

## **NORTHUMBERLAND COUNTY COUNCIL**

### **CABINET**

At a meeting of the **Cabinet** held in Committee Room 1, County Hall, Morpeth on Tuesday, 9 October 2018 at 10.00 am.

### **PRESENT**

Councillor P.A. Jackson  
(Leader of the Council, in the Chair)

### **CABINET MEMBERS**

Homer, C.  
Jones, V.  
Oliver, N.

Riddle, J.  
Sanderson, H.G.H.  
Wearmouth, R.

### **OTHER MEMBERS**

Bawn, D. (part)  
Davey, J.G.  
Dodd, R.R.

Pattinson, W.  
Pidcock, B.(part)  
Swithenbank, I.C.F.

### **OFFICERS IN ATTENDANCE**

Hadfield, K.  
  
Lally, D.  
Lancaster, H.  
Johnston, P.  
Naples, R.  
Scarr, B.

Committee Services and Scrutiny  
Manager  
Chief Executive  
Principal Solicitor  
Interim Executive Director of Place  
Planning Officer  
Executive Director of Finance and  
Deputy Chief Executive

Two members of the press and public were present

Ch.'s Initials.....

#### **43. APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Daley.

#### **44. MINUTES**

With regard to the minutes of 10 September 2018, Councillor Homer pointed out the following:-

- Minute No.28 pg 2 second paragraph should refer to a lack of progress generally, not with the leisure centre
- Minute No.28 pg 3 second bullet point should refer to £50m as the combined figure
- Minute No.28 pg 3 first paragraph should refer to Active Northumberland's portfolio, rather than the Council's portfolio.

**RESOLVED** that the following meetings of Cabinet be confirmed as a true record and signed by the Chair, subject to the amendments detailed above:-

- (a) Monday 10 September 2018
- (b) Tuesday 11 September 2018
- (c) Tuesday 25 September 2018

#### **45. REPORTS OF THE EXECUTIVE DIRECTOR OF FINANCE AND DEPUTY CHIEF EXECUTIVE**

##### **(1) Budget 2019-20 and Medium Term Financial Plan 2019-22**

The report detailed provisional additional budget proposals for 2019-20 to 2021-22 to meet the remaining budget gap, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement 2019-20 in December 2018 (copy attached to the signed minutes as Appendix A).

A revised report from the Economic Growth and Strategic Services OSC had been circulated.

Councillor Oliver advised that in September, £36m of savings had needed to be found. Work had been ongoing since then, and this report identified measures of £24m to bridge a significant proportion of the gap. A lot of progress had therefore been made to address the challenging position, but there were still difficult decisions to make.

The Leader commented on the chaotic state of the Council's finances when the current Administration had taken over and a number of emergency aid

measures had had to be implemented to maintain services. The £65m gap had been reduced to £36m, which was achievable over three years and the Council's finances would be brought back on track. The Administration had an ambitious and optimistic programme for the County but the organisation needed to be fit for purpose to be able to deliver that, and he gave a commitment that front line services would be maintained.

Councillor Riddle reiterated that the Administration was 100% behind the Fire and Rescue Service and no cuts were proposed to either appliances or firefighting staff, contrary to recent media reports. In fact, investment was being made in the Fire and Rescue Service to create a better front line service.

**RESOLVED** that:-

- (a) the provisional additional budget balancing measures totalling £24 million, be approved as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement 2019-20;
- (b) it be noted that there are still budget balancing measures of £3.0 million required to be identified over the term of the Medium Term Financial Plan;
- (c) the savings proposal regarding the reduction to the non collection rate for Council Tax of 0.5% (from 1.2% to 0.7%) with effect from 1 April 2019 be noted; and
- (d) the revised report of the Corporate Services and Economic Growth OSC be noted.

**(2) Revised Governance for Loans to Arch**

The report sought agreement to a revised governance procedure for managing the loan facility relating to Arch and Advance Northumberland (copy attached to the signed minutes as Appendix B).

Councillors Jackson and Wearmouth declared personal interests in this item as Directors of Arch.

Councillor Oliver commented that this was a really important report and would introduce a proper process for investment decisions which had previously been lacking. The various areas of risk and how they would be managed were detailed in the report. Previously, the information to the Council on which to base loan decisions had been scant. This would not be

the case going forward, with a more financially prudent approach being adopted.

Councillor Bawn advised that this had been subject to thorough discussion at Scrutiny. The majority of members had supported the report's recommendations, though some opposition members had not.

Councillor Sanderson recalled the very short time that members had been given at Council to consider the proposal to grant a very significant loan to Arch, which had not been supported by the Conservative Group.

Councillor Wearmouth commented that a lot of work had gone into the governance arrangements detailed in the report to make sure that they were fit for purpose. The previous unregulated process had led to a decision to buy executive homes which the Council would never see a return on, and the speculative purchase of a shopping centre.

