

Cabinet

A meeting of Cabinet was held on Thursday, 16th July, 2020.

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

Officers: Julie Danks, Margaret Waggott, Peter Bell, Nigel Hart, Leanne-Maloney-Kelly (MD), Beccy Brown, Julie Butcher (HR&L), Garry Cummings, Ian Miles (F&BS), Martin Gray (CHS), Reuben Kench (CL&E), Jamie McCann (CS), Richard McGuckin (EG&D), Ann Workman (AH).

Also in attendance: Councillors Gamble, Hall and Riordan.

Apologies: N/A

CAB 1/20 **Declarations of Interest**

Councillor Nigel Cooke declared a personal, non-prejudicial interest in respect of the item entitled Business & Planning Act 2020 - Pavement Licence and Modification to Premises Licences under the Licensing Act 2003 as he was was a member of Tees Music Alliance, potential applicants for such a licence.

Councillors Bob Cook, Jim Beall and Steve Nelson each declared a personal non prejudicial interests in respect of the item entitled Children's Services Progress Update: 2019/20 - Quarters 3 and 4 (October 2019 - March 2020) and Award of Planned Higher Value Contract as a result of being governors on School Governing bodies.

Councillor Steve Nelson declared a personal, non-prejudicial interest in respect of the item entitled MTFP Outturn March 2020 and Current Year 20/21 Update as a result of being a Board Member of Thirteen Group who were referred to within the report.

Councillor Ann McCoy declared a personal, non-prejudicial interest in respect of the item entitled COVID 19 - From Response to Recovery as she was a member of Stockton District Advice and Information Service (SDAIS). Councillor Steve Nelson similarly declared a personal, non-prejudicial interest in respect of the same item as a result of being a member of Catalyst.

CAB 2/20 **Minutes of the Meeting held on 18th June 2020 - For Approval/Signature**

The Minutes of the Meeting held on 18th June 2020 were agreed as a correct record, subject to the inclusion of Councillor Hall's apologies.

CAB 3/20 **Xentrall Annual Report 2019/20**

Cabinet noted the Xentrall annual report which provided the progress and performance of Xentrall Shared Services, the Stockton and Darlington partnership.

The report demonstrated how Xentrall had delivered savings across the board whilst continuing to improve performance and customer satisfaction.

Key in year achievements had been:-

- the wider implementation of the new HR/Payroll system,
- development of additional financial services,
- further developments in both HR and Finance systems to retain our academy customers,
- successful high-profile publicity campaigns across the boroughs from Design and Print;
- and the improvement in ICT systems, both to defend against the increasing threat from cyber-attacks, but also to enable the workforce to work remotely in an easy and secure manner.

Cabinet expressed its thanks to all staff for their efforts, particularly during the pandemic as all members and officers were supported in the use of technology and therefore able to resume essential decision making at the earliest opportunity.

**CAB
4/20**

Covid-19 Update

Cabinet were provided with an initial outline of the implications that Covid had had on the Borough to date , and the basis of planning for recovery.

The report outlined some of the key implications, the decisions taken around the delivery of key Council services, the mitigating actions undertaken to respond, and summarised the approach to recovery planning including outlining how some services would be delivered differently, embedding learning from different ways of working applied during COVID-19.

It also outlined the basis of some of the wider working on 'community recovery' including short term actions and longer-term analysis to underpin strategy.

The COVID-19 pandemic had had a profound impact on the Borough's residents, its businesses and on the Council. A summary of its impact on the economy was noted, which included action that had already been taken and emerging challenges that lay ahead.

The efforts of Council staff to implement resilience planning approaches, adjust services and ways of working in response were worthy of huge recognition. The Council had also worked with partners across the public and voluntary and community sectors to protect its most vulnerable residents and ensure that those who need support have access to it.

The pandemic will have a material impact on the MTFP, from a combination of increased costs, lost income and deferred delivery of key plans. Whilst the support and commitment from the Government to alleviate immediate funding pressures was welcomed, there were significant long-term impacts which would require more detailed consideration, and which would be used to underpin our approach to recovery.

