

NORTHUMBERLAND COUNTY COUNCIL

At a meeting of the **Northumberland County Council** held at County Hall, Morpeth on Wednesday 8 January 2020 at 3.00 pm.

PRESENT

Councillor R.R. Dodd
(Business Chair of the Council) in the Chair

MEMBERS

Bawn, D.	Ledger, D.
Beynon, J.	Murray, A.H.
Cartie, E.	Nisbet, K.
Castle, G.	Oliver, N.
Cessford, T.	Parry, K.
Clark, T.	Pattison, W.
Dale, P.A.M.	Purvis, M.
Daley, W.	Quinn, K.
Davey, J.G.	Reid, J.
Davey, S.	Renner-Thompson, G.
Dickinson, S.	Richards, M.E.
Dunbar, C.	Riddle, J.R.
Dungworth, S.	Robinson, M.
Dunn, L.	Roughead, G.
Flux, B.	Sanderson, H.G.H.
Foster, J.	Seymour, C.
Gallacher, B.	Sharp, A.
Gibson, R.	Simpson, E.
Gobin, J.J.	Stewart, G.
Grimshaw, L.	Stow, K.
Hepple, A.	Swinburn, M.
Hill, G.	Swithenbank, I.C.F.
Homer, C.R.	Thorne, T.N.
Horncastle, C.W.	Towns, D.
Hutchinson, J.I.	Wallace, R.
Jackson, P.A.	Watson, J.G.
Jones, V.	Wearmouth, R.W.
Kennedy, D.	Wilson, T.S.
Lang, J.A.	

OFFICERS

Angus, K.	Executive Director, HR&OD and Deputy Chief Executive
Bradley, N.	Service Director: Strategic Commissioning and Finance.
Hadfield, K.	Committee Services and Scrutiny Manager
Hand, C.	Executive Director of Finance
Henry, L.	Legal Services Manager
Lally, D.	Chief Executive
Murfin, R.	Director of Planning
Roll, J.	Democratic Services Manager

Around 12 members of the press and public were in attendance.

53. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Armstrong, Bowman, Bridgett, Campbell, Crosby, Lawrie, Moore, Rickerby and Webb.

54. MINUTES

RESOLVED that the minutes of the meeting of County Council held on Wednesday 6 November 2019, as circulated, be confirmed as a true record, signed by the Business Chair and sealed with the Common Seal of the Council.

55. DECLARATIONS OF INTEREST

The Legal Services Manager provided some advice to those councillors who were members of the LGPS, in respect of item 13 on the agenda (Proposed Merger of Northumberland County Council Pension Fund with Tyne and Wear Pension Fund). As there was no effect on individual members from the report's proposals, members were advised to declare a personal, non prejudicial interest and did not need to leave the chamber. The following members indicated this interest:-

Councillors Jackson, Daley, Riddle, Hutchinson, Kennedy, Swithenbank, Hepple, Towns, Horncastle, Dunn, Cartie, G. Davey, Clark, Dale, Lang, Bawn, Pattison and Jones.

56. ANNOUNCEMENTS by the Business Chair, Leader or Head of Paid Service.

Councillor Dodd advised members that the former MP for Blyth Valley, Ronnie Campbell, had recently undergone heart surgery and members wished him a speedy recovery.

The Leader then paid tribute to the team of elections staff who had recently delivered a very well organised general election, and he thanked them for their efforts, which all members endorsed. Councillor Dungworth seconded this on behalf of the Labour Group. Across the board, the Authority had done itself proud.

He then reported that the following people, particularly connected with Northumberland, had received honours in HM the Queen's New Years Honours List:-

Knights Bachelor

Andrew William Graham Wylie, CBE. Chair and Founder, Technology Services Group. For services to Business and to Charity. (Tyne and Wear). Mr Wylie was an official ambassador for Northumberland and the Discover our Land Project.

