

Cabinet

Wednesday, 21 September 2022

Present: N Redfearn (Elected Mayor) (in the Chair)
Councillors C Johnson, C Burdis, K Clark, S Graham,
J Harrison, H Johnson, S Phillips and M Rankin

In Attendance: M Godfrey (Young Mayor)
T Bridges (Business Representative)
D McNally (Age UK North Tyneside)
R Layton (North Tyneside Joint Trades Union Committee)
M Wilkinson (Acting Chair of Audit Committee)

Apologies: Councillors A McMullen
M Hall (Northumbria Police)

CAB31/22 To Receive any Declarations of Interest and Notification of any Dispensations Granted

Councillor K Clark declared a registerable personal interest in agenda Item 6: 2022-23 Financial Management Report to 31 July 2022 (CAB36/22) and agenda Item 7: 2023-2027 Financial Planning and Budget Process incorporating the Associated Engagement Strategy (CAB37/22), 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).

Councillor S Graham declared a non-registerable personal interest in agenda Item 5: Audit Committee Annual Report 2021/22 (CAB34/22), as her son works for Ernest & Young, the Authority's external auditors.

CAB32/22 Minutes

Resolved that the Minutes of the previous meeting held on 1 August 2022 be confirmed and signed by the Chair.

CAB33/22 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:

- In August the Young Mayor and Youth Councillors were involved in the NT Together event held at Northumberland Square, fundraising for Walking With, the Youth Councillors chosen charity for 2022. A tombola, book stall and name the octopus took place, raising £223;
- The number of schools registering for the Eco Schools Award had increased significantly with five schools having completed the award. The Young Mayor congratulated Rockcliffe First School, Appletree Primary School, Woodlawn, Valley

Gardens Middle School and Forest Hall Primary School on their achievements.

- The Young Mayor had presented long service awards to youth councillors Abi Tang and Oscar Daniel, who had worked hard in various forums for over 6 years and 11 years respectively. There had been lots of new people joining youth council and there were representatives from most schools.
- MYP Hannah Clarke McKeran had been chosen by British Youth Council to join the Career and Enterprise Company's Youth Advisory Group, a passionate youth voice that shared a mission to improve education and career outcomes for young people, especially those with barriers to accessing mainstream education or traditional career pathways.
- The Young Mayor had been involved in the Spirit of North Tyneside judging, where there had been lots of outstanding nominations highlighting people that make a difference to so many people within communities.

The Elected Mayor thanked the Young Mayor for the update and the Young People for their excellent work in the variety of activities they were involved in.

CAB34/22 Audit Committee Annual Report 2021/22

Cabinet received the Audit Committee Annual Report covering the work performed by the Audit Committee in 2021/22.

The Chartered Institute of Public Finance and Accountancy (CIPFA) viewed audit committees in local government as a key component of each local authority's governance framework. North Tyneside Council had a dedicated Audit Committee, which was independently chaired by Mr Malcolm Wilkinson (Acting Chair).

Mr Wilkinson was in attendance at the meeting to present the Audit Committee report.

CIPFA recommended that the Audit Committee should regularly assess its own effectiveness and had prepared guidance which Audit Committees could use for this purpose. A review of the Authority's Audit Committee had therefore been led by the Audit Committee Chair, with actions identified to improve the arrangements continuing throughout 2021/22 to date.

One recommendation from Mr Wilkinson's review was that the Authority would benefit from greater interaction between Audit Committee and Cabinet. The review recommended that an annual report from Audit Committee to Cabinet should be considered, in addition to greater engagement between Audit Committee and Cabinet in development of a work programme for Audit Committee.

The Audit Committee report for 2021/22 was attached as Appendix A to the report. Mr Wilkinson presented the report and summarised the key work undertaken by Audit Committee in 2021/22. He also reiterated the recommendation that the Audit Committee continued to maintain strong links to the wider organisation particularly to the Senior Leadership Team and to Cabinet.

The Elected Mayor thanked Mr Wilkinson for attending Cabinet on behalf of the Audit Committee to present the Audit Committee's Annual Report 2021/22 and thanked him for

the important work undertaken.

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

Resolved that the Audit Committee Annual Report 2021/22 attached as Appendix A to the report, be noted.

(Reason for decision: Noting the Audit Committee Annual Report 2021/22 will demonstrate that Cabinet has received and considered the outcomes of the Audit Committee's review of its own effectiveness, which is good practice recommended by CIPFA; and will help to ensure that Cabinet is aware of the main governance matters which have been considered by Audit Committee in 2021/22.)

CAB35/22 Review of the North Tyneside Statement of Licensing Policy (Sex Establishments)

Cabinet received a report which sought approval to consult on the revised draft North Tyneside Council's Statement of Licensing Policy (Sex Establishments). The draft policy was appended to the report at Appendix 1. The current policy had been adopted by the Authority in 2017. A further report would be presented to Cabinet at the end of the consultation period seeking approval for the adoption of the Policy.

In 2010 the Local Government (Miscellaneous Provisions) Act 1982 ('the Act') was amended to include a new category of sex establishment, namely a sexual entertainment venue. The Council adopted Schedule 3 of the 1982 Act in 2011 to enable the Authority to license sexual entertainment venues as well as the existing categories of sex establishments, namely sex shops and sex cinemas.

Although there was no statutory requirement to have a policy concerning the licensing of sex establishments, it has been long established that it is good practice for Licensing Authorities to adopt various non-statutory policies that assist in the promotion of decision making and the promotion of consistency in decision-making. It also informed the licensing trade and the public of the approach of the Licensing Authority to sex establishment licensing in its area.

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

As part of the engagement exercise the views of the public and trade would be sought in relation to whether or not this numerical limit should remain at nil, is amended or removed altogether.

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

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

An engagement period of six weeks from 10 October to 18 November 2022 would enable responses to be received from those wishing to comment on the draft Policy. The consultation responses would be reported back to Cabinet at the conclusion of the consultation exercise.

