998 million trips on the Metro Network in 2019/20.

There are 962 Taxis (hackney carriages and private hire vehicles) Registered in North Tyneside.

127 locations covered by driver speed feedback sign programme.

3 journey time monitoring corridors with a further 8 to follow.

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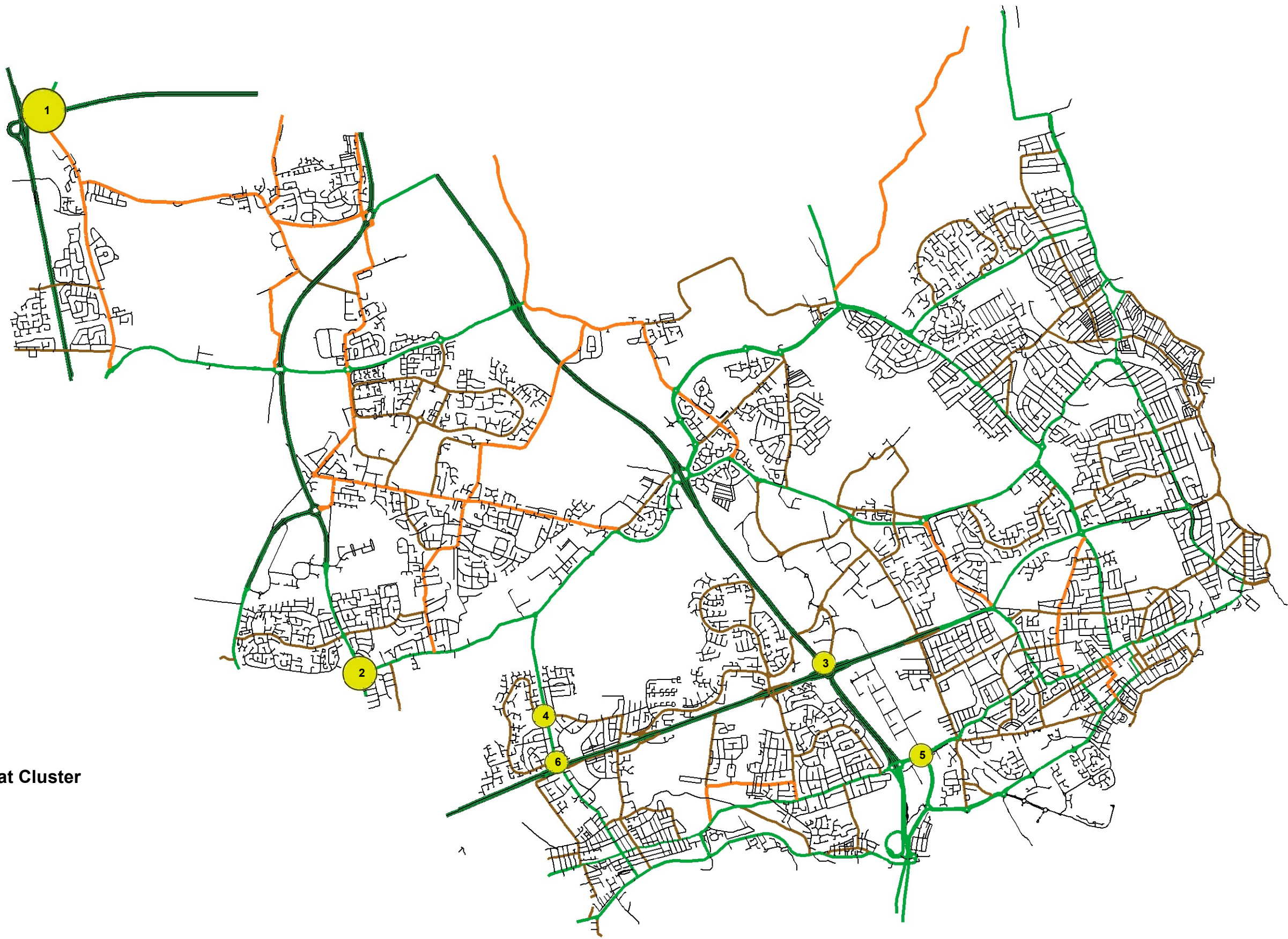
- How will we deliver this?**
- o Bidding for external funding for sections of route
 - o Through the planning process, as new developments are brought forward
 - o Through the general programme of highway schemes and regeneration schemes

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Collision Cluster Locations

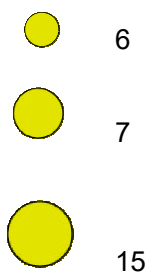
June 2020

Collision Cluster Sites are for period 2017 to 2019. Clusters are ranked from 1 (more collisions) to 6 (less collisions)



Key

Total Collisions at Cluster



0 0.4250.85 1.7 2.55 3.4 Kilometers

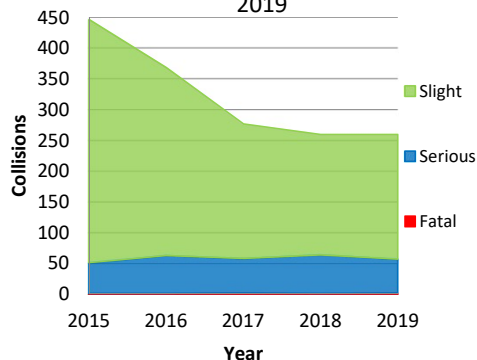
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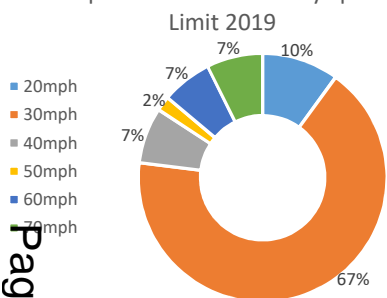
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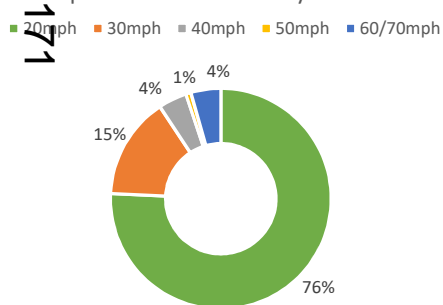


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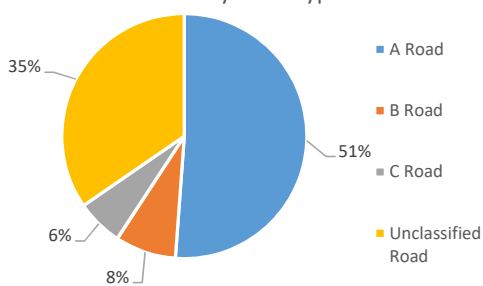
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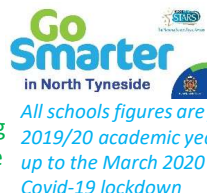
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Surveys show over 66% of total school journeys (including secondary schools) are by sustainable travel, with a future target of 75%.



Sustainable transport levels for PRIMARY / FIRST schools



Sustainable travel is 'Active' travel (walk, cycle, scooter) plus 'other sustainable travel (train / Metro, bus, park and stride)

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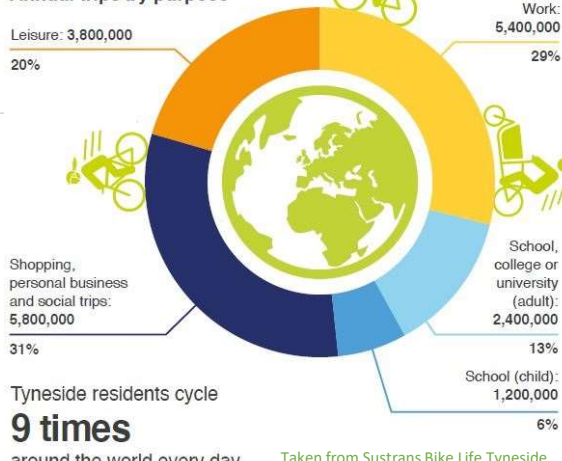
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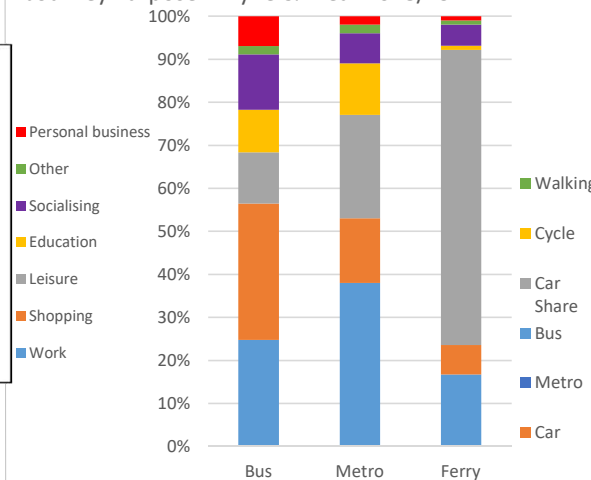
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Taken from Sustrans Bike Life Tyneside

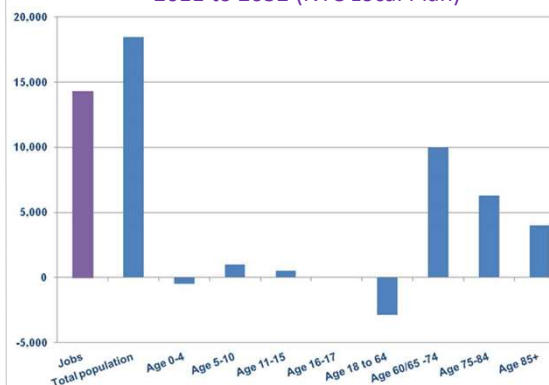
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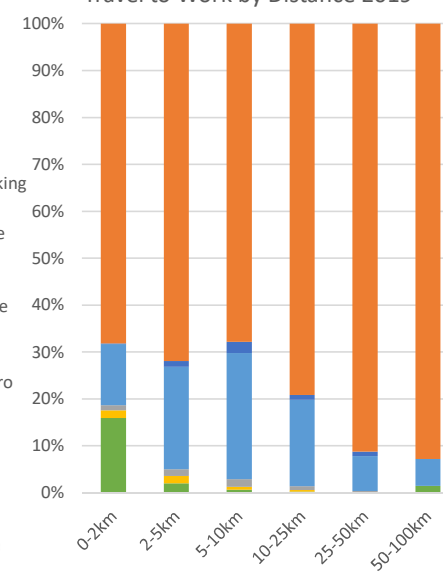
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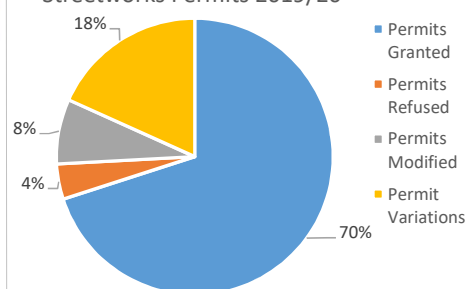
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37% of North Tyneside is within 800m of a Metro Station

352,928 trips on the Ferry in 2019/20.

Approx. 5.9 million miles of bus journeys within North Tyneside in 2018/19 and approx. 32.998 million trips on the Metro Network in 2019/20.

There are 962 Taxis (hackney carriages and private hire vehicles) Registered in North Tyneside.

127 locations covered by driver speed feedback sign programme.

3 journey time monitoring corridors with a further 8 to follow.

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North Tyneside Council Report to Cabinet Date: 29 June 2020

Title: Statement of Community Involvement 2020

| | | |
|---------------------------|---|--|
| Portfolio: Deputy Mayor | | Cabinet Member: Councillor Bruce Pickard |
| Report from Service Area: | Environment, Housing and Leisure | |
| Responsible Officer: | Phil Scott – Head of Environment, Housing and Leisure | Tel: (0191) 643 7295 |
| Wards affected: | All Wards | |

PART 1

1.1 Executive Summary:

The Statement of Community Involvement (SCI) is the Council's statement on how the local community and others will be involved in the preparation of planning policy and the consideration of planning applications. It is a statutory requirement for Councils to adopt a SCI and regulations now set out that they should be updated every five years.

Cabinet adopted the Council's existing SCI on 9 September 2013. This report presents an updated SCI prepared to ensure the Council's policy regarding consultation on planning matters is up to date and consistent with the latest regulations, national guidance and local policy.

The Draft updated SCI is available at Appendix 1.

1.2 Recommendations:

It is recommended that Cabinet:

- (1) Consider the proposed changes to the Statement of Community Involvement; and
- (2) Adopt the updated Statement of Community Involvement 2020 to set policy for consultation on development plan preparation and planning applications.

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 29 May 2020.

1.4 Council Plan and Policy Framework

This report links to the 'Our North Tyneside' Council Plan 2020-2024, including:

- Our people will be listened to so that their experience helps the Council work better for residents.
- Our places will be great places to live, provide an attractive, safe and sustainable environment and be a thriving place of choice for visitors.

1.5 Information:

1.5.1 Introduction

1.5.2 The Statement of Community Involvement (SCI) is a document that sets out the Council's policy and requirements for engagement on planning matters. The current SCI was approved by Cabinet in September 2013 and can be found on the Council's website here: <http://my.northtyneside.gov.uk/category/1149/planning-policy-timetable-and-consultation-guidance>

1.5.3 It is a statutory requirement for Local Authorities to have an adopted SCI and review and update the document every five years.

1.5.4 Role and content of the Statement of Community Involvement

1.5.5 The SCI is the Council's statement on how the local community and others will be involved in the preparation of planning policy and the consideration of planning applications. Once adopted, Local Authorities must comply with their SCI.

1.5.6 *Consultation on planning policy documents:* this section of the SCI outlines what the public can expect from the Council in consultation on planning policy documents such as the Local Plan and Supplementary Planning Documents.

1.5.7 *Requirements for neighbourhood plans:* the preparation of neighbourhood plans include specific requirements for consultation and engagement with local communities. These requirements and the approach of the Council are set out within the SCI.

1.5.8 *Consultation on planning applications:* the SCI explains the development management process and how the Council will notify and consult with the community on planning applications.

1.5.9 Updates Required to the Statement of Community Involvement

1.5.10 Since the adoption of the existing SCI in 2013, a series of new legislation and local and national planning policy and guidance has been introduced, which should be reflected within an updated SCI.

1.5.11 *National Planning Policy Framework (NPPF) 2019:* The NPPF sets out the Government's planning policies for England and how these should be prepared and applied at local level. The NPPF itself does not create any substantial changes to be reflected in the SCI other than clarity of referencing and contextual discussion.

1.5.12 *National Planning Practice Guidance (NPPG) 2014 onwards:* The NPPG is a web-based resource providing planning guidance on a range of topics. Launched in March 2014 and updated regularly, the NPPG itself does not create any substantial changes to be reflected in the SCI other than clarity of referencing and contextual discussion.

- 1.5.13 *The Town and Country Planning (General Permitted Development) (England) Order 2015 and its amendments*: The General Permitted Development Order (GPDO) does not alter any requirements for consultation. However, it does change some aspects of permitted development that could result in the public expecting a planning application, with associated consultation, where there is no longer a requirement for an application.
- 1.5.14 *Neighbourhood Planning Act 2017*: The Act requires the SCI to set out exactly how a Council will help neighbourhood plan making bodies. At present the SCI states that the Council will assist, manage and support but does not give any further detail about what this support would entail. This requires amendment in an updated SCI.
- 1.5.15 *Housing and Planning Act 2016 - Brownfield land register, Self-build register and the Permission in Principle*: A range of new planning consent processes have been introduced since 2013. This includes the brownfield land register, which includes provisions for some sites to be granted Permission in Principle. Applicants now also have the opportunity to request the Local Planning Authority grants Permission in Principle, rather than seek outline planning consent.
- 1.5.16 *North Tyneside Local Plan 2017*: The Local Plan sets out the planning policies and proposals to guide development within North Tyneside up to 2032. The Local Plan itself does not create any substantial changes to be reflected in the SCI other than clarity of referencing and contextual discussion.
- 1.5.17 A section should be added to the SCI relating to the monitoring of planning documents and the revised government requirements that require a review of Local Plan documents at least every five years.
- 1.5.18 Additionally, the references and web links throughout the existing SCI are out-of-date and require updating.
- 1.5.19 The Draft updated SCI is available at **Appendix 1**.

