

Cabinet

A meeting of Cabinet was held on Thursday, 27th June, 2019.

Present: Cllr Robert Cook(Chair), Cllr Jim Beall, Cllr Nigel Cooke, Cllr Lisa Evans , Cllr Mrs Ann McCoy, Cllr Steve Nelson and Cllr Michael Smith.

Officers: Julie Danks (MD), Beccy Brown, Ged Morton (HR&L), Tony Montague, Ian Coxon (F&BS), Richard McGuckin (ED&D), Ann Workman (AH) Reuben Kench (C,L&E), Martin Grey (CS), Peter Bell (DS)

Also in attendance: Cllr Sylvia Walmsley, Cllr Luke Frost, Cllr carol Clark, Cllr Norma Stephenson, Cllr Clare Gamble, Members of the public.

Apologies: None.

CAB 1/19

Welcome and Evacuation Procedure

The Chair welcomed everyone to the meeting and the evacuation procedure was noted.

CAB 2/19

Declarations of Interest

Councillor Steve Nelson declared a personal non prejudicial interest in respect of agenda item 5 – Council Plan 2018/21 – Annual Report as he was a Director of Thirteen and a Board Member of Catalyst.

Councillor Ann McCoy declared a personal non prejudicial interest in respect of agenda item 8 – Appointments to Outside Bodies as she was a member of TEWV NHS Trust.

Councillor Bob Cook declared a personal non prejudicial interest in respect of agenda item 8 – Appointments to Outside Bodies as his portfolio was detailed as a nomination.

Councillor Mike Smith declared a personal non prejudicial interest in respect of agenda item 8 – Appointments to Outside Bodies as his portfolio was detailed as a nomination.

Councillor Steve Nelson declared a personal non prejudicial interest in respect of agenda item 8 – Appointments to Outside Bodies as his portfolio was detailed as a nomination.

Councillor Jim Beall declared a personal non prejudicial interest in respect of agenda item 8 – Appointments to Outside Bodies as his portfolio was detailed as a nomination.

Councillor Bob Cook declared a personal non prejudicial interest in respect of agenda item 11 - Local Authority Attendance Policy and Penalty Notice Code of Conduct as he had grandchildren attending schools within the Borough.

Councillor Steve Nelson declared a personal non prejudicial interest in respect of agenda item 11 - Local Authority Attendance Policy and Penalty Notice Code of Conduct as he had grandchildren attending schools within the Borough.

Councillor Jim Beall declared a personal non prejudicial interest in respect of agenda item 12 - School Term and Holiday Dates – 2020/2021 and 2021/2022 as he was a Governor at a school named within the report.

Councillor Bob Cook declared a personal non prejudicial interest in respect of agenda item 13 - LA Governors on School Governing Bodies as he was named within the report.

CAB **Minutes**
3/19

Consideration was given to the minutes of the meeting held on 7 March 2019.

RESOLVED that the minutes of the meeting held on 7 March 2019 be confirmed and signed as a correct record.

CAB **Council Plan Annual Report**
4/19

Consideration was given to a report on the Council Plan - Annual Report 2018/19.

The Council Plan summarised the Council's strategic position over the next 3 years and described the Council's Policy Principles, Vision and Key Objectives. The Council Plan covers all of the Council's services.

The is committed to developing the Council and ensuring that it delivers high quality, customer focused services that meet the changing needs of the communities. Over the last year the Council had:

- Been shortlisted in no fewer than 6 award categories, and also for the prestigious 'Council of the Year' award at the Association of Public Service Excellence Awards, winning the 'Best Service Team of the Year: Parks, Grounds and Horticultural' Award
- Maintained its Customer Service Excellence accreditation for the seventh consecutive year, securing the highest possible "compliance +" rating in 12 categories
- Continued to implement improvements in direct response to the Ipsos MORI residents' survey undertaken across the Borough in 2015
- Been ranked as best in the country by the residents in an annual public satisfaction survey carried out by independent market research specialist Ipsos MORI collecting local resident's perspectives on, and satisfaction with, Highway and Transport Services in Local Authority areas
- Received another extremely positive report from Auditors, who said: "The Council is well aware of the financial challenges it is facing in the future" and "The Council remains well placed to face these challenges and officers continue to keep the overall position under close review"
- Continued to invest in its employees through the Shaping a Brighter Future programme, maintained the Silver Investor in People award and achieved the highest 'Continuing Excellence' level in the Better Health at Work