MBE

Aaron William Hughes. For services to Football. (Northumberland)

Gordon Moore. Chief Executive Blyth Star Enterprises. For services to Mental Health and People with Learning Difficulties in Northumberland. (Northumberland)

Hugh McInnes Steele. Formerly Headteacher The Dales Special School, Northumberland. For services to Children and Young People with Special Educational Needs and Disabilities. (Tyne and Wear)

John Thompson. Chair Thompsons of Prudhoe. For services to the Economy and to the community in Northumberland. (Northumberland)

BEM

Eric Mordue Dickson. Formerly Chair Blyth and District Talking Newspaper. For services to Blind and Visually Impaired People in South East Northumberland. (Northumberland)

Grace Friar. For services to the community in Berwick-Upon-Tweed Northumberland. (Northumberland).

All members offered their congratulations to those involved.

57. MEMBER QUESTIONS

Question 1 from Councillor Dale to Councillor Sanderson

Could you let me know how many phases of the LED lighting contract are still outstanding?

Councillor Sanderson responded that there were four areas still to complete in the next three to four weeks. There were also 26 street lighting units left to install at various locations around the County.

Councillor Dale referred to an area of Stocksfield where a whole street of 45 houses had been missed out from the programme. Councillor Sanderson suggested that Councillor Dale raise this with officers, and if she could not get an answer, then she should raise it with him directly.

Question 2 from Councillor Hill to the Leader

Do you agree that residents in Northumberland are disadvantaged due to the lack of cross border cooperation in relation to post 16 education funding and in other areas including health? Do you agree that this situation is not likely to improve with the growing hostility between the Holyrood and Westminster Governments? What role can Northumberland County Council play in representing our residents and in light of this issue, generally?

The Leader replied that members would be aware that Northumberland was the lead authority on the Borderlands partnership which had drawn the two governments together and they were now properly talking to each other. He understood the issues relating to health were very pertinent and felt the authority could try and influence the health authority to provide equal treatment both sides of the border. Regarding education, the main aim was to ensure that education standards were brought up to such a level in Northumberland that there was no desire to move out of the area. If this was not possible, then individual cases would be looked at for a possible solution. As regards perceived hostility from the Scottish Government, this seemed to have been created by the Scottish Government. He didn't feel this was acceptable, nor that the people in North Northumberland would either, and advised that the Administration would do all it could to foster good relations.

Regarding cross border co-operation, Councillor Hill asked if the Leader was aware of the moves from the Scottish government regarding conservation measures for salmon fishing, which would affect Berwick fishermen but not Scottish ones. The Leader agreed that it did not seem sensible to have different fishery standards either side of the border and agreed that it would be looked at.

58. CABINET MINUTES

The Leader moved the following minutes of Cabinet:

- (1) Tuesday 12 November 2019**
- (2) Tuesday 2 December 2019**
- (3) Tuesday 10 December 2019**

RESOLVED that the Cabinet minutes of 12 November, 2 December and 10 December 2019 be received.

59. COMMITTEE MINUTES

- (1) Corporate Services and Economic Growth OSC**

These were presented by Councillor Bawn.

RESOLVED that the minutes of the Corporate Services and Economic Growth OSC be received.

- (2) Family and Children's Services OSC**

These were presented by Councillor Renner Thompson.

RESOLVED that the minutes of the Family and Children's Services OSC be received.

- (2) Communities and Place OSC**

These were presented by Councillor Reid, who drew members' attention to Minute No.35.1 (2) (Empty Homes in Northumberland) and the recommendation from the Committee regarding the use of additional Council Tax. Members had felt that ring fencing the additional Council Tax to bring empty properties back into use would be a good use of that funding. Members had also felt that the public would prefer to see this funding going back into this vital service, rather than disappearing into the central pot.

With regard to Minute No. 35.2 (Northumberland Homefinder Common Allocation Policy), Councillor Hepple referred to the concerns expressed by members regarding the Policy, commenting that there was no forum where such concerns could be raised. For example, he understood that there was a 12 month delay for tenants to see the occupational therapist employed by Homefinder for those needing a priority assessment. This was a long time for those in severe housing need and he felt this should not be accepted by the Authority. He urged the Administration to consider the establishment of some kind of forum.