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

Agree with the recommendations as set out at paragraph 1.2 of this report.

Option 2

Do not approve the recommendations as set out at paragraph 1.2 of this report.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

- Under Section 18 of the Planning and Compulsory Purchase Act 2004, the Council must prepare a SCI that sets out the Council's approach to engagement in planning matters. The existing SCI does not reflect current legalisation and

planning policy and therefore does not accurately set out the Council's position in this regard.

1.8 Appendices:

Appendix 1: Draft Statement of Community Involvement 2020

1.9 Contact officers:

Claire Dobinson Booth, Senior Planning Officer (0191 643 6341)
Martin Craddock, Planning Policy Team Leader (0191 643 6329)
Colin MacDonald, Senior Manager, Technical & Regulatory Services (0191 643 6620)
David Dunford, Acting Senior Business Partner (0191 643 7027)

1.10 Background information:

The following background information has been used in the compilation of this report and is available at the office of the author:

1. [North Tyneside Local Plan 2017](#)
2. [Statement of Community Involvement 2013](#)
3. [Planning and Compulsory Purchase Act 2004](#)
4. [The Town and Country Planning \(Local Planning\) \(England\) Regulations 2012](#)
5. [National Planning Practice Guidance - Plan-making 2019](#)

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The staff, printing and other costs to publish the Draft updated SCI will be met from within the existing budgets. All documents will be placed on the Authority's website.

2.2 Legal

Under the Planning and Compulsory Purchase Act 2004 Local Planning Authorities must prepare a SCI as part of their Local Development Framework.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The matter has been subject to dialogue with the Deputy Mayor.

2.3.2 External Consultation/Engagement

The existing SCI was subject to consultation with statutory consultees, the public and other stakeholders for a six-week period in July/August 2013. The responses arising from this consultation were considered in preparing the final 2013 SCI.

There is no statutory requirement to consult upon a SCI. The Draft updated SCI represents changes that the Authority is required to make to ensure the SCI remains in accordance with planning law. The changes do not affect the fundamental approach of the Authority to involving the community in the planning process established in the existing SCI.

2.4 Human rights

There are no human rights implications directly arising from this report.

2.5 Equalities and diversity

An inclusive approach to consultation and participation recognising the diversity of the community is built into the SCI.

2.6 Risk management

There are no risk management implications directly arising from this report.

2.7 Crime and disorder

There are no direct implications arising from this report.

2.8 Environment and sustainability

The SCI has no direct environmental and sustainability implications, but the processes for involving the community in decisions on planning policies and planning applications is in line with the Council's commitment to help to create sustainable communities.

PART 3 - SIGN OFF

- | | |
|--|-------------------------------------|
| • Chief Executive | <input checked="" type="checkbox"/> |
| • Head of Service | <input checked="" type="checkbox"/> |
| • Mayor/Cabinet Member | <input checked="" type="checkbox"/> |
| • Chief Finance Officer | <input checked="" type="checkbox"/> |
| • Monitoring Officer | <input checked="" type="checkbox"/> |
| • Head of Corporate Strategy and Customer Service | <input checked="" type="checkbox"/> |

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Appendix: Draft Statement of Community Involvement 2020

Statement of Community Involvement

Draft

Statement of Community Involvement

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1.0 Introduction

1.1 What is the Statement of Community Involvement?

The Statement of Community Involvement (SCI) sets out how and when the Council will involve the local community in preparing development plans, processing planning applications and managing development. The SCI also offers information for members of the community looking to prepare a Neighbourhood Plan.

The SCI is designed to enable and encourage communities to play a more active role throughout the planning process in creating places where people want to live, visit and work.

Once finalised, the Council is legally obliged to comply with its SCI.

Under Section 18 of the Planning and Compulsory Purchase Act 2004, we are required to produce a SCI that outlines the Council's strategy for engagement in the preparation and review of planning policy documents, in the consideration of planning applications, and what assistance the Council will offer to anyone wishing to prepare a Neighbouring Plan. This SCI has been produced in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 (the 2012 Regulations).

1.2 Why do we review the SCI?

North Tyneside Council's current SCI was published in September 2013. This document will update and replace it.

Reviewing the SCI allows for the improvement in strategies that allow us to involve the community in planning matters.

1.3 Our visions and aims

North Tyneside Council understands that planning and development can have a great impact on the community. With this in mind, we are committed to informing the local community of what is going on in their area and encouraging participation in the

planning process. Our aim is to give everyone in the local community the opportunity to shape the way planning affects their area.

We have six main objectives to ensure that decisions are made in the best interests of as many people as possible. We will:

- Place the community at the heart of planning decisions.
- Help you to understand planning and will make planning documents more accessible through the use of plain English and provide information on the availability of documents in other formats or languages.
- Provide consistent feedback from the planning process whilst always considering everyone's views.
- Be open, honest and approachable.
- Deliver a flexible planning system, able to respond quickly to changing local circumstances.
- Help to achieve sustainable development.

1.4 How to use this document

- **Chapter 2** explains what 'community' is and describes the benefits of community involvement. It sets out how the council aims to involve seldom heard groups. This chapter also outlines who the Council has a duty to consult with on planning applications and decisions.
- **Chapter 3** outlines the basic processes of planning policy and how North Tyneside Council's Local Plan is made up, whilst highlighting key policy documents that you can get involved in.
- **Chapter 4** provides more detail of the Local Plan, including the monitoring of policies and notifying you of where you can find more information.
- **Chapter 5** introduces the Government's legislation that encourages communities to have more involvement in planning matters affecting their local area. The chapter details how you can get involved in Neighbourhood Planning and how to set up Neighbourhood Areas and Forums.
- **Chapter 6** explains development management and how you can get involved with decisions on planning applications. It explains who we consult with and who makes the final decisions.

DRAFT

2.0 Community involvement

2.1 What is community?

‘Community’, as far as the planning process is concerned, is everyone who lives, works and visits, operates or has common ownership in North Tyneside. The planning process can have major impacts on this community, making it important for it to get involved.

When we talk about community, we mean the whole community. All individuals and groups in the local community have the chance to be involved in the preparation of planning documents and can voice their views on relevant planning applications.

These include:

- Residents
- Ward councillors and MPs
- People who work here
- Community groups
- Seldom heard groups
- Adjoining local authorities
- Interest groups (for example, business, retail, health, environment, tourism)
- Transport companies and bodies
- Statutory bodies and non-statutory bodies (see appendices A and B)
- Visitors

Seldom Heard Groups

The planning system must bring together and reconcile many different views and interests so that it can help deliver a better quality of life for as many people as possible in North Tyneside. North Tyneside Council recognises the needs of everyone, including groups and individuals who are generally less involved in planning decisions and the other work the Council does. We are keen to ensure, through this review, that we make it easier for all individuals to become involved, whatever their circumstances.

In order for everyone to gain access and engage with the planning process, North Tyneside Council already has a number of procedures in place, which includes:

- Equality monitoring as part of our consultation exercises in order to gauge respondent characteristics.
- Easily accessible information on the Council website with computer software that allows people to make comments to a planning proposal online.
- Accessible venues to all with wide ranging opening times.
- Planning officers available during working hours with the ability to carry out home visits if required.

The following list shows our understanding of the potential characteristics of these seldom heard groups and how we might engage with these groups:

| Characteristics | Development Management Response | Planning Policy Response |
|----------------------------------|--|---|
| Black and minority ethnic groups | Devise method of data collection to provide information regarding race of customers to allow analysis of the impact of the development management process on these applicants. | <p>Work with the engagement unit to identify key contacts and groups and use networks of local groups to promote consultation and engagement opportunities.</p> <p>Ensure maximum opportunities for people to attend consultation events with a variety of different timings and locations.</p> <p>Advising (by using North Tyneside Council's standard statement) that</p> |

| | | |
|------------------|---|---|
| | | information can be made available in a range of languages. |
| Religion/ Belief | Constant monitoring of potential impacts. | <p>Work with the engagement unit to identify key contacts and groups and use networks of local groups to promote consultation and engagement opportunities.</p> <p>Ensure maximum opportunities for people to attend consultation events with a variety of different timings and locations that meet cultural requirements.</p> |
| Older people | <p>Planning applications, comments on applications, pre-planning application queries and queries regarding unauthorised works can be submitted by anyone.</p> <p>Measures are in place to provide access to planning services in accessible locations, online (with staff available to provide telephone guidance) and with</p> | <p>Whilst older age groups are more likely to attend formal events and complete response forms, we will build on established links with Age UK and the older people's forum to ensure their members are aware of engagement and consultation opportunities.</p> |

| | | |
|---|---|--|
| | the ability to carry out home visits. | |
| Young people and children | Devise method of data collection to provide information on the age of applicants and objectors to allow analysis of the development management process on these groups. | North Tyneside Council has its own Young Mayor who has been elected by young people in the Borough to represent them. There is also a Youth Council made up of 50 youth Councillors who meet monthly. |
| Those with low levels of literacy/ education | Use of plain English and, where possible, limit the use of jargon whilst advising on what information is available in other formats. | |
| Refugees and asylum seekers | Via organisations and support groups. Availability of documents in different languages. | |
| Deprived communities | Free access to online facilities at Customer Service Centres and Quadrant with the availability to print documents upon request. | Via organisations and support groups. Wider distribution of leaflets/ publicity material. |
| Adults with mental health issues, learning difficulties or disabilities | Devise method of data collection to provide information regarding disabilities of applicants and objectors to allow analysis of the impact of development management on these groups. | Wider distribution of leaflets/ publicity material. Availability of documents in large print, Braille or audio on request as well as plain English Translations and access to British Sign Language. |

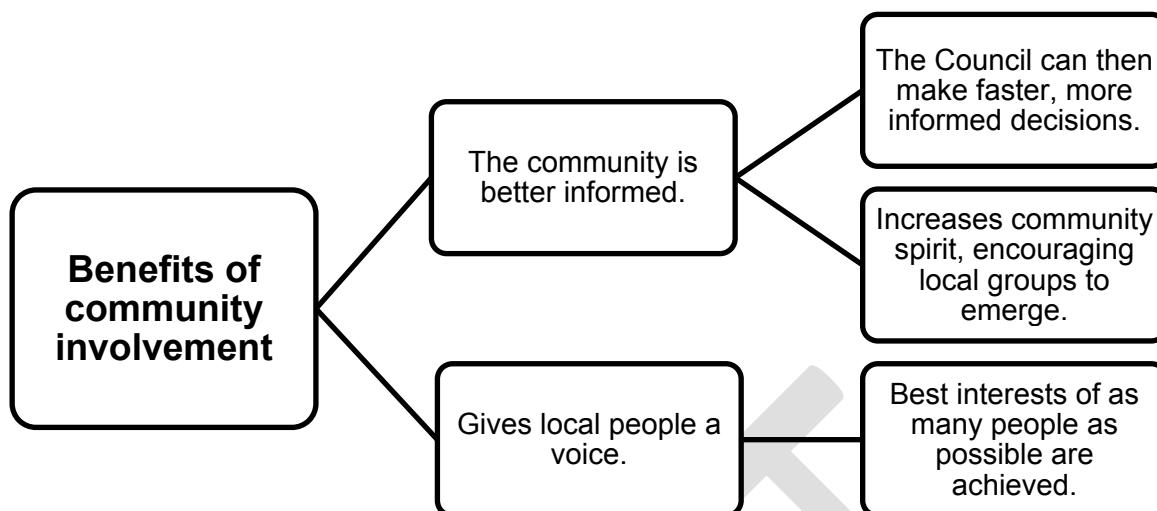
| | | |
|--------------------------------------|--|--|
| | | Consider access arrangements when organising events. |
| Teenage parents | Hold meetings within the Council's Children's Centres. Target times to coincide with baby groups. | |
| Maternity/ pregnancy | No potential impacts have been identified on the basis of maternity/ pregnancy but monitoring of use of the services in future may highlight an issue which would then be addressed. | Work with the engagement unit to identify key contacts and groups and use networks of local groups to promote consultation and engagement opportunities. |
| Youth and adult offenders | Via organisations and support groups. | Via organisations and support groups. Wider distribution of leaflets/ publicity material. |
| Gender orientation | Identify key contacts and groups whilst ensuring maximum opportunities for people to attend consultation events with a variety of different timings and locations. | |
| Sexual orientation | Identify key contacts and groups whilst ensuring maximum opportunities for people to attend consultation events with a variety of different timings and locations. | |
| Homeless people | Via organisations and support groups. | |
| Young people in care or leaving care | Via organisations and support groups. | |
| Carers | Planning services are available online with the ability to carry out home visits for carers that are unable to attend events and meetings. | Wider distribution of leaflets/ publicity material. |

| | |
|---|---|
| Gypsies, Travellers and Travelling Showpeople | Via organisations and support groups. |
| People without home/workplace internet access | There is free access to the internet within local libraries. Free internet access within Quadrant. Free advice from the planning service. Document availability to print on request. |

The Council also plans to use its Residents Panel and the resources provided by the Voluntary Organisations Development Agency (VODA), to aid community involvement:

- **Residents Panel:** The Residents Panel has been set up as part of the Council's commitment to improve engagement with the public. The Panel is made up of volunteers who are asked by the Council to help guide its decisions and policies. The Panel may be used by the planning service to understand what residents think of a particular planning document.
- **VODA:** is a charity providing advice, training, information and support to volunteers, and voluntary and community groups working in North Tyneside. It plays a coordinating role for the many groups in the Borough and is one way in which the planning service can link up with members of the public and find out their ideas. Joint working with VODA in the past has enabled the Voluntary and Community Sector to contribute to the production of key Council documents, such as the Sustainable Community Strategy. For more information, see VODA's website (<http://www.voda.org.uk/>).

2.2 Benefits of community involvement



It is accepted that one consensus on a particular issue cannot always be found. Where conflicting views cannot be resolved, the Council will take into account the various points of view and will aim to take a balanced decision based on the full facts.

2.3 The Role of local Councillors

North Tyneside Councillors (or 'Elected Members') are an important part of the community involvement process, acting as community representatives and decision makers. Councillors provide a vital link between the planning service and the community.

2.4 Involvement in planning- the three main areas

There are three main areas of the planning process where you can get involved:

- Local Plans and Supplementary Planning Documents
- Neighbourhood planning
- Planning applications

The following chapters will give more detail on these. Please note that in addition to the three main areas of planning, you are welcome to engage with other planning matters such as the designation of conservation areas, Article 4 Directions and Local Development Orders.

DRAFT

3.0 The basics

3.1 What is planning?

There is a legal framework set by the Government that underpins the planning system in England that requires each Local Planning Authority (LPA) to prepare a Local Plan.

LPAs, such as North Tyneside, work to improve the welfare of people and their communities through making plans guiding the development that is needed within the local area and where it should go.

3.2 How does the planning system work?

The Local Plan is a set of planning policies to guide developers and decision makers when determining applications for planning permission and other consents. The Local Plan sets out the opportunities for development and clear guidance on what will or will not be permitted and where.

In North Tyneside, the Local Plan is one document. In other areas, several documents known as Development Plan Documents (DPDs) can be published to make up a Local Plan, including Neighbourhood Plans.

Supplementary Planning Documents (SPDs) are documents that do not form part of a Local Plan but will provide extra detail on the policies and allocations within a Local Plan.

3.3 Local Plan

Crucially North Tyneside Council will plan positively in order to meet Government requirements allowing development in the local area to flourish. The Council intends that all interested parties will have the chance to be involved, at different stages in the preparation of the Local Plan.

The Local Plan provides the vision, objectives and spatial strategy, covering the whole Borough. The Local Plan also contains policies that focus on smaller areas

within the Borough, for which significant change or conservation is needed or anticipated. The Policies Map is a visual representation of policies and proposals in the Local Plan.

Local Plans should be reviewed every five years. North Tyneside adopted its most recent Local Plan in 2017. Therefore, a review will take place by 2022. There will be opportunities for the community to be involved in this review.