Awards

- Continued to maintain a high survey response rate in the 2018 Employee Survey which showed that staff strongly believe that the Council is a good place to work
- Continued to challenge and change the way it works and deliver services with a 25% reduction in the size of workforce since the programme of cuts began in 2010/11

RESOLVED that the report be noted.

**CAB
5/19**

Medium Term Financial Plan Outturn - March 19

Consideration was given to a report that updated Members on the financial performance and position as at 31 March 2019:

- There was a slight improvement in the 2018/19 financial position compared to those projected at December of £201,000.
- The overall variance for 2018/19 was £485,000 which would increase General Fund balances by this amount.
- There was a national pressure in respect of Dedicated Schools Grant, specifically in relation to Special Education Needs and Disabilities, and this resulted in a pressure of £2.5m for Stockton.
- The Capital Programme had been updated to incorporate new schemes and reflect those schemes completed.

RESOLVED that the updated MTFP and the Capital Programme be agreed and that the current level of General Fund balances be considered as part of the budget report.

**CAB
6/19**

Residents Survey 2019

Consideration was given to a report that set out the aims, methodology and timeline for the proposed 2019 borough-wide Residents Survey.

The previous borough-wide Residents Survey took place between June and December 2015 and was reported to Cabinet in March 2016. It was carried out by Ipsos MORI using face to face surveys across the borough. This followed the previous regional residents surveys which the Council participated in, along with six other North East local authorities during the same months in 2012 and 2008.

In 2018 it was agreed that the Council would move to a four-yearly cycle for the borough-wide Residents Survey as whilst it was recognised that the borough-wide survey provides extremely valuable data for service planning and policy development purposes, it was also recognised that an extended cycle would tie into the electoral cycle and would be the optimum frequency for cost benefit purposes.

The survey would provide a snapshot of public opinion and would serve a number of purposes most importantly helping to inform policy, identify priorities and shape the design and delivery of services. Survey results would also be incorporated with historical data to track how well services were performing and how perceptions of the Council had changed over time.

The survey would be conducted via face to face interviews comprising a set of questions in line with the Council's corporate priorities as well as existing, new and emerging policy areas and regional and national socioeconomic trends.

The Survey would provide the Council with ward level, statistically representative understandings of:

- Communities and their key characteristics
- How the Borough's adult residents feel about living, working, spending leisure time and training/studying in the Borough.
- What the Borough's adult residents think about the council, how the Councils work and the key services and benefits it provides.

As with previous surveys, the participants will be 16 years+. The continued engagement and consultation activity with young people in the borough would continue via the Bright Minds Big Future Programme.

The Survey would take the form of a face to face interviews comprising a set of questions outlined in an attachment to the report. The aims of the survey were detailed within the report.

Interviews would be conducted on a one-to-one basis across the local authority area. Ipsos MORI would identify participants by drawing a random sample of addresses from the Royal Mail Postal Address File.

Ipsos MORI were required to achieve a sample which was statistically representative at electoral ward level.

RESOLVED that the aims, methodology and timeline for the 2019 Residents Survey as set out in this report be agreed.

**CAB
7/19**

Appointments to Outside Bodies

Consideration was given to a report on outside body appointments.