**RESOLVED** that:-

- (1) the risk and governance issues surrounding the current process for granting loans to ARCH be noted;
- (2) the revised decision making and governance procedure as set out in the report be approved;
- (3) the report of the Corporate Services and Economic Growth OSC be noted.

**(3) Procurement of Construction Consultancy Services**

The report requested approval for the Council to commence the procurement of a framework for Construction Project Management and Design Services Consultancy to be used by Property Services, Arch Ltd, and the Schools Capital Programme (copy attached to the signed minutes as Appendix C).

Councillor Oliver briefly introduced the report highlighting that the Council needed a proper framework in place to manage the delivery of the Administration's ambitious capital development plans. He advised that an additional Lot was required to be added to table 3 - "Additional Specialist Consultancy (health and social care)." This would allow for the procurement of specialist consultancy to work with the Council and its partners on a range of health and social care projects, locally, nationally and internationally.

**RESOLVED** that:-

- (a) the background and current position be noted; and
- (b) the Council commence the procurement for a framework of construction consultancy services, with the inclusion of the additional Lot detailed above.

**(4) Re-Joining of NEPO (North East Purchasing Organisation) as a full member**

The report requested approval for the Council to re-join NEPO as a full member from 01<sup>st</sup> October 2018 (copy attached to the signed minutes as Appendix D).

Councillor Oliver reported that there were financial opportunities to be gained from rejoining NEPO as a full member, and better benefits than associate membership had provided. An assurance had also been provided that the Authority did not have to take all of the procurement solutions if it did not wish to, which members supported.

**RESOLVED** that:-

- (a) the background, current position and review of NEPO membership be noted; and
- (b) the Council re-join NEPO as a full member from 01<sup>st</sup> October 2018.

**46. REPORTS OF THE INTERIM EXECUTIVE DIRECTOR OF PLACE**

**(1) Blyth Business Improvement District**

The report sought Cabinet approval of the Blyth Business Improvement District (BID) proposals (copy attached to the signed minutes as Appendix E).

Councillor Wearmouth reminded members that Cabinet had previously taken the view to support BIDs where these had been supported by local businesses.

**RESOLVED** that:-

- (a) the development of the Blyth BID proposal be noted;

- (b) the Blyth BID proposals be approved, noting that the BID Proposer has undertaken the necessary steps as required by legislation. The proposed ballot of eligible businesses is planned to take place during a four week period ending on 29th November 2018;
- (c) the County Council's position remains that it will support the Blyth BID, if it is supported by local businesses;
- (d) in order to make any necessary final technical changes to the business plan and baseline services document prior to the ballot being undertaken, approval of the final documentation be delegated to the Executive Director of Place in consultation with the Portfolio Holder for Economic Development, and the the final arrangements for undertaking the ballot process be delegated to the County Returning Officer to implement.

## **(2) Voluntary and Community Sector Support Services Commission**

The report advised Cabinet of the outcome of the consultation process associated with the Council commitment to cease the VCS Support Services Commission from the end of March 2019 (copy attached to the signed minutes as Appendix F, along with the report of the Communities and Place OSC circulated at the meeting).

Councillor Homer reported that the results of the consultation exercise had shown that the VCS organisations demonstrated value in the community in many ways. They were also of value to the Council in terms of their contribution and involvement to the various strategies produced by the Council including the Cultural Strategy, the Economic Strategy and the Physical Activity Strategy. A complete removal of the commission would impact on County Council staff and increase workloads. However, officers had looked at this in detail, and were of the view that a sustainable service could still be delivered at a reduction of £35,000 pa.

Councillor Swithenbank reported the views of the Communities and Place OSC, which had understood the value of the sector and opposed the complete removal of the commission. The proposal to allocate £100,000 to VCS commission had been supported by Scrutiny on the understanding that a six monthly monitoring report on the impact would be provided.

Members endorsed the proposal to continue the VCS commission given the role that it played to support Council services and communities.

**RESOLVED** that:-

- (a) in the light of the feedback from the consultation process, the VCS Support Services Commission be continued at a reduced level of £100,000 from the end of March 2019; and
- (b) the report of the Communities and Place OSC be endorsed..

**(3) Implementation of the Revised Highways Maintenance Code of Practice “Well Managed Highway Infrastructure” : Summary of Council Response and Updated Transport Asset Management Plan Policy and Strategy**

The report set out the County Council’s response to the revised Highway Maintenance Code of Practice ‘Well-Managed Highway Infrastructure’ and introduces a revised Transport Asset Management Plan (TAMP) Policy and Strategy for approval (copy attached to the signed minutes as Appendix G).

Councillor Sanderson highlighted the three key points to be drawn from the Strategy:-

- Unsurfaced roads would be looked at less.
- There would be more focus on the links roads between towns and villages.
- The response to pothole defects was being improved with more structural repairs being done.

Councillor Riddle supported the report. The new regime of road maintenance was already making a difference and the quality of repairs was better, though this meant more road closures in order to do a more thorough job. He also supported the approach of looking at roads by use, rather than classification.