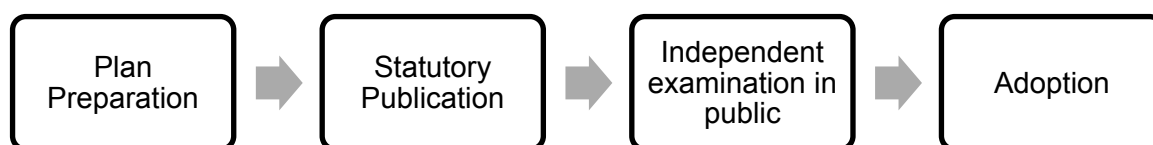
3.4 Neighbourhood Development Plans

The Localism Act makes provision for communities to prepare their own Neighbourhood Development Plans. These plans can set planning policies to guide future development in the area. For more information on Neighbourhood Development Plans please see Chapter 5.

3.5 Sustainability Appraisal

This is a technical process to check that all Development Plan Documents properly consider the current and future social, economic and environmental needs of the area to help inform the final Plan. 'Sustainable' means ensuring that better lives for the current generation does not mean worse lives for future generations. The Sustainability Appraisal will be made public alongside other published documents and will be available for the community to provide input into.

3.6 The four key stages to Development Plan Documents



Plan Preparation

(Involves gathering evidence and information, and finding out what issues should be dealt with in the DPD)

North Tyneside Council will:

- Fully encourage community participation;
- Invite views on planning issues and options;
- Share knowledge, skills, experiences, needs and wishes;
- Contact you directly if you are on our Planning consultation database; and
- Notify all our statutory consultees (Natural England, Historic England and the Environment Agency, see Appendix B for further details).

You can:

- Ask to be added to our Planning consultation database at any time by contacting us on:

Tel: 0191 643 2310

Email: planning.policy@northtyneside.gov.uk

Statutory Publication

(After plan preparation, the Council will approve a draft of the DPD for publication. Once it is published, there is a statutory consultation period of at least six weeks during which anyone can make formal comments)

North Tyneside Council will:

- Publish a draft DPD and Sustainability Appraisal;
- Notify you where the documents can be viewed;
- Invite representations and collate them for submission; and
- Produce a report of consultation so that everyone can view what comments have been made and how the Council intends to react to those comments.

You can:

- Share ideas and issues during the consultation period.
- Influence decision making.

Independent Examination in Public

(The Council will then submit the draft DPD and Statement of Consultation to Government)

North Tyneside Council will:

- Give notification that a DPD has been submitted and where you can view it;
- Engage in a public examination of the Plan held by an independent planning inspector;
- Give notice of arrangements and timings of public examinations;
- Notify directly those who have lodged formal objections; and
- Offer advice on the public examination process and rights to speak at the examination.

You can:

- Attend public examinations
- View the DPD that has been submitted.

Adoption

(After examination, if the document has been found 'sound' it is then formally adopted by the Council)

North Tyneside Council will:

- Adopt and publish the Plan, Sustainability Appraisal and Adoption Statement.

You can:

- If you feel that the decision on the adoption of the DPD was wrong, you may have grounds for application to the High Court for a judicial review.
- View regular monitoring reports and see what the DPD is achieving for the community.

3.7 Supplementary Planning Documents

The Council has produced a number of Supplementary Planning Documents (SPDs) that provide additional guidance to policies within the Local Plan and cover a wide range of issues, usually focusing on a particular matter or place.

The main opportunity to contribute will usually be when a draft version of an SPD is published for consultation. Consultation periods can be between four and six weeks.

Following consultation and any resulting changes to the SPD, the Council's Cabinet will approve a final version of an SPD as no examination by an independent inspector is needed.

SPDs may need to be subject to Strategic Environment Assessment (SEA), depending on their content. SEA considers the environmental impact of a plan, policy or proposal. It is possible for a Council to make a judgement on whether a full SEA is required or not, which would then be subject to the advice of statutory consultees.

DRAFT

4.0 Getting involved in the planning policy process

4.1 When will North Tyneside Council consult on planning policy documents?

The North Tyneside Local Plan was adopted in 2017. In accordance with the National Planning Policy Framework, the Local Plan will be reviewed after five years. Subject to this review the Council may decide to amend part, or all, of the Local Plan. This process will include full public consultation. The Local Plan is subject to annual monitoring to ensure the policies are effective. This monitoring is reported to Cabinet every year and may trigger an early review of part of or the whole of the Local Plan if any part of the Plan is proving ineffective.

The Council have produced, and will continue to review, a suite of SPDs to support the Local Plan, each of which will be subject to consultation.

The most up-to-date timetable for the publication of planning policy documents including when consultations are expected to occur can be found in the Local Development Scheme, which can be found on the Planning Policy pages of the Council's website at <http://my.northtyneside.gov.uk/category/1149/planning-policy-timetable-and-consultation-guidance>

4.2 Who do we consult?

North Tyneside Council are required by Government to consult 'specific consultation bodies' and 'general consultation bodies', where they are likely to be affected by anything contained in a planning document. These bodies are outlined in Appendix B. The Council have, and will continue to, consult with people and organisations that do not fit into the 'specific' and 'general' categories.

4.3 Duty to co-operate with neighbouring authorities

Whilst North Tyneside Council has always consulted with neighbouring authorities such as Newcastle City Council, the Localism Act 2011 sets out a 'duty to co-operate' on strategic planning matters that are larger than local (such as transport infrastructure), requiring LPAs to formally co-operate with neighbouring authorities.

Our neighbouring authorities are at different stages of plan preparation. It is important that the Council continue this co-operation so that we are aware of any important proposed policies or allocations that could affect our community.

4.4 How will we engage the community?

We will use a wide range of methods to encourage early engagement. These methods will include some of the following:

- North Tyneside Planning website - The Council's website is a major source of information. It allows for simple distribution of information as well as more complex surveys and interactive consultation on documents.
- The Press - Local newspapers and the Council's magazine (delivered to every home) will often be used to give wide notification of the publication of planning policy documents and opportunities for you to contribute your views.
- Public Exhibitions – Where and when possible to be held, we will host exhibitions in public places to provide clearly displayed information, encouraging people to become involved in the planning process who may not otherwise have been aware of such proposals. There also may be the opportunity for the public to discuss issues with planning officers who will be present at pre-specified times.
- Social media and online engagement / webinars – The Council shares information about its plans and proposals across a range of social media platforms and via its website (<http://my.northtyneside.gov.uk>). The opportunity to undertake direct engagement with residents and stakeholders using web based video conferencing tools will also be considered – especially when other forms of public meetings are not possible. Opportunities to use such tools to facilitate public debate and discussion will be explored.
- Questionnaires - Questionnaires are a good way for us to gauge public opinion and seek feedback on different options. If the Council asks particular questions about a document, it can make it easier to think about the main issues and respond more easily.
- Your Local Councillor and MP - Councillors have roles as decision makers and as community representatives. Ward surgeries offer one means of expressing your ideas or concerns to your local Councillor. They can then

provide feedback to planning officers. However, if you want your views to be formally considered, you must still make them in writing directly to the planning department.

4.5 Document availability

The Council will ensure that Local Plans and SPDs are widely available. The documents will be:

- Placed on the Council's website for viewing with the option to download.
- Made available at Council offices and public libraries at times when such buildings are open to the public.
- Sold at a reasonable charge in accordance with the Town & Country Planning (Local Planning) (England) Regulations 2012.
- During times of restricted travel and/or social distancing the Council will ensure residents who are unable to access core consultation documents by any other means are, where it is reasonable to do so, are provided with copies upon request.

4.6 Feedback

North Tyneside Council will consider all comments received as a result of consultation exercises and will publish responses to key issues raised when decisions are made, informing all respondents. Anyone who makes comments on any draft of the Local Plan or SPDs will, if they wish, be kept informed of decisions at the subsequent stages of the preparation process.

A Statement of Consultation accompanies all DPDs and SPDs to explain how the documents have carried out the relevant requirements set out in this SCI.

5.0 Neighbourhood planning

5.1 What is it all about?

Neighbourhood planning gives communities direct power in the development and growth of their local area. They are able to better manage where new homes, shops and offices should be built, have their say on what new buildings should look like, what infrastructure should be provided, and grant planning permission for the new buildings they want to see go ahead. Neighbourhood planning provides a powerful set of tools for local people to ensure that they get the right types of development for their community where the ambition of the neighbourhood is aligned with the strategic needs and priorities of the wider local area.

Neighbourhood planning enables local people to set up a Neighbourhood Forum (as 'qualifying bodies'), have their area designated as a Neighbourhood Area and for ideas for local development to be included within a Neighbourhood Plan.

The Localism Act allows communities to develop Neighbourhood Development Orders. These grant planning permission for particular development in a particular neighbourhood area. The Community Right to Build Order is a type of Neighbourhood Development Order focusing on new build.

Neighbourhood planning is not led by the local authority. The Localism Act makes it the responsibility of the qualifying body –the Neighbourhood Forum – to initiate and undertake neighbourhood planning within a designated Neighbourhood Area. The LPA's role is to advise, manage and support the process.

Neighbourhood Plans and Development Orders are a positive tool to encourage development and cannot be used to block the building of new homes and/or businesses.

5.2 Who takes charge of neighbourhood planning?

Whilst Neighbourhood Plans and Neighbourhood Development Orders will not be prepared by North Tyneside Council we will offer support. The Neighbourhood Forum will prepare the Neighbourhood Plan.

Neighbourhood plans must be in accordance with the Council's Local Plan and must be about enabling – rather than restricting development.

5.3 How do I get involved in a Neighbourhood Forum?

- Approach local community groups or leaders within your area to find out if there are any similar interests in neighbourhood planning.
- Talk to the Council's Community Engagement team as they may be able to facilitate communication between different groups.
- Once contacts have been made, your group should then apply to the Council to agree to a Neighbourhood Forum and Area being set up.
- Please note there can only be one Neighbourhood Forum in one Neighbourhood Area.

5.4 How will the Council support Neighbourhood Forums

North Tyneside Council is responsible for fulfilling its statutory requirements and providing proportionate advice and assistance in respect to neighbourhood planning matters.

The Council will fulfil its statutory neighbourhood planning obligations, including dealing with matters in a timely fashion, as required by planning regulations, which include (but are not limited to):

- For Neighbourhood Area and Neighbourhood Forum designations - In accordance with the timescales as required by the Regulations after receiving the Neighbourhood Area or Forum application, determine its acceptability, publicise and consult (when required). Where appropriate, the Council will formally designate the Neighbourhood Area or Forum and publicise it on its website.

- At Pre-Submission Plan stage - Whilst the Neighbourhood Forum will carry out the pre-submission consultation and publicity, the Council will support as necessary including checking the conformity of the draft Plan with the NPPF and the existing or emerging Local Plan.
- At Submission Plan stage - When the Neighbourhood Forum submits the draft Plan and other relevant documentation to the Council, the Council will publicise the submitted Neighbourhood Plan and other relevant documentation. The Council will invite representations on the draft Plan in line with Regulation 16 of the Neighbourhood Planning (General) Regulations 2012.
- Preparing for Examination - The Council will appoint an Independent Examiner in agreement with the Neighbourhood Forum. The Council will undertake final checks for legal compliance, followed by submission of the draft Neighbourhood Plan and supporting documents (including any representations made in accordance with Regulation 16 of the Neighbourhood Planning (General) Regulations 2012) to examination which will be funded by the Council.
- Examiner's Report - The Council will consider the recommendations of the Examiner's Report. The Council will check that the draft Neighbourhood Plan meets the Basic Conditions and will arrange the publication of the Decision Statement.
- Referendum - Any referendums will be arranged and funded by the Council in accordance with The Neighbourhood Planning (Referendums) Regulations 2012 (as amended).
- Publicising a Neighbourhood Plan - The Council will publicise the adoption of the Neighbourhood Plan.

The preparation of neighbourhood planning documents will require the Neighbourhood Forum to access various sources of information and deal with, in some cases, complex matters. To help with this requirement, the Council will provide support and advice through:

- The provision of links to the evidence used by the Council in preparing the Local Plan.

- The provision of population and other statistical information, where it is available.
- The provision of Base Maps (subject to mapping contractor licence) that can be in preparing plans and give advice on copyright issues with the Ordnance Survey.
- Advising on consultation methods and questionnaire format.
- The provision of advice on regulations and legislation.
- Advising on compliance with the Equality Act 2010, including advice on carrying out an Equality Impact Assessment, where required.
- Either preparing or reviewing a screening opinion document along with its statutory consultation in relation to possible requirements for Strategic Environmental Assessment and Appropriate Assessment at the earliest opportunity.
- Commenting on emerging drafts of the Neighbourhood Plan and other relevant documents including advising on the conformity of the documents with national and local planning policy.
- Offering and undertaking a 'Health Check' on a full draft Plan prior to the Forum consulting at Regulation 14 stage and prior to Plan submission.
- Advising on the suitability of the Consultation Statement.

The list above is not exhaustive, other issues may arise during the preparation of a Neighbourhood Plan.

5.4.3 Work that the Council will not support

North Tyneside Council is committed to carrying out its role in line with national requirements. There are certain matters for the Neighbourhood Forum to address themselves that the Council will not support, namely:

- Carrying out primary research or surveys (although the Council can assist in preparation of briefs for such work).
- Preparing the document(s), although we can give guidance on generic policy writing.
- Undertaking the Strategic Environmental Assessment or Appropriate Assessment (if determined necessary by the Screening Opinion) without prior

agreement. This is a chargeable service and is dependent on available officer capacity. However, we will freely advise on how to undertake any necessary assessments and whether they are fit for purpose.

- Attending every meeting and consultation event (although officers will attend appropriate meetings and events).
- Direct financial support other than for examination and referendum.

There is no obligation on the Council to offer financial support for Neighbourhood Planning and we regret that we are unable to do so. However, the Government also provides some financial support for communities who choose to prepare Neighbourhood Plans in the form of grants (and in some instances technical support). Information on how to apply is available at:

<https://neighbourhoodplanning.org/>

5.5 Community engagement in neighbourhood planning

A Neighbourhood Plan should be community-led. That means researched, written and voted on by the people who live and work in the neighbourhood.

In order for a Neighbourhood Plan to be adopted and brought into force, it must be demonstrated that the community have been engaged in the process and consulted about policies in the emerging Plan.

Consultation is necessary and important for several reasons:

- It is a statutory requirement of the Localism Act 2011 and the Neighbourhood Planning Regulations;
- Early engagement is essential for developing political consensus and
- avoiding misconceptions;
- It is part of developing the evidence base (front loading);
- It helps achieve better informed outcomes (a community knows its own
- area/locality);
- It leads to more realistic and deliverable plans/policies;
- Public confidence and support need to be maintained;
- It helps to avoid conflict, delay and cost at later stages; and

- It reduces the possibility of a 'no' vote in the local referendum if people are aware of the Plan and have had the opportunity to participate in its production.

There are several formal and informal stages of consultation. The Council can offer advice on how to comply with each stage and how to achieve good consultation.

Additionally, the Government has produced guidance available at:

<https://neighbourhoodplanning.org/>

5.6 Further advice

For further guidance on all aspects of neighbourhood planning and the process of producing a Neighbourhood Plan, please feel free to contact the Council's planning department.

Alternatively, comprehensive guidance published by the Government can be viewed at: <https://neighbourhoodplanning.org/>

6.0 Getting involved in the development management process

The community can get involved with planning applications received and determined by the Council. A community or individual can comment on any planning application. The level and extent of consultation on proposed developments varies depending on a number of different factors including size, location and nature of the proposed development.

6.1 What is development management?

Development management is the aspect of the planning system many people will have previously encountered. For example, you may have received a letter inviting you to comment on a neighbour's proposed house extension or on the proposed change of use of a nearby building. Most new buildings, significant changes to existing buildings, many changes of use, and new large advertisements need consent known as planning permission. Consent is also required for altering listed buildings.

The development management system requires planning applications to be determined in accordance with the Development Plan (that is, the Local Plan), but also taking into account any other material considerations including national planning guidance.

6.2 The pre-application stage

North Tyneside Council encourages pre-application discussions with a developer before an application is submitted, and for a fee offers a pre-application advice service to all potential applicants. The main purpose of undertaking pre-application discussions is to ensure that future development does not harm the built and natural environment. In addition, North Tyneside Council has a duty to ensure it assesses development proposals positively and suggest ways in which any unacceptable development can be made acceptable.

