

NORTHUMBERLAND COUNTY COUNCIL

At a meeting of the **Northumberland County Council** held at County Hall, Morpeth on Wednesday 19 February 2020 at 3.00 pm.

PRESENT

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

MEMBERS

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

OFFICERS

Elsdon, A. Hadfield, K.	Service Director: Finance Democratic and Electoral Services Manager
Hand, C. Henry, L. Lally, D. McEvoy-Carr, C.	Executive Director of Finance Legal Services Manager Chief Executive Executive Director of Adult Social Care and Children's Services
McLoughlin, J.	Executive Director Regeneration, Commercial and Economy
O'Farrell, R.	Interim Executive Director Regeneration, Commercial and Economy
Roll, J.	Head of Democratic and Electoral Services

Around 15 members of the press and public were in attendance.

66. MINUTES

The Chair advised that an amendment was needed to the end of Minute No. 60(2) to add the following words "**subject to the approval of the devolvement by Newcastle City Council**".

With regard to Minute No.60(1) second bullet point on page 15, Councillor Sanderson clarified for members that the tree for every household initiative, and the general tree planting scheme which had received Forestry Commission funding, were two separate schemes.

Councillor Grimshaw asked if the criteria for the planting of trees in urban areas could be circulated as she was disappointed that there were no plans to plant in Ashington. Councillor Sanderson replied that the decision on location had been made by officers and he suggested she take this up with Mike Jeffrey.

RESOLVED that the minutes of the meeting of County Council held on Wednesday 8 January 2020, be confirmed as a true record, signed by the Business Chair and sealed with the Common Seal of the Council, subject to the inclusion of the above amendment.

67. DECLARATIONS OF INTEREST

Councillor Hill disclosed a personal interest in respect of her question one (item 6 on the agenda - Member Questions) as a Berwick Harbour Commissioner.

Councillor Towns disclosed a personal interest in Minute No. 56 of the Family and Children's Services OSC Minutes as a governor of Northumberland College.

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

Councillor Dodd reminded members about the Cake Off competition to be held in the restaurant the following day in aid of the Civic Head's charity.

69. MEMBER QUESTIONS

Question 1 from Councillor Hill to the Leader

The Government has recently announced plans to create Freeports which are special zones which are exempt from tax and red tape.

Reading on from the Government's press release, the idea is to target former industrial heartlands and coastal communities and "level up" Britain.

Do you agree that Berwick-upon-Tweed would be ideal for such a scheme and will you lobby Government for the inclusion of Berwick and North Northumberland in this?

The Leader reminded members that there was a significant programme of support being approved for towns such as Berwick through the Borderlands regeneration programme. Regarding the free port programme, the Government was minded to support up to ten free ports across the country. It was assumed that these would be major deep water ports with large areas of industrial land in their vicinity and consultation was ongoing to draw up criteria for bidding. If Berwick met this criteria, the Administration would be happy to support the application from Berwick.

Councillor Hill asked whether the Administration would ensure that ports like Berwick were not disadvantaged by the development of these superports elsewhere, if this did progress. The Leader agreed, adding that there would probably only be ten across the country and if Berwick met the criteria it would be supported, but he was not aware of any major industrial concentration in the Berwick area at the current time.

Question 2 from Councillor Hill to Councillor Daley

There are schools in Berwick and presumably elsewhere in Northumberland especially in the more rural parts, which have large areas of playing fields.

These fields, in recent history, have rightly been protected from being sold off or built on. However, many of these are seriously under-used or not used at all. Does NCC have a strategy for promoting greater use of these fields?

Councillor Daley advised that any such proposals would have to go through strict governance with a clear case made for change of use to protect fields from inappropriate development. The Council was currently reviewing its playing pitch strategy and looking at local demand to ensure that the quality and quantity that was needed was there. If Councillor Hill had any particular areas that she wanted to bring forward he encouraged her to do that. In addition, he reported that the Government had announced a £2.4m fund to encourage better use of school playing fields.

Councillor Hill asked what support the Council could offer alternative education providers who were doing a good job but were short of facilities. Councillor Daley advised that with the playing pitch strategy and in the wider context of the educational rebuild in Berwick, he hoped this would be woven in. The playing pitch strategy would take into account both mainstream schools and also more special needs.

70. CABINET MINUTES

The Leader moved the minutes of Cabinet held on Tuesday 14 January 2020.

With regard to Minute No. 76 (National Funding Formula and School Funding), Councillor Daley wished to place on record his thanks to Guy Opperman MP, the Headteacher of Queen Elizabeth High School and a number of other schools who had helped to get the law changed around the application of the national funding formula as previously, the three tier system had not always been recognised. He also reported to members the £7.4m increase in school funding announced by the Government. This was a 4.1% increase, which meant per pupil funding was being levelled up to £3,750 per pupil in primary and to £5,000 in secondary and high. This was very much to be welcomed.