Councillor Riddle reported that this had been discussed at the Committee. He felt that overall, the policy was a good one but there would always be anomalies to every policy. He did not see the need for a further forum as there

was already a tenants' forum, but if members felt there was a need for one, it could be looked at. Councillor Jackson advised that, if there were county-wide issues with Homefinder performance, then Scrutiny should look at this in the first instance.

Councillor Reid commented that Scrutiny members would welcome that and if a forum was recommended, then this would be discussed with the Administration.

Councillor Dale urged the Committee to look at social housing providers who were not signed up to the Homefinder Policy, which Councillor Reid noted.

RESOLVED that:-

- (a) the minutes of the Communities and Place OSC be received; and
- (b) the recommendation at Minute No.35.1 (2) (Empty Homes in Northumberland) be agreed.

(3) Health and Wellbeing OSC

These were presented by Councillor Watson.

RESOLVED that the minutes of the Health and Wellbeing OSC be received.

(4) Health and Wellbeing Board

These were presented by Councillor Dodd.

RESOLVED that the minutes of the Health and Wellbeing Board be received.

(5) Audit Committee

These were presented by Councillor Hill.

Councillor Dale commented that she had a number of concerns about the content of the auditor's report, including the role of the finance function under the 1972 Act, the position of the S151 officers and the responsibilities they had, and related issues. However, she advised she would prefer to raise these with Councillor Oliver in private. Councillor Oliver responded that he was happy to meet with Councillor Dale and the new S151 Officer if the issues related to Northumberland County Council specifically. However, if there were wider concerns regarding the role of the S151 Officer, he suggested she take them up with the Government or CIPFA.

Councillor Hill advised that the Committee had had concerns about some of the issues in the report. There had been questions about motivation and independence but members had absolutely agreed on the need for a good relationship with the new external auditor. Every issue which had been raised would be independently assessed.

RESOLVED that the minutes of the Audit Committee be received.

(6) Standards Committee

These were presented by Councillor Homer.

RESOLVED that the minutes of the Standards Committee be received.

60. REPORTS OF THE INTERIM EXECUTIVE DIRECTOR OF REGENERATION, COMMERCIAL AND ECONOMY

(1) Northumberland Climate Change Action Plan 2020-21

The report provided an update on the actions taken by the County Council since declaring a Climate Change Emergency in June 2019 and sought member approval to the proposed Climate Action Plan for 2020/21 attached as Appendix A, and the associated additional capital and recurring revenue expenditure.

The report was introduced by Councillor Sanderson who reminded members about the background to the current position. He expressed his thanks to Cabinet members and the staff involved for their enthusiasm and commitment in getting to the current position, and to the Council as a whole for diverting attention and resources to this without affecting other work the Council did. The Council was in the frontier of Council's doing this work today by declaring a Climate Change Emergency.

He then detailed some of the work which had been carried out to date. The Action Plan in front of members included a number of new initiatives to be developed over the coming months, and he hoped Scrutiny would keep a watching brief on progress. Officers would lead on the complex scientific work and the Commission would oversee progress and review the Authority's work. The Administration would be working on delivering key initiatives and to help them do that, the Council would be investing in a new front line officer.

In the Action Plan, the Administration was committing to a number of initiatives including the Northumberland Line and driving forward new investment into renewable schemes. £3m of capital and almost £100,000 revenue each year was being identified to do that. He then detailed some of the other commitments within the report and Action Plan.

Over the coming months work would be done to add detail and to finesse the Action Plan into a delivery plan to build new initiatives and targets. Much had been achieved in a very short space of time, which was down to officers' dedication, commitment and enthusiasm and to political resolve. He then moved the report's recommendations, which was seconded by the Leader.