Cabinet considered the following decision options: to either approve the recommendations as set out in section 1.2 of the report, to not approve the recommendations or to instruct officers to make amendments to the Policy.

Resolved that (1) the Director of Regeneration and Economic Development be authorised to commence public consultation on the revised draft North Tyneside Statement of Licensing Policy (Sex Establishments); and
(2) a further report will be received by Cabinet at the conclusion of the public consultation process when Cabinet, having regard to any consultation responses, will be asked to agree the adoption of the revised Policy.

(Reason for decision: to ensure that the existing Policy is updated and remains transparent, accountable, proportionate and consistent.)

(Councillor C Burdis left the meeting at this point in proceedings).

CAB36/22 2022/23 Financial Management Report to 31 July 2022

Cabinet considered the second monitoring report outlining the 2022/23 financial position. It provided an early indication of the potential revenue and capital financial position of the Authority as at 31 March 2023.

The report covered the forecast outturn of the Authority's General Fund and Housing Revenue Account (HRA) revenue budget including management mitigations where issues had been identified; the delivery of 2022/23 approved budget savings plans; and an update on the Capital Investment Plan, including details of variations and reprogramming, that was recommended for approval.

The Budget for 2022/23 was approved by full Council on the 17 February 2022. The net General Fund revenue budget was set at £163.512m. This included £7.257m of savings to be achieved, of which £3.113m related to new business cases included in the 2022-2026 Medium-Term Financial Plan, £1.607m of full year effect of prior year business cases and

£2.537m of savings previously achieved by one-off mitigations and non-permanent solutions.

Prior to any mitigation, the Authority's approved net budget was forecast to outturn with a pressure of £18.456m. Table 1 in the report set out the initial variation summary across the General Fund.

The Authority, as you would expect at this stage of the financial year, was taking a prudent approach to forecasting including in relation to the on-going impact of Covid-19 which currently was forecast to add pressures of £4.082m to the General Fund in 2022/23. These pressures were primarily where fees and charges income had yet to return to pre-pandemic levels, where additional fixed term staff were employed to cover increased demand or to enable front-line service provision to continue unimpacted by employees needing to self-isolate. In addition to Covid-19, global market pressures existed around the Authority's supply chain and current inflation levels, these combined added a further £3.687m to the overall pressure. The remaining £11.346m related primarily to staffing and other income related pressures across the services.

As part of the 2022-2026 Medium-Term Financial Plan (MTFP) agreed by Council in February £2.200m was set aside from the Change Reserve to support additional pressures in Home to School Transport (£1.800m), Special Educational Needs (£0.400m), additional children's social care provision (£1.200m) and for the development of the Customer Relationship Management programme (£0.200m).

In addition to the use of the Change Reserve, £2.000m was also set aside to create a Covid-19 Reserve as part of the 2022-2026 MTFP, this included (£0.650m) to support additional caseloads within Children's Services, (£0.350m) to support Home to School Transport and (£1.000m) to support reduced fees and charges income following the pandemic. Within the 2022-2026 MTFP, £0.150m was identified as planned use of the Insurance Reserve to support additional Repairs and Maintenance costs within the Authority's Commissioning & Asset Management Service Area.

Included within the position for Central Items was (£7.713m) of contingencies; of which (£3.116m) was being used to offset the pressures in Children's Social Care, (£1.301m) was supporting the under achievement of savings targets and (£3.296m) was being used to support the non-energy related inflationary pressures being faced by the Authority. Further to this balance, an additional (£2.264m) was set aside in the 2022-26 MTFP to support anticipated pressures in 2022/23. Of this (£1.300m) was being used to support energy related inflationary pressures, with (£0.964m) supporting non-energy related inflationary pressures.

The Authority was able to carry forward from 2021/22, £2.962m of Covid-19 related central Government grants. Of this (£1.724m) had been committed and was reflected in the £19.115m position reported in Table 1. The remaining balance of £1.238m was available to support on-going Covid-19 legacy pressures and was reflected in the revised position shown in Table 2.

With the inclusion of the planned support from the 2022-2026 MTFP, the adjusted General Fund position, as shown in Table 2, was a pressure of £10.963m. This reflected the continuing impact of Covid-19 being £0.844m over the support funding allocated. The main areas impacted were within Environment & Leisure where Sports and Leisure income from

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fees and charges continued to be lower than pre-pandemic levels. Initial projections suggested income would be higher than in 2021/22 but still only 80% of the income levels achieved pre-pandemic in 2019/20. Significant pressures also existed in Children's Services, where the response to the impact of Covid-19 had seen staffing levels increase to manage a significant increase caseloads and demand for services for Children. This was not unique to North Tyneside and was being seen across the region and nationally.

The Inflation Rate had recently reached 10.1% and this was much higher than when the allocations were made in the 2022-2026 MTFP. This was forecast to add a further £1.423m in respect of both energy and non-energy related inflationary pressures. The majority of the inflation issues being in Adults Services across the external care market and contractual costs within Commissioning & Asset Management for catering supplies and the cost of Home to School Transport.

The remaining balance of £8.696m was attributable to pressures considered to be 'Business as Usual'. Finance officers were continuing to work with Cabinet, the Senior Leadership Team and other senior officers across the Authority to review Business as Usual activity in a number of key areas: Children's Services – staffing & placements; Children's risks and the likelihood of crystallisation; SEND pressures; Adults Social Care – demand assumptions; Adults Social Care risks and the likelihood of crystallisation; Unachieved savings targets; Commissioning & Asset Management – Impact of SLA reductions; Law & Governance Structure – use of locums; and Revenues & Benefits position – overpayments. The aim of this work will be to ensure actions are in place to bring the outturn forecast for normal activities in on balance and it is anticipated the position will improve over the course of the financial year as planned remedial actions begin to impact on both expenditure and income.

New savings of £4.720m were agreed as part of the Budget approved by Council in February 2022 so the total savings the Authority had had to find in the eleven years following the 2010 Comprehensive Spending Review (CSR) as planned to 2022/23 came to £134.268m.