RESOLVED that the Cabinet minutes be received.

71. COMMITTEE MINUTES

(1) Corporate Services and Economic Growth OSC

These were presented by Councillor Bawn.

With regard to Minute No.29 (Climate Change Action Plan), Councillor Dale commented that the Executive Director of Finance, in the budget papers, had stated that he was not clear how climate change pressures would be financed. She felt that the Scrutiny Committee should look at where the funding for this project was coming from. In her view it was an acceptable pressure, but members needed to know how it would be managed. She supported the idea of tree planting but the cost was a concern, and she did not feel that hundreds

of pounds needed to be spent; people could buy them themselves. She felt it would be good for the Council to take the lead and provide a forum by setting up a webpage which could signpost to other groups and highlight what other communities were doing.

Councillor Oliver replied that an innovation team had now been set up which had around ten workstreams to provide support across many areas of Council business in the drive to become more efficient. One of the key areas for the team was the climate change agenda as it cut across all Council services. This team would be looking at the work to be done to achieve the targets, what funding was needed, and how it would be found. It was an evolving process, but he assured members the work was happening.

Councillor Sanderson added that the public and members could contact the climate change team through a dedicated email address - climatenorthumberland.gov.uk, and the Climate Change Officer would be the front face of the Council in engaging with communities. The workstreams were already very busy and he reassured members that staff would be in place by this time next year and that the web presence would improve once the dedicated lead officer had been appointed.

Councillor Bawn commented that the Action Plan was an evolving document and would come back to Scrutiny on a regular basis. If members had any particular issues they should let him know and they would be put to the Administration.

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.

(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, who suggested that any members who had not read the report referred to at Minute No. 33 should do so, as it was a very important issue.

Councillor Swinburn reported an inaccuracy in Minute No.33 para 7 on page 64. The start of this paragraph should be amended to read “A member said that it was not appropriate for the Committee to make this recommendation and the extra recommendation should not be added. Another member said that this was being raised as a political matter. The Chair replied by highlighting that the two elected members concerned were of differing parties and therefore this could not be claimed in this instance. After further discussion, the Chair proposed an amendment to the recommendation that the Audit Committee write to Liam Henry, the Council’s Monitoring Officer.” The rest of the paragraph was as stated. The Chair confirmed she was happy with this. Councillor Dodd advised that it would be for the Audit Committee to agree the minutes as a true record.

A number of members spoke on this item:-

- Councillor Castle was very disappointed at the alleged behaviour of a former senior officer and he was surprised the Police did not feel the need for further action. He read out to members a broad description of what bribery entailed under the Act, as he had done to the Committee - “giving or receiving a financial or other advantage in connection with the improper performance of a position of trust or a function that can be expected to be performed impartially or in good faith”. He was concerned to think this could be the end of the matter and he asked whether the Council would raise this with the Police Complaints Commission. These events had tainted everyone and he wanted to see the matter taken further, if there was that option.
- Councillor Hill shared these concerns about the inaction of the Police which must lower public confidence that they acted without political interference. There would be a referral to the independent police complaints body because of the issues around communication and meetings with politicians mentioned in the report. An update would be given to members in due course.
- Councillor Oliver confirmed that a referral had been made to the IOPC. It was not specific to these matters, but a more broader referral covering other issues which had come to Audit Committee also. The Administration would discuss with officers whether there should be a specific, second referral relating only to Dissington Garden Village.
- Councillor Towns advised that he had been horrified to read the report and shocked at the lack of interest from the Police. He was also concerned about the loan from the Council to the planning applicant to fund the development. There had been clear evidence in the pack given to the Committee about advanced discussions between a previous Council senior executive and the applicant regarding the provision of a loan by the Council to them, initially for £34m, before planning permission had been granted. This was clearly highly irregular, but he remembered a number of occasions in Council meetings where members of the previous Administration had strongly denied that this had ever happened. The evidence presented in the pack clearly contradicted

this and led him to believe that either members of the former Administration had been disingenuous about what they knew about this offered loan, or that they had been negligently incompetent and not aware of what the former senior executive had been up to. This required some further investigation by the Audit Committee.