A number of comments were made by members which included:-

- Councillor Reid had a number of points to raise:
 - Page 158 para 3 - was Northumberland really first for hydro generation in the UK?
 - The introduction of the Northumberland line would increase the number of short journeys, not reduce them, because people would use their cars to travel to the station.
 - Page 163 para 7 - was the updated data on targets available yet?
 - Page 171 last para - a lot of information was there about what was ongoing but not what had actually been done. He commented that cycle routes were put in but often not used by cyclists so efforts needed to be made to find out what worked for them. Also, he did not feel that £20,000 was sufficient budget to offer every household a tree, given the cost of other funding costs quoted, so those costs did not add up.
 - He felt this was a strategy, not a plan, as it did not contain smart objectives, and he asked where the plan was to tackle the real issues.

- With regard to the Hexham Hydro proposal, Councillor Dale suggested that more information was needed before this was taken forward and expenditure committed. She had emailed Cabinet members about this recently. It was great to have the Council taking the lead on climate change but the work which had already gone before needed to be acknowledged, such as that done by the Cycling and Walking Board. She suggested that the Council should approach the Government for £10m of funding to make some proper headway, as an enormous amount of funding would be needed to create proper cycle routes to take cars off the road in any number.
- Councillor Homer advised that the funding mentioned in relation to the Hexham Hydro was North of Tyne Combined Authority funding for a feasibility study to examine the issue. Councillor Dale's email had only been received around two hours ago and a response would be made in due course. The feasibility study would look at the pertinent issues.

The Cycling and Walking Board had new members on it now and whilst it had looked at Geared Up, which Councillor Dale had mentioned, its focus was more to the future than the past. This was why the Strategy had been re-written and the Delivery Plan was now almost finished. She was proud of the work being done by the Board and was pleased to report that walking and cycling infrastructure plans were well underway. Seven plans had been submitted in November to the DfT which had involved a lot of local input. There had been a very positive conversation recently with the Minister at the DfT and a direct approach would be made to Government for funding soon.
- Councillor Gallacher welcomed the discussion on climate change but reminded members that the Northumberland Line actually started in Ashington as it hardly ever seemed to be mentioned. He asked for an update regarding the urban and rural woodland planting programme. He felt there was a need to be more proactive in the maintenance of walking and cycling routes and not just wait to respond to complaints.
- Councillor Cartie had concerns about the proposal for a tree for every household as she felt this needed to be carefully managed.
- Councillor Dickinson welcomed the development of the green agenda and particularly welcomed the renewable energy projects for sports centres and other such buildings. He did feel that clarification on the cost of trees was needed.

- Councillor Dungworth agreed that the investment needed from the Government was much greater than was being asked, and should be tied into transport plans. She also strongly agreed with the need for a tree management plan and called for greater investment in this area as budgets had been significantly cut back. The issue with cycle tracks was that often the surface was not suitable for those riding road bikes, and that was why cyclists sometimes chose to still use the road when a cycle track was available. She felt the Council should learn from those cities where a cycle lane was incorporated into the road but separated cyclists from the rest of the traffic. Also, there needed to be a proper budget for the maintenance of existing cycle tracks.
- Councillor Sanderson commented that the Administration was very keen to plant more trees and over the next five years it would offer households the chance of a tree despite the reservations being expressed. This had been grant funded from the Forestry Commission following a successful bid by the Authority. The trees were not fully grown but were much larger than those from a garden centre. The purpose was to get trees that would mature during a child's lifetime, which was an important point for members to appreciate.
- Councillor Robinson suggested that when planting took place, the better performing trees should be planted.
- The Leader commented that a lot of the report today was about putting the Council's own house in order so the Council would halve its emissions by 2025, which was a very tight time timescale. The aim was that the Council would be net zero carbon by 2030, which would be quite a dramatic achievement. In addition to this, there was an ambitious capital programme including a large school building programme. Each new school would be significantly more energy efficient, for example the schools to be replaced in Hexham were rated D for energy efficiency. The new ones would be A+. All 67 schools and all 38,056 pupils would be offered their choice to have their own tree planted in what would be called the Northumberland Children's Forest. Further to this, he saw the County of Northumberland as a carbon sink, creating a resource which was second to none in the whole country. A million trees would be planted in the Great Northumberland Forest, probably on MoD land, which would be the start of a programme of promoting the County as a carbon sink. He reminded members about the major economic opportunity in the south east of the County with the internationally significant renewables industry based there. It was a fantastic resource. He recommended the report to Council.