Council officers can provide guidance on how to improve plans and ensure that they meet with national and local policies. Developers are also advised at an early stage of what other supporting information will be needed for the Council to properly consider their application.

North Tyneside Council will not consult local communities on pre-application proposals and expect a developer to carry out consultation where appropriate. The Council will consult other relevant teams within the Council for their views.

In some cases, the Council will approach a statutory or general consultee at pre-application stage. This is judged on a case-by-case basis where there might be a specific interest, for example, an area of known flooding, a designated heritage asset, or a designated wildlife site.

6.3 The duty for developers to consult local communities

North Tyneside Council has always supported and encouraged pre-application consultation with the local community on major planning applications.

Pre-application engagement with the community is encouraged where it will add value to the process and the outcome. However, pre-application consultation is only mandatory for planning applications for wind turbine development involving more than two turbines or where the hub height of any turbine exceeds 15 metres.

Where any community consultation is undertaken, developers should not only consult but acknowledge any comments or responses they receive from the community or individuals and decide whether to make changes to their proposals before they submit their planning applications.

Communities do not have the power over whether a planning application can be submitted to the Council or not. They will however be able to raise issues for the developer to consider and make suggestions that could improve the development and reduce its impact upon the neighbourhood. The results of pre-application

community consultation should be included in the planning application, and form part of the planning application process.

North Tyneside Council cannot refuse to accept valid planning applications because they disagree with the way in which an applicant has consulted the community. However, good early consultation it is in the best interests of the applicant, as it could avoid later objections being made which could lead to the refusal of the planning application.

6.4 Who we consult with on planning applications

As well as the local public, consultation on planning applications will be undertaken with statutory consultees and non-statutory consultees as required by the Government (See Appendix B).

Whilst 21 days will usually be allowed for a response it should be noted that some bodies may be allowed longer periods of time to comment on applications where this is appropriate.

If you want to make a formal representation you must do so in writing either by post or email within 21 days from the date on the notification letter. Remember your representation must be based on material considerations – that is, relevant planning matters.

6.5 Considering the planning application

For most applications, a decision must be reached by the LPA within eight weeks. For major applications, such as those schemes for over ten houses, or where more than 1,000 square metres of new building is being proposed, the LPA has 13 weeks to consider the application. The period to consider a major application can be extended where the Council and the applicant have entered into what is known as a Planning Performance Agreement. This can also allow more time for public consultation on an application.

An Environmental Impact Assessment (EIA) is only required for nationally defined large-scale developments. An EIA is undertaken by the developer and is submitted to the LPA when the developer applies for planning permission. An EIA can include an assessment of range of impacts such as the social, economic and environmental effects of a development and will identify what remedial measures may be necessary to counter any negative impacts. EIAs are subject to specific regulations that will affect consultation on an application and the length of time given to the authority to consider the application. Further advice on EIAs can be sought from the planning team.

It is a part of the process for considering major application that the case officer will assess whether it is appropriate for a scheme to be subject of a planning obligation. A planning obligation is a legal agreement most often used to commit a developer to provide contributions to address the environmental, social, cultural and economic impacts arising from their new development, either in kind (for example, by providing children's play equipment or new planting on the site) or as a financial contribution. The ability and willingness of a developer to enter into a legal agreement to address the impacts of their development is a material planning consideration when determining the application.

Many proposals for residential or commercial development will be subject to the Community Infrastructure Levy (CIL). CIL is a financial contribution paid by the developer to support the infrastructure that their development will depend on. The Council has a CIL Charging Schedule that sets out the levels of contribution required of a development.

6.6 Decision making

Most applications are determined by planning officers under delegated powers; this applies mostly to non-controversial applications for minor development such as house extensions, fences, and small extensions to commercial buildings.

In considering the application, the planning case officer will write a report detailing the main planning issues relevant to the case, the results of consultations and any

relevant national and local policies. As part of the report, the officer will make a recommendation as to whether the application should be refused or approved, with reasons given for the recommendation and, if recommended for approval, details of any conditions that need to be attached to the permission. The recommendation report can be viewed on the Council's website once the application is determined.

All major planning applications and some controversial minor applications where there is greater public interest or environmental concern are determined by the Planning Committee. The Planning Committee is a panel of local councillors who will determine the application on behalf of the Council. They will decide whether they agree with the officer's recommendation or to overturn the recommendation. Where the Committee considers it necessary, it will defer a decision until after a site inspection has been carried out by a panel of councillors. Case officer's reports for applications being reported to Planning Committee can be viewed on the council website up to one week before the meeting.

Members of the public can ask for the right to speak either in favour or against planning applications at Planning Committee. If granted, this will allow the member of public or their representative to address the Planning Committee for a maximum of 5 minutes before the application is determined. If you wish to request the opportunity to speak you must do this in writing within 21 days from the date of the notification letter or statutory notice explaining the reasons why you feel your request should be granted. Where a member of the public has been given the right to speak, the applicant will be given the right to respond, again for a maximum of 5 minutes. Where there is more than one member of the public wishing to speak on a single application, either for or against, they will be requested to appoint a single representative to speak. Normally only one person will be allowed to speak in opposition and one in support of an application. More information is found in the "Guidance: Planning committee speaking rights" on the Council website:

<https://my.northtyneside.gov.uk/category/1081/planning-committee>

Should planning committee not be able to meet as planned at any point in the future appropriate arrangements would be made to extend the scheme of delegation for decision making and comply with any legislation supporting virtual meetings.

Amended speaking rights will be in place when meetings are held in this format, information for which is available via the link above and the specific arrangements in place can be discussed with the planning team.

Whether the planning application is determined at Planning Committee or under delegated powers, all members of the public and other consultees who submit written representations are informed, in writing, of the decision on a planning application.

The decision notice will state the agreed proposal and may also contain conditions that the proposal must adhere to. If the application was unsuccessful, the decision notice will state the reason why the application has been refused. At this point the applicant may decide to appeal against the decision or against the imposition of any conditions. The Council (in accordance with the Town and Country Planning General Development Order 1995) is required to give reasons for all decisions made on planning applications.

6.7 How you will be informed of planning applications

The Planning and Compulsory Purchase Act 2004 requires that before a decision is made on a planning application, statutory consultees (See Appendix B) and the local community should have the opportunity to comment on any aspect of the proposal.

To begin the process of consultation, all consultees will be given 21 days to respond to planning applications. However, due to legislation we are required to give some statutory consultees a longer period of time to comment on planning applications. The minimum statutory requirements are set out in the Town and Country Planning (Development Management Procedure) (England) Order 2015.

Please note that you find details of all current planning applications, for any type of application on the public access system on the Council's website. You can search for and comment on any current application.

All planning applications are publicised by site or press notice or by notifying adjoining neighbours directly by letter and by publication on the Council's web site. The term "adjoining owner or occupier" is defined as any owner or occupier of any land adjoining or opposite (in appropriate circumstances) the land to which the application relates.

Further discretionary site notices may be carried out for applications likely to generate wider interest, including proposals:

- that may affect nearby properties by causing noise, smell, vibration, dust or other nuisance;
- that are likely to introduce significant change to the character of an area, for example large structures; or
- that are on a significant scale likely to attract additional crowds or traffic.

Major development proposals are also publicised by placing an advertisement in a local newspaper and by displaying a site notice or notifying neighbouring properties.

Major development refers to the following:

- erection of housing development of 10 or more dwellings or housing development on a site of 0.5 hectares or more;
- erection of other development creating 1,000 square metres or more floorspace or other development on a site of 1 hectare or more; or
- mineral working or waste development.

We also place a notice in a local newspaper and display a site notice for the following:

- applications that are accompanied by an environmental statement;
- applications that do not accord with the development plan;
- applications that would affect a public right of way;
- development affecting the setting of a listed building;
- development affecting the character or appearance of a conservation area; or
- applications for listed building consent - grade I, II* (all works) and grade II (external works).

6.8 Planning appeals

If a planning application is refused permission, the applicant can appeal to the Secretary of State, who asks the independent Planning Inspectorate to make the decision in almost all cases. Appeals can also be made against a 'non-determination' i.e. if a decision has not been reached within the target 8 weeks (or 13 for a major application).

Appeals can take the form of written representations, hearings or public inquiries. If you have already commented on an application, or you live close to an appeal site, you will be made aware of the appeal and how and if you can make further representations to the Planning Inspectorate. In all cases, all previous representations received by the Council on the case are sent to the Inspectorate. Appeal decisions by the inspector or Secretary of State are published on the Council website. The timescale for an appeal varies and is outside the control of the Council. Further guidance on the appeals process is provided by the Government at the following website <https://www.gov.uk/topic/planning-development/planning-permission-appeals>

6.9 Community involvement in enforcement

Planning enforcement is used to describe the process involved in making sure people comply with planning law.

Reports of alleged breaches of planning control can be made to the planning team via a number of sources, for example through Councillors, officers and directly from members of the public. All complaints are treated confidentially by North Tyneside Council; however, a name and address of the complainant must be provided. Whilst there is no consultation with the community by the planning team when it deals with enforcement cases, the Council will ensure that the complainant is advised of the result of the investigations into any alleged breaches of planning control. After an investigation has been carried out, and if this results in the submission of a planning application, the community can become involved, like any other planning application.

For more information on planning enforcement please see the following link:

<https://my.northtyneside.gov.uk/category/1072/planning-enforcement>

6.10 Permission in Principle

Permission in Principle (PiP) is a new form of planning consent, which establishes the principle of development on sites. Local Authorities are required to maintain a Brownfield Land Register (Part 1), which is a library of brownfield sites that have potential for housing (or housing-led) development. Suitable sites from this list can be granted a PiP by being added to Part 2 of the Register.

Developers can also apply for PiP for small-scale residential development (i.e. sites with less than 10 houses, buildings with less than 1,000 square metres of floor space or sites of less than 1 hectare). Though development involving an Environmental Impact Assessment or Habitats Regulations Assessment cannot be considered through this route.

The Brownfield Land Register Regulations (2017) set out the publicity and consultation requirements for sites that are considered for a PiP, and then added to Part 2 of the Register.

In summary, the main consultation requirements include:

- Publicity by site notice and on the Council's website for not less than 21 days.
- Notify relevant bodies if certain conditions apply within 10m of railway land
- If specific requests have been made by Parish Councils or Neighbourhood Forums, at the discretion of the LPA any person, body or authority that the authority considers appropriate should be informed.
- Respondents have 21 days from the publication of the notice in which to make their comments.

Publicity and consultation requirements for applications for PiP are set out in The Town and Country Planning (Permission in Principle) (Amendment) Order 2017. The procedures are very similar to that of a standard planning application and the Council

intends to consult in the same manner that it would for a standard application. There are some exceptions to this:

- a site notice is mandatory for all PiP applications;
- the consultation period is only 14 days; and
- applications must be determined in five weeks of validation by the Council.

6.11 Further information

As well as site notifications, online updates and press adverts, you may also find it interesting to know that details of all planning applications are also made available in the following ways should you wish to comment:

- At times when Council buildings are open to visits by members of the public:
 - The Planning Reception at the Council Offices at Quadrant is open between on Mondays and Fridays from 08:30 to 13:00 and Wednesdays 13:00 to 17:00. If you need information or advice, you can talk informally with an officer between these times. Planning applications and amendments to applications can be viewed online with the assistance of a planning officer if you wish
 - At your local Library you can use the computers to access our website and view planning applications and make online comments.
- Weekly lists of planning applications we have received are published on the Council's website at <http://idoxpublicaccess.northtyneside.gov.uk/online-applications/> Weekly lists can also be posted to groups or individuals at a charge.
- You can comment on and submit your own applications via the Council website.
- Telephoning the Planning enquiry line is another way of seeking information or advice on planning applications. The number is 0191 643 2310. The line is staffed between the hours of 13:00 and 17:00 on Mondays and Thursdays and between 08:30 and 13:00 on Tuesdays and Wednesdays. On Fridays the line is open 08:30 to 13:00. Outside of these times a message can be left on the voice mail.

A range of documents are available at the Planning Reception, when it is open to the public, or on the website that give more detail about various aspects of the development management process.

7.0 Monitoring and review of the SCI

It is important that SCIs are kept up-to-date to ensure effective community involvement at all stages of the planning process. Monitoring also ensures that the requirements laid out in this document have been met and allows for review and improvement.

In accordance with paragraph 71 of Planning Practice Guidance on Plan-making the SCI must be reviewed every five years from adoption date.

APPENDIX A: Consultees

Consultees for the Local Plan

Specific Consultation Bodies

In accordance with the Town and Country Planning (Local Development) (England) Regulations 2012, the following consultation bodies must be consulted where they will be affected by what is proposed in the development plan document:

- the Coal Authority,
- the Environment Agency,
- the Historic Buildings and Monuments Commission for England (Historic England),
- Natural England,
- Network Rail,
- the Highways Agency,
- a relevant authority any part of whose area is in or adjoins the area of the LPA,
- any person—
 - to whom the electronic communications code applies by virtue of a direction given under section 106(3)(a) of the Communications Act 2003, and
 - who owns or controls electronic communications apparatus situated in any part of the area of the LPA,
- if it exercises functions in any part of the LPA's area—
 - a Primary Care Trust,
 - a person to whom a licence has been granted under section 6(1)(b) or (c) of the Electricity Act 1989,
 - a person to whom a licence has been granted under section 7(2) of the Gas Act 1986,
 - a sewerage undertaker,
 - a water undertaker;
- the Homes and Communities Agency.

General Consultation Bodies

The Town and Country Planning (Local Development) (England) Regulations 2012 state that in addition to the specific consultation bodies, the Planning Department should consult with general consultation bodies, including:

- Voluntary bodies some or all of whose activities benefit any part of the authority's area;
- Bodies which represent the interests of different racial, ethnic or national groups in the authority's area;
- Bodies which represent the interests of different religious groups in the authority's area;
- Bodies which represent the interests of disabled persons in the authority's area; and
- Bodies which represent the interests of persons carrying out business in the authority's area.

Resident associations will be included in the voluntary bodies category. The organisations identified within the above interest groups will be by no means exclusive and it is recognised that the Council's consultation database will evolve as new bodies are formed and existing ones cease to be active.

The Council will also consult as a matter of course all those residents, business and other organisations who have requested to be kept informed through previous consultations.

Consultees for planning applications

Statutory Consultees

Statutory consultees are organisations and bodies, defined by statute, who must be consulted on relevant planning applications. An up-to-date list is provided on the Government's Planning Practice Guidance website:

<https://www.gov.uk/guidance/consultation-and-pre-decision-matters#Statutory-consultees-on-applications>. Note that not all bodies in this list are relevant in North Tyneside.

Please note all statutory consultees are not consulted on all planning applications. The circumstances for statutory consultation are set out in the Development Management Procedure Order:

<http://www.legislation.gov.uk/ukxi/2015/595/contents/made>

General Consultees

Similarly to consultation on Local Plans, the Council consults a raft of general bodies on planning applications.

These include (but are not limited to);

- Voluntary bodies some or all of whose activities benefit any part of the authority's area;
- Bodies which represent the interests of different racial, ethnic or national groups in the authority's area;
- Bodies which represent the interests of different religious groups in the authority's area;
- Bodies which represent the interests of disabled persons in the authority's area; and
- Bodies which represent the interests of persons carrying out business in the authority's area.

These lists are correct at the time of writing, reference should always be made to the relevant legislation for a full and precise wording.

APPENDIX B: Glossary

The key elements of the Local Plan are set out in Chapter 4 of this document. Other important planning words and phrases are listed below. You may find these helpful in understanding some of the terms and names used in this and other planning documents. Annex 2 of the National Planning Policy Framework provides a technical glossary of many planning terms <https://www.gov.uk/guidance/national-planning-policy-framework/annex-2-glossary>.

Adoption: The final confirmation of a Development Plan Document (or other local development document) as having statutory status by a LPA, in this case, North Tyneside Council.

Article 4 Directions: This is made by a LPA in the and confirmed by the Government. It serves to restrict permitted development rights, which means that some development that usually does not require planning permission would do. It does not in itself prohibit development but means that a landowner is required to seek planning consent whereas without the Direction this would not be necessary.

Conformity: Government requires that the Local Plan be ‘in conformity’ with the National Planning Policy Framework. Likewise, Supplementary Planning Documents and Neighbourhood Plans must be in conformity with the Local Plan.