- Councillor Oliver shared these concerns. It had been confirmed in the Audit minutes that the former Chief Executive of the Council had been writing directly to the Chief Executive of the developers and negotiating heads of terms on a loan, initially of £34m, but could have ended up being much more. This was public money being lent on favourable rates to a private developer to develop something that was deeply unpopular across the County.
- Councillor Horncastle commented that when the furore about this application had begun, it had taken a lot to convince him of what was actually happening. He had always firmly believed in the integrity and honesty of planning officers. Members may sometimes disagree with a report's recommendations on an application, but they never felt that these had been brought about dishonestly. When this had happened, he had been Vice Chair of the Strategic Planning Committee but had not been able to attend the meeting that had considered the application. However, he had still been lied to because the report in his papers for the meeting was all lies. His sympathies lay with the planning officers who had been negatively affected by these events. He could not do anything about the developer or the former senior officers, but he was interested in the actions of members, particularly the member who had sought and paid for independent legal advice. That advice could have been advantageous to the applicant on a very questionable report, and he felt this undermined the Council's planning function at the time. He asked Councillor Hill who that member had been.
- Councillor Dodd responded that the Chief Executive had advised that names should not be mentioned.
- Councillor Dickinson commented that he had not seen the evidence which the Audit Committee had seen, but was just as shocked as others to read the report which had gone to Committee. This was not the conduct he expected to see. Members had believed they had a sound report in front of them. The Labour Group welcomed the framework which had been put in place to prevent this kind of thing from happening again and supported the recommendations in the report.
- Councillor Cessford commented that the Council had had to defend itself against this legal advice, which had cost it £273,389 and which was non recoverable. He felt the member concerned had failed the requirements of the Member Code of Conduct and should be referred to the Standards Committee.
- Mr Henry counselled members against the way in which the discussion was progressing. He understood the strong feeling and sentiment behind the comments but reminded them of the need for good governance of any complaint that might come forward. He was concerned that the discussion might impinge and prejudice any consideration of any complaint that may come forward and cautioned that the Council meeting was the correct forum to have a discussion in this sort of detail. He had written to members of the Audit Committee and if any of those members wished to approach him or make a code of conduct complaint he would consider that as comprehensively as he

could, but he advised against continuing the debate any further in the Chamber.

- In response to a query from Councillor Cessford about which member may raise a Code of Conduct complaint, Mr Henry advised that any person could make a Code of Conduct complaint about perceived misconduct on the part of an elected member.
- Councillor Hill commented that this did not reflect well on local government. Not only were members not meant to do things wrong, they were also meant to take a stand against others and it had been appalling to see two councillors support this multi million pound offshore developer. She asked why a councillor had paid for legal opinion to contradict the Council's own legal opinion, and why had two councilors been party to the intimidation and attempts to smear senior officers and councillors, costing the Council £273,389. These two members should be accountable and provide an explanation. They had been named in the press and there was a need for accountability and transparency.
- Councillor Robinson commented that he had been disappointed to read the report. The issue was about the reputation of the Council and once again, here was an audit report which affected that very badly. He felt that there needed to be some resolution and was concerned that no action would be forthcoming. He was aware that a large amount of funding had been expended to support officers and members in legal proceedings, and suggested that the Council should instigate its own legal proceedings to bring some resolution. Regarding the Council's whistleblowing policy, he asked whether staff and members had been trained in what to look for, as it was essential that people knew what issues needed to be raised as concerns.
- Councillor Oliver understood that there had been some training and there were a number of ways in which people could report - staff policies, standards committee for members and the confidential Safecall hotline. There had also been a lot of training in planning, but this had been a deliberate system failure and governance procedures had been reinforced to prevent it happening again.
- Councillor Dale had concerns regarding the external auditor's report, which had been very damning of the Council. She cited a number of issues including the sign off of financial reports, the level of staff turnover, the number of payoffs to departing staff and cases lost at employment tribunals. She asked Councillor Oliver to examine and report on the external auditor's findings.
- Councillor Oliver felt that these remarks were an attempt to deflect attention away from the issues being discussed. The external auditor's report had been to the Audit Committee so he saw no reason for a further report. Councillor Dale had asked him for a meeting, and he was happy to do this, but there was no need for a further report.

RESOLVED that the minutes of the Audit Committee be received.

(6) Standards Committee

These were presented by Councillor Dungworth.

RESOLVED that the minutes of the Standards Committee be received.

72. REPORTS OF THE EXECUTIVE DIRECTOR OF FINANCE AND S151 OFFICER

(1) Budget 2020-21 and Medium Term Financial Plan 2020-22

The report provided the Revenue Budget for 2020-21 and 2021-22 and the Capital Plans for 2020-21 to 2022-23, following the Government's Spending Round Announcement 2019 (SR 2019), on 4 September 2019, and the publication of the provisional Local Government Finance Settlement on 20 December 2019.