RESOLVED that:-

- (a) the current position and progress made since declaring a Climate Change Emergency in June 2019 be noted;
- (b) the approval by Cabinet of the Climate Action Plan for 2020/21, as detailed in Appendix A be noted;
- (c) Council approve the provision of additional capital of £3,357,151 within the Medium Term Financial Plan to cover the period 2020/21 to 2022/23;

- (d) Council approve the provision of recurring annual revenue expenditure of £80,125 from 2020/21, and;
- (e) Council note the delegated approval by Cabinet to the Service Director - Local Services in consultation with Cabinet Member for Environment and Local Services, to update and amend the action plan so that it remains accurate and further measures can be progressed in a timely manner.

(2) Devolution of Development Control Powers on a Cross Boundary Planning Application in respect of land to the north of Throckley Interchange on A69 and north and east of Dewley Farm, south of Stamfordham Road (B6324) and east of Ponteland Road (B6323), Newcastle upon Tyne

The report sought Council's approval to devolve the Council's planning control functions to Newcastle City Council to determine a cross boundary planning application for a Surface Coal Mine at land to the north of Throckley Interchange on the A69 and north and east of Dewley Farm, south of Stamfordham Road (B6324) and east of Ponteland Road (B6323), Newcastle upon Tyne.

Councillor Riddle introduced the report, highlighting that 99.9% of the land area of this application was within Newcastle City Council's boundary. He stressed that devolving authority to the City Council would not affect the Council's own ability to object or take enforcement action in respect of its own area.

A number of members spoke on this as follows:-

- Councillor G. Davey opposed the proposal as he did not feel it was right to cede the decision on something that would affect climate change to a smaller Council with far less experience in dealing with opencast coal applications than Northumberland had. The emerging Local Plan did not mention reciprocal arrangements and he felt this was an obligation the Council should keep. Members should not deny planning rights to the citizens of Northumberland.
- Councillor Reid commented that this was not devolvement, but delegation. He did not believe the Council should be giving up its rights to deal with this application. The impact of this application would be almost all in Northumberland and the Council's best interests would not be served by letting the City Council deal with it. He believed the quality of decision making on this kind of thing was better in Northumberland than Newcastle.
- Councillor Oliver asked whether the Authority, and Northumberland residents could still make representations, with equal weight, if Newcastle determined the application, and was advised that this was indeed the case.
- Councillor Quinn advised that she had had a number of residents approach her about this. She accepted that 99.9% of the application was in Newcastle but sought clarification that the tiny part in Northumberland had strategic importance. Councillor Riddle confirmed that the area in question was the access. Officers had been working proactively together and if the County

Council did not agree to sign the S106 agreements that would come out of this then it could not go ahead. The Council had a veto on it, so he could not see that there was an issue.

- Councillor Towns supported the proposal given the very small area of land involved, and the Council's ability to have veto on the S106 agreement. He did not think it was members' role to say this Authority was better than another as he felt that was arrogant. It was up to the City Council to determine the application and the correct term was in fact devolvement, not delegation.
- The Leader commented that as the Highway Authority, the Council would have the main say on what happened with the access. He assured members that the Council would be making strong representations and local members would also.
- Councillor Dickinson commented that the access was a significant part of the application. He believed that the people of Northumberland elected members to make decisions about Northumberland. Transport movements and lorries were important issues to Northumberland residents. He asked for clarification of the veto point made earlier.
- Mr Henry advised that if the report was agreed by Council, then they would be devolving decision making powers on the application to the City Council. The City Council would then make a decision on whether to grant or refuse. If granted, Northumberland would have to be party to any S106 agreement . He would stop short of saying that the Council's agreement to that was in any way a veto. The County Council would have to be seen to be acting reasonably in relation to the negotiation on the S106 Agreement.
- Councillor Riddle acknowledged Mr Henry's advice on the matter and advised members that if it was approved, he was sure a S106 Agreement to cover access and transport and associated additional maintenance would be put in place.