**RESOLVED** that:-

- (a) the content of the report be noted;
- (b) the main changes made in response to the revised Code as noted on pages 4 and 5 be endorsed;
- (c) the responses to the 36 recommendations from the revised Code as set out in Appendix 3 be endorsed; and
- (d) the revised Transport Asset Management Plan Policy and Strategy as set out in Appendix 2 be approved.

## 47. REPORT OF THE CHIEF EXECUTIVE

### Longhorsley Neighbourhood Plan

The report sought approval to formally 'make' the Longhorsley Neighbourhood Plan. The Plan passed independent examination on 02 May 2018. A local referendum held in the Parish of Longhorsley on 23 August 2018 returned a majority vote in favour of using the Plan to make decisions on planning applications. The Council was now obliged by statute to make the Neighbourhood Plan unless it considered that doing so would breach European Union obligations (copy attached to the signed minutes as Appendix H).

Councillor Riddle reported that this was the 7th Neighbourhood Plan to reach this stage and had been born out of a lot of local planning concerns in the area. It had taken a lot of work and officer support to get to this stage.

The Leader commented that the number of developing Neighbourhood Plans in the County reflected the desire of local people to protect their communities but with growth in mind for the future. He commended the Longhorsley community for the work they had put into this.

Councillor Sanderson expressed thanks to Councillors Iain Elliott and Paul Brannen at the Parish Council who had led on this and for a very good report.

#### **RESOLVED** that:-

- (a) the referendum outcome of 23 August 2018 be noted;
- (b) the Longhorsley Neighbourhood Plan be formally made in accordance with section 38A(4)(a) of the Planning and Compulsory Purchase Act 2004;
- (c) Cabinet approve the decision statement (attached at Appendix 1) required under Regulation 19 of the Neighbourhood Planning (General) Regulations 2012 as amended; and
- (d) the Longhorsley Neighbourhood Plan and the decision statement be published on the Council's website and publicised elsewhere in order to bring it to the attention of people who live, work or carry out business in the neighbourhood area; and the decision statement be sent to the qualifying body and anyone else who asked to be notified of the decision.

## 48. REPORT OF THE HEAD OF PROPERTY AND CAPITAL PROGRAMMING

### Summary of New Capital Proposals considered by Officer Capital Strategy Group

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group at its meetings held on 10 August and 14 September 2018 (copy attached to the signed minutes as Appendix I).

**Minsteracres Tynedale Horticultural Service:** The link with the Learning Disability Service was working really well.

**Future Contracts in excess of directors' delegated limits:** Alnwick Playhouse had very ambitious plans and intended to raise their own contribution through charitable donations. There was also substantial community support for the project. In response to a question from the Leader regarding timescale, Mr Johnston advised that he would report back on that.

**Parks Enhancement Programme:** The aim was to get all parks awarded green flag status. Comment was made about the value of parks to local communities and it was noted that there were plans coming forward for other parks.

**RESOLVED** that Cabinet recommend County Council to:

(1) **Minsteracres Tynedale Horticultural Service:** Approve the proposal and new budget requirement of £120,000, to be funded from Adult Care Capital Grant;

(2) **Contracts in Excess of Directors Delegated Limits:** Approve the proposed commitment of £2,000,000 in respect of the main refurbishment contract for Alnwick Playhouse;

(3) **Parks Enhancement - Astley Park, Seaton Delaval:** Approve the proposal and overall budget requirement of £85,000, including a council commitment of £26,975 to be met from the Parks Enhancement provision within the 2018-19 capital programme;

(4) **Parks Enhancement - Eastwood Park, Prudhoe:** Approve the proposal and overall budget requirement of £20,000, including a council commitment of £17,000 to be met from the Parks Enhancement provision within the 2018-19 capital programme.

**49. REPORT OF THE EXECUTIVE DIRECTOR OF HUMAN RESOURCES/ORGANISATIONAL DEVELOPMENT AND DEPUTY CHIEF EXECUTIVE**

**Updates to Petitions Protocol**

The report presented Cabinet with an amended petition protocol to clarify the use of personal data as a result of the EU General Data Protection Regulations, UK Data Protection Act 2018 and the introduction of Local Area Councils. The current protocol, with additions highlighted in italics, was attached to the report for consideration (copy attached to the signed minutes as Appendix J).

**RESOLVED** that the updated petitions protocol be agreed.

**50. EXCLUSION OF PRESS AND PUBLIC**

**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:-

<b>Agenda Item</b>	<b>Paragraph of Part I of Schedule 12A</b>
11	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 commercial negotiations are currently ongoing with the developer to agree the terms of the acquisition.

**51. REPORT OF THE HEAD OF PROPERTY AND CAPITAL PROGRAMMING**

**Summary of New Capital Proposals considered by Officer Capital Strategy Group**

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group at its meeting held on 14 September 2018 (copy attached to the signed minutes as Appendix K).

**RESOLVED** that Cabinet recommend County Council to approve funding for the proposed car park schemes at Morpeth and Hexham as detailed in the report.

**CHAIR**.....

**DATE**.....