The Leader introduced the report and referred to the extensive discussion and consultation on the budget already at Local Area Councils and Scrutiny. The main points of his presentation on the budget report were:-

- This was an exciting budget about transformation and creating a Council and County fit for the future, which was ambitious and forward looking.
- This budget was about delivering, which would be done through the transformation of Council services, County infrastructure, the local economy, education and transport systems.
- The budget would increase the Council's overall spending by 5%. £6.5m a year would be provided for both adults' and childrens' services. This would provide support for the most vulnerable in the community.
- The aim of the transformation programme was to better serve residents and transform essential infrastructure across the County. To achieve this, there were major schemes for car park improvements across the County and major investment in the County's leisure centres including Blyth, Berwick, Morpeth and Ponteland.
- The Council's new cycling and walking programme would benefit from a £1.8m investment from the Council's LTP to improve facilities and routes in Northumberland, and talks were ongoing with the Government about additional funding for that.
- The Administration were on track to deliver on their promise of a £100m investment in the highway infrastructure during the term of their office. He was pleased to announce that there was an extra £15m for minor road and pavement improvements. This would make a real difference.
- To help transform the economy of the County's towns, major development was planned in Prudhoe, Bedlington and Ashington to bring about massive transformation. Hexham now had a Heritage Action Zone, and work was ongoing for town plans in many other places. In Blyth, the Government had promised up to £25m future high streets funding if a viable plan could be produced for the town centre. This would lever in up to £100m of extra investment.
- The Council was investing in Enterprise Zones, in particular Ashwood Business Park, Energy Central and the whole of the Blyth Estuary. The development of the renewable energy centre was globally significant in the renewables and offshore energy scene. Thousands of new jobs would be created for the people of Northumberland in that area. There was also £1.3m of Rural Growth Fund to support rural businesses. The first phase of projects from the Borderlands Growth Deal were coming forward this year - £5m for the

Lilidorei project at Alnwick Garden, support for the Ad Gefrin Distillery in Wooler, £15m for the Berwick Maltings and Conference Centre were just some of the projects.

- Hundreds of new school places had been created where they were needed, and additional capacity created for those with special educational needs. One new high school was being built every year, which had never been done before. He was particularly pleased to remind members that Haydon Bridge High School had been saved from closure, had received investment and was now thriving. He was also pleased to report that 84% of the County's pupils now attended schools that were good or outstanding, and the aim was for 100%. Northumberland was just about the best performing education authority in the North East region.
- On the County's roads, major schemes to transform the network across the County were planned. Dualling of the A1 would start next year, the business case for the Northumberland Line had proven that this was a sound investment and the Authority was working in partnership with Government to make sure it got delivered.
- Through the Discover Our Land and Great Northumberland programmes, the Council was supporting the culture of the County, and through the new Council house building programme, the Administration was making sure that everyone could access a good and affordable home. The Authority was already way ahead of its Action Plan in delivering its climate change agenda.
- A County was being created which was fit for the future, and he commended the budget to the Council.

Councillor Oliver pointed out that in December, seven new Conservative MPs had been elected across the north east for two reasons. Firstly because of the promise from government for levelling up, and the Administration would ensure the County got its fair share of that. Secondly, voters in the north east saw what was happening in Northumberland and felt they'd be better off under a Conservative Government. There had been a 6.4% increase in the spending power of the Authority; more money was being received for transport with £500m just announced, and the Administration would ensure that a fair share of this was received. There had been a 4.18% increase in money for schools which would help deliver better education in all areas of the County.

Regarding the budget, he drew members' attention to a few points of detail in the report:-

- Page 21 referred to the CIPFA indices by which CIPFA measured local authority performance and this showed that Northumberland was a strong financial Council and was being well run.
- Page 87 described a very ambitious capital programme of £687m based on sound business cases delivering real improvements and efficiencies for residents.
- Page 73 showed gross spending across each of the service areas, which was increasing by £9m this year.
- In response to some of the criticism in social media he had a few points to make:
 - £10m worth of cuts - there were efficiencies to improve delivery which were set out in the report, but overall £9m more would be spent delivering services.

- Council Tax is going up - yes it was, by 1.99% and 2% for adult social care. Spending in this area was rising in the face of increasing demand, and similar rises were common to other authorities in the region including Durham, Newcastle, South Tyneside and Gateshead, which were all Labour authorities.
- Waste collection costs - most waste collection costs were included in the Council Tax, but there were other services that were charged for namely the green collection, commercial waste and bulky waste. Green collection costs had gone up slightly but still represented excellent value for money proven by the fact that there had been unprecedented growth in the use of that service. There had also been a slight increase in the bulky waste charges but he called on members to encourage a more responsible attitude in communities to reduce fly tipping which was a better approach than complaining about a small increase.
- Rising parking charges - this wasn't true. Income was going up because of an increase in available spaces, not because the charge had increased.
- Claims of a social care crisis were sinister. The staff delivering social care were doing a fantastic job and an extra £13m was going into the adult social care budget, and £5.3m into children's social care. This was not a crisis but new ways were being found to do things.
- Councillor Dungworth commented that there were many things in the budget that her Group could support, a lot of which built on work that her Group had begun. She was pleased it had finally been recognised that there were real areas of need in Northumberland which had existed under the last ten years of Conservative government. However, if this led to increased funding, then this would be welcomed. There would have been no need to level up if the level of funding had been fair in the first place and the increased funding now available would not take the Authority back to where it would have been ten years ago.
- Councillor Reid raised a number of points including:-
 - He did not agree with recommendation 43 regarding the delegation to the S151 officer and portfolio holder, and felt it should be limited to a specific level.
 - The capital programme bore no relationship to what had been predicted the previous year. He asked how the solar panels in the staff car park would now be funded now that Britain was no longer in the EU. There were still efficiencies of £9.8m though the Authority would be spending more money, so he did not see how these could marry up.
 - The budget itself was a three year plan, but the efficiency savings for 2021-22 seemed to have disappeared. Last year, these had been included. He felt this was a one year stopgap budget from the Administration until the position was clearer regarding what funding was coming from the Government.
 - By the time the other precepts were included into the Council Tax, most people would be facing a 4.5%- 5% increase. He did not feel that this was what people had voted for and that there should be a referendum on this.