The governance structure of the Efficiency Savings Programme included 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 variations in relation to the savings were outlined in the report.

New savings were proposed for 2022/23 of £3.113m combined with £1.607m of savings targets that were agreed in prior years budget setting processes for delivery in 2022/23. Savings targets of £2.373m within Health, Education, Care and Safeguarding (HECS) and £0.164m within Commissioning & Asset Management (C&AM) were met in 2021/22 through Covid grants, alternative management actions or through one-year funding sources. These targets still required permanent achievement increasing the total savings brought forward from prior year business cases to £4.144m. The overall target to achieve in 2022/23 was therefore £7.257m.

Within HECS, Adults Services were projecting to achieve the full £0.350m relating to business cases brought forward from prior years. Within the CYPL pressure of £12.720m, £3.175m related to the achievement of savings targets. In the previous financial year these savings had been significantly impacted by Covid-19 and as such, achievement had been

supported by Central Government Covid-19 grants. With these grants not available in 2022/23 and on-going demand-led pressures already impacting the service, current projections were for all CYPL savings to remain unachieved in 2022/23.

Finance Officers continued to attend meetings with senior managers and the Head of Service across adult and children's services and individual managers had assigned responsibilities to pursue deliverability of existing schemes and to identify alternative proposals during 2022/23.

The forecast assumed that Lead Members would continue to support the planned 15p increase in paid school meals due to commence September 2022. Due to the impact of the pandemic school meal increased had been delayed for two years, so previous income targets for 2020/21 and 2021/22 were also included in these figures. If the cost increase was not applied due to the ongoing cost of living crisis the undeliverable element of this savings target will increase. The schools leaving the SLA were confirmed so £0.025m of the 2022/23 savings target for paid school meals and SLA income would not be delivered. £0.030m of the cleaning savings target was forecast to be met. Of the £0.491m yet to delivered £0.050m was undeliverable and £0.441m was yet to be identified. All savings in the other service areas were forecasted to be achieved.

A table containing details of new Revenue Grants received during June and July 2022 was set out in section 1.5.4 of the report.

Schools were required to submit their rolling three-year budget plan by 31 May each year. The total planned deficit for 2022/23 is £5.532m. The Authority had been working with schools for a number of years with regard to the long-term strategic issue of surplus secondary places and the associated financial pressures, which continued to be compounded by rising employment costs.

The High Needs Block ended 2021/22 with a pressure of £13.511m. The initial forecast of the Budget position for 2022/23 indicated an anticipated in-year pressure of £3.413m reflecting a further rise in demand for special school places, producing a cumulative deficit balance of £16.924m.

The Housing Revenue Account (HRA) was forecast to have year-end balances at 31 March 2023 of £3.005m. These balances were £0.064m lower than budget which was set at £3.069m.

Universal Credit was fully implemented across North Tyneside on 2 May 2018. As of early June 2022, 3,915 North Tyneside Homes tenants had moved on to Universal Credit and a team was working proactively with tenants to minimise arrears. This position would be closely monitored as the year progresses to identify any adverse impacts on the Budget position.

The approved 2022-2027 Investment Plan totalled £325.029m (£114.280m 2022/23) and was detailed in table 22 of the Annex. The Annex to the report also set out in Section 6 delivery progress to date, planned delivery for 2022/23, reprogramming and other variations identified through the Investment Programme Governance process.

An officer led review of the Investment Plan had resulted in proposals for variations of £4.280m of which more details were set out in Section 6 of the Annex to the report. The

revised Investment Plan stood at £116.459m for 2022/23 and to the end of July 2022 spend of £16.000m had been incurred which represented 13.7% of the revised plan.

Significant inflationary pressures were being experienced across the UK, and senior officers within the Authority had undertaken a review of inflationary impact to the Investment Programme. Supply issues and rising costs were being reviewed and to date the Authority anticipated no impact to the cost of the capital. However, there may be an impact on the delivery of some planned activity. The corporate risk register included risks for such inflationary pressures to the investment plan.

The 2021-2025 Our North Tyneside Plan (Council Plan) set out the overall vision and policy context within which the Financial Plan and Budget were set. The Council Plan had five key themes – A thriving North Tyneside; A caring North Tyneside; A secure North Tyneside; A family-friendly North Tyneside; and a green North Tyneside. For each theme there was a set of policy outcomes that the Authority was seeking to deliver, these are detailed in the Council Plan itself. The Authority had plans in place to deliver all elements of the Council Plan and performance against these plans was carefully monitored.

With regards to financial performance against the Plan, the area under most financial pressure was Health Education Care and Safeguarding. In common with most local authorities, and in line with the national picture, North Tyneside had seen costs within adult social care continue to rise. Along with the number of adults supported increasing over the last few financial years, the individual needs of those residents had increased due to people living longer with multiple complex conditions. Supporting those needs required more intensive packages of care which were more expensive to provide. In addition to older people, younger adults with learning disabilities and physical disabilities were also living longer, often with multiple complex issues.

In Children's Services, good progress continued to be made on engaging with children in the early years of life to ensure that they were ready for school. Safeguarding vulnerable children and maximising their educational attainment remained key priorities.

Over recent years, there had been an increase nationally in demand for children's residential placements but with no corresponding increase in central government funding. As such, the levels of looked after children (LAC) and children who required supervision after leaving care continued to generate a significant financial pressure. Data for LAC levels suggested that, whilst fluctuating, there was a general trend of a steady increase in numbers but there were a wide range of levels of care provided, with more complex cases now being faced.

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 forecast budget monitoring position for the General Fund, Schools' Finance and Housing Revenue Account (HRA) and as at 31 July 2022 (Annex sections 1, 2 and 3), be noted;
- (2) the receipt of £1.381m new revenue grants (as outlined in section 1.5.3 of the report), be approved;
- (3) the Authority's Investment Plan spend of £16.000m to 31 July 2022 and the financing of

the Plan to the end of the year (Annex Section 4), be noted; and
(4) the variations of £4.280m for 2022/23 within the 2022-2027 Investment Plan (Annex Section 4), be approved.

