

NORTHUMBERLAND COUNTY COUNCIL

CORPORATE SERVICES AND ECONOMIC GROWTH OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the **Corporate Services and Economic Growth Overview and Scrutiny Committee** held in Committee Room 1, County Hall, Morpeth on Monday, 8 July 2019 at 10.00am.

PRESENT

Councillor D. Bawn
(Chairman in the Chair)

COUNCILLORS

Beynon, J.
Cessford, T.
Grimshaw, L.
Parry, K.

Robinson, M.
Roughead, G.
Seymour, C.
Simpson, E.

ALSO PRESENT

G. Hill

N. Oliver

OFFICERS

K. Angus

G. Barnes
M. Bird
T. Palmer

S. McNaughton

Executive Director of HR and OD
and Deputy Chief Executive
Revenues & Benefits Manager
Senior Democratic Services Officer
Head of Procurement Shared
Services
Strategic Transport Policy Officer

Press: 1

9. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Swithenbank, and from Councillor Wearmouth for the Blyth Relief Road item.

10. MINUTES

RESOLVED that the minutes of the meeting of the Corporate Services and Economic Growth OSC held on 10 June 2019, as circulated, be confirmed as a true record and signed by the chairman.

11. DISCLOSURE OF MEMBERS' INTERESTS

Councillor Robinson declared an interest in relation to item 7.2 on the agenda, as he was a director of Advance Northumberland Limited. He left the meeting for the duration of the item.

12. FORWARD PLAN OF KEY CABINET DECISIONS

Member noted details of forthcoming reports to be considered by the Cabinet. (Schedule enclosed with the signed minutes as Appendix A.)

RESOLVED that the report be received.

13. CABINET REPORTS PREVIOUSLY CONSIDERED BY THE COMMITTEE

Members received details of Cabinet decision on the 'Devolution of the Adult Education Budget to the North of Tyne Combined Authority' report previously commented on and been subject of report by this committee. (Enclosed with the signed minutes as Appendix B.)

RESOLVED that the report be received.

14. OVERVIEW AND SCRUTINY REPORTS

Debt Recovery Update

The purpose of the report was to provide the committee with information relating to the level of outstanding debt owed to the Council so that the committee might satisfy itself as to the efficiency and effectiveness of its collection and recovery policies and systems. (Debt recovery report enclosed with the signed minutes as Appendix C, and write-off 2018-19 information report enclosed as Appendix D.)

Councillor Oliver, Cabinet Secretary and member for Corporate Services introduced the report by highlighting a number of key statistics, which included:

- £1.95 million (m) had been written off at the end of the year which was slightly less than 2017/18
- debt had increased from £15m to £22m, largely due to three invoices totalling £7m raised during March 2019 which had not yet become due; this was not considered a concern
- a total of £191m in council tax was collectable from 154,000 properties, of which 91.8% was collected, the highest rate in the north east region
- collection rates had increased to 98.3% for business rates collection from over 13,000 properties
- £2.5m of housing benefit overpayments had been identified in year with £1.38m being recovered in year. £2.62m was recovered in total

- 49 evictions had taken place in 2018/19 and work to support tenants to maintain their tenancies was continuing.
- support mechanisms were available including payment plans. Work also took place with the Citizens Advice Bureau with regard to housing arrears.

The Revenues & Benefits Manager further added the report detailed the position as at 31 March 2019 and further action was ongoing. People were taking advantage of the option to pay business rates and council tax over 12 months rather than 10. New initiatives were always considered and a key pilot initiative was taking place with Her Majesty's Revenues and Customs (HMRC) and five Tyne and Wear Local Authorities about information sharing which would be very beneficial for council tax collection, which Northumberland was leading on.

Members then highlighted the following issues, to which officers responded:

- it was important to closely monitor the impact of Universal Credit to identify and help anybody getting in to financial difficulty
- clarification was sought about small business rate relief; if an organisation qualified for 100% relief their bill was nil, and the remainder who qualified for relief would only pay on a reduced multiplier rate
- taking payment upfront was a good way to reduce people accruing debt, but this was handled by the Department for Work and Pensions (DWP)
- it was important to protect the more vulnerable residents in relation to any possible sanctions and enforcement action.

The following questions were asked by members, for which answers would be organised and circulated following the meeting:

- could we get the figures for Northumberland Universal Credit claimants who had Alternative Payment Arrangements in place?
- could we get guidance on whether it was the tenant who had to request that payments go directly to the landlord?
- did the Council have a vulnerability policy for its tenants?

RESOLVED that the report be noted and answers to members' further queries be provided after the meeting.

15. SCRUTINY OF CABINET REPORTS

The following reports would be considered by Cabinet on 9 July 2019. The committee were asked to comment on the proposals contained in the reports.

15.1 Blyth Relief Road

The purpose of the report, which was introduced by Stuart McNaughton, Strategic Transport Policy Officer, was to provide an overview of progress to date on the development of the business case for a new relief road for Blyth; a recommendation for the preferred route for more detailed development based on the outcome of appraisal to date and an extensive stakeholder consultation exercise; and an update on the emerging opportunity to fund the scheme as part of the Major Road Network.

In response to questions, members were advised that the site of the recently approved planning application for residential properties at Blyth Golf Club was located to the south of the proposed route 3. Further discussions were taking place with the golf club about the possible impact, and consideration was also being given to local allotments and the farm located on the route, for which supporting costs were included within the scheme.

Members agreed that it was a good scheme. Route 3 appeared to be the most effective route and had received support during the recent consultation process. The development was welcomed and considered only beneficial to Blyth. It would address concerns about the level of traffic congestion in the town and also benefit local organisations including the Port of Blyth. Mr McNaughton and his team were thanked for their work on the proposal.