- A 2.7% rise in council rents had been slipped in with little attention given to it.
- This year's budget also bore no correlation to the previous year on the revenue side.
- There was no real reference to the climate emergency in the budget, and he felt that every report that came to members should include specific detail of the carbon reduction implication if the Council was to take this seriously. He was also concerned about the use of tarmac in road improvements which was very damaging to the environment.
- He was also concerned about the plan to spend £14.5 this year and £12m the following year on the Northumberland Line. This represented around £870,000 in annual repayments. The Council had no ownership of any of the assets involved in this project and the stations were planned in the most inconvenient places possible.
- Councillor Oliver replied that, in regard to recommendation 43, this had been included in the budget report for many years because the final figures from Government were often not confirmed until after the budget meeting. This delegation allowed last minute tweaks to be made without the whole budget having to be revisited. If Councillor Reid could not accept this then some alternative words would have to be found, but he assured members this was not the same as the delegation of £450m to the then Chief Executive and Leader in the 2017 budget. The funding for the solar panels would still be provided by the EU. The savings versus efficiencies was an important point. Efficiencies did need to be found in some services, but overall spending was increasing. There was no three year plan because the nature of government funding was under review so going too far into the future would be speculation. This year there had been a one year funding settlement so it had been felt that it was more appropriate and realistic to do it this way. Efficiencies changed during the year because circumstances and demand changed; every budget was just a forecast and the Council had to react accordingly to ensure the budget was delivered.
Regarding the referendum question, if a Council went over a 2% increase then a referendum was required. He accepted that Council rents were rising but they were still at lower levels than in 2013-14. Increases did have to be made because of the backlog in maintenance works and to improve the housing stock. There were a lot of proposals in the budget to deliver climate change.
- Councillor Sanderson commented that a balance had to be struck between the commitment to reduce CO2 emissions and the need to get around a very rural County. This year and next the Council would be spending more on its roads and pavements than any Council had done for years. A lot of the road planings were recycled, plastic pellets were used where possible and recycled tyres were used in the mix where this could be done. This work had to be done because rural roads had been neglected for years.
- Councillor Bridgett commented that the £7.5m pa in the budget for the next two years was the first new capital allocation for 12 years in

addition to the LTP. This £15m was new money and was a fantastic step forward but it was not enough. He had received a record number of complaints from residents in the last few months about the state of the roads following one of the mildest winters for decades. The new funding was very welcome, but much more was needed because of the size of the backlog. He was also very concerned that Rothbury Library was one of the efficiency savings identified for the library service and would vote against the budget if this was the case. He also questioned the plan to introduce Office 365 and questioned why it was being introduced at extra cost when there were serious integration problems, it was unpopular with staff and would cost more. He fully supported the Council's moves to reduce climate change, including the introduction of electric vehicle charging points, but made the point that he had around 40 houses in his division that weren't connected to mains electricity. He would be writing to his local MP about this as her department sent money to countries across the world to develop mains electricity projects and he would suggest she may want to start doing the same in her own constituency.

- Councillor Dale commented that the Council had been one of the financially strongest for a number of years. However, residents expected value for money and when Council Tax went up year on year but the same problems remained, this was an issue. There were worthwhile capital projects in the budget, but blocked gulleys, dirty pavements and potholes weren't being dealt with and more needed to be put into the revenue budget to deal with these things. She was also concerned about the allocation from Government for social care given the ageing population and the number of children in need. She urged the Administration to write to the Government to look at the financial delivery of services for the elderly in particular. She agreed with Councillor Bridgett's point on libraries and asked if she could have some leaflets which she could deliver in her division so people could feed into the consultation who did not have access to the internet. She also asked for a written response on how much it had cost the library service in business rates since bringing it back in house. She also asked Scrutiny to look at why the Council was having to pay £1m revenue for the next three years to Active Northumberland as she felt this indicated a sustainability problem. She referred to the delegation of the detail of the LTP in subsequent years to the Executive Director and Cabinet Member and felt this was taking away decision making power from Local Area Councils rather than giving it. She also referred to problems about the siting and design of the new Hexham High School. She would not be supporting the budget as she still had issues with the street lighting programme, the number of changes in the senior management team and the view from the external auditors that the Council was not delivering value for money.
- Councillor Sanderson commented that the County Council had invested a great deal of money recently in new plant and machinery, but was annoyed at members' criticism of front line staff who had worked very hard in one of the wettest Autumn/Winter periods. Staff were doing their very best and he urged members to look at the figures which demonstrated the level of work being undertaken.