RESOLVED that the following appointments to outside bodies be made:-

ARC - Cabinet Member for Health, Leisure and Culture

Bus Lane Adjudication Service Joint Committee - Cabinet Member for Environment & Transport - Substitute – Leader of the Council

Catalyst - Cabinet Member for Access, Communities and Community Safety

NEPO - Leader of the Council – Portfolio for Resources

North Tees and Hartlepool NHS Trust - Cabinet Member for Health, Leisure and Culture

Tees, Esk and Wear Valley NHS Trust - Cabinet Member for Adult Social Care

Teesside Environment Board Cabinet Member for Environment & Transport

Northumbria Regional Flood Defence Committee - Cabinet Member for Environment & Transport

PATROL (Parking and Traffic Regulations Outside London) Adjudication Joint Committee - Cabinet Member for Environment & Transport - Substitute – Leader of the Council

Teesside Airport Board - Councillor Eileen Johnson - Substitute – TBC

Tees Valley Local Access Forum - Cabinet Member for Environment & Transport

Teeswide Safeguarding Adults Board - Cabinet Member for Adult Social Care

CAB **Minutes of Various Bodies**
8/19

In accordance with the Council's Constitution or previous practice the minutes of the meeting of the bodies indicated below were submitted to Members for consideration:-

Teeswide Safeguarding Adults Board – 3 April 2019

RESOLVED that the minutes of the meetings detailed in the appendices be approved / received, as appropriate.

CAB **Children's Services Progress Update: 2018/19 – Quarter 4 (January -**
9/19 **March 2019)**

Consideration was given to a report that provided a summary of performance across Children's Services for Quarter 4. It was based on the Children's Strategy priorities agreed by Cabinet in June 2017.

The report summarised performance information in relation to the Children's Services Strategy 2017-20. This strategy, agreed by Cabinet in June 2017, set out the key priorities for Children's Services and the key performance indicators associated with delivery.

The update report was in three parts:

- a. Update on 2018/19 priorities.
- b. Update on other actions and progress against the wider strategy
- c. A summary of key points

RESOLVED that the report be noted, and in particular:-

- The current position in relation to key indicators of volume and demand in children's social care.
- The current position in relation to the numbers of children in care.
- The continued high performance around meeting statutory deadlines and timescales.

**CAB
10/19**

Local Authority Attendance Policy and Penalty Notice Code of Conduct

At the Cabinet meeting in February 2019 it was agreed that schools would be consulted on the proposed changes to the Local Authority Attendance policy and Penalty Notice code of Conduct, together with proposed guidance on the exceptional circumstances in which a headteacher may decide to authorise pupil absence in term time. It is the responsibility of the headteacher to make this decision, not the Local Authority. Following the consultation to headteachers and governors feedback was positive. Some comments regarding exceptional circumstances guidelines and the referral criteria were received and have been reflected in the proposed policy and guidance.

These proposed changes ensure a consistency in referral processes to support decision making; enable a more timely response and assist schools in managing recent unauthorised absence to prevent entrenched patterns of behaviour developing.

RESOLVED that:-

1. The revised proposals be agreed following local authority consultation of head teachers and chairs of governing bodies on the proposed changes to the attendance policy and penalty notice code of conduct ready for implementation from September 2019 as follows:

- Retitle the local authority Attendance policy (Appendix 1) as Stockton Council Pupil Attendance and Absence Management procedure.
- The criteria for referral to change from 'less than 80% attendance during the school year' to '10 unauthorised sessions of absence in the previous eight school weeks'.
- The penalty notice code of conduct (Appendix 2) to change from a three week monitoring period to a four week period.
- The head teacher to be required to state in writing why a request for leave of absence in term time is not deemed as an exceptional circumstance.
- The attendance team to issue a 'notice of prosecution' to parents who, after 28 days, have failed to pay the penalty notice.

2. The following responses to the consultation be noted:

Four schools responded (one secondary and three primary schools). All agreed to the following key changes previously presented to Cabinet:

- Retitle the local authority Attendance policy as Stockton Council Pupil Attendance and Absence Management procedure.

- The criteria for referral to change from 'less than 80% attendance during the school year' to '10 unauthorised sessions of absence in the previous eight school weeks'.
- The penalty notice code of conduct to change from a three week monitoring period to a four week period.
- The head teacher to be required to state in writing why a request for leave of absence in term time is not deemed as an exceptional circumstance.
- The attendance team to issue a 'notice of prosecution' to parents who, after 28 days, have failed to pay the penalty notice.

Two of the responding schools did not agree that all pupils should be automatically referred to Early Help before an Attendance support plan is put in place; rather such a referral should be made only if the school felt this were appropriate.