The current focus was on recovery, whilst at the same time requiring a

continued vigilance around the management and control of any local COVID-19 outbreaks which may occur. As services across the Council have restarted, many in an adapted way, this had been undertaken with a view to readiness and preparation for further cycles of response to the ongoing pandemic. Work goes on to support the adequate provision of PPE, support testing and outbreak management across the Council and its partner agencies.

Work on the community recovery plan would continue, through a focus on the themes in the new Council Plan.

CAB 5/20 Business & Planning Act 2020 - Pavement Licence and Modification to Premises Licences under the Licensing Act 2003

Cabinet were advised of proposed new legislation in the Business & Planning Bill 2020 which was expected to receive Royal assent on 20 July 2020. The Act once approved would introduce a new pavement licence and modify premises licenses granted under the Licensing Act 2003.

The Act would allow operators of businesses selling food and drink to apply to their local authority for authorisation to put furniture such as tables and chairs on the highway adjacent to their premises to sell food and drink from and/or for their customers to use. In addition the Act would modify premises licenses to authorise off sales for a limited period.

The application process was a fast track system with the Authority required to determine the application within 10 days, which included a 5 day consultation process with relevant parties. In considering the application, the Authority can take into account factors such as accessibility; proposed measures in place to reduce the likelihood of ASB, noise nuisance and litter; and measures in place for social distancing and reducing the risk of the transmission of Covid 19. The decision of the Authority as final, and there was no appeal process.

Cabinet approval was requested for the necessary delegation required to implement the Council's required response for determining applications under the new proposed legislation.

RESOLVED that Cabinet:-

1. Note the content of this report
2. Delegate the functions and administration of pavement licence applications made under the Business & Planning Act 2020 to the Assistant Director of Administration, Democratic and Electoral Services.
3. Agree the current capped fee of £100 is implemented to cover in part the pavement licence regime.
4. Agree fees can be reviewed by the Assistant Director of Administration, Democratic and Electoral Services if appropriate.

CAB 6/20 Children's Services Progress Update: 2019/20 - Quarters 3 and 4 (October 2019 - March 2020) and Award of Planned Higher Value Contract

Consideration was given to a summary of performance across Children's Services for the second 6 months of 2019/20. Performance was based on the Children's Strategy priorities agreed by Cabinet in June 2017, and future reports would be appended to reports on Council Plan updates for 2020 onwards.

Of particular satisfaction to Cabinet was that the current rate of schools judged as good or better by Ofsted was: 96.7% primary (58/60); 76.9% secondary (10/13). Overall 97.5% of primary and 86.3% of secondary pupils attended good or better schools. This was an improvement for primary and placed Stockton as first in the NE region. Performance on secondary also placed us first in the region for the % of pupils attending a good or better school.

The Constitution defined a range of decisions requiring Cabinet approval, the financial threshold for which was set at a level of £500k or more. The report therefore also sought approval from Cabinet for the award of a planned higher value contract scheduled for 2020/21, where the value exceeds the limit on officer delegated authority (detailed at Annex 1) and which is funded within the approved MTFP.

RESOLVED that Cabinet:-

1. Note the contents of the report.
2. Approves the contract listed in Annex 1 to the report.
3. Delegates authority to the relevant Director to make the specific contract award decisions and any subsequent contract variation and extension decisions in accordance with the delegations listed in Annex 1.

CAB 7/20 Adoption Tees Valley

Cabinet considered the latest in a set of bi-annual reports on the of Adoption Tees Valley (ATV), the Regional Adoption Agency (RAA) established on 1 May 2018, detailing the work of ATV in 2019/20 story so far, initial performance information and plans for improvement. A similar report would be presented to the Corporate Parenting Board on 7 August 2020.

The ATV brought together the former Local Authority adoption services of Darlington; Hartlepool; Middlesbrough; Redcar and Cleveland; and Stockton.

The provisional data showed a reduction in timescales for children from entering care to moving in with adopters. A small number of children continue to have extended timescales, sometimes for reasons associated with Court decision

making, and care planning for further siblings.

The information on timescales from Placement Order to a match have remained the same over the last year. There is variation in the timescales for children, and while many children are achieving timely matching, some children wait longer.

The service had made significant improvements in recruitment, which had contributed to availability of adopters for the children referred.