- Councillor Watson referred to the comment about spending £8m on asphalt and did not feel that residents expected the Council to ignore the roads at the expense of being green. He was pleased that Councillor Sanderson had the dual responsibility of both climate change and roads so he could balance the two demands.
- Councillor Daley reassured members that there was no problem with the design of the new schools in Hexham. They would be an exemplar of how new facilities could be built which were fit for the future and which recognised the Council's commitment to reducing its carbon footprint, with an A energy rating compared to an E for the previous buildings. As regards the external auditors, he believed these were the same auditors who had been complicit in the downfall of Thomas Cook and others and were recognised as one of the worst in the business. On this basis, he had little regard for their views.
- With regard to the library service, Councillor Homer commented that the Libraries Manager and the Cultural Services Manager had attended all of the LAC meetings to explain the reasoning behind the ongoing consultation. This was about the progress which had been made in the service since 2017 and she commended the staff for the way in which they had stabilised this service. The consultation was about making the library service fit for the future, embracing technology, sustainability and engaging with communities, and 3,500 responses had already been received. It was about finding more ways of bringing people into the local library service and supporting its universal offer. She stressed this consultation was not connected to any efficiency savings in the budget. £100,000 of savings had already been achieved due to a number of senior staffing changes so no additional money would be coming out in the next financial year.
- Councillor Hill queried whether any thought had been given to how much would be saved if there were no town or parish councils. She also felt there had been some valid points made about delegation and suggested that formal amendments should be made if members felt strongly enough about it. She was reasonably happy with the capital programme as a Berwick Councillor but did not feel there had been a fair split of the allocation across the County, and that other members may have cause for complaint.
- In respect of Councillor Sanderson's comments, Councillor Campbell advised that she had the utmost respect for all Council staff, including those on the front line. Members did value the staff and all they did for their communities and it was important that staff received that message. She welcomed the additional allocation of £15m.
- Councillor Roughead echoed Councillor Hill's comments regarding Berwick and hoped that Councillor Daley would continue to work with the Berwick Partnership to get a good school progressed in the next year.
- Councillor Oliver responded that the Council was investing heavily in IT and a new Director had just been appointed. He agreed staff needed the right tools to do the job. The Council would not be going back to what it had before. Office 365 was a more Google-like product, and officers he had spoken to would welcome this because there had been some unhappiness with Google due to its limitations. However, the

situation would be monitored. He was disappointed that Councillor Dale could not support the budget as he felt it was the best budget ever for the Tyne Valley and its residents and he cited some of the investment involved.

To sum up, the Leader commented that this budget provided for the most vulnerable members of the community with extra money in Adult Services and Children's Services. This was a transformational budget in terms of infrastructure, economic prospects, education and transport and he hoped members would support it.

Councillor Dodd advised that in accordance with the usual procedure, a named vote would need to be taken.

FOR: 38 as follows:-

Armstrong, E.	Murray, A.H.
Bawn, D.L.	Oliver, N.
Beynon, J.A.	Pattison, W.
Castle, G.	Quinn, K.
Cessford, T.	Renner-Thompson, G.
Crosby, B.	Riddle, J.R.
Dale, P.A.M.	Robinson, M.
Daley, W.	Roughead, G.
Dodd, R.R.	Sanderson, H.G.H.
Dunbar, C.	Seymour, C.
Flux, B.	Sharp, A.
Gibson, R.	Stewart, G.
Hill, G.	Stow, K.
Homer, C.	Swinburn, M.
Horncastle, C.W.	Thorne, T.
Hutchinson, J.I.	Towns, D.
Jackson, P.A.	Wallace, R.
Jones, V.	Watson, J.G.
Lawrie, R.	Wearmouth, R.

AGAINST: 1 as follows:-

Bridgett, S.C.	
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ABSTENTIONS: 25 as follows:-

Bowman, L.	Hepple, A.
Campbell, D.	Lang, J.
Cartie, E.	Ledger, D.
Clark, T.S.	Nisbet, K.
Davey, J.G.	Parry, K.
Davey, S.	Purvis, M.
Dickinson, S.	Reid, J.
Dungworth, S.	Rickerby, L.J.
Dunn, L.	Simpson, E.
Foster, J.	Swithenbank, I.C.F.
Gallacher, B.	Webb, G.
Gobin, J.J.	Wilson, T.
Grimshaw, L.	