Two of the responding schools commented on the proposed guidance for exceptional circumstances for authorised absence in term time (Appendix 3) as follows:

- Schools may wish to devise their own more comprehensive list to support their families in understanding what is and is not exceptional in their context.
- Concerns that it is very difficult to monitor a pupil's attendance at a close relative's funeral in some circumstances and could lead to a pupil missing education for an extended period of time to visit relatives abroad. The school would not want to include this as a standard exceptional circumstance.

It was therefore proposed that:

- 'To attend a close relative's funeral'
- 'To visit a close relative suffering from a terminal illness'

are removed from the guidance for exceptional circumstances as attached (Appendix 4 – revised guidance for exceptional circumstances for authorised absence in term time).

3. Cabinet supported these amendments to the original proposals and the policy and procedure be implemented from September 2019.

CAB 11/19 School Term and Holiday Dates – 2020/2021 and 2021/2022

Consideration was given to a report on the School Term and Holiday Dates – 2020/2021 and 2021/2022.

Following consultation the proposed calendars of school term and holiday dates for 2020/2021 and 2021/2022 academic years were presented for Members.

RESOLVED that the school term and holiday dates 2020/2021 and 2021/2022 shown at Appendix 1 and Appendix 2 to the report, be agreed.

CAB 12/19 LA Governors on School Governing Bodies

In accordance with the procedure for the appointment of school / academy governors, approved as Minute CAB 27/13 of the Cabinet (13 June 2013), Cabinet was invited to consider the following nominations to school / academy Governing Bodies.

Billingham South Primary School – Councillor Bob Cook

RESOLVED that the above appointments be made to the vacant Governorships subject to successful List 99 check and Personal Disclosure.

CAB **The Globe Restoration**
13/19

Consideration was given to a report on The Globe restoration.

The Globe had played a significant role in Stockton-on-Tees' modern history, hosting world famous artists such as the Beatles, The Rolling Stones, The Bee Gees and Shirley Bassey. In recent years its significance had been rekindled as its restoration reconnects it with huge numbers of local people.

The restoration of the Globe, a Grade II art-deco style listed building was an especially complex project. The Council agreed to take the lead on the project in March 2016 (initially through a long-term lease but with the Council having an option to take ownership of both properties in 2031 of the Globe for a fixed price of £200k for the Globe plus a market valuation of 153 High Street). Both the Globe itself and the adjacent building, 153 High Street, were in particularly poor condition and early work focussed on safety and security, cleaning key areas and some early strip-out works. Works were also undertaken to ensure the building was 'water-tight' and to remove all asbestos from the building, these were completed in November 2017.

During this time, given the historic nature of the project the Council sought funding from the Heritage Lottery Fund (HLF) who agreed the significance of it and as a result HLF approved a £4.5m contribution to the project.

In July 2017 following detailed investigative work, business planning and detailed consultation with the operators, the scope and nature of the project changed. The most viable commercial use for the building was established to be predominantly live music, with some comedy and light entertainment. As a result additional design work increased audience capacity to up to 3,000, firmly positioning the venue as the largest between Leeds and Newcastle and complimenting other offers across Stockton and the Tees Valley. The new design also increased the bar and toilet facilities and provided new demountable seating as well as a dressing room, green room and improved production facilities.

In May 2017 Willmott Dixon was appointed as main contractor on the project under the Scape national framework.

During 2017 interest in the Globe increased as the HLF funded officer co-ordinated a programme of activity including very popular 'hard hat' tours supported by a number of volunteers. Ambassador Theatre Group (ATG), a world-renowned international theatre operator, also signed Heads of Terms for

the operation of the restored venue.

In late 2017 the completion of the asbestos removal work allowed for the roof void to be accessed for the first time and in order to accommodate some of the larger stage sets, it was considered necessary to reinforce the roof structure.

Work to strip-out the building continued and as this progressed it became clear that, although the Council knew the building was in poor condition, the extent of this was much worse than could have reasonably been anticipated. Unsupported walls, badly constructed drainage systems and weaknesses in the roof structure were among some of the issues faced. As a result the project had to be redesigned and the estimated cost plan recalculated. Cabinet agreed to allocate additional funding of £2.5m at its meeting in December 2018.