The number of children who had been referred for an adoption placement remains high creating demand for placements. The number of children placed for adoption within the year had been the highest over recent years which had meant that although recruitment had been stepped up, there had been a rise in the number of placements with VAAs, and other RAAs over this last year.

In terms of adopters, assessment timescales were improving, and once approved there had been a small reduction in the numbers of prospective adopters who wait more than 3 months before they are matched.

Recruitment of adopters had gone well, with a significant improvement on the previous year. 50 adoptive families had been approved. Adoption support had been offered to many more families, across a greater range of tier 1, 2 and 3 services.

Key challenges that lay ahead included:

- a. There continue to be more children requiring families than adopters who are available, and so recruitment of adopters is a key priority.
- b. There remain some challenges to achieve timely referrals, and provision of information for family finding.
- c. Timescales for placement remain a challenge for some children.
- d. Volume of Life Story work has continued to challenge the service.
- e. Services for non-agency adoptions compete with resources for children in our care who require permanence through adoption. The service has had to create a waiting list for step parents, and this can be lengthy.

**CAB
8/20**

Tees Valley Future Waste Energy Recovery Facility (ERF)

Cabinet, at its meeting held on 14th November 2019, had previously agreed to enter into an Inter-Authority Agreement (IAA) which included the five Tees Valley Councils (Stockton, Darlington, Hartlepool, Middlesbrough and Redcar and Cleveland), for the design, build, operation and financing of a new Energy Recovery Facility (ERF) to be located in the Tees Valley. Since this time, agreement had now been reached for the inclusion of both Durham County and Newcastle City Councils, for which Cabinet approval was now sought on terms detailed within an amended IAA.

The ERF would be designed to have a minimum 40-year lifespan and would be a source of renewable electricity (up to 49.9MW) and heat, equivalent to powering over 20,000 homes. The development would also create over 300

jobs during the construction phase and over 40 permanent positions, as well as contributing to the local circular economy. All residues from the process (metals and ash) would be recycled or recovered.

The target date for completion of the procurement was December 2021 and Services were expected to commence in April 2025. Hartlepool Borough Council would act as the lead authority for formal administration, for example in publishing the OJEU notices and applying for a National Grid connection. Authority was therefore requested to commence the necessary procurement process.

Governance arrangements were currently being drawn up to create a single governing project board on behalf of the Councils with clear defined powers and voting structures. The final arrangements would be concluded prior to the formal commencement of the procurement process.

Key principles/changes which feature in the amended IAA are:

- the inclusion of Durham County Council and Newcastle City Council;
- a Council cannot withdraw from the procurement process without compensating the other remaining Council; and
- a Council cannot withdraw from the eventual contract without compensating the remaining Councils.
- The proportion of procurement costs that each Authority is responsible for is based on tonnages and this will be further reconciled prior to commencement of the contracting arrangements. This will be included in the IAA final amendments.

RESOLVED that Cabinet:-

1. Approve the entering into of an Inter-Authority Agreement (IAA), between the five Tees Valley authorities, Durham County Council and Newcastle County Council in respect of the Tees Valley Energy Recovery Facility (ERF) on the terms set out in the appended draft agreement (Appendix 2 to the report), to delegate all functions and decision making powers to the persons or bodies as set out in that agreement, and delegate approval of amendments to the Inter-Authority Agreement to Director of HR, Legal and Communications and the Director of Community Services.
2. Approve issuing of the Official Journal of the European Union (OJEU) notice and commence the formal procurement of the project.

**CAB
9/20**

MTFP Outturn March 2020 and Current Year 20/21 Update

Cabinet was updated on the financial performance and position as at 31 March 2020 which showed an improvement in Revenue Balances of £332,000.

The report also summarised the Council's financial position for 2020/21 in the context of the Covid 19 situation and considers emerging implications for the Medium Term Financial Plan.