It was therefore **RESOLVED** that:-

- (1) it be noted that the figures contained within the Medium Term Financial Plan 2020- 22 within Appendix 1 are based on the provisional Local Government Finance Settlement of 20 December 2019;
- (2) the revenue budget for 2020-21 be approved, including the budget balancing targets totalling £9.800 million contained within Appendix 1;
- (3) the Medium Term Financial Plan covering the period 2020-22 detailed within Appendix 1 and the requirement to deliver budget balancing measures in 2021-22 of £12.024 million be noted;
- (4) it be noted that with effect from 1 April 2020 the Council will no longer be part of the North of Tyne 75% Business Rates Pool Pilot with Newcastle City and North Tyneside Councils;

- (5) the estimated retained Business Rates and the Top-Up grant funding to be received by the Council over the period of the Medium Term Financial Plan be noted;
- (6) the contribution of protected Collection Fund Business Rates balances of £0.172 million to support the Medium Term Financial Plan be noted;
- (7) the estimated receipt of Rural Services Delivery Grant of £2.340 million for 2020-21 and the indicative allocation of £2.340 for 2021-22 be noted;
- (8) the estimated receipt of the New Homes Bonus of £5.937 million for 2020-21 and the indicative allocation of £3.003 million for 2021-22 be noted;
- (9) the total estimated receipt of Improved Better Care Fund grant (now including Winter Pressure funding) of £12.128 million for 2020-21 and £8.460 million for 2021-22 be noted;
- (10) the receipt of Social Care funding of £8.445 million for 2020-21 and the indicative allocation of £5.846 million for 2021-22 be noted;
- (11) a 1.99% increase in Council Tax for 2020-21 be approved, noting that this is in line with the Government's assumptions regarding the Council's Core Spending Power; and, within the Government's referendum limit;
- (12) it be noted that the Medium Term Financial Plan 2020-22 includes a 1.99% annual increase in Council Tax for 2021-22, and, that an estimate of annual tax base growth has been included;
- (13) the contribution of protected Collection Fund Council Tax balances of £3.351 million to support the Budget 2020-21 be noted;
- (14) Council approve a 2.00% increase in Council Tax in 2020-21 for use on Adult Social Care services; raising an additional £3.874 million to support the Budget 2020-21;
- (15) it be noted that the Medium Term Financial Plan assumes no future increases in council tax for use on Adult Social Care services beyond 2020-21;
- (16) the schedule of Service Specific grants of £252.904 million contained within Appendix 2 be noted;
- (17) Council approve the recurrent pressures of £13.000 million for 2020-21 that have been included within the schedule totalling £19.316 million in the Medium Term Financial Plan, detailed in Appendix 3;
- (18) Council approve the use of the Strategic Management Reserve to fund the Active Northumberland Management fee of up to £1.000 million per annum for the two years of the plan and the current year (2019-20);

- (19) Council approve the use of the Invest to Save Reserve to fund the costs of the Improvement and Innovation Team of £1.159 million per annum for the two years of the plan;
- (20) Council note the non-recurrent income of £0.300 million for 2020-21 and that there will be non-recurrent income of £0.200 million in 2021-22 shown in Appendix 4; and, note the pressure of £0.500 million for 2021-22 that has also been included within Appendix 4;
- (21) Council note the use of £0.500 million from the Strategic Management Reserve to fund the non-recurrent pressure in 2021-22;
- (22) Council approve the Inflation Schedule for 2020-21 totalling £14.673 million detailed in Appendix 5 and note the risks in relation to the proposed inflation increase for staffing salaries;
- (23) Council approve the identified budget balancing measures contained in Appendix 6 of £9.800 million for 2020-21;
- (24) the Corporate Equality Impact Assessment at Appendix 7 be noted;
- (25) the 2020-21 budgets by service area detailed in Appendix 8 be noted;
- (26) the Summary of the Reserves and Provisions contained within Appendix 9 be noted;
- (27) Council approve the transfer of £6.536 million to the General Fund in 2020-21 to be utilised to offset budget pressures in 2021-22;
- (28) Council note the receipt of Dedicated Schools Grant of £139.906 million in 2020-21; and, note the revised allocation of £137.557 million for 2019-20, following the conversion of nine schools to academy status during 2019-20;
- (29) Council agree the Housing Revenue Account 2020-21 budget as detailed within Appendix 10, which will reduce the balance on the HRA reserve from £28.812 million at 31 March 2019, to £25.384 million at 31 March 2021; and note the indicative budgets to 2022-23 which will reduce the balance on the HRA reserve to £13.171 million. This will fund, alongside additional borrowing and grant funding, a Housing Investment Programme over the period to 2022-23 of £50.231 million of new investment in council housing;
- (30) Council note that from 1 April 2020 there is a new Rent Standard for rent setting for Council tenants and that the budget detailed in Appendix 10 assumes that rents and service charges will rise by the Consumer Price Index of 1.70% plus 1.00% for the period 1 April 2020 to 31 March 2021 in line with the new Government guidance;
- (31) Council approve the increase of 2.70% for Housing rents from 1 April 2020;
- (32) the indicative 30 year Housing Revenue Account business plan as

detailed within Appendix 10 be noted;

