

Cabinet

Monday, 27 June 2022

Present: Councillor C Johnson (in the Chair)
Councillors C Burdis, K Clark, S Graham, J Harrison,
S Phillips and M Rankin

In Attendance: M Godfrey (Young Mayor)
D Bavaird (Business Representative)
R Layton (North Tyneside Joint Trades Union Committee)
D McNally (Age UK North Tyneside)

Apologies: Councillors N Redfearn, H Johnson and A McMullen
R Fry (Voluntary Sector Representative)

CAB12/22 To Receive any Declarations of Interest and Notification of any Dispensations Granted

Councillor K Clark declared a registerable personal interest in agenda Item 5: 2021-22 Provisional Finance Outturn Report (CAB15/22) as she was a Director and Employee at Justice Prince CIC which had contracts with North Tyneside Council funded from the Housing Revenue Account (Working Roots).

CAB13/22 Minutes

Resolved that the Minutes of the previous meeting held on 23 May 2022 be confirmed and signed by the Chair.

CAB14/22 Report of the Young Mayor

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

- Youth Councillors and the Young Mayor had taken part in a feedback event which involved discussions with Cabinet Members and the Senior Leadership Team that would be used as part of their committee action plans.
- The Young Mayor had met with the Cabinet Member for Environment and Council officers to discuss his aims on encouraging as many secondary schools in the Borough as possible to sign up to the Eco Schools Green Flag Awards.
- The Young Mayor had attended North Tyneside Council's Authority's Carbon net-zero 2030 Board meetings and learned about the many things already in place to help the Authority and Borough to become carbon net-zero by 2030.
- MYP Hannah's pledge to Work on improving PD/PSHE Lessons to prepare students with the necessary skills for the future had involved meetings with senior Council officers and School Improvement leads. She had also met with North Tyneside MPs, the Right Honourable Sir Alan Campbell and the Right Honourable Mary Glendon, who had lent their support to her campaign.

- Youth Councillors and the Young Mayor had attended a Transform Our Region Roadshow in Cramlington earlier in the month, which was organised by the North East Youth Alliance.
- The Children in Care Council had focused on Life Story work.
- Youth Councillor, Daniel McTiernan, had represented young people as part of a group of 6 young people from the UK to attend a Youth Exchange Event in Belgium with Youth Focus North East.
- Youth Councillors had taken part in wreath laying at the Jigsaw Memorial in Killingworth, on behalf of the young people of North Tyneside at the Falklands service to commemorate the 40th anniversary.
- Youth Councillors had attended a Youth Convention in Durham bringing together Youth Forums from around the North East in sharing campaigns.

The Deputy Mayor thanked the Young Mayor for the update and the Young People for their excellent work in sharing the Authority's values on environmental issues including the Eco Schools Green Flag Awards.

CAB15/22 2021-22 Provisional Finance Outturn Report

Cabinet received a report which set out details of the provisional outturn for 2021/22 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 together with the associated Prudential Indicators for capital and treasury.

The end of the financial year 2019/20 saw the beginning of the Covid-19 Pandemic and the impact continued throughout 2020/21 and 2021/22. Cabinet and all Members had been kept up to date in terms of the response and approach to recovery the Authority had implemented throughout the various stages of the pandemic and what that meant for essential services being maintained for the most vulnerable residents of the borough. The Authority had been required to provide a sustained and varied response to the pandemic, with all services impacted one way or another. There had been periods when restrictions meant a range of services had to be suspended or limited, such as the leisure and culture offer and as a result there had been a significant financial impact on the Authority arising from additional costs and lost income during 2021/22. There had been sustained support to the Social Care Sector for both Adults and Children's in 2021/22. The Authority had been responsible for acting as agent for a number of grants to support the businesses in the borough and again this continued throughout 2021/22.

There had been a range of financial interventions introduced by the Government, these were set out in section 5 of the Annex. The Authority had received its share of the Government's Local Support Grant of £5.576m to support council services in 2021/22. £1.476m from the 2020/21 award was still available to support 2021/22 so the total funding available was £7.052m. Of this, £5.668m was allocated to support revenue activities with the remaining £1.384m being carried forward to support the identified on-going impact on Covid-19 into 2022/23.

Local Authorities were also compensated for losses incurred against their sales, fees and charges budgets in quarter 1 of 2021/22. North Tyneside Council received £1.335m from this grant to support services and this was fully allocated. This represented 71.25% of the

fees lost, the balance being born by the Authority.