On the report's recommendations being put to the vote there voted **FOR: 35; AGAINST: 23; ABSTENTIONS:0.**

It was therefore **RESOLVED** that the Council devolve to Newcastle City Council the discharge of this Council's planning control functions under Section 70 (1)(Part III) of the Town and Country Planning Act 1991 to determine a cross boundary planning application in relation to a Surface Coal Mine at land to the north of Throckley Interchange on A69 and north and east of Dewley Farm, south of Stamfordham Road (B6324) and east of Ponteland Road (B6323), Newcastle Upon Tyne, **subject to the approval of the devolvement by Newcastle City Council.**

61. REPORT OF THE MONITORING OFFICER

Appointment of Independent Chair of the Standards Committee and Independent Person

The report sought Council's agreement to appoint to the position of Independent Chair of the Standards Committee and the position of Independent Person under the relevant provisions of the Localism Act 2011.

Councillor Oliver introduced the report, advising that the recommendations had been unanimously agreed by the Recruitment Panel.

Councillor Hill welcomed the fact that the recruitment process had been more open than in the past and moving towards the recent Government recommendations. However, she queried why, when there had been two applicants, the Panel had not appointed two independent persons.

Councillor Homer replied that she had chaired the recruitment panel and agreed that it had been a fair and transparent process. There had been two posts, four applications and three people. A lot of time had been spent talking to the applicants and the Panel believed they had made the right decision at the end. They could have gone out and done further advertising but the Panel were happy with the applicants in front of them, and they also had a choice on whether to appoint two independent persons. This had been debated and the decision had been taken not to do that because it had been felt that the authority was sufficiently covered with independent members on the Standards Committee, taking into account the Parish Council representatives also.

Councillor Oliver commented that he was unsure how many people sat on the Standards Committee overall, but the requirement for independent members was to have one. The Authority also had an independent chair, but he was happy to look at this next time appointments were due for renewal.

RESOLVED that:-

(a) Council approve the appointment of the following persons to the stated positions with immediate effect for a term of four years subject to a review of those appointments after two years:

(i) Independent Chair - Mr Joe Jackson

(ii) Independent Person - Ms Karen Milner; and

(b) the Council's formal thanks be recorded to Mrs Judith Common for the diligent and thorough manner in which she has carried out her duties as the Council's Independent Person for the past seven years.

62. REPORT OF THE SERVICE DIRECTOR:FINANCE

Treasury Management Mid Year Review Report for the period 1 April to 30 September 2019

The report provided a mid-year review of the activities of the Treasury Management function for the period 1 April to 30 September 2019, and performance against the Treasury Management Strategy Statement (TMSS) 2019-20 - as approved by the County Council on 20 February 2019. The report provided a review of borrowing and investment performance for the period set in the context of the general economic conditions prevailing so far during the year. It also reviewed specific Treasury Management prudential indicators defined by the (CIPFA) Treasury Management Code of Practice and CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code), and approved by Council in the TMSS.

Councillor Oliver detailed the key points of the report:

- Gently rising interest rates were expected.
- Use of internal borrowing where possible.
- Hoped to see economic impact at the lower end of the scale from Brexit.
- Long term debt was more expensive than short term debt.
- £822m borrowing position and £200m investments at the end of September.
- Borrowing was taken in tranches as required and this approach was one of the reasons performance was good.
- All of the prudential indicators were being complied with.

He thanked the team for continuing to do an excellent job.

Councillor Watson commented that the treasury management function sat very much in the background and he had been impressed with the officers within the service for several years. They continued to do an excellent job and he thanked them for that.

RESOLVED that the report be received and the performance of the Treasury Management function from 1 April to 30 September 2019 be noted.