Conservation area: Areas of special architectural or historical interest, the character, appearance or setting of which it is desirable to preserve or enhance.

Delegated powers: One of the ways in which Councils are encouraged to make the determination of planning applications more efficient is by allowing some decisions to be made by planning officers, without requiring Councillors on the Planning Committee to consider every case.

Development: Development is defined under the 1990 Town and Country Planning Act as “the carrying out of building, engineering, mining or other operation in, on,

over or under land, or the making of any material change in the use of any building or other land". Many forms of development require planning permission.

Environmental Impact Assessment (EIA): Likely to be required for nationally defined large-scale developments. Undertaken by the developer when applying for planning permission, the EIA assesses the social, economic and environmental impacts of the development and identifies what remedial measures may be necessary to counter any negative impacts. Used as an informative to decision-making rather than a determinant of whether permission should be granted.

Examination: Every Development Plan Document must be submitted to Government for independent examination to consider whether it is sound. The Government appoints an inspector to conduct the examination. They will consider all of the written representations made through the Plan preparation.

Government (role of, in development plans): The role of the Government in local planning is to:

- Establish the national legislative and statutory framework within which LPAs work set out national policy (National Planning Policy Framework) and guidance that require local authorities to produce the Local Plan,
- To monitor performance against nationally-set targets,
- To provide guidance, comments and encouragement,
- To intervene (if necessary) and stop plans that are unsatisfactory.

Listed building: A building of special architectural or historical interest and protected by law.

Local Development Orders (LDOs): were introduced with the Planning and Compulsory Purchase Act 2004 and allow local authorities to extend permitted development rights for certain forms of development with regard to a relevant local development document. LDOs are a means for the planning system to incentivise development in a way that meets a whole range of locally specific policy objectives.

Local Planning Authority (LPA): A local authority that is empowered by law to exercise planning functions, in this case, North Tyneside Council.

Material considerations: These are factors which are 'material' (i.e. relevant) to planning that the Council is allowed by law to take into account in making decisions. Although there is no definition in legislation, case law has said that considerations that relate to the use and development of land such as noise, infrastructure, amenity, design and traffic, as well as all relevant planning policy documents, the nature of the site and surroundings, and all representations made are all material considerations.

Planning Committee: The decision-making body of a local authority made up of elected Councillors that makes decisions on major, or controversial, planning applications not delegated to officers.

Planning Inspectorate: The Government agency that is responsible for the processing of planning appeals and the holding of public examinations into Local Plans.

Statement of Consultation: A report explaining how the process of planning policy document production has complied with the Statement of Community Involvement.

Strategic Environment Assessment (SEA): Is a systematic decision support process, aiming to ensure that environmental and possibly other sustainability aspects are considered effectively in policy, plan and programme making.

Sustainable Community Strategy: A strategy prepared by the North Tyneside Strategic Partnership to provide a vision for the area and a series of actions to help deliver that vision. The North Tyneside Strategic Partnership is made up of a number of organisations who have an interest in North Tyneside, for example Northumbria Policy, the Primary Care Trust, and the North Tyneside Voluntary Organisations Development Agency (VODA) (see <http://www.northtynesidejsna.org.uk/wp-content/uploads/2010/08/NTC-Sustainable-Communities-Strategy-2010-13.pdf>).

Sustainable development: "Development which meets the needs of the present generation without compromising the ability of future generations to meet their own needs" (Brundtland Report, WCED, 1987). The Government has the following main objectives for sustainable development: social progress which recognises the needs of everyone, effective protection of the environment, the prudent use of natural resources, and the maintenance of high and stable levels of economic growth and employment.

Written representations: Comments made formally in writing to North Tyneside Council or the Planning Inspectorate on applications, appeals or planning policy documents.

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CONTACT US

If you would like further support in understanding or have any questions regarding the Statement of Community Involvement, please contact the Planning Policy team at:

North Tyneside Council Planning Department
Quadrant West,
Cobalt Business Park,
North Tyneside,
NE27 0BY

Telephone: 0191 643 2310

Email: planning.policy@northtyneside.gov.uk

North Tyneside Council Report to Cabinet Date: 29 June 2020

Title: Renewal of Article 4 Directions to manage planning rights for land at Preston Park and specified streets within Spanish Battery, New Quay, and Tynemouth

| | | | |
|----------------------------------|--|-----------------------------|---------------------------------|
| Portfolio: | Deputy Mayor | Cabinet Member: | Councillor Bruce Pickard |
| Report from Service Area: | Environment, Housing and Leisure | | |
| Responsible Officer: | Phil Scott – Head of Environment, Housing and Leisure | Tel: (0191) 643 7295 | |
| Wards affected: | Preston, Riverside and Tynemouth | | |

PART 1

1.1 Executive Summary:

Article 4 Directions are tools available to local planning authorities to remove permitted development rights from land or dwelling houses so that certain development cannot be undertaken without first obtaining planning permission. These are effective tools in conservation areas where the cumulative effect of small-scale development can have an adverse effect upon character and appearance. The effect of the Article 4 Direction is not to prevent development but better manage it to ensure amenity is not harmed.

Cabinet has previously confirmed Article 4 Directions at Preston Park, Spanish Battery, New Quay and Tynemouth Village.

The legislation attached to the Article 4 Directions, the Town and Country Planning (General Permitted Development) Order 1995, has now been superseded by the Town and Country Planning (General Permitted Development) (England) Order 2015 (“the GPDO”).

As part of the Authority’s ongoing refresh of its planning framework, which has included adoption of the North Tyneside Local Plan in 2017 and updated Supplementary Planning Documents in 2018 and 2019, the work programme has progressed to consideration of the continued suitability and effectiveness of these Article 4 Directions. The outcome of this review is that the existing Directions are updated to improve their interpretation in accordance with the GPDO and any future amendments to it. The extent of the conservation areas affected by the existing Directions would not change.

This report asks Cabinet to renew the existing Article 4 Directions to incorporate the changes identified. The proposed changes will be subject to consultation with residents

and landowners for each of the four affected areas. This will inform Cabinet before it confirms its decision.

1.2 Recommendations:

It is recommended that Cabinet:

(1) Note the risks associated with the current wording of existing Article 4 Directions at:

- i. Preston Park,
- ii. Spanish Battery,
- iii. New Quay, and
- iv. Tynemouth.

And

(2) Agree to make a renewed draft Article 4 Direction that will be subject to consultation with residents and landowners for each of the four affected areas.

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 29 May 2020.

1.4 Council Plan and Policy Framework

This report links to the 'Our North Tyneside' Council Plan 2020-2024, including:

- Our people will be listened to so that their experience helps the Council work better for residents.
- Our places will be great places to live, provide an attractive, safe and sustainable environment and be a thriving place of choice for visitors.

Renewal of the Article 4 Directions would support the vision, objectives and policies of the North Tyneside Local Plan 2017. The key policies are:

- S6.5 Heritage Assets
- DM6.6 Protection, Preservation and Enhancement of Heritage Assets
- DM6.1 Design of Development
- DM6.2 Extending Existing Buildings
- S6.4 Improving Image

These policies commit the Authority to preserve and enhance heritage assets, take opportunities to implement tools such as Article 4 Directions, and deliver well designed development that creates successful places. This is in line with national planning policy as set out in chapter 16 (Conserving and enhancing the historic environment) and chapter 13 (Achieving well-designed places) of the National Planning Policy Framework (NPPF).

1.5 Information:

1.5.1 Introduction

1.5.2 This report relates to the requirement to renew four existing Article 4 Directions within the borough. Article 4 Directions are made under the provisions of the Town and Country Planning (General Permitted Development) Order 2015. They remove permitted

development rights from land or dwelling houses so that certain development cannot be undertaken without first obtaining planning permission from the Local Planning Authority.

1.5.3 The use of Article 4 Directions is encouraged in the NPPF in those cases where the amenity of the area could be harmed. Article 4 Directions allow for the local planning authority to manage development affecting land and dwelling houses that could be harmful to the amenity of the conservation area. The effect of the Article 4 Direction is not to prevent development but better manage it.

1.5.4 Existing Article 4 Directions

1.5.5 The four Article 4 Directions previously confirmed in North Tyneside were implemented as part of the Authority's duty to help preserve and enhance the character and appearance of conservation areas.

1.5.6 The Article 4 Directions are:

- Preston Park, confirmed 1996. This Direction affects land at the centre of Preston Park.
- Spanish Battery, confirmed 2000. This Direction affects dwelling houses in:
 - Spanish Battery, Tynemouth, and
 - Old Coastguard Cottages, Tynemouth.
- New Quay, confirmed 2005. This Direction affects dwelling houses in:
 - Ferry Mews, New Quay
 - Dukes Court, New Quay, and
 - The Moorings, New Quay.
- Tynemouth, confirmed 2007. This Direction affects dwelling houses in:
 - Northumberland Terrace, Tynemouth
 - St Albans Place, Tynemouth
 - Tynemouth Terrace, Tynemouth
 - Tynemouth Place, Tynemouth
 - Front Street, Tynemouth
 - Silver Street, Tynemouth
 - Huntingdon Place, Tynemouth
 - Stephenson Street, Tynemouth
 - Middle Street, Tynemouth
 - Hotspur Street, Tynemouth
 - Felton Terrace, Tynemouth
 - Percy Street, Tynemouth
 - Manor Road, Tynemouth
 - St Oswins Place, Tynemouth
 - Lovaine Row, Tynemouth
 - Percy Villas, Tynemouth
 - Percy Park Road, Tynemouth
 - Percy Gardens, Tynemouth
 - Seafeld View, Tynemouth
 - Syon Street, Tynemouth
 - Percy Park, Tynemouth
 - Stephenson Street, Tynemouth, and
 - Bath Terrace, Tynemouth.

1.5.7 As part of the Authority's ongoing refresh of its planning framework, which has included adoption of the North Tyneside Local Plan in 2017 and updated Supplementary Planning

Documents in 2018 and 2019, the work programme has progressed to consideration of the continued suitability and effectiveness of the above Article 4 Directions.

1.5.8 The existing Article 4 Directions continue to be applied, but a review has identified that there is a risk of misinterpretation of their meaning or effect upon permitted development rights by residents and stakeholders. This is because the legislation attached to the above Directions, the Town and Country Planning (General Permitted Development) Order 1995, has been superseded by the Town and Country Planning (General Permitted Development) (England) Order 2015 (“the GPDO”).

1.5.9 Renewal of the Article 4 Directions

1.5.10 To respond to the potential risk identified, it is proposed that the existing Directions are replaced by renewed Article 4 Directions, worded in accordance with the GPDO. The extent of the conservation areas affected by the existing Directions would not change. The approach however to defining the extent of the Article 4 Direction for Tynemouth Village has been amended from specific identification of dwelling houses at each of the streets listed at paragraph 1.5.6 to state that it applies to all dwelling houses within the defined boundary. This approach is more resilient to changes over time as flats or commercial properties may be converted to houses or vice versa.

1.5.11 The renewed Directions would, as with the previous Directions, remove permitted development rights afforded to dwelling houses and, in the case of Preston Park only, remove permitted development rights afforded to land. This would include the erection of extensions and porches, installation of hardstanding and alterations to roofs – all of which do not normally require planning permission.

1.5.12 The renewed Directions would be made under the GPDO and would include the wording “as amended, revoked or re-enacted” to ensure the Directions would remain valid should there be any future changes to legislation. The draft Article 4 Directions are available at **Appendix 1 to 4**.

1.5.13 In accordance with the relevant legislation, once a new Direction is confirmed the existing Direction is cancelled.

1.5.14 To address the current risks associated with the wording of the Article 4 Directions it is recommended that they are all renewed by the Local Planning Authority at the earliest opportunity. Not undertaking this work would harm the Local Planning Authority’s ability to continue to preserve and enhance the conservation areas, and therefore fail in its statutory duties, as set out in section 72 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

1.5.15 Next Steps

1.5.16 Article 4 Directions must be prepared in accordance with Schedule 3 of the GPDO. This includes the requirement to agree a draft (or “made” Direction) for public consultation for a period of six weeks. Following this, the Local Planning Authority can confirm the Article 4 Direction, taking into consideration any responses it receives to the made Direction. This decision will be made by Cabinet at a future meeting. The following indicative timeline is proposed for renewal of the Article 4 Directions.

Table 1: Proposed renewal timeline

| | |
|--------------|---|
| June 2020 | Cabinet consideration of Draft Article 4 Directions. |
| July 2020 | Six weeks consultation with residents, including letter, site notices and advert in local press. |
| October 2020 | Cabinet consideration of the responses to consultation and to confirm the Article 4 Directions. If Article 4 Directions confirmed, residents and Secretary of State to be informed. |

1.5.17 Consultation arrangements

1.5.18 Should Cabinet agree to make the draft Directions, they will be subject to statutory consultation as soon as possible following the decision. In accordance with the GPDO, the draft Directions will be consulted upon via advertisement in the local press, site notice in no fewer than two locations affected by the Direction and by letter to owners/occupiers of the land or dwelling houses.

1.5.19 An engagement plan will be finalised to ensure the statutory consultation is appropriately publicised taking account of each area affected by the proposed renewal of Article 4 Directions. Due regard will be given to the on-going restrictions imposed by the Covid-19 pandemic.

1.5.20 All representations received will be taken into account when making a recommendation to Cabinet on whether or not to confirm the Article 4 Directions at a future Cabinet meeting.

1.6 **Decision options:**

The following decision options are available for consideration by Cabinet:

Option 1

Agree with the recommendations as set out at paragraph 1.2 of this report.

Option 2

Do not approve the recommendations as set out at paragraph 1.2 of this report.

Option 1 is the recommended option.

1.7 **Reasons for recommended option:**

Option 1 is recommended for the following reasons:

The legislation attached to the Article 4 Directions currently in place has now been superseded by the GPDO. As a result of this change, these Directions may not be capable of effective interpretation and implementation. Renewing the Article 4 Directions will allow for the Local Planning Authority to fulfil its statutory duty of preserving and enhancing the character and appearance of conservation areas.

1.8 Appendices:

Appendix 1: Draft Article 4 Direction for land at Preston Park

Appendix 2: Draft Article 4 Direction for dwelling houses at New Quay

Appendix 3: Draft Article 4 Direction for dwelling houses at Spanish Battery

Appendix 4: Draft Article 4 Direction for dwelling houses at Tynemouth Village

1.9 Contact officers:

Laura Craddock, Principal Planner (0191 643 6310)

Jackie Palmer, Planning Manager (0191 643 6336)

Colin MacDonald, Senior Manager, Technical & Regulatory Services (0191 643 6620)

David Dunford, Acting Senior Business Partner (0191 643 7027)

1.10 Background information:

The following background information has been used in the compilation of this report and is available at the office of the author:

1. [North Tyneside Local Plan 2017](#)
2. [The Town and Country Planning \(General Permitted Development\) \(England\) Order 2015 Schedules 2 and 3](#)
3. [Planning \(Listed Buildings and Conservation Areas\) Act 1990](#)
4. [National Planning Policy Framework 2019](#)
5. [Preston Park Article 4\(1\) Direction 1996](#)
6. [Spanish Battery Article 4\(2\) 2000](#)
7. [New Quay Article 4\(2\) 2005](#)
8. [Tynemouth Article 4\(2\) 2007](#)

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The staff, printing and other costs to publish the draft Article 4 Directions will be met from within the existing budgets. All documents will be placed on the Authority's Web Site.

2.2 Legal

The legal implications are set out in the main body of this report.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The matter has been subject to dialogue with the Deputy Mayor.

2.3.2 External Consultation/Engagement

Article 4 Directions must be subject to statutory consultation. The engagement methods are outlined from paragraph 1.5.15 of this report.

2.4 Human rights

There are no human rights implications directly arising from this report.

2.5 Equalities and diversity

There are no direct implications arising from this report.

2.6 Risk management

The risks associated with the existing Article 4 Directions and their alignment with current legislation are set out in the main body of the report.

2.7 Crime and disorder

There are no crime and disorder implications directly arising from this report.

2.8 Environment and sustainability

The draft Article 4 Directions promote the use and re-use of natural, sustainable materials.