By early 2019 essential stabilisation and structural repair works were completed and sufficient first stage works had been completed to enable the progression to the next contractual stage of the project. At this next stage Willmott Dixon were required to submit an Agreed Maximum Price (AMP) to the Council.

The AMP provided a competitively tendered total construction cost, with Willmott Dixon engaging with over 100 sub-contractors and specialist sub-contractors who had been provided with access to the final detailed designs and to the site. All individual work packages had been subject to three competitive quotations unless a nominated specialist contract had been engaged and a full Value-Engineering exercise had been undertaken. To validate the competitiveness of the tender process and the overall AMP the prices had been subject to a detailed due-diligence exercise by the Council's independent (external) cost advisers Driver Group.

Whilst the AMP was not a fixed or guaranteed price, the approach was that the contractor was required to establish the various costs and identify contingencies on an open book basis that was supported by access to financial and tendering records. Risk could then be fairly apportioned between the contractor and the Council in the contract and whilst compensation events may occur such as extreme weather or even the consequences of a no-deal Brexit, there was a prohibition against the contractor achieving additional profit or central office overheads in consequence.

The final AMP would be submitted at the end of June 2019, however advanced analysis and challenge of drafts had been completed and it was clear that the costs were £6.5m greater than previously estimated. The project team and external cost advisers had undertaken a full cost review. The increased sum reflected major changes arising from sub-contractors' input into how the agreed designs could be delivered. The need to work around and protect the building's historic features and the essential structural repair works undertaken earlier this year had added costs to the heating, ventilation, air conditioning, power, lifts and plumbing installations. There were also increased costs relating to how the agreed designs for the foundations, steel work and roof structure were constructed. Other cost increases had arisen due to difficulties accessing the Globe's auditorium, which posed complex logistical challenges. In many cases this would require plant, machinery and equipment to be dismantled, craned into the auditorium, and then reassembled before use. The additional work needed would push back the opening of the venue from Spring 2020 to late 2020.

The independent review of the final submissions had been completed which had identified the project cost to have increased requiring a Council investment of £22.25m in addition to the HLF funding of £4.5m. This represented an additional cost of £6.5m, this included some contingency for the remainder of the contract and was predicated upon a completion being achieved in late 2020. Whilst the final costs were clearly significantly higher than first estimated, with the support of external cost consultants, they represented a robust financial appraisal of the cost to complete the project.

The variances between the original estimates and the AMP were unforeseeable and had not arisen as a consequence of weaknesses in cost planning or the monitoring of capital projects. A review was underway to ensure that all lessons were learned.

If the additional funding were not allocated to complete the scheme the benefit of the restoration of the Globe as one of the most important investments, helping to redevelop Stockton Town Centre would be lost along with the potential to bring up to 200,000 visitors a year. The economic impact assessment suggests that, once fully operational, the Globe will bring £18m per year to the local economy, along with 256 additional jobs both direct and indirect. It would be the largest capacity venue between Leeds and Newcastle and the Ambassador Theatre Group continued to be excited by and committed to the project. It was considered that these benefits continued to provide a firm basis for completion of the project as now costed and planned. In addition, the Council had abortive costs and costs to reinstate the building and the Council would lose Heritage Lottery Funds of £4.5m and be left with a derelict building on a key site on the High Street.

The Council approved borrowing of £30m in December 2019 for town centres and had funding at £30m earmarked in the TVCA Investment Plan. Whilst this funding could be used to support those costs, it would limit future investment opportunities in all the town centres. It was therefore proposed that Council be asked to approve additional borrowing of £6.5m at a cost of £325k per annum and this be incorporated in future updates of the Medium Term Financial Plan.

RESOLVED that subject to funding being made available by Council, the allocation of £6.5m be agreed to progress completion of the Globe restoration project to enable completion by late 2020 and recommend to Council that additional prudential borrowing of £6.5m be approved at a cost of £325k per annum.