

Medium Term Financial Plan 2019-22 and Budget 2019-20:

Comments from Local Area Council Meetings, 14 - 24 January 2019

Castle Morpeth, 14 January:

- There would be significant investment from the North of Tyne Devolution Deal and Borderlands and would be spread over all portfolios. Rural areas would get a fair share of funding.
- It was aimed to mitigate negative effects on adult services. Some savings may be achieved by introduction of charges in cases where individuals could afford to pay for services.
- Facilities would be built in communities to improve support networks close to where people lived.
- None of the savings identified in Adult Services were to be made by cutting the care of people. Some savings would be made in assessing packages. There was a cost to the service for the assessment of individuals who were self funding and a consultation was underway regarding charging for this service.

Tynedale, 15 January:

In response to a number of queries that Councillor Dale raised regarding capital investment, the children's services budget and use of general reserves which would impact on the Treasury Management Policy, Councillor Oliver agreed to meet with Councillor Dale with the Service Director - Finance, in order to provide the information that she required.

Councillor Daley confirmed that the budget papers would be released 24/25 January 2019 when the detail would be available regarding the administration's proposals. All members would be invited to the meeting of the Corporate Services and Economic Growth Overview and Scrutiny Committee on 4 February 2019 when the budget would be discussed.

In answer to a questions the following information was provided:

- Councillor Oliver was unaware of any specific proposals that would affect the west or rural areas as reductions would be shared fairly across the whole of the county. They were investing in the road network and supportive care and were proposing cuts where they would have the least impact on front line services. Hence the proposals for road closure charges.

- Councillor Riddle confirmed that there were no proposals within the budget for the closure of fire stations although they would be investing in equipment.

Ashington/Blyth, 16 January:

- It was queried if heritage events and residents' festivals would be reintroduced. In response it was stated that last year 'Great Northumberland' had brought together some events across the county and the 'Discover our Land' campaign had been launched to promote Northumberland so it was a possibility that these could be linked to heritage events.
- Councillor Oliver said the decisions to increase Council Tax and cut Council Tax support were not made lightly but savings had to be made. He added that these cuts were also built into the former administration's plans but this was disputed by some opposition members.
- Members thanked those who had been involved in the campaign to stop parking charges being introduced at Blyth Beach. The Cabinet Member for Corporate Services stated that the introduction of parking charges at Blyth Beach had been subject to a genuine consultation. The Council had listened to residents, considered petitions received and decided not to introduce the charges. In response to comments about the decision being issued through the press before it was announced to members, it was pointed out that it was not a change in policy. Officers had been asked to identify areas for savings and one of those identified was car parking charges. A consultation had been carried out, a decision was made not to change the policy and the press was informed of that.
- Discussion took place about rent for market stalls in Blyth and how incentives, similar to those received in Hexham, would be beneficial. Members asked for help to be offered to market traders as a good market would attract shoppers to the town. The Cabinet Member for Corporate Services said he would look into this but pointed out that the internet was affecting retail sales on the high street and, in some places, there were now too many shops. There would need to be a strategic alteration to high streets throughout the county with more town centre living.
- Members hoped that the Ashington to Newcastle rail link would be forthcoming and pointed out that developments had begun under the previous administration. The Leader acknowledged the work carried out by the previous administration and stated that the name had been changed to the Northumberland Line in order to give it more weight with the new Combined Authority. A programme of investment was in place and they were determined it would be delivered.
- In response to concerns about the cost of collecting 8% Council Tax from the most vulnerable in society it was stated that this had already been implemented in Sunderland and Newcastle and there was benchmarking evidence regarding the collection rate of 83%.

- In terms of what would happen if there was a 'no deal' Brexit, it was stated that the Devolution Working Group had been renamed the Brexit and Devolution Working Group and its membership would remain the same.
- The Leader agreed with comments that the lack of basic skills in maths and english was preventing less fortunate people from obtaining meaningful employment and said help should be available to young people from a preschool age, all the way through secondary education. In response to comments that some people were in that predicament now, it was stated that the Council was working with Northumberland College to improve their offer of education for those with special needs. Discussion also took place about the need for apprenticeships for those with practical skills and for more vocational routes to be available in schools.
- A member queried if leisure services could be offered for a week in the summer holidays, free of charge, to deprived children as had happened in the past. In response the Leader stated that the Council did not provide leisure services, although it worked closely with Active Northumberland who offered a number of incentives;
- Concerns were also raised about:
 - The budget for maintaining roads in South East Northumberland;
 - Cut to front line services and services being transferred to Parish/Town Councils;
 - A new policy about floral decorations around towns (this should be county wide);
 - The need for additional budgets for expanding town centres;
 - No reference in the slide presentation as to what cuts would be made in order to achieve savings;
 - The Rural Services Grant - £400,000 per year was not enough. Other Councils had put pressure on the Government for more funding then offset the money to invest in deprived areas;
 - The lack of information about what was happening with the Combined Authority;
 - Leisure services in Blyth - it had been announced that there would be new centres in Berwick and Morpeth yet Blyth Leisure Centre had just been patched up and that should be a priority in the future;
 - Some terminology used at the meeting.