PART 3 - SIGN OFF

- | | |
|---|-------------------------------------|
| • Chief Executive | <input checked="" type="checkbox"/> |
| • Head(s) of Service | <input checked="" type="checkbox"/> |
| • Mayor/Cabinet Member(s) | <input checked="" type="checkbox"/> |
| • Chief Finance Officer | <input checked="" type="checkbox"/> |
| • Monitoring Officer | <input checked="" type="checkbox"/> |
| • Head of Corporate Strategy and Customer Service | <input checked="" type="checkbox"/> |

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THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE

**TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT)
(England) ORDER 2015 (as amended, revoked or re-enacted)**

**DIRECTION MADE UNDER ARTICLE 4(1) OF THE ORDER TO WHICH
SCHEDULE 3 APPLIES**

WHEREAS the Council of the Borough of North Tyneside (the **Authority**), being the appropriate local planning authority within the meaning of Article 4(5) of the Town and Country Planning (General Permitted Development) (England) Order 2015 (“the Order”) (as amended, revoked or re-enacted) are satisfied that it is expedient that development of the description set out in First Schedule of this Direction should not be carried out on land described in the Second Schedule unless planning permission is granted on an application made under Part III of the Town and Country Planning Act 1990 (as amended, revoked or re-enacted).

NOW THEREFORE the Authority, in exercise of the power conferred by Article 4(1) of the Order **HEREBY DIRECTS** that the permission granted by Article 3 of the Order shall not apply to development specified in the First Schedule on land described in the Second Schedule.

FIRST SCHEDULE

In respect of land described in the Second Schedule.

Part 2 of Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended, revoked or re enacted):

- The erection, construction, maintenance, improvement or alteration of a gate, fence, wall or other means of enclosure where it would front a highway, waterway or open space (Class A).
- The formation, laying out and construction of a means of access to a highway which is not a trunk road or a classified road, where that access is required in connection with development permitted by any Class in this Schedule (other than by Class A of this Part) (Class B).
- The painting of the exterior of any part of a building or work (Class C).
- The installation, alteration or replacement, within an area lawfully used for off-street parking, of an electrical outlet mounted on a wall for recharging electric vehicles (Class D).
- The installation, alteration or replacement, within an area lawfully used for off-street parking, of an upstand with an electrical outlet mounted on it for recharging electric vehicles (Class E).
- The installation, alteration or replacement on a building of a closed circuit television camera to be used for security purposes (Class F).

Part 4 of Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended, revoked or re enacted):

- The provision on land of buildings, moveable structures, works, plant or machinery required temporarily in connection with and for the duration of operations being or to be carried out on, in, under or over that land or on land adjoining that land (Class A).
- The use of any land for any purpose for not more than 28 days in total in any calendar year, of which not more than 14 days in total may be for the purposes of
 - the holding of a market;
 - motor car and motorcycle racing including trials of speed, and practising for these activities,and the provision on the land of any moveable structure for the purposes of the permitted use (Class B).
- The use of a building and any land within its curtilage as a state-funded school for a single academic year (Class C).

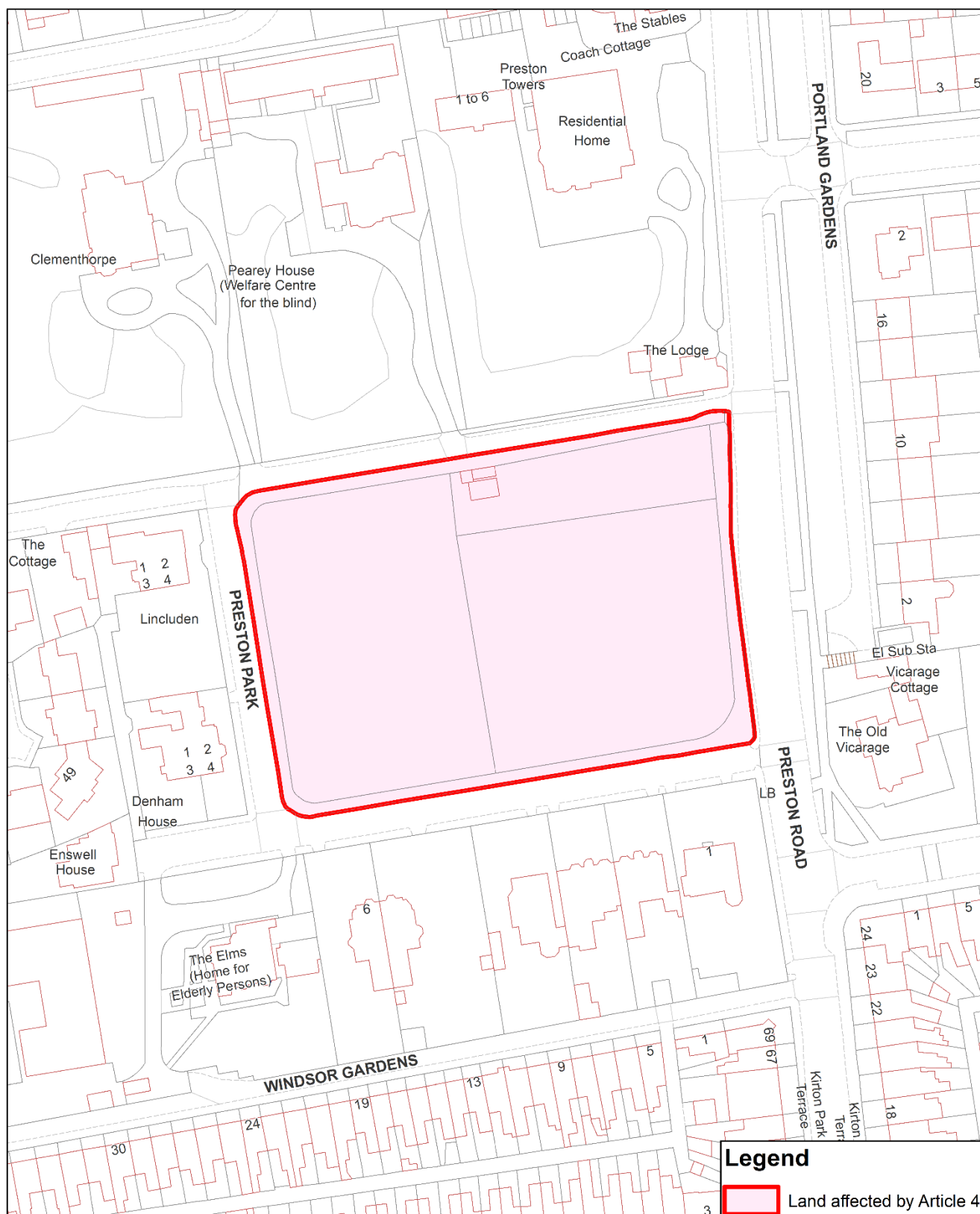
- Development consisting of
 - the temporary use of any land or buildings for a period not exceeding 9 months in any 27 month period for the purpose of commercial film-making; and
 - the provision on such land, during the filming period, of any temporary structures, works, plant or machinery required in connection with that use (Class E).

Part 11 of Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended, revoked or re enacted):

- The demolition of the whole or any part of the gate, fence, wall or other means of enclosure within the curtilage of a dwellinghouse and fronts a highway, waterway or open space (Class C).

SECOND SCHEDULE

Land delineated on the attached plan at Preston Park conservation area.



**TOWN AND COUNTRY PLANNING
(GENERAL PERMITTED DEVELOPMENT) (England) ORDER 2015**
(as amended, revoked or re-enacted)

Direction made under Article 4

The Council of the Borough of North Tyneside
The Preston Park, North Shields Direction 2020



SCALE : 1: 1250 @ A4

The Article 4 Direction shall come into effect on [to be added when Direction confirmed].

Confirmed under THE COMMON SEAL of NORTH TYNESIDE COUNCIL on the ... DAY of 20... The common seal of the Council was affixed to this Direction in the presence of :

Chair of Council

.....
Authorised Signatory

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THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE

**TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT)
(England) ORDER 2015 (as amended, revoked or re-enacted)**

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SCHEDULE 3 APPLIES**

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NOW THEREFORE the Authority, in exercise of the power conferred by Article 4(1) of the Order **HEREBY DIRECTS** that the permission granted by Article 3 of the Order shall not apply to development specified in the First Schedule on land described in the Second Schedule.

FIRST SCHEDULE

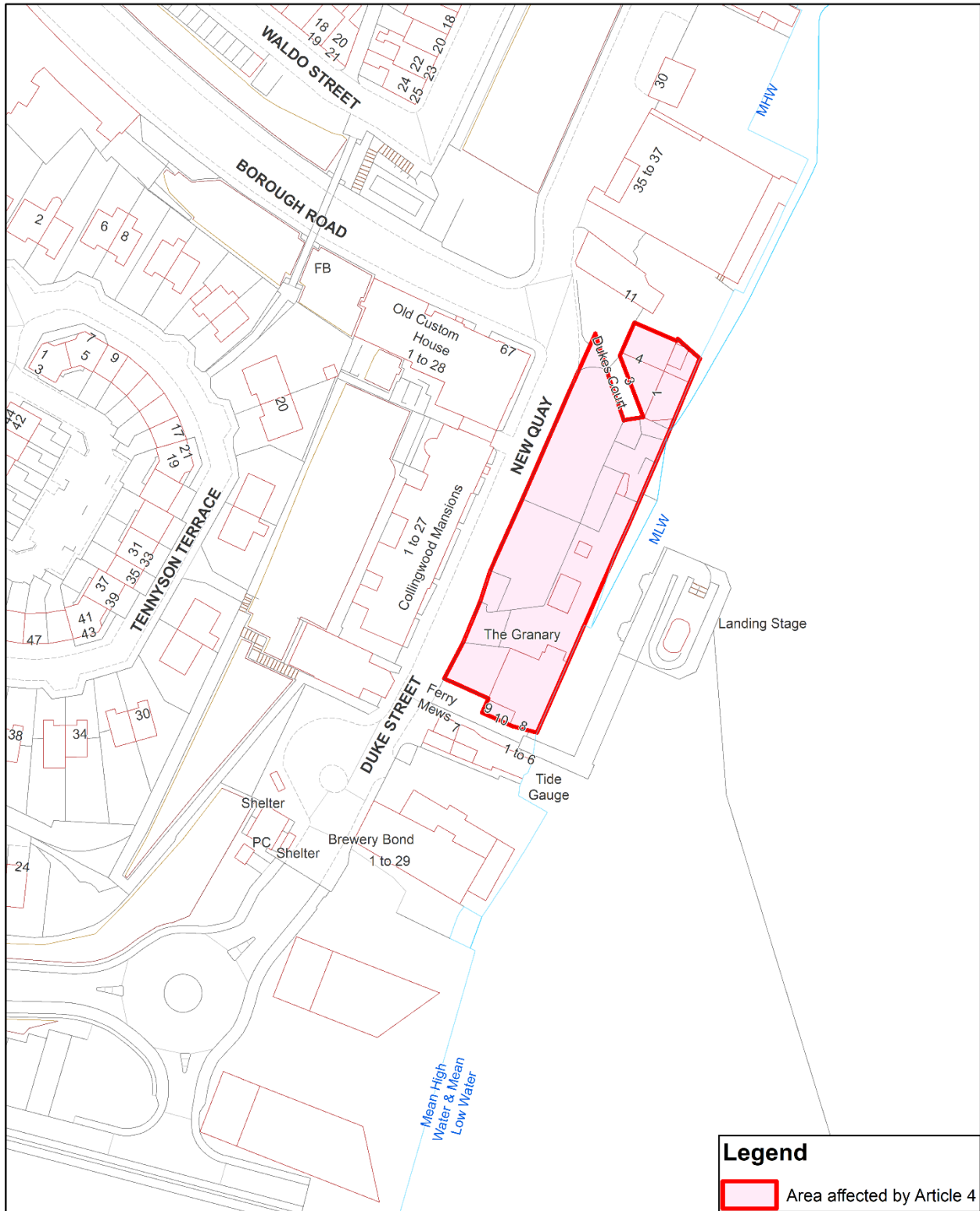
In respect of land described in the Second Schedule.

Part 1 of Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended, revoked or re-enacted):

- The enlargement, improvement or other alteration of a dwellinghouse (including replacement of windows, doors and architectural features) where any part of the enlargement, improvement or alteration would front a highway, waterway or open space (Class A).
- The alteration of roofs including re-covering and installation of roof lights, where the alteration would be to a roof slope which fronts a highway, waterway or open space (Class C).
- The erection of a porch, where the external door of the porch would front a highway, waterway or open space (Class D).
- Where they would front a highway, waterway or open space, the provision within the curtilage of the dwellinghouse of
 - any building or enclosure, swimming or other pool, or the maintenance, improvement or other alteration of such a building or enclosure;
 - or a container used for domestic heating purposes for the storage of oil or liquid petroleum gas (Class E).
- The erection of a hard surface within the curtilage of a dwellinghouse, or the replacement in whole or in part of such a surface, where it would front a highway, waterway or open space (Class F).
- The installation, alteration or replacement of a chimney, flue or soil and vent pipe on a dwellinghouse, where it would front a highway, waterway or open space (Class G).
- The installation, alteration or replacement of a satellite antenna that fronts a highway, waterway or open space (Class H).

SECOND SCHEDULE

Dwellinghouses within the New Quay conservation area shown within the highlighted area on the attached plan.



**TOWN AND COUNTRY PLANNING
(GENERAL PERMITTED DEVELOPMENT) (England) ORDER 2015
(as amended, revoked or re-enacted)**

Direction made under Article 4

**The Council of the Borough of North Tyneside
The New Quay, North Shields Direction 2020**



SCALE : 1: 1250 @ A4

The Article 4 Direction shall come into effect on [to add when Direction confirmed].

Confirmed under THE COMMON SEAL of NORTH TYNESIDE COUNCIL on the
... DAY of 20... The common seal of the Council was affixed to this
Direction in the presence of :

Chair of Council

.....
Authorised Signatory

DRAFT

THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE

**TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT)
(England) ORDER 2015 (as amended, revoked or re-enacted)**

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SCHEDULE 3 APPLIES**

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NOW THEREFORE the Authority, in exercise of the power conferred by Article 4(1) of the Order **HEREBY DIRECTS** that the permission granted by Article 3 of the Order shall not apply to development specified in the First Schedule on land described in the Second Schedule.

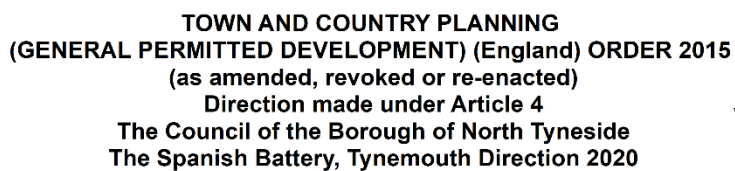
FIRST SCHEDULE

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Part 1 of Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended, revoked or re-enacted):

- The enlargement, improvement or other alteration of a dwellinghouse (including replacement of windows, doors and architectural features) where any part of the enlargement, improvement or alteration would front a highway, waterway or open space (Class A).
- The alteration of roofs including re-covering and installation of roof lights, where the alteration would be to a roof slope which fronts a highway, waterway or open space (Class C).
- The erection of a porch, where the external door of the porch would front a highway, waterway or open space (Class D).
- Where they would front a highway, waterway or open space, the provision within the curtilage of the dwellinghouse of
 - any building or enclosure, swimming or other pool, or the maintenance, improvement or other alteration of such a building or enclosure;
 - or a container used for domestic heating purposes for the storage of oil or liquid petroleum gas (Class E).
- The erection of a hard surface within the curtilage of a dwellinghouse, or the replacement in whole or in part of such a surface, where it would front a highway, waterway or open space (Class F).
- The installation, alteration or replacement of a chimney, flue or soil and vent pipe on a dwellinghouse, where it would front a highway, waterway or open space (Class G).
- The installation, alteration or replacement of a satellite antenna that fronts a highway, waterway or open space (Class H).

Dwellinghouses within Spanish Battery area of the Tynemouth Village conservation area shown within the highlighted area on the attached plan.



The Article 4 Direction shall come into effect on [to add when Direction confirmed].