In addition to receiving support for council services, the Authority received grants to support the businesses in the borough. £12.773m was received and £11.731m was brought forward from 2020/21. A total of £18.240m was paid across to businesses. The remaining balance of £6.264m was transferred to reserve and £6.262m was being held in anticipation of repayment to Central Government. This related to the Business Support Top-up, Local Restrictions Grants, Additional Restrictions Grant, Restart Grant and Omicron Hospitality & Leisure Grant, where the schemes had ended and the authority was awarded more funding than was required.

£4.258m was allocated to the Authority to support its residents, including financial support for the most vulnerable and also to allow the Authority to put in place measures to allow residents to continue to enjoy the coastline, town centers and the many attractions throughout the borough, when restrictions allowed. A balance of £6.908m was brought forward from 2020/21 and £9.277m was spent during 2021/22. £1.889m was carried forward to 2022/23. The majority of the funding carried forward related to the Contain Outbreak Management Fund. This grant was to help the Authority support the prevention of Covid-19 outbreaks or manage any that did occur in the borough. The Authority had a range of proposals to spend this funding to help contain outbreaks as the country continues to recover from the pandemic.

£5.418m was provided by government to help support the Care home market and had a brought forward figure of £0.544m from 2020/21 meaning the total available funds were £5.962m. The majority of these funds were passed directly to care homes with a total allocated in 2021/22 of £5.666m. The balance of £0.296m carried forward had been committed to be spent in 2022/23. The Authority also received £2.572m to support its schools which along with £0.309m brought forward from 2020/21 meant that £2.881m was available for 2021/22. £2.637m was allocated to support schools to ensure children were not detrimentally impacted by being unable to attend classes in school. The remaining balance of £0.244m was to be allocated in early 2022/23.

The budget for 2021/22 had been approved by full Council at its meeting of 18 February 2021. The net General Fund revenue budget had been set at £150.154m including efficiency savings of £4.537m. The monitoring report up to 31 January 2022 had projected a pressure of £2.902m and the final position was an underspend of £5.815m. projected a pressure of £2.902m and the final position is a underspend of (£5.815m). This was driven by two factors. There was a business-as-usual deficit of £0.078m, which had arisen substantially from pressures in Children's Social Care, Facilities and Fair Access and Law and Governance. It was proposed to cover this deficit via a £0.078m drawdown from the Strategic Reserve. In addition to the business-as-usual position there was also a surplus of (£5.893m), which was as a result of a Minimum Review Provision (MRP) review resulting in a lower charge of MRP being made than the Authority had budgeted for in 2021/22. The balance of (£5.893m) was proposed to be transferred to a new MRP earmarked reserve. Following these transfers, the General Fund would outturn on budget.

The Housing Revenue Account had year-end balances of £0.489m. The HRA showed an underspend of £0.442m against the in-year 2021/22 Budget, plus a £0.047m improvement in the budgeted brought forward balances, which cumulatively brought the HRA to £0.489m better than the budgeted position for 2021/22.

School Balances had decreased from £3.721m to £3.398m, these balances included a significant amount of committed funds and the permitted carry forward of grants for the remainder of the academic year.

The final capital expenditure for the year was £63.045m, with a recommendation noted above for Cabinet to approve reprogramming of £15.424m into 2022/23.

The Authority had acted in line with the agreed strategy that the security of the Authority's resources is of greater importance than returns on investments. The level of investments at 31 March 2022 was £60.794m (£22.000m with HM Treasury, £25.000m with other local authorities, and £13.794m with banks and other deposits). The level of borrowing (excluding PFI) was £397.443m (down from the 2020/21 level of £417.913m) which was well within the capital financing requirement agreed as part of budget setting. This was primarily due to continued level of internal borrowing and receipt of grant funding.

As part of the 2021/22 final accounts, a full review of all provision and reserves had been undertaken to ensure that appropriate consideration had been given to known liabilities, risks and uncertainties that remained in future years; in particular where conditions associated with Covid-19 grant funding required that unspent monies were carried into future years.

A table containing details of new Revenue Grants received during February and March 2022 was set out in section 1.5.14 of the report.

During discussion, the Chief Executive made reference to the changed methodology of the calculation of the MRP (section 1.1.6 of the report) and stated that work was underway in relation to what information needs to be provided to Council.

The Deputy Mayor thanked everyone for achieving the provisional outturn position and for the achievements made in delivering capital projects in 2021/22.