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

CAB37/22 2023- 2027 Financial Planning and Budget Process incorporating the Associated Engagement Strategy

Cabinet considered a report seeking approval to the proposed 2022-2027 Financial Planning and Budget process including information on the key decision milestones; and as part of the process, the proposed approach to Budget Engagement.

Whilst the report formed an important part of the Authority's budget-setting process for the 2023/24 Budget, it also provided Cabinet with an overview of the potential financial implications for both the current year and for the period of the Authority's Medium-Term Financial Strategy (MTFS).

In addition, the report acknowledged the continuing exceptional circumstances in which the 2023/24 Budget would need to be prepared. The Authority was continuing to operate in a period of significant financial uncertainty brought about by a combination of the ongoing impact of the pandemic, significantly higher levels of inflation which was impacting energy and fuel costs and the outcome of the pay award for 2022/23 and future years. The Authority was currently assessing the impact of the financial implications of the reforms in relation to Adult Social Care, which would undoubtedly add to the financial pressure the Authority would face in 2023/34 and future years. These factors would have an impact on the organisation's ability to achieve planned Budget savings and income for 2023/24, its capacity to develop and deliver new Budget proposals for 2023/24, and on the wider Budget position, which was the subject of extremely high levels of uncertainty.

The report set out details of a proposed Budget planning process for 2023/24 but recognised that there would be a need for flexibility. In this context, the report also provided a summary of key areas of wider risk and uncertainty for Cabinet's consideration.

It was highlighted that at the time the Authority's Budget and Medium-Term Financial Plan was set in February 2022, it would have been impossible to anticipate or make provision for either the economic impact of the Russian invasion of the Ukraine or the wider cost of living crisis that had emerged in recent months. As the Budget process progressed the impact of this and other factors would need to be accounted for, and therefore it remained essential for the Authority to have a robust plan in place to enable the preparation of a balanced and sustainable Budget. The report therefore set out the process by which the Authority would build on the 2022/23 budget in order to develop the detailed financial plans for future years, which would secure the Authority's financial position and safeguard the provision of essential services into 2023/24 and beyond.

The former Chancellor of the Exchequer, Rishi Sunak, had delivered the Spring 2022

Budget on 23 March 2022. There were limited announcements which would impact on the Authority's budget position directly, although there were some measures which would require administration by local authorities including an extension of the Household Support Fund from April 2022 and various business rate changes. Full details of the key economic forecasts and key policy announcements made in the Spring Budget were included within the Medium-Term Financial Strategy which was appended to the report.

As in recent years, the Authority would not receive detailed information about funding allocations for 2023/24 until autumn 2022 at the earliest. Spending review announcements in 2021 covered one year only and as a result there remained high uncertainty about the levels of funding for 2023/24 and beyond.

Any consideration of the Authority's Medium-Term Financial Strategy and Medium-Term Financial Plan (MTFP) must be undertaken in the context of the funding outlook for local government and what that meant for the Authority. Full details of the funding outlook for local government were included in section 3 of the Medium-Term Financial Strategy.

The current MTFP covered the period to the end of 2025/26. Whilst there continued to be a great deal of financial uncertainty, recommended practice suggested that due consideration was given not only to the short-term but to how the Authority would continue to finance its activities in the medium-term. It was therefore recommended at this stage that the MTFP covered the four-year period 2023/24 to 2026/27.

The report referred to the Authority's responsibilities under the Equality Act 2010 and Public Sector Equality Duty, part of which was to ensure that the potential effects of decisions on those protected by the Equalities legislation were considered prior to any decision being made. The effect of the Authority's budget setting process and decision-making would continually be monitored by using Equality Impact Assessments.

The revised Medium-Term Financial Strategy and the proposed principles for Budget planning for 2023/24, were set out in Appendix A and section 1.5.8 of the report.

Key aspects of the 2023/24 Financial Planning and Budget process timetable were set out at Appendix B to the report. This highlighted key decision milestones in the process.

The Elected Mayor and Cabinet were responsible for formulating the Authority's Budget. The Cabinet Member for Finance and Resources, in close consultation with the Elected Mayor, had been nominated as the lead Cabinet Member for the overarching 2023-2027 Financial Planning and Budget Process. The Director of Resources would be the project sponsor.

Details of the Budget Engagement Strategy for 2023/2024 were set out at Appendix C to the report. The aim of the Strategy was to reach different sectors of the population through an approach that encompassed engagement with residents as a whole and customers/users of services as well as particular groups of people, including those with protected characteristics. The approach also ensured reach with particular interest groups such as council housing tenants.

Cabinet considered the following decision option: to agree the recommendations as set

out in paragraph 1.2 of the report. The Authority's Constitution and Budget and Policy Framework Procedure Rules set out the stages to be completed in relation to agreeing the Budget of the Authority. There were no other options available in relation to this. The Budget Engagement Strategy formed part of the 2023-2027 Financial Planning and Budget Process.

Resolved that (1) the revised Medium-Term Financial Strategy and the proposed principles for Budget planning for 2023/24, as set out in Appendix A and section 1.5.8 of the report, be noted;
(2) the proposed outline 2023-2027 Financial Planning and Budget process, which incorporates the key decision milestones and dates, as set out at Appendix B to the report, be approved;
(3) Cabinet recognise that there may be a requirement for flexibility within both the Budget- setting process and the assumptions used, as a result of future Government announcements and other developments relating to current and forecast inflation levels, the pay award and the ongoing financial impact of the pandemic;
(4) the Budget Engagement Strategy as part of the 2023-2027 Financial Planning and Budget Process, set out at Appendix C to the report, be approved; and
(5) the key Budget risks and uncertainties as set out in the Medium-Term Financial Strategy, including the implications of announcements made at the Spring Budget 2022 and subsequently as part of the COVID-19 response be considered.

(Reason for decision: The recommendations are mainly legal in nature, as stated in paragraphs 2.1 and 2.2 of the report.)