Confirmed under THE COMMON SEAL of NORTH TYNESIDE COUNCIL on the
... DAY of 20... The common seal of the Council was affixed to this
Direction in the presence of :

Chair of Council

.....
Authorised Signatory

DRAFT

THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE

**TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT)
(England) ORDER 2015 (as amended, revoked or re-enacted)**

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FIRST SCHEDULE

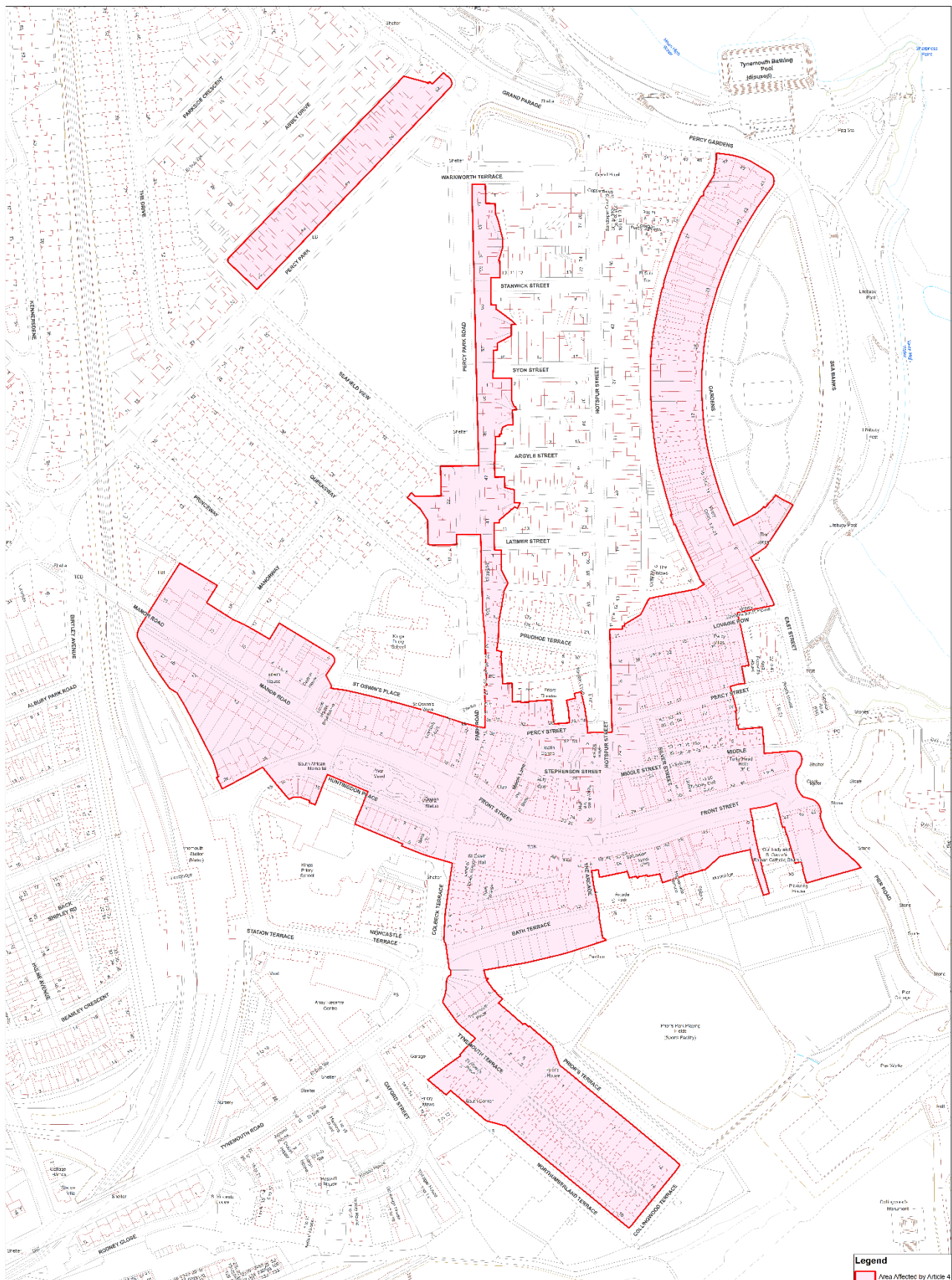
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- The enlargement, improvement or other alteration of a dwellinghouse (including replacement of windows, doors and architectural features) where any part of the enlargement, improvement or alteration would front a highway, waterway or open space (Class A).
- The alteration of roofs including re-covering and installation of roof lights, where the alteration would be to a roof slope which fronts a highway, waterway or open space (Class C).
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- The erection of a hard surface within the curtilage of a dwellinghouse, or the replacement in whole or in part of such a surface, where it would front a highway, waterway or open space (Class F).
- The installation, alteration or replacement of a chimney, flue or soil and vent pipe on a dwellinghouse, where it would front a highway, waterway or open space (Class G).
- The installation, alteration or replacement of a satellite antenna that fronts a highway, waterway or open space (Class H).

SECOND SCHEDULE

Dwellinghouses within Tynemouth Village conservation area shown within the highlighted area on the attached plan.



The Article 4 Direction shall come into effect on [to add when Direction confirmed].

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Chair of Council

.....
Authorised Signatory

DRAFT

North Tyneside Council Report to Cabinet Date: 29 June 2020

Title: Public Spaces Protection Orders

Portfolio: Environment & Transport
Community Safety & Engagement

Cabinet Member: Councillor Carl Johnson
Councillor Carole Burdis

Report from Service Area: Environment, Housing and Leisure

Responsible Officer: Phil Scott, Head of Environment Housing and Leisure **Tel: (0191) 643 7295**

Wards affected: All

PART 1

1.1 Executive Summary:

Tackling environmental crime is a key priority of the Elected Mayor and Cabinet to ensure that North Tyneside remains a great place to live, work and visit.

Having legal powers available to effectively manage and enforce environmental crime is essential to the quality of life of the community. Public Spaces Protection Orders (PSPOs) provides the Authority with an important enforcement tool.

In October 2017, following the introduction of new legislation, Cabinet approved the making of PSPOs within the borough covering the control of dogs and the consumption of alcohol in public spaces. PSPOs however cannot last for more than 3 years therefore the PSPOs currently in place will expire in October 2020.

It is proposed that these PSPOs are extended for a further 3 years using the powers available to do so. This report seeks approval for the commencement of a 6 week consultation exercise to be undertaken on that proposal. This will inform Cabinet before it makes a final decision.

1.2 Recommendations:

It is recommended that Cabinet:

- i. agree to the commencement of a 6 week consultation exercise on the proposed extension of the Public Space Protection Orders attached at **Appendix 1** of this report;

- ii. authorise the Head of Environment, Housing and Leisure in consultation with the Cabinet Member for Environment and Transport and the Cabinet Member for Community Safety and Engagement to undertake all appropriate steps to undertake the consultation exercise and any ancillary matters relating to it; and
- iii. agree to receive a further report following the conclusion of the consultation exercise to consider the consultation responses and to determine if there are reasonable grounds for the Public Space Protection Orders to be extended for a further period of 3 years.

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 29 May 2020.

1.4 Council Plan and Policy Framework

This report relates to the following priorities in the 2020-2024 Our North Tyneside Plan:

Our places will:

- Provide a clean, green, healthy, attractive, safe and sustainable environment

1.5 Information:

1.5.1 Background

Tackling environmental crime is a key priority of the Elected Mayor. In the 2018 Resident's Survey 48% of residents highlighted a clean environment as being one of the most important factors to them in making the borough a good place to live. The 2018 Resident's Survey also told the Authority that 89% of people in North Tyneside feel safe in their local area during the day, which is consistent to previous years. However, fewer residents, 55%, reported feeling safe after dark. The importance to residents of being able to address crime and tackle anti-social behaviour has increased at a national level as well as locally in North Tyneside.

Additional officer capacity has been introduced which includes new community protection wardens and an environmental rapid response team. Also, a new CCTV vehicle has been introduced along with more CCTV cameras which are capable of being redeployed to tackle identified hotspots for anti-social behaviour and environmental crime.

Having legal powers available to deter environmental crime and to take action when it is appropriate to do so is key to ensuring that the borough remains a great place to live, work and visit. Public Spaces Protection Orders (PSPOs) provide the Authority with an important enforcement tool.

1.5.2 What is a PSPO?

PSPOs were introduced by The Anti-social Behaviour, Crime and Policing Act 2014 (the 'Act'). The Act gave powers to local authorities to introduce PSPOs to deal with any particular nuisance or problem having a detrimental effect on the quality of life of those in the community.

A PSPO effectively prohibits specified things from being done or requires certain things to be done in an area covered by it, whilst ensuring that law-abiding members of the public can use and enjoy that area.

A PSPO can be made by the Authority where it is satisfied on reasonable grounds that two conditions are met:

- 1) Activities carried on in a public place within the borough have had, or are likely to have, a detrimental effect on the quality of life of those living or working in the locality; and
- 2) That the effect, or likely effect, of the activities:
 - a) is, or is likely to be, of a persistent or continuing nature;
 - b) is, or is likely to be, such as to make the activities unreasonable, and
 - c) justifies the restrictions imposed by the PSPO.

1.5.3 PSPOs in North Tyneside

During 2017 proposals to introduce PSPOs resulted in draft Orders being consulted on in accordance with the requirements of the Act. At its meeting of 9 October 2017, Cabinet approved the making of PSPOs within the borough and these were made on 20 October 2017 and are attached at **Appendix 1** of this report.

The PSPOs introduced prohibitions and requirements and consolidated a number of existing prohibitions and requirements contained in by-laws and other types of Orders made by the Authority to tackle anti-social behaviour. A summary of the activities controlled by the PSPOs is attached as **Appendix 2** of this report.

As before, the prohibitions and requirements introduced by the PSPOs were aimed at tackling problems relating to irresponsible dog ownership and the irresponsible consumption of alcohol in public places. However, the opportunity was taken in 2017 to extend the coverage of some of those controls and at the same time preserve what was previously in place under the by-laws or Orders.

For example, the control of dogs was extended to exclude dogs from all play sites, not just some sites, and the restriction on the consumption of alcohol in a public space was extended from specified designated areas to include the whole borough.

The PSPOs made on 20 October 2017 were to remain in force for a period of 3 years.

PSPOs are enforceable by means of a Fixed Penalty Notice of up to £100 and these can be issued by officers from the Authority and the Police. Court action can be taken against persons who have failed to pay the fixed penalty within the requisite period of time for the offence of failing to comply with the terms of the PSPO. A person who without reasonable excuse fails to comply with the requirements imposed by a PSPO restricting the consumption of alcohol on conviction can be fined up to £500 whilst a person who without reasonable excuse fails to comply with the terms of a PSPO prohibiting or restricting other types of behaviour on conviction can be fined up to £1,000.

At its meeting on 9 October 2017, Cabinet set the Fixed Penalty Notice amount to be set at the statutory maximum of £100 but this is discounted to £75 if it is paid within 21 days.

The Authority has a published Statement of Enforcement Policy which is based on taking a proportionate approach towards achieving compliance with the law. Considerable community engagement is undertaken by the Authority's community protection and environment teams. In some circumstances formal enforcement is however required.

A total of 49 Fixed Penalty Notices have been issued between October 2017 and March 2020. Six out of ten Fixed Penalty Notices issued have been in relation to dog fouling offences and three out of ten for dog control offences. Following the PSPOs being made in October 2017, the number of reported dog fouling incidents has decreased year on year, whereas prior to this, the number of reported incidents had been showing a steady increase since 2013/14. During 2019/20, there were 449 dog fouling incidents reported to the Authority, 424 in 2018/19, compared to 585 incidents during 2017/18 and 537 in 2016/17.

1.5.4 Extension of PSPOs

When a PSPO is made the Act specifies that it cannot last for more than 3 years unless formally extended. The effect of this is that the PSPOs made by the Authority on 20 October 2017 will expire at midnight on 19 October 2020 if they are not extended. However, the Act provides that the Authority may extend the PSPOs for a further period of not more than 3 years. Any proposed extension of the PSPOs cannot take place until the necessary statutory consultation on the proposed extension has taken place in accordance with the Act.

It is proposed that at the end of the consultation exercise a further report will be presented to Cabinet. Cabinet at that stage, having regard to the consultation responses and any other relevant considerations, will be in a position to determine if it is reasonably satisfied that extending the PSPOs is necessary to prevent: -

- a) occurrence or recurrence after the expiry of the PSPOs of the activities identified in the PSPOs; or
- b) an increase in the frequency or seriousness of those activities after the expiry of the PSPOs.

1.5.5 Next Steps

Should Cabinet approve commencement of the consultation exercise on extending the PSPOs a comprehensive engagement plan will be finalised. The Act requires the Authority to consult with:

- the Chief Officer of Police
- the Police and Crime Commissioner
- the owner or occupier of land within restricted areas
- community representatives the Authority thinks it appropriate.

The engagement plan will meet both the statutory requirements and the Authority's recognised corporate standards for consultation. Due regard will be given to the on-going restrictions imposed by the Covid-19 pandemic.

As stated, the consultation responses will be collated and analysed with recommendations being brought back to a future Cabinet meeting so that an informed decision can be taken as to the whether or not to extend the PSPOs.

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

To agree to the recommendations set out in Section 1.2 of this report.

Option 2

Not to agree to the recommendation set out in Section 1.2 of this report and instruct that an alternative approach is taken.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended. Section 1.5.4 of this report explains that the PSPOs in place within the borough will expire on 19 October 2020. If the PSPOs are not extended before their expiry they will cease to have effect resulting in the Authority having no controls in place to tackle anti-social behaviour relating to dogs and alcohol and the detrimental effect that such behaviour can have on the quality of life of those in the community.

1.8 Appendices:

Appendix 1: PSPOs approved by Cabinet and made on 20 October 2020

Appendix 2: Summary of activities controlled by PSPOs

1.9 Contact officers:

Colin MacDonald, Senior Manager, Technical and Regulatory Services, Tel. (0191) 643 6620

Samantha Dand, Senior Manager, Local Environmental Services, Tel. (0191) 643 7294

Paul Worth, Senior Manager, Housing Operations, Tel. (0191) 643 7554

John Barton, Lawyer, Tel: (0191) 643 5354

David Dunford, Acting Senior Business Partner, Tel. (0191) 643 7027

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- 1) [The Anti-Social Behaviour, Crime and Policing Act 2014](#)
- 2) [Statutory Guidance Published by the Home Office on Anti-social behaviour powers](#)
- 3) [PSPOs: Guidance for councils, LGA](#)
- 4) [North Tyneside Council Statement of Enforcement Policy](#)
- 5) [Cabinet decision, 9 October 2017](#)
- 6) [Cabinet Report, 9 October 2017](#)
- 7) [Equality Impact Assessment](#)

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The review process outlined and proposed in this report will be managed within existing budgets. Any additional financial implications will be reported to Cabinet.

2.2 Legal

As stated, the Anti-Social Behaviour, Crime and Policing Act 2014 (the 2014 Act) introduced Public Spaces Protection Orders (PSPOs) as a means of tackling a wide range of anti-social behaviour that can have a detrimental effect on the lives of those living and working in the borough. PSPOs can be used to tackle such issues as litter, vandalism, public drunkenness, and the control of dogs. PSPOs

The Authority can extend a PSPO for a period of up to 3 years if the Authority is satisfied that it has reasonable grounds for doing so in accordance with section 60(2) of the 2014 Act. Before any extension of a PSPO can be made “necessary consultation” has to take place on the proposed extension with those set out in section 72(4) of the 2014 Act. The authority to undertake such consultation is now being sought from Cabinet.

The decision on whether or not to extend the PSPO is a Cabinet function because there is nothing in the 2014 Act that specifies that such a decision has to be taken by Council and there is nothing in the Local Authorities (Functions and Responsibilities)(England) Regulations 2000 that indicates that the making of a PSPO is a function that is not the responsibility of Cabinet.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Consultation the proposal to extend the PSPOs has taken place with the Cabinet Member for Environment and Transport and the Cabinet Member for Community Engagement.

2.3.2 External Consultation/Engagement

Section 1.5.5 of the report highlights that a statutory consultation process is required by the Act and that an engagement plan will be finalised to meet both the statutory requirements and the Authority’s recognised corporate standards for consultation. Due regard will be given to the on-going restrictions imposed by the Covid-19 pandemic.