The Business Chair advised that item 14 on the agenda would now be dealt with under Part 1 of the agenda

63. REPORT OF THE CHIEF EXECUTIVE

Ratification of the Appointment of the Executive Director of Finance (S151 Officer)

The report sought ratification of the appointment of the Executive Director of Finance (Section 151 Officer).

Councillor Oliver welcomed Chris Hand, the new Executive Director of Finance to the Council meeting and looked forward to working with him.

Councillor Reid commented on the length of time this had taken and paid tribute to Alison Elsdon who had managed the service efficiently and effectively in the past year.

RESOLVED that:-

- (a) following a formal process, the appointment of Christopher (Chris) Hand as the substantive Executive Director of Finance and Section 151 Officer for Northumberland County Council, with effect from 16 December 2019 be ratified; and
- (b) the appointment be permanent.

64. 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 items on the Agenda as they involve 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
13	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 supplementary documents contain the independent experts' intellectual property and their confidentiality must be respected.

65. REPORT OF THE SERVICE DIRECTOR: FINANCE

Proposed Merger of Northumberland County Council Pension Fund with Tyne and Wear Pension Fund

The report sought approval from Council for the merger of Northumberland County Council Pension Fund (“NCCPF”) with Tyne and Wear Pension Fund (“TWPF”).

The report was introduced by Councillor Oliver, who reminded members that the administration of the fund was being done by Tyne and Wear Pension Fund for the past year. This Fund was five times the size of the Northumberland Fund and there were significant savings which could be achieved. The direction of travel from the Government was towards merged funds in order to improve resilience, and he felt that it was best to take the initiative on this rather than have a solution imposed. Both funds had a similar performance level and approach.

He acknowledged the significant amount of work which had been done by officers, particularly Clare Gorman, the Panel and professional advisers to get to this point. There would be no impact on the rights of pension holders and the plans were supported by trade unions. This was endorsed by Councillor Watson.

A number of comments were made by members including:-

- Councillor Hill queried the risks of merger detailed in paragraph 10 of the report and also asked whether there were any risks associated with the administration of the fund being carried out by South Tyneside Council. Councillor Oliver advised that the general risks were around fund performance and investments. Regarding the administration of the fund, South Tyneside Council were already the host organisation and a separate body. He could not comment any further.
- Councillor Dickinson commented that this proposal seemed common sense to the Labour Group and would provide better security. He had no concerns about the administration arrangements.
- Councillor Reid commented that this seemed the right way forward, if it secured the future for the Authority’s pensioners. In the past, other smaller organisations had been admitted into the fund on request, and he queried whether this would still be possible under the new arrangements, and if they were, whether they might be disadvantaged in some way by the changes. Councillor Oliver advised that the new body would decide this issue and the Council would have one vote on this body. Smaller organisations had protected rights, so he did not feel that they would be disadvantaged. A whole new national framework for pensions was in progress and in future, such organisations would fit into that statutory framework, rather than local authority pension schemes.

- Councillor Swithenbank commented that this was a change which had to come. The Authority had a responsibility to deliver pensions to its pensioners and a merger would provide the opportunity to tap into wider markets and would increase safety. A broader spread would provide long term security through emerging markets. If the Authority did not do this now, it would be forced to do it in a couple of years.
- Councillor G. Davey queried how fund members would access the service. Councillor Oliver replied that they would do this in the same way as they did now as no changes were proposed.
- Councillor Kennedy advised members that this had been discussed at great length by the Panel for about three years. Members had been taken through it step by step and he assured Council that it was the right thing to do and a good long term solution for the Authority, particularly as it ensured control was retained in the North East. He recommended that members support it.
- Councillor Watson reported that the Pension Fund was in an excellent position, and the Tyne and Wear Pension Fund was as equally well performing. He recommended that members accept the report's recommendations.

RESOLVED that recommendations (a) and (b) in the report of the Service Director: Finance be agreed.

The Common Seal of the County Council
of Northumberland was hereunto affixed

in the presence of:-

.....
Chair of the County Council

.....
Duly Authorised Officer