Cramlington/Bedlington/Seaton Valley, 23 January:

- The works on the Northumberland railway line had been started by the previous administration
- There had been no mention of Seaton Valley. In response it was stated that a new station was proposed in Seaton Valley as part of the new Northumberland railway line and also investment in schools
- How would the savings be made and what services would no longer be available? Councillor Oliver stated that savings would come from about one

third of increased income and savings from front line services that would have the least effect on vulnerable people. In addition, capital investment would enable more efficient services by delivering services closer to where people lived

- Increased income meant increased prices which residents would have to pay
- A member raised the concern of austerity and the reduction in benefits. It was stated that there were no plans for benefit cuts but some people who were currently paying no council tax would be asked to pay 8% of the council tax due on their property, ie, they would still receive 92% discount. This had already been implemented in Sunderland and Newcastle and there was benchmarking evidence regarding the collection rate of 83%.
- In response to a query regarding 3 year savings target, Councillor Oliver advised that it included an inflation element
- When Arch was first set there had been talk about an income coming from the funds and assets it would have and safeguard services from cuts, so would Advance Northumberland be paying any profits back to the Council to protect local services, etc? Councillor Oliver stated that third party loans had been raised at the Audit Committee and said that loans were for genuine projects and to create community benefits
- The new housing programme scheme was welcomed and it was hoped that would begin with sites already being given permission or brownfield sites and not out of town or greenfield sites. Councillor Jackson stated that the buildings would be where they were needed as part of a county wide programme and would not be built on greenfield sites
- In response to a concern regarding out of town parking facilities for the new railway line it was advised that detailed planning had not yet been done but would be considered as a regional priority in the transport plans
- How much of the £5.5 million business rates would Northumberland see? Councillor Oliver stated that an element that had been identified but not yet determined
- There was still £11.6 million savings to be found. When would this be? Councillor Jackson stated that the Combined Authority had identified some programmes, eg, Blyth Training Academy, Rural Growth Policy and investment in Stem education. The savings from business rates would come back to the general North of Tyne pot and allocated accordingly
- Councillor Daley, Portfolio holder for Children's Services advised of a recent review process of Youth Services. Northumberland would retain Youth Services, specifically focusing on challenging areas such as Blyth and Ashington. The Medium Term Financial Plan would have a positive effect on the county. Northumberland had recently won the National Tourism Award which was something to be proud of. There were issues and challenges for young people who needed to be inspired.
- A member queried when the building of the car park at Westmorland Way would begin. Councillor Jackson confirm that this would be in the spring or summer.

North Northumberland, 24 January:

- the Chair queried that it appeared that the income of the County Council had not greatly changed since 2010, to which Councillor Oliver responded that there had been extra pressure on services, but claims that there had been a 40% funding cut were not true. Councillor Jackson added that all local authorities faced challenges, and Northumberland had pressure on its adult care budget resulting from its larger proportion of older people amongst the population. Special educational needs costs were also significant and it would be cheaper and more effective if the services could be provided in the county
- a member referred to the move from central government funding to business rates; as Northumberland did not have high business rates but high streets were having some financial difficulties, was this likely to have an impact on the local budget position? Councillor Oliver replied that there was no clear definition of the challenge, but there would be greater reliance on local income in future. The administration would have a focus on jobs, to bring more employers into the south east of the county, offshore work and supporting rural enterprise. The North of Tyne devolution deal enabled becoming rural scale up champions. Work continued towards infrastructure requirements too; 6% of the county needed proper Broadband connections; a new bid to the government to fund this was due to be submitted by the end of March
- a member welcomed the approach to tackle council debt which would help the future of Northumberland. It was important the Berwick and north Northumberland received a fair share of funding available as she considered this hadn't always been the case, but the promised new leisure centre was welcomed. Councillor Jackson referred to the attention being paid to Berwick including road repairs, car parking investment, the new leisure centre, support for schools and further education. The Borderlands initiative would also provide major investment in the area. Members added that involvement in Borderlands was very important and the north and west of Northumberland should engage to be part of it and discuss with colleagues over the border
- a member referred to the previous proposal for a loan for Alnwick Garden which she didn't support. Members noted that this was not going to be funded by the Council; Councillor Jackson added that given the strategic nature of Alnwick Garden an application had been made for national funding. The Chair added that it could attract an extra 250,000 visitors per year. Councillor Jackson added that it was intended to extend the tourism season; as such work was seasonal, it impacted on wage levels, which was something the administration were addressing. Another key target was to achieve 100% mobile phone reception coverage
- a member welcomed the £104m allocated for the living environment and the promised new council housing and the importance of more housing for older people, which had been identified as a need in the county. Councillor Jackson added that the Council had a role to identify

gaps and build housing types which the private sector did not provide. A new housing strategy was due to be published within the next few months. Councillor Oliver also referred to options for community housing and a central government grant received to assist

- a member welcomed the long term strategic view being taken. Tourism was important but seasons were short, wages were low and the cost of housing was high, so getting social housing in the right places for identified need was welcomed. Councillor Oliver referred to issues with second home ownership and action to increase rates following concerns about second home owners not contributing to communities; for example only 18% of Beadnell's housing was permanently occupied
- a member considered that it was important when designing housing to spread out rather than concentrate affordable housing. Councillor Jackson agreed that the previous format of council estates was not the way forward and the key was to have cohesive communities. Another member welcomed the investment in council housing planned
- a member referred to the need to put pressure on mobile networks about their coverage; for example Eglington and Craster had no reception. Councillor Oliver replied that he was meeting the Broadband team the following week and would also raise the issue of mobile phone reception
- a member welcomed the reinstatement of transport costs for post 16 students, investment in local services and how Northumberland was being promoted, including good bipartisan work with both Newcastle and North Tyneside Councils for the good of the region; Northumberland was looking outwards rather than being insular. He added that the Council had been burdened with financial pressures but considered that the budget could be balanced. Councillor Oliver agreed that their focus was long term, particularly with education and job investment, and future generations should see the benefit.