CAB38/22 Our North Tyneside Plan 2021-2025 Performance Update

Cabinet received an update report on progress in delivering the objectives of the refreshed Our North Tyneside Plan 2021-2025 as set out in the 'Our North Tyneside Performance Report' attached as Appendix 1 to the report.

The Council Plan was refreshed last year following the Mayoral Elections on 6 May 2021 to reflect the policy priorities of the incoming administration. Following consultation with residents and key stakeholders, Full Council agreed the refreshed Our North Tyneside Plan 2021-2025 on the 23 September 2021.

A refreshed Our North Tyneside Plan Performance Report had been developed to monitor progress against the new priorities and objectives set out in the Council Plan. The Authority managed performance at two levels. Strategic objectives were monitored and managed twice a year through regular reports to Cabinet, Overview, Scrutiny and Policy Development Committee and the North Tyneside Strategic Partnership. Operational performance was managed on a day-to-day basis by service areas, with an overview on a monthly basis.

The report, when read in conjunction with Appendix 1, provided an overview of performance since the start of the plan and identified the agreed activities that the Authority would pursue in the future. In addition, it provided comparator information, such as national or regional performance, as there were several issues where North Tyneside was facing similar challenges as other parts of the country.

Some of the highlights of the Our North Tyneside Plan Performance Report were:-

- Delivery of the Affordable Homes Programme was on track and a 10-year Delivery Plan was agreed by Cabinet in February 2022. The number of long-term vacant dwellings continued to decrease and was currently at its lowest level in seven years.
- The council's carbon emissions reduced by 53%, well in advance of the 2023 target of 50% and in August 2022, Cabinet approved the Carbon Net-Zero 2030 Action Plan.
- £8m funding had been secured from the Green Homes Grant Local Delivery Scheme to install low carbon heating, energy efficiency measures and renewable energy systems in over 500 homes with low-household incomes. To date measures had been installed in 260 homes.
- Regeneration work was well underway in North Shields including public realm improvements, a new integrated transport hub, town square, planning permission had been granted for new family homes at the former Unicorn House Site, grant funding had been secured to develop a Cultural and Creative Zone and a bid had been submitted to the Levelling Up Fund for the Fish Quay.
- In Whitley Bay, improvement works to the Northern Promenade were completed and funding from the Active Travel Fund had been secured.
- In Wallsend, funding had been secured for a range of improvements at Segedunum Roman Fort and Museum. An expression of interest had been submitted to the National Heritage Lottery Fund. A bid had been made to the Levelling Up Fund to deliver public realm improvements along the High Street, transport connections, enhance Segedunum.
- Master Plans were being developed for Whitley Bay, Wallsend and the North-West area of the borough.
- Our beaches and warden managed parks continued to be recognised nationally for their high standards. Three of our beaches had retained their Blue Flags and Seaside Awards and this year seven parks were awarded Green Flag Awards after Preston Cemetery applied for the first time in 2022.
- Work to address health and socio-economic inequalities were being delivered through a number of initiatives including the Holiday Activities and Food Programme, Household Support Fund and Poverty Intervention Fund.
- Support continued to our low-income households across the borough through the Council Tax Support Scheme and Hardship Support Scheme.
- The education offer in the borough was strong compared to national and regional comparators, however an area of focus is to close the gap between

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disadvantaged and non-disadvantaged pupils.

Resolved that the progress made to deliver the updated objectives of the Our North Tyneside Plan 2021-2025 be noted.

CAB39/22 Adult Social Care - Fair Cost of Care Update

Cabinet received a report which updated on progress in relation to a nationally mandated fair cost of care exercise and sought authorisation to approve the submission of the required returns outlining the results of this exercise, intended to establish fair fee rates for care home fees for residents aged 65 years and over and for homecare fees for adults 18 years and over.

The Government announced its planned implementation of the Market Sustainability and Fair Cost of Care Fund on 16 December 2021. It was part of a range of reforms outlined within the social care white paper, 'People at the Heart of Care'. The total funding outlined was as follows: 2022/23 - £162m, 2023/24 - £600m and 2024/25 - £600m.

To date only the allocation of the 2022/23 amounts had been announced with North Tyneside receiving £0.696m.

The purpose of the fund was to support local authorities to prepare their care markets for reform including allowing self-funders to access local authority rates for residential and nursing care (pursuant to section 18(3) of the Care Act 2014 which has been announced as coming into force in October 2023) and to support local authorities to move towards paying providers a fair cost of care. Up to 25% of allocated funding in 2022 to 2023 could be used to fund implementation activities associated with meeting the fund purpose.

As part of the condition of receiving grant funding in 2022/23 and future years, local authorities had to evidence the work they were doing by submitting to the Department of Health and Social Care by 14 October 2022 the following;

1. The results of a cost of care exercise for 65+ care homes and 18+ homecare
2. A provisional Market Sustainability Plan (a final plan must be submitted by February 2023)
3. A spend report detailing how funding allocated for 2022/23 was being spent

The Government would assess the information submitted and use it to review the fund distribution and conditions ahead of allocating funding for 2023/24.

The Government had worked with a number of organisations to produce recommended tools and the Authority had used the recommended tool for both care home and homecare data collection. Initial engagement sessions were held with providers and two independent organisations were engaged to support with the two data collection processes.

Deadlines were set for providers to submit their information by 12 August for care homes and 21 August for homecare providers. The collection process for care homes had been completed with 26 of the 30 homes located within the borough submitting information. This was an excellent response rate of 86.7% which compared very favourably with a reported national response rate of approximately 25%. The collection phase for homecare was still in progress and ongoing contact was being made with homecare providers to offer support and encourage participation in the process.

The next phase of the process was the checking and validation of the data collected with queries sent to providers where anomalies or incomplete data was identified.

Throughout the process, officers from North Tyneside had taken part in regional and national work to ensure consistency of approach, sharing of resources and learning from best practice.

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 to propose an alternative approval mechanism to ensure that the terms and conditions of the Market Sustainability and Fair Cost of Care Fund could be met.