The Council was currently seeing a number of related financial pressures across a range of service areas in responding to the Covid pandemic. Whilst it was difficult to forecast the position due to the uncertainty of timescales for the pandemic response, the pressures were currently estimated at around £17m based on experience of the first 3 months of the year and could be summarised as follows:-

Area £'000
Adult Social Care 4,000
Children's Social Care 3,500
PPE and other Direct Covid Costs 800
Tees Active 2,000
Waste 1,000
Reduction in income 4,000
Capital Scheme - Globe 1,200
Capital Scheme – Ingleby Barwick
Leisure Centre 500
Total 17,000

Covid Grant (11,023)

Net Position 5,977

Government announcements indicated that Council's would receive funding to cover the financial impact of the pandemic. To date, the Council had received £11m and the Government had announced further funding on 2 July 2020 for all local authorities which in Stockton's case could now be confirmed as a further £1.7m with the possibility of further funding to assist Council's loss of income. Funding was also anticipated from Heritage Lottery to support the costs associated with the Globe.

The current pressures and costs still however exceeded the grant available and as time lapsed, there was a possibility that these pressures may continue to rise.

Members noted that the Council retained revenue balances of £7.4m to deal with urgent financial pressures which could not be predicted. Given the current position reflects those circumstances and so as not to de-stabilise the Council's current year's budget position, should full Government funding not be received, then it was suggested that balances should be used for which Council approval would be required. If approved, these would need to be replenished as part of the 2021/22 budget process

It was therefore recommended that general fund balances of up to £6m be used to supplement the Government funding to resolve the current pressures. This would mean that general fund balances would reduce from £7.732m to £1.732m. The level of balances would need to be replenished in the 2021/22 budget back to the £7.4m level at a cost of £5.668m

The pressures associated with Council Tax and Business rates collection were being closely monitored to assess the impact for the current and future years. Any shortfall in the current year would mean a shortfall on the Collection Fund which would need to be funded in 2021/22.

The financial position would continue to be closely monitored including work to assess impact on 2021/22 and future years. This was made more difficult given the uncertainty of Government funding and a further report would be presented as part of the 2021/22 budget process.

Whilst there was no impact on the Council's MTFP, there was a continued national pressure in respect of Dedicated Schools Grant, specifically in relation to Special Education Needs and Disabilities, and this results in a pressure of £4.4m for Stockton. As this is a National issue, lobbying was currently taking place on this matter through professional bodies including the LGA with concerns being raised with the Government.

RECOMMENDED that Cabinet-

- 1. Note the draft outturn position for the year ended 31 March 2020.**
- 2. Recommend to Council to approve the use of General Fund Balances of up to £6m to supplement the Government funding to resolve the financial pressures summarised in paragraph 28 of the report.**

**CAB
10/20**

Appointment of Independent Remuneration Panel

The report detailed a request for Council to consider proposals regarding the re-establishment of the Authority's Independent Remuneration Panel with the terms of office of the former Panel having expired on 31st May 2020.

Regulations required that a Panel of at least three members be established, however, the Council's Constitution stipulated that the Panel should comprise four members, with a quorum of 3. None of the Panel members must be serving elected Members of the authority in respect of which it makes recommendations, nor a member of a committee or sub-committee of such authority. Panel Members must also not be disqualified from being or becoming a member of an authority.

The three former members of the Panel, who's term of office had expired on 31st May 2020, had indicated a willingness to continue in their role. A fourth person had also been identified who, it is considered, would be suitable to sit on the Panel, going forward. Kate Hoskin, who had held senior positions in the Civil Service, had indicated her willingness to be considered for a position on the Panel. Details of each of the appellants for the role were submitted.

The functions of the Panel were also noted, and it was proposed that the terms of office of the Panel Members be up to 31 May 2024, unless they are removed, resign or otherwise leave office before then.

RECOMMENDED to Council that:-

- 1. The Independent Remuneration Panel be established comprising the persons specified at Appendix 1 to the report.**
- 2. The terms of office of the Panel Members be for the period up to 31st May 2024.**
- 3. The right is reserved to remove any one or more of the Panel members at any time as indicated in paragraph 12 of the report.**
- 4. Tony Campbell be appointed as the Chair of the Panel.**
- 5. The Panel's functions as detailed in the Council's Constitution, and detailed in Appendix 2 to the report, be noted.**
- 6. The allowances for the Panel's work are as specified at paragraph 13 of the report.**

**CAB
11/20**

Tees Valley Future Waste Energy Recovery Facility (ERF)

This is the exempt information that was considered with regard to the item above entitled Tees Valley Future Waste Energy Recovery Facility (ERF) Please see that item for the decision of Cabinet.