2.4 Human rights

In deciding whether or not to make a PSPO the Authority must have particular regard to the rights of freedom of expression and freedom of assembly as set out Articles 10 and 11 of the European Convention of Human Rights respectively.

2.5 Equalities and diversity

An Equality Impact Assessment has been undertaken which will be kept under review during the consultation process. It will be updated prior to finalising and implementing the proposals outlined in the report.

2.6 Risk management

There are no risk management implications arising directly from this report. Risks are managed via the established risk management arrangements in place within Environment, Housing and Leisure which form part of the corporate risk management framework.

2.7 Crime and disorder

The purpose of a PSPO is to provide the Authority and Police with the ability to effectively tackle anti-social behaviour, which can amount to crime and disorder.

2.8 Environment and sustainability

The existence of PSPOs can improve the environment for the community by preventing behaviour that has a detrimental effect on the community from occurring or recurring.

PART 3 - SIGN OFF

- Chief Executive ☒
- Head of Service ☒
- Mayor/Cabinet Member(s) ☒
- Chief Finance Officer ☒
- Monitoring Officer ☒
- Head of Corporate Strategy and Customer Service ☒

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**THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE (DOG FOULING OF LAND)
PUBLIC SPACES PROTECTION ORDER 2017**

**SECTION 59
ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014 (“the Act”)**

The Council of the Borough of North Tyneside (“the Authority”) being satisfied that:-

- Dog faeces which are not removed from land forthwith (“the activity”) in public places within the Borough has had a detrimental effect on the quality of life of those in the locality and/or
- It being likely that the activity will be carried on in public places and that it will have such an effect.

And being satisfied that the effect or likely effect of the activity

- a) Is, or is likely to be, of a persistent or continuing nature
- b) Is, or is likely to be, such as to make the activity unreasonable; and
- c) Justifies the restrictions imposed by this Order

And pursuant to the requirements of section 72 of the Act the Authority:-

- a) Having had particular regard to the rights of freedom of expression and freedom of human assembly set out in Articles 10 and 11 of the European Convention of Human Rights; and
- b) Having carried out the necessary consultation, notification and publicity

MAKES this Public Spaces Protection Order under section 59 of the Act

1. This Order applies to all public land within the boundary of the Council of the Borough of North Tyneside which is open to the air and to which the public are entitled or permitted to have access (with or without payment).
2. This Order may be cited as The Council of the Borough of North Tyneside (Dog Fouling of Land) Public Spaces Protection Order 2017 and shall come into force on 20 October 2017 for a period of 3 years unless extended by further Order.

EFFECT OF THE ORDER

The effect of this Order is to impose the following requirements on the use of public land within the boundary of the Council of the Borough of North Tyneside to which this Order applies at all times:-

- a) If a dog defecates at any time within a public space to which this Order applies the person in charge of the dog must remove the faeces from the land forthwith unless he or she has a “reasonable excuse” for failing to do so or the owner, occupier or other person or authority having control of the land has consented (generally and specifically) to his or her failing to do so.
- b) Being unaware of the defecation (whether by reason of not being in the vicinity or otherwise), or not having a device for or other suitable means of removing the faeces, shall not be a “reasonable excuse” for failing to remove the faeces.

EXCEPTIONS

Nothing in this Order shall apply to a person who relies upon a dog trained by a prescribed charity and such person:-

- a) Is registered as a blind person in a register compiled under section 29 of the National Assistance Act 1948; or
- b) Is deaf; or
- c) Has a disability which affects his mobility, manual dexterity, physical coordination or ability to lift, carry or otherwise move everyday objects.

OFFENCE

It is an offence for a person without reasonable excuse to fail to comply with the requirements imposed on him/her by this Order and on conviction is liable to a fine not exceeding level 3 on the standard scale.

FIXED PENALTY NOTICE

A Constable or Authorised Person may issue a Fixed Penalty Notice to anyone he or she has reason to believe has committed an offence by failing to comply with requirements imposed on him or her by this Order. A person served with a Fixed Penalty Notice will have 21 days to pay the fixed penalty of £100. If a person pays the Fixed Penalty within 14 days the fixed penalty will be reduced to £75.00. If payment of the Fixed Penalty is made a person will not be prosecuted.

GENERAL

For the purposes of this Order:-

A 'public place' means any place to which the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission.

An 'Authorised Person' means an employee of the Authority, person designated by the Authority to act on its behalf or a Police Community Support Officer.

An 'interested person' means an individual who lives in the restricted area or who regularly works in or visits that area.

Each of the following is 'prescribed charity':-

- Dogs for the Disabled (registered charity number 700454)
- Support Dogs Limited (registered charity number 1088281)
- Canine Partners for Independence (registered charity number 803680)
- Dog A.I.D (registered charity number 1092960)
- Guide Dogs (registered charity number 209617)
- Hearing Dogs for Deaf People (registered charity number 293358)

CHALLENGING THE VALIDITY OF THE ORDER

An interested person may challenge the validity of this Order by applying to the High Court within 6 weeks of it being made. The grounds on which such an application can be made are:-

- That the Authority did not have the power to make the Order or to include particular prohibitions or requirements imposed by the Order, or
- That a requirement under the legislation in relation to the Order has not been complied with, for instance, that no consultation was undertaken.

When an application is made the High Court can decide to suspend the operation of the Order pending the Court's decision, in part or in total. The High Court may uphold the Order, quash it or vary it.

This Order is made the 20th day of October 2017


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V M Geary
Head of Law and Governance
and Monitoring Officer

THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE (DOG CONTROL) PUBLIC SPACES PROTECTION ORDER 2017

SECTION 59 ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014 (“the Act”)

The Council of the Borough of North Tyneside (“the Authority”) being satisfied that:-

- The activities identified below have been carried on in a public place within the Borough and have had a detrimental effect on the quality of life of those in the locality and/or
- It is likely that the activities identified below will be carried on in public places within the Borough and that they will have such an effect.

And that the effect or likely effect of the activities

- a) Is or is likely to be of a persistent or continuing nature
- b) Is or is likely to be such as to make the activity unreasonable; and
- c) Justifies the restrictions imposed by this Order

And pursuant to the requirements of section 72 of the Act the Authority:-

- a) Having had particular regard to the rights of freedom of expression and freedom of human assembly set out in Articles 10 and 11 of the European Convention of Human Rights; and
- b) Having carried out the necessary consultation, notification and publicity

MAKES this Public Spaces Protection Order under section 59 of the Act

1. This Order applies, as the case may be, to the public land described in the Schedules of this Order and shown on the maps attached to this Order, or to all public land within the boundary of the Council of the Borough of North Tyneside being land in the Borough to which the Act applies and which is land protected by the making of this Order (“the restricted areas”).
2. This Order may be cited as The Council of the Borough of North Tyneside (Dog Control) Public Spaces Protection Order 2017 and shall come into force on 20 October 2017 for a period of 3 years unless extended by further Order.

EFFECT OF THE ORDER

The effect of this Order is to impose the following prohibitions and requirements on the use of the restricted areas:-

1. The Exclusion of Dogs from Land

- 1) A person in charge of a dog shall not at any time take a dog on, or permit a dog to enter or remain on, any children’s play area listed in Schedule 1 of this Order and shown on maps 1.1 to 1.55 attached to this Order and between 1 May and 30 September (inclusive) on a beach listed in Schedule 2 of this Order and shown on maps 2.1 to 2.4 attached to this Order unless:-
 - a) He/she has reasonable excuse for failing to do so; or

- b) The owner, occupier or other person or authority having control of the land has consented (generally or specifically) to his/her failing to do so.

2. Dogs to be on a Lead

- 1) A person in charge of a dog shall at all times keep a dog on a lead in the restricted areas listed in Schedule 3 of this Order and shown on maps 3.1 to 3.14 attached to this Order unless:-
 - a) He/she has reasonable excuse for failing to do so; or
 - b) The owner, occupier or other person or authority having control of the land has consented (generally or specifically) to his/her failing to do so.

3. Dogs on Leads by Order

- 1) On any land which is open to the air to which the public are entitled or permitted to have access (with or without payment) within the boundary of the Council of the Borough of North Tyneside a person in charge of a dog shall at all times comply with a direction from a Constable or Authorised Officer to put and keep a dog on a lead unless:-
 - a) He/she has reasonable excuse for failing to do so; or
 - b) The owner, occupier or other person or authority having control of the land has consented (generally or specifically) to the dog remaining off the lead.
- 2) A Constable or Authorised Officer may only give a direction under this Order if such restraint is reasonably necessary to prevent a nuisance or behaviour by the dog that is likely to cause annoyance or disturbance to any other person, or the worrying of an animal or bird.

EXCEPTIONS

Nothing in this Order shall apply to a person who relies upon a dog trained by a prescribed charity and such person:-

- a) Is registered as a blind person in a register compiled under section 29 of the National Assistance Act 1948; or
- b) Is deaf; or
- c) Has a disability which affects his mobility, manual dexterity, physical coordination or ability to lift, carry or otherwise move everyday objects.

OFFENCE

It is an offence for a person without reasonable excuse to comply with the requirements imposed on him/her by this Order and on conviction is liable to a fine not exceeding level 3 on the standard scale.

FIXED PENALTY NOTICE

A Constable or Authorised Person may issue a Fixed Penalty Notice to anyone he or she has reason to believe has committed an offence by failing to comply with requirements imposed on him or her by this Order. A person served with a Fixed Penalty Notice will have 21 days to pay the fixed penalty of £100. If a person pays the Fixed Penalty within 14 days the fixed penalty will be reduced to £75.00. If payment of the Fixed Penalty is made a person will not be prosecuted.

GENERAL

For the purposes of this Order:-

A 'public place' means any place to which the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission.

An 'Authorised Person' means an employee of the Authority, person designated by the Authority to act on its behalf or a Police Community Support Officer.

An 'interested person' means an individual who lives in the restricted area or who regularly works in or visits that area.

Each of the following is 'prescribed charity':-

- Dogs for the Disabled (registered charity number 700454)
- Support Dogs Limited (registered charity number 1088281)
- Canine Partners for Independence (registered charity number 803680)
- Dog A.I.D (registered charity number 1092960)
- Guide Dogs (registered charity number 209617)
- Hearing Dogs for Deaf People (registered charity number 293358)

CHALLENGING THE VALIDITY OF THE ORDER

An interested person may challenge the validity of this Order by applying to the High Court within 6 weeks of it being made. The grounds on which such an application can be made are:-

- That the Authority did not have the power to make the Order or to include particular prohibitions or requirements imposed by the Order, or
- That a requirement under the legislation in relation to the Order has not been complied with, for instance, that no consultation was undertaken.

When an application is made the High Court can decide to suspend the operation of the Order pending the Court's decision, in part or in total. The High Court may uphold the Order, quash it or vary it.

This Order was made on 20th day of October 2017


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V.M Geary
Head of Law and Governance
and Monitoring Officer

THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE (CONSUMPTION OF ALCOHOL) PUBLIC SPACES PROTECTION ORDER 2017

SECTION 59 ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014 ("the Act")

The Council of the Borough of North Tyneside ("the Authority") being satisfied that:-

- The consumption of alcohol and/or the refusal to surrender alcohol to a Constable or Authorised Person ("the activity") carried out in a public place within its area has had a detrimental effect on the quality of life of those in the locality and/or
- It being likely that the activity will be carried on in a public place and that it will have such an effect.

And that the effect or likely effect of the activity:-

- a) Is or is likely to be of a persistent or continuing nature
- b) Is or is likely to be such as to make the activity unreasonable; and
- c) Justifies the restrictions imposed by this Order

And pursuant to the requirements of section 72 of the Act the Authority:-

- a) Having had particular regard to the rights of freedom of expression and freedom of human assembly set out in Articles 10 and 11 of the European Convention of Human Rights; and
- b) Having carried out the necessary consultation, notification and publicity

MAKES this Public Spaces Protection Order under section 59 of the Act

1. This Order applies to all public land within the boundary of the Council of the Borough of North Tyneside which is open to the air and to which the public are entitled or permitted to have access (with or without payment) subject to the exceptions listed below.
2. This Order may be cited as The Council of the Borough of North Tyneside, (Consumption of Alcohol) Public Spaces Protection Order 2017 and shall come into force on 20 October 2017 for a period of 3 years unless extended by further Order.

EFFECT OF THE ORDER

The effect of this Order is to impose the following requirements on the use of the restricted areas at all times:-

Where a Constable or Authorised Person reasonably believes that a person is, or has been, consuming alcohol in a restricted area or intends to do so, the Constable or Authorised Person may require the person concerned:-

- (a) Not to consume in a restricted area anything which is or which the Constable or Authorised Person reasonably believes to be alcohol;
- (b) To surrender anything in possession of the person in question which is, or which the Constable or Authorised Person reasonably believes to be alcohol or a container for alcohol.

The Constable or Authorised Person must tell the person in question that failing without reasonable excuse to comply with a requirement imposed by the Constable or Authorised Person is an offence.

OFFENCE

It is an offence for a person without reasonable excuse to comply with the requirements imposed on him by this Order and on conviction is liable to a fine not exceeding level 2 on the standard scale.

FIXED PENALTY NOTICE

A Constable or Authorised Person may issue a Fixed Penalty Notice to anyone he or she has reason to believe has committed an offence by failing without reasonable excuse to comply with a requirement imposed on him or her by a Constable or Authorised Person. A person served with a Fixed Penalty Notice will have 21 days to pay the fixed penalty of £100. If a person pays the Fixed Penalty within 14 days the fixed penalty will be reduced to £75.00. If payment of the Fixed Penalty is made a person will not be prosecuted.

EXCEPTIONS

Nothing in this Order shall apply to:-

- a) Premises (other than council-operated licensed premises) authorised by a premises licence to be used for the supply of alcohol
- b) Premises authorised by a club premises certificate to be used by the club for the supply of alcohol
- c) A place within the curtilage of a premises within (a) or (b)
- d) Premises which by virtue of Part 5 of the Licensing Act 2003 may at the relevant time be used for the supply of alcohol or which, by virtue of that Part, could have been so used within the 30 minutes before that time.
- e) A place where facilities or activities relating to the sale or consumption of alcohol are at the relevant time permitted by virtue of a permission granted under section 115E of the Highways Act 1980 (highway-related issues).
- f) Council-operated licensed premises when the premises are being used for the supply of alcohol, or
- g) Within 30 minutes after the end of a period during which the premises have been used for the supply of alcohol.

GENERAL

For the purposes of this Order:-

A 'public place' means any place to which the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission.

An 'Authorised Person' means an employee of the Authority, person designated by the Authority to act on its behalf or a Police Community Support Officer.

An 'interested person' means an individual who lives in the restricted area or who regularly works in or visits that area.

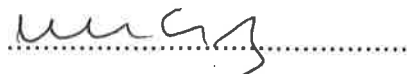
5. CHALLENGING THE VALIDITY OF THE ORDER

An interested person may challenge the validity of this Order by applying to the High Court within 6 weeks of it being made. The grounds on which such an application can be made are:-

- That the Authority did not have the power to make the Order or to include particular prohibitions or requirements imposed by the Order, or
- That a requirement under the legislation in relation to the Order has not been complied with, for instance, that no consultation was undertaken.

When an application is made the High Court can decide to suspend the operation of the Order pending the Court's decision, in part or in total. The High Court may uphold the Order, quash it or vary it.

This Order is made the 20th day of October 2017



V M Geary
Head of Law and Governance
and Monitoring Officer

Public Spaces Protection Orders

Summary of Controlled Activities

| Subject | Control | Extent |
|--------------------|---|-----------------------------|
| Alcohol | <u>Consumption</u> The consumption of alcohol in a public space. | Borough-wide |
| Dog Control | <u>Fouling</u> Dog fouling in a public space and not picking up. | Borough-wide |
| | <u>Exclusion</u> The exclusion of dogs from play sites. | Within the designated areas |
| | The exclusion of dogs from specified beaches between 1 May – 30 September. | Within the designated areas |
| | <u>Leads</u> Requirement to put a dog on a lead in a public space when directed by an authorised officer to do so. | Borough-wide |

Full details are published on the Authority's website [here](#).

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