Resolved that the Director of Children and Adults Services in consultation with the Director of Commissioning and Asset Management, Director of Resources, the Cabinet Member for Finance and Resources and the Cabinet Member for Adult Social Care, be authorised to approve the submission of a fair cost of care report, a provisional Market Sustainability Plan and a spend report outlining the use of the Market Sustainability and Fair Cost of Care Grant to the Department of Health and Social Care.

(Reason for decision: to allow care providers to sufficient time to analyse, collate and submit their information as well as giving the Authority time to evaluate the results of the exercise and develop a provisional Market Sustainability Plan which ensured sufficient, high-quality care continued to be available to support the residents of North Tyneside.)

CAB40/22 Wallsend Towns and High Streets Innovation Programme: North of Tyne Combined Authority Towns and High Streets Innovation Programme - Acceptance of Grant

Cabinet received a report seeking authorisation for the Director of Regeneration and Economic Development to accept £1.94m of grant funding from the North of Tyne Combined Authority's (NTCA) Towns and High Streets Innovation Programme.

The Towns and High Streets Innovation Programme investment was concentrated in a small number of town centres and high streets, with a focus on achieving lasting transformational change in each place by planning long term investment proposals and testing new approaches to high street re-purposing at scale within focused areas.

The programme had been co-designed between the NTCA and its Local Authority stakeholders. It drew upon the NTCA's Covid Recovery Work and other research work

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which informed the development of a 'Future High Streets Challenge' technical capacity fund approved by NTCA's Cabinet in November 2021. The Programme was built upon three pillars, each of which was essential in achieving long term transformation in high streets and town centres. It was essential that these pillars were the bedrock upon which the proposals to transform high streets were based. The three pillars were: Leadership and partnership; Investing in a model for change; and Stimulating long term investment.

In total, circa £1.9 million would be devolved to each Local Authority subject to each Local Authority producing a Delivery Plan which was subject to external appraisal and approval by NTCAs Technical Officers Group (TOG).

£1.94 million of funding had been approved for the Authority to deliver a programme of activity that delivered against the objectives identified in the draft Wallsend Masterplan.

The vision for Wallsend was for it to be a thriving, diverse town providing a choice of good quality homes, community facilities, green spaces, retail and an evening economy that built on the heritage, culture and unique setting of the area.

The funding from the Towns and High Streets Innovation Programme would be used to:

- Create a new active travel route incorporating artwork and installations between the town centre and Segedunum linking the World Heritage Site with the core retail and leisure offer;
- Provide 1:1 support to businesses with a dedicated town centre business advisor;
- Include a shop front improvement grant scheme with specific design standards to enhance the look of the High Street;
- Develop and support a programme of events and festival that would drive footfall and promote Wallsend as a destination of choice; and
- Create a higher profile for Segedunum by establishing a retail/exhibition offer within the town centre.

The programme duration was a maximum of two full financial years, with eligible spend starting from April 2022, and all expenditure completed by 31st March 2024. The activity would be 100% funded by NTCA with no match funding required from the Authority.

The programme of activity would deliver the following Specific, Measurable, Achievable, Relevant and Time-Bound (SMART) objectives:

- SO1: Grow jobs and productivity in and around Wallsend town centre, supporting businesses to grow, through investment in the area, bespoke business support and access to new businesses opportunities.
- SO2: Provide an attractive environment for businesses to thrive by investing in new workspaces and capital works in and around the high street to improve the look and feel of the area, breathing new life into the town and contributing to the transformation of Wallsend and the wider Borough of North Tyneside.
- SO3: Establish a thriving 'High Street', with a strong identity and opportunities that can kick start investment in the wider area. Using a programme of animation including 4 large-scale events to showcase products and services and attract visitors, in turn increasing footfall within the area.

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- SO4: Create a strong sense of place, Segedunum, as a key part of Hadrian's Wall, is one of the UK's 31 UNESCO World Heritage Sites and yet from the town centre you would not know it was nearby. Using signage, art installations and public realm improvements we will improve the connectivity and identity of Wallsend.
- SO5: Empower local communities and businesses to re-imagine and build a long-term future for Wallsend high streets by establishing a new High Street Transformation Board.

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 Director of Regeneration and Economic Development be authorised to accept the £1,940,000 grant funding from the North of Tyne Combined Authority in relation to the Towns and High Streets Innovation Programme for Wallsend; (2) the Director of Regeneration and Economic Development in consultation with the Assistant Chief Executive and Director of Resources, be authorised to enter into the Grant Funding Agreement and any other documentation as required to facilitate recommendation (1); (3) the Director of Regeneration and Economic Development be authorised to procure any goods, works or services to deliver the outcomes set out below:

- i. prepare designs up to Royal Institute of British Architects Stage 4 for public realm improvements and a new cultural, walking, cycling and wheeling route between Segedunum and Hadrian's cycleway/C2C/National Trail routes and the Metro and Wallsend High Street
- ii. appoint a delivery partner to undertake construction work on the public realm walking and cycle route
- iii. carry out a tender process to appoint a delivery organisation to provide bespoke business support to Wallsend businesses

(4) the Director of Regeneration and Economic Development in consultation with the Director of Resources and the Assistant Chief Executive, be authorised to take all necessary steps to enter into contracts with the successful bidders on completion of the procurement processes highlighted in 1.2 (3) (ii) and 1.2 (3) (iii); and

(5) the Director of Regeneration and Economic Development in consultation with the Director of Resources, be authorised to take all necessary steps to recruit and appoint a Town Centre Advisor on an 18-month fixed term contract.

(Reason for decision: accepting the funding would enable the delivery of the proposed activity in Wallsend Town Centre, in line with the policy priorities enshrined in the emerging Wallsend draft Masterplan and Our North Tyneside Plan.)