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

Resolved that

- (1) the provisional 2021/22 outturn for the General Fund, Schools Finance and Housing Revenue Account, together with a financial overview of the year, as set out in the report, be noted;
- (2) the decisions made under the Reserves and Balances Policy be noted;
- (3) the Authority's Investment Plan spend during 2021/22 and the financing put in place be noted;
- (4) the receipt of £2.355m new revenue grants be approved;
- (5) reprogramming of £15.424m within the 2021/22 Investment Plan be approved;
- (6) reprogramming of £34.622m, ready for the 2022-2027 Investment Plan be approved;
- (7) the Council's Treasury Management performance be noted;
- (8) the performance against the Capital and Treasury Management prudential indicators be noted; and
- (9) the changed methodology for the calculation of the Minimum Revenue Provision be noted;

(Reason for decision: The proposals set out in section 1.2 of the report form part of the 2021/22 Final Statement of Accounts process. Reprogramming of the Investment Plan will ensure successful delivery of projects included within the Investment Plan).

CAB16/22 Former Swan Hunter Shipyard Local Development Order

Cabinet received a report seeking approval to proceed with a public consultation in July 2022 on a proposed revision of the Local Development Order (LDO) made by the Authority in 2012 in relation to the former Swan Hunter Shipyard, Wallsend, with the intention of adopting a revised LDO for a further ten years until 2032.

An LDO was a planning mechanism that granted planning permission for certain types of development, enabling developers to progress plans for investment without the need to apply for planning permission. This provided landowners and developers with certainty about the types of development allowed and also saves costs (including planning fees) and time in negotiating and securing planning permission.

Significant improvement and investment work had been completed at the site. Projects delivered by the Authority since 2009/10 were set out in the report. After a review of the approach to developing the site on 28 May 2019 Cabinet considered a report which outlined the work that the Authority had done for over ten years with a range of partners to secure the Swan Hunter site for strategic purposes and bring it back into economic use.

Adoption of a new LDO would build on the Authority's achievements in safeguarding the site for offshore energy related development and loadouts, developing the Swans CFI and providing the site infrastructure that enabled the site to be sold in December 2020.

The Authority had taken up the opportunity to adopt an LDO in 2012. Given the size of the former Swan Hunter site, together with the river frontage access, it presented a unique development opportunity, which would capitalise on its potential and which aligned with the policy objectives listed in the report.

The need to revise the existing LDO was due to it expiring in November 2022 and a continuing need to support partners in securing additional investment and development. The proposed LDO would extend the timeframe until 2032 and allow it to reflect changes to planning legislation and the deed of variation signed with MHCLG in 2020 which extended the range of permissible economic activities which could be carried out in line with the funding agreements.

The proposed LDO would continue to support the policy objectives for the site by delivering sustainable economic development that would support investment in sub-sea technologies, energy generation and zero carbon transport in the following sectors:

- Energy industries (included but not limited to oil and gas and renewables);
- Offshore, technology, marine and sub-sea;

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- Manufacturing, construction and engineering; and/or
- Research and Development related to any of the above sectors.

The proposed LDO would enable development that supported these industries to proceed without the need to apply for planning permission, provided it complied with specified development requirements and conditions. In exempting certain development from the need to apply for planning permission, developers would save on planning application costs and the time required to process applications.

Developers would also benefit from receiving a greater degree of certainty that they could proceed, as permission was granted, provided they met the agreed conditions and development requirements. This would assist in efforts to market and promote the sites for development and investment.

The process for revising a LDO was set out in the Town and Country Planning Act 1990 and Article 38 of The Town and Country Planning (Development Management Procedure) (England) Order 2015 made under the 1990 Act. This would involve consultation with prescribed bodies such as Natural England, Historic England and the Environment Agency and local organisations who had an interest in the area.

The consultation process also included any person who it would be required to consult with on an application for planning permission and in conformity with the Authority's Statement of Community Involvement. A copy of the LDO would be available to view on the Authority's website and within the Authority offices at Cobalt. The consultation period should not be less than 28 days with an advert in the local press.

Following consultation on the LDO the Authority must consider any representations received and what modifications, if any, should be made to the LDO. The revised LDO would have no effect until it was adopted by the Authority as the Local Planning Authority.

In adopting the LDO the Authority must send a copy of the LDO and other specified documents to the Secretary of State as soon as reasonably practicable, and no later than 28 days after the Authority had adopted the LDO.

Cabinet considered the following decision options: to accept the recommendations set out in paragraph 1.2 of the report, to accept some, but not all, of the recommendations, or alternatively, to not approve the recommendations.