RESOLVED that Cabinet be advised that the committee supports the recommendations in the report.

16. EXCLUSION OF THE PRESS AND PUBLIC

The chairman explained that two supplemental confidential appendices needed to be considered for the Advance Northumberland Limited report. The press and public would need to be excluded in order to consider those documents in private, but then readmitted afterwards for the discussion of the public part of the report.

RESOLVED

- (a) that under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item on the agenda as it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and
- (b) that the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Item	Paragraph of Part I of Schedule 12A
7.2	3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption outweighs the interest in disclosure because the operating agreement contains confidential commercial and operating information.

17. Advance Northumberland Limited

During the private discussion, members raised points about the benefits of now having an operating agreement that provided a framework and accountability, matters regarding the membership of the loans review group, and the role of this committee in reviewing the arrangements in due course. It was agreed that a further session would be organised in due course to brief members on the detail

of the draft operating agreement as the document had needed to be tabled at this meeting.

The meeting was then declared open to the public.

Further discussion followed during which members noted changes to the procurement rules including the Council's increased remit over certain contracts within Advance Northumberland's development arm. (Copy of public report enclosed with the signed minutes as Appendix F.)

Members agreed that it was an excellent report which made the responsibilities for functions clear, and welcomed the reserved matters provisions including the prevention of Advance Northumberland from purchasing property from outside of the county.

RESOLVED that Cabinet be:

- (1) advised that the committee supports the recommendations in the report; and
- (2) requested to agree to a review process taking place within a reasonable timescale.

18. REPORT OF THE SCRUTINY CO-ORDINATOR

Corporate Services and Economic Growth Overview and Scrutiny Committee Work Programme and Monitoring Report

Members received the committee's work programme for the 2019/20 council year. (Report enclosed with the signed minutes as Appendix E).

RESOLVED that the report be noted.

19. URGENT BUSINESS

Northumberland Lottery

The chairman agreed to this report being considered at the meeting as urgent business as the committee needed to pre-scrutinise the proposal before it was presented to Cabinet on 6 August. The purpose of the report was to provide an overview of the proposal to implement a Northumberland lottery. The lottery would be open to both members of the public and staff, and would support local charities and good causes with its proceeds. (Report enclosed with the signed minutes.)

Councillor Oliver introduced the report with reference to how people could choose which charity to donate the 50p share from each ticket, 10p from each ticket paid for administrative costs, 20p to the winning ticket contribution, 17p to the operator and 3p for VAT; he hoped that members would support the proposal. The Head of Procurement Shared Services added that Gatherwell was a recognised local authority platform for providing this service and over 80 used it; this type of lottery had raised over £3.7m per annum for over 3,000 good causes to date. To enter, people pick six numbers between 0-9. Tickets were £1 each, had to be

purchased online with a maximum of 20 entries per checkout and 50 per draw per person. Numbers were drawn every Saturday evening, based on the Australian Lottery. £25,000 would be won by six consecutive correct numbers, £2500 for five and £250 for four. There would be no rollover jackpots. A demonstration was provided of the charities available to benefit from Aylesbury Vale Borough Council's registered lottery.

Key details of subsequent questions from members and answers from officers were as follows:

- whereas the National Lottery could only pay out amounts totalling up to what was paid into it, this lottery guaranteed a £25,000 sum for six winning numbers
- numbers on winning tickets had to be in a consecutive order.
- 10p per ticket sale was received by the Council, and once overheads were covered the excess would go into the Community Chest fund; the lottery would run alongside the Community Chest
- the criteria for charitable organisations to sign up had not been finalised yet but they had to be a community group based in Northumberland, not an individual, and to have a constitution and bank account
- there was no time limit for charities to apply to and remain on the approved list of eligible organisations. However this could be kept under review and this committee perhaps receive an annual report about the lottery
- other local authorities who used this lottery format had reported that community groups had positively engaged and felt it was a very good way to generate income. Northumberland could learn from their experiences
- if some small charitable organisations/causes did not have a constitution, they could be signposted to seek support from Northumberland CVA
- Gatherwell sent payments by cheque to winners. The £25,000 full prize had been won 18 times between the 80 local authorities who ran a lottery scheme. The odds of winning either £25,000, £2,000 or £250 were provided on the website
- a member expressed concern about the service possibly encouraging gambling, although another added that raffle tickets operated on the same principle. It was added the limit of spending £20 in one go did not exist elsewhere. The proposal was unlikely to contribute to the negative aspects of gambling. Individual members did not have to promote the lottery, but it was as a means for members to engage with their local communities. Officers had fully considered such concerns about gambling whilst developing the proposal and assess how other participating local authorities overcame any challenges. The Head of Procurement Shared Services had drafted robust policies and regular reports would be provided on the project's progress
- other local authorities had reported positively on their lotteries. An annual fee was required to contribute towards helping people with gambling problems
- Gatherwell had been in operation since 2015 and had won a number of awards; further details about the organisation would be circulated to members after this meeting, following a recent article in the MJ
- regarding whether some parents might feel pressured to spend on this lottery whilst also facing financial pressures, as these tickets had to be purchased online it was more private and less pressured than being asked to buy tickets face to face. Tickets could be purchased anonymously. It would help many community and voluntary organisations with costs faced and generate an

income stream which had no restriction on what it could be spent on.

Members agreed to support the report going forward to the Cabinet meeting on 6 August.

RESOLVED that Cabinet be advised that the committee supports the recommendations in the report, including a preference for calling it the 'Northumberland Lottery'.

Chair _____

Date _____