CAB41/22 North Tyneside Local Plan Policy Review 2022

A report was received setting out the Authority's conclusions regarding a review of the North Tyneside Local Plan. The Local Plan had been adopted by full Council on 20 July 2017. National Planning Policy Framework and regulations required Local Authorities to undertake a review of their Local Plan policy at least every five years to establish whether they remained up to date. To fulfil this legal requirement, the Authority had reviewed each of the policies within the North Tyneside Local Plan.

The Local Plan was a key document for the Authority which provided the policy framework

for considering planning applications, supporting regeneration ambitions and contributing to the delivery of many of the priorities outlined in the Our North Tyneside Plan. This included delivery of affordable homes, protection of the borough's environment and jobs growth.

Since the adoption of the Local Plan there had been some notable changes in the wider social and economic context that shaped growth and development. The implications of Brexit for economic and housing growth remained uncertain as the Covid-19 pandemic had fundamentally shifted many aspects of the way individuals live and work. Climate change had also come into even greater focus, with North Tyneside Council recognising the importance placed on the issue with the declaration by full Council of a Climate Change Emergency in 2019. National Planning Policy that set the framework against which Local Plans must be prepared had been updated three times, and key elements of planning guidance such as the approach to calculating Local Housing Need had been updated.

Despite these challenges, some important developments had been permitted or commenced since the Local Plan was adopted. This included:

- Completion of refurbishment and re-opening of Spanish City.
- Opening of a new supermarket and other retail units at The Forum, Wallsend and refurbishment and reuse of Wallsend Town Hall as a Business Centre.
- Expansion of Northumberland Park District Centre and refurbishment and public realm improvements at Forest Hall District Centre.
- Development of about 3,000 homes, including around 1,000 affordable homes.
- Major highway improvements across the Borough including completion of the A19(T) Silverlink underpass.
- North Shields Town Centre Regeneration - Howard Street and Northumberland Square

A Local Plan Review Summary Document and Policy Assessment was attached to the report at Appendix 1. The review considered a range of matters including:

- Changes in the national planning context
- Changes in local circumstances and policy context
- Development monitoring reports
- The duty to co-operate; and
- Appeals performance

The conclusions set out within the review at Appendix 1 addressed each chapter of the Local Plan: Spatial Strategy, Economy, Retail and Town Centres, Housing, Natural Environment, Built and Historic Environment, Infrastructure and Area Specific Strategies.

Based on the assessment undertaken, the Authority concluded that its Local Plan remained a sound Local Plan and there were no proposals to undertake further work at this time. The Authority remained focused upon implementation to support delivery of the North Tyneside Local Plan's objectives.

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 findings of the North Tyneside Local Plan Policy Review 2022 be noted and agreed; and

(2) the online publication of the North Tyneside Local Plan Policy Review 2022, accompanied by a statement outlining that a review has been undertaken and found the Plan remains sound as an up-to-date strategy consistent with national planning policy, be agreed.

(Reason for decision: the Authority has a legal duty to undertake a review of its Local Plan and is expected to publish its conclusions, and a statement regarding the status of the Plan. Failure to publish such a statement could result in the wider Local Plan being considered out of date and therefore reduce the Authority's ability to manage development in the Borough.)

CAB42/22 Ambition for Education - Update

The Cabinet Member for Children, Young People and Learning took the opportunity to congratulate the children and young people in the borough on their recent achievements in the first summer examinations since the pandemic began. Early indications suggested an overall improved performance at both Key Stage 4 and Key Stage 5 compared to 2019 outcomes.

Cabinet received a report outlining the key elements and ambitions in the White Paper 'Opportunity for all: strong schools with great teachers for your child' and the Green Paper 'Special Educational Needs and Disabilities Review: Right support, Right place, Right time'. The report outlined the strategic challenges facing the education system in North Tyneside, the work already underway and further work required to tackle these challenges in partnership with educational leaders and partners.

North Tyneside had an education system to be proud of. A strong performer regionally and nationally, this reflected the hard work of Head Teachers and their teams, governing bodies, Elected Members, Authority staff and the fantastic children and young people.

The Authority believed that education was the catalyst for social mobility and the mitigation of deprivation; championing the learner continued to sit at the heart of the Authority's decision making.

Historically, schools and colleges in the Borough had performed well in public examinations and against inspection frameworks with 95% judged to be good or better by Ofsted, but the Authority also recognised that for disadvantaged pupils there was more to do. At the end of the academic year 2019, performance data showed that despite pupils' overall outcomes comparing favourably with national outcomes, those of disadvantaged pupils continued to lag those of their non-disadvantaged peers and remain stubbornly below the national average. The picture was compounded further for those pupils identified as long-term disadvantaged for whom the gap between them and their peers was stark.

Gaps in disadvantaged pupils' attainment widened as they moved through the education system. The abandonment of public examinations in 2020 and 2021 meant the longer-term impact of COVID-19 would only begin to be seen in 2022 and beyond.

As well as the updated Council Plan Policy Framework recent key strategic documents had also been developed and approved in recent months:

- Children and Young People Plan 2021-2025
- Ambition for Education Strategy in North Tyneside 2020-2024
- Joint School improvement Strategy
- North of Tyne Education Challenge
- Special Educational Needs and Disabilities Inclusion Strategy 2021-2024
- Children and Young People's Mental Health and Emotional Wellbeing Strategy 2021-2026

The 'Ambition for Education in North Tyneside' document set out the priorities and targets for education from 2020 to 2024. It built on the vision provided by 'Our North Tyneside Plan' and the 'Children's and Young People's Plan'. The Authority's targets aligned with the 'North of Tyne Education Challenge' and 'Joint School Improvement Strategy' together with the Special Educational Needs and Disability (SEND) Inclusion Strategy.

Officers continued to work with schools to tackle the priorities within the Ambition for Education document to improve outcomes for all pupils, to build on the Authority's partnerships to transform lives, uncap the potential of children and young people, and mitigate against the longer-term impact of COVID-19.

In March 2022 the government published its White Paper – 'Opportunity for all: strong schools with great teachers for your child'. The vision within the white paper was to introduce and implement standards that would improve children's education, deliver the right support and give them the tools to lead a happy, fulfilled, and successful life.