Resolved that

(1) the Director of Regeneration and Economic Development, in consultation with the Deputy Mayor and Director of Resources, be authorised to:

- (i) undertake public consultation in respect of the proposed Local Development Order for the former Swan Hunter Shipyard, Wallsend; and
- (ii) pursuant to such consultation, take all necessary or associated steps to make any amendments to the Local Development Order; and

(2) the Director of Regeneration and Economic Development, in consultation with the Deputy Mayor and the Director of Resources (and subject to the consultation responses), be authorised to adopt the Local Development Order and submit a copy of the Order and any ancillary documentation, to the Secretary of State within the requisite period of time.

(Reason for decision: This would provide a clear commitment from the Authority to take the necessary steps to simplify the planning regime and therefore support the efforts to generate investment, economic growth and job creation at the site in key industries that seek to maximise the advantages the site offers.)

CAB17/22 Cabinet Response to Overview and Scrutiny Home Care Study Group Report

Cabinet considered a report seeking approval to the proposed response to the recommendations of the Adult Social Care, Health and Wellbeing Sub-committee's Home Care Study Group in relation to a review of the current provision of home care in North Tyneside.

The report and recommendations had been presented to Cabinet at its meeting on 23 May 2022 (Previous Minute CAB4/22).

The Adult Social Care, Health and Wellbeing Sub-Committee originally established the Home Care Study Group (the Study Group) in early 2020 to review home care provision in the Borough. The Study Group began the review, but the review was suspended at the beginning of the Covid 19 pandemic in March 2020. In July 2021, the Adult Social Care, Health and Wellbeing Sub-Committee agreed to re-establish the Study Group with a revised remit and membership, and the Study Group began meeting in early October 2021.

The remit of the Study Group was to review the current provision of home care in North Tyneside and monitor the introduction and progress of the Home Care Pilot, with a view to:

- Understanding whether the provision of Home Care in the borough is currently meeting the needs of residents;
- Identifying those things that are working well and any areas of concern;
- Monitoring the implementation of the Health and Care Pilot.

The Study Group received information from officers from the Commissioning Team and other teams within the Authority, as well as a range of interested parties including home care providers, front line staff, carers, North Tyneside Carers' Centre, North Tyneside Healthwatch, UNISON and the Cabinet Member for Adult Social Care.

The sub-group had made fourteen recommendations and the proposed response and action plan to those recommendations were set out at Appendix 1 to the report.

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

Resolved that the responses to the recommendations from the Home Care study group of the Adult Social Care, Health and Wellbeing Sub-committee in relation to its review of home care in North Tyneside, as set out in Appendix 1 to the report, be approved.

(Reason for decision: The proposed response is a proportionate and considered response to the recommendations made by the Home Care Study Group in its report.)

CAB18/22 Cabinet Response to Economic Prosperity Sub-Committee Report on Green Skills for Retrofit Jobs

Cabinet received a report from the Economic Prosperity Sub-Committee of the Overview, Scrutiny and Policy Development Committee on Green Skills for Retrofit Jobs on 23 May 2022 (Previous Minute CAB5/22) which set out a series of recommendations for Cabinet to consider.

The ten recommendations in the Economic Prosperity Sub-Committee's Green Skills and Retrofit Jobs Sub Group report (appended to this report), were extensive and complex and required further time for Cabinet to give detailed consideration and a full response to each recommendation.

The recommendations had been positively received and supported the Authority's policy objectives and its approach to tackling climate change.

It was proposed that a further detailed report and associated Action Plan would be presented to Cabinet on 1 August 2022, which would provide a full response to the recommendations made by the Economic Prosperity Sub-Committee's Green Skills for Retrofit Jobs Sub Group.

Cabinet considered the following decision options: to accept the recommendations set out in paragraph 1.2 of the report; or alternatively, to not accept the recommendations and provide an alternative response to the report at the meeting.

Resolved that the contents of Cabinet's initial report be noted, and a further report containing a detailed response and action plan be received on 1 August 2022.

(Reason for decision: This will allow Cabinet the necessary time to fully address the recommendations raised in the Green Skills for Retrofit Jobs report and provide a detailed response and Action Plan.)

CAB19/22 Date and Time of Next Meeting

6.00pm on Monday 1 August 2022.

Minutes published on Thursday 30 June 2022.

The decisions contained within these Minutes may be implemented (unless called in by 3 Non-Executive Members for consideration by the Overview, Scrutiny and Policy Development Committee) immediately following the expiry of the call-in period; i.e. 5.00pm on Thursday 7 July).