Delivery of this vision would be underpinned by the following principles:

- Excellent teacher for every child
- Delivering high standards of curriculum, behaviour and attendance
- Targeted support for every child who needs it
- A stronger fairer system

In 2019 the government commissioned a SEND review in response to growing concern about the challenges facing the SEND system in England and the future of the children and young people it supports. The Green paper 'Special Educational Needs and Disabilities Review: Right Support, Right Place, Right Time' focused on ensuring a system where every child and young person could access the right support with the following being key areas for change:

- Excellent provision from early years to adulthood
- A reformed role for alternative provision
- System roles, accountabilities and funding reforms
- Delivering change for children and families

The report set out the key strategic challenges facing education provision in the Borough. This included financial sustainability of schools in particular secondary provision; increasing demands in relation to Children and Young People with Special Educational Needs and Disabilities; post 16 provision across the borough; local plan proposals on school places and catchment areas, and schools rebuilding programme and capital investment.

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 key elements and ambitions in the recent White Paper ‘Opportunity for all: strong schools with great teachers for your child’ be noted;
(2) the key elements and ambitions in the recent Green Paper ‘Special Educational Needs and Disabilities (SEND) Review: Right support, Right place, Right time’ be noted;
(3) the key strategic challenges facing the education system and SEND and the work done to date be noted;
(4) the following work is progressed in relation to the following challenges:

a) Financial sustainability of Schools in particular Secondary Provision:

Working with Monkseaton High, and other stakeholders:

- carry out option appraisals to address the structural deficit issues,
- enter pre-publication engagement and consultation, and
- bring forward proposals to achieve educational and financial sustainability across the system.

b) Increasing demand in relation to Children & Young People with Special Educational Needs and Disabilities and associated resource pressures:

- progress the work identified within the Dedicated School Grant Management Plan.

(5) the Director of Commissioning and Asset Management and the Director of Children and Adults in consultation with the Cabinet Member for Children, Young People and Learning and the Cabinet Member for Finance and Resources and the Director of Resources be authorised to take all necessary steps to progress the work set out in recommendation (4) above; and

(6) further reports be received as required on the progress made in relation to the challenges set out in recommendation (4) above.

(Reason for decision: it reflects the priorities agreed by the Elected Mayor, Cabinet Member, Head Teachers and Chairs of Governing Bodies.)

CAB43/22 Approval of the Better Care Fund Plan 2022/23 and Authorisation to Enter Section 75 Partnership Agreement - Better Care Fund

Cabinet received a report seeking approval of the Better Care Fund Plan for 2022/23 and authorisation for the Director of Children and Adults Services to enter into a partnership agreement under section 75 of the National Health Service Act 2006 (a section 75 Agreement).

The Better Care Fund (BCF) had been in operation since 2015/16, and was a government initiative to improve the integration of health and care services, with an emphasis on keeping people well outside of hospital and facilitating discharge from hospital.

The BCF created a pooled fund, managed jointly by the Authority and the North East and North Cumbria Integrated Care Board (the ICB). The value of contributions to the fund in 2022/23 was £30,774,007 which was an increase of 4.47% over 2021/22 BCF pooled fund.

ICBs were required to contribute a defined amount to the fund to support adult social care. The resulting income from the NHS was £12,310,605. Together with the “Improved Better Care Fund” grant, which was paid direct by Government to the Authority, the BCF supported 20.5% of adult social care revenue expenditure within the Borough.

BCF income helped to fund community based social care services, such as reablement, immediate response home care, CareCall, and loan equipment/adaptations. It also contributed towards the Authority’s services offered to support carers, the Community Falls First Responder Service, and to independent living support for people with learning disabilities.

The detailed operations of the BCF in North Tyneside were set out in a nationally prescribed Planning Template and narrative plan which had to be approved by the local Health and Wellbeing Board before submission to NHS England by 26 September 2022. The plan would then go through an assurance process and once approved, a Section 75 Agreement would be prepared, between the North-East and North Cumbria Integrated Care Board (the ICB). That Agreement established a BCF Partnership Board with representatives from the Authority and the ICB.

The minimum value of the North Tyneside Better Care Fund was set nationally. Table one in the report showed the value in the current year, and changes from previous years. The national framework also stipulated minimum contributions to be paid by the ICB to adult social care, and minimum spend on NHS-commissioned out of hospital services.

The North Tyneside Better Care Fund Narrative Plan was appended to the report at Appendix 1. The North Tyneside Better Care Fund Planning Template was also included at Appendix 2.

The Better Care Fund continued to play a key role in integrating health, social care and housing. The fund provided the governance and a context in which the NHS and local authorities work together, as equal partners, with shared objectives.

The BCF plan had enabled a single, local plan for the integration of health and social care which had improved joint working and had a positive impact on integration. This had helped to relieve pressure on the health care system, with system performance in the North East remaining relatively strong against a difficult picture nationally.

The BCF accounted for 20.5% of adult social care revenue expenditure, therefore it would not be possible to maintain the current level of services without the benefit of the Better Care Fund income.

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 propose alternative approval mechanism.

Resolved that (1) the Better Care Fund Plan for submission to the Health and Wellbeing

Board for further approval prior to submission to NHS England be approved; and
(2) the Director of Children and Adults Services, in consultation with the Director of Resources, the Director of Commissioning and Asset Management, and the Assistant Chief Executive, be authorised to enter into an Agreement under section 75 of the National Health Service Act 2006 and to implement the financial and administrative arrangements for the Better Care Fund.

(Reason for decision: the continuation of the Better Care Fund presents an opportunity to take forward the principles of the Health and Wellbeing Strategy. If the requirement to submit a BCF Plan by 26 September 2022 and enter into a Section 75 Agreement is not met by 31 December 2022 the release of funds by NHS England could be delayed.)

CAB44/22 Date and Time of Next Meeting

6.00pm on Monday 17 October 2022.

Minutes published on Monday 26 September 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 Monday 3 October 2022.