(33) the Capital Strategy 2020-21 to 2022-23 contained within Appendix 11 be approved;

(34) the revised Capital Programme as detailed within Appendix 12 be approved; and, the projects highlighted within the main body of the report which will complete after 2022-23 be noted;

(35) Council approve the delegation of the detail of the final Local Transport Programme and any subsequent in year amendments to the Executive Director Place and the Cabinet Member for Environment and Local Services;

(36) Council approve the delegation of the detail of the capital allocation for highway maintenance investment in U and C roads and footways to the Executive Director Place and the Cabinet Member for Environment and Local Services;

(37) authority be delegated to Cabinet to approve individual projects which propose to utilise the flexibilities of capital receipts;

(38) the Prudential Indicators based on the proposed Capital Programme detailed within Appendix 13 be approved;

(39) the Minimum Revenue Provision Policy detailed in Appendix 14 be approved;

(40) the proposed Treasury Management Strategy Statement 2020-21 detailed in Appendix 15 be approved;

(41) the Revenues and Benefits Policies for 2020-21 contained within Appendix 16 be approved and the proposed changes to the Council Tax Discount, Corporate Debt and Rate Relief policies in particular be noted;

(42) the Pay Policy Statement for 2020-21 at Appendix 17 be approved; and

(43) authority be delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Corporate Services to amend the budget 2020-21 and Medium Term Financial Plan in light of any changes as a result of the final Local Government Finance Settlement.

(2) Council Tax 2020-21

The report provided Council Members with the financial information to enable the Council to calculate and set the Council Tax for 2020-21.

A named vote took place on this issue, and the votes were cast as follows:-

FOR: 38 as follows:-

Armstrong, E.	Murray, A.H.
Bawn, D.L.	Oliver, N.
Beynon, J.A.	Pattison, W.
Castle, G.	Quinn, K.
Cessford, T.	Renner-Thompson, G.
Crosby, B.	Riddle, J.R.
Dale, P.A.M.	Robinson, M.
Daley, W.	Roughead, G.
Dodd, R.R.	Sanderson, H.G.H.
Dunbar, C.	Seymour, C.
Flux, B.	Sharp, A.
Gibson, R.	Stewart, G.
Hill, G.	Stow, K.
Homer, C.	Swinburn, M.
Horncastle, C.W.	Thorne, T.
Hutchinson, J.I.	Towns, D.
Jackson, P.A.	Wallace, R.
Jones, V.	Watson, J.G.
Lawrie, R.	Wearmouth, R.

AGAINST: 1 as follows:-

Bridgett, S.C.	
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ABSTENTIONS: 25 as follows:-

Bowman, L.	Hepple, A.
Campbell, D.	Lang, J.
Cartie, E.	Ledger, D.
Clark, T.S.	Nisbet, K.
Davey, J.G.	Parry, K.

Davey, S.	Purvis, M.
Dickinson, S.	Reid, J.
Dungworth, S.	Rickerby, L.J.
Dunn, L.	Simpson, E.
Foster, J.	Swithenbank, I.C.F.
Gallacher, B.	Webb, G.
Gobin, J.J.	Wilson, T.
Grimshaw, L.	

(1) County Council **RESOLVES:**

- (a) that the Council Tax Requirement for the Council's own purposes for 2020-21 (excluding parish precepts) is £188,195,074;
- (b) that the following amounts be calculated for 2020-21 in accordance with Sections 31 to 36 of the Act:
- i) Being the aggregate amount of gross expenditure which the Council estimates for the items set out in Section 31 A (2) of the Act taking into account all precepts issued to it by parish councils: £748,325,877.
- ii) Being the aggregate of the gross income which the Council estimates for the items set out in Section 31 A (3) of the Act: £550,790,586.
- iii) Being the amount by which the aggregate at (b) i) above exceeds the aggregate at (b) ii) above, calculated by the Council in accordance with Section 31 A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act) (including parish precepts): £197,535,291.
- iv) Being the amount at (b) iii) above (Item R), all divided by Item T, above, calculated by the Council, in accordance with Section 31B of the Act as the basic amount of its Council Tax at Band D for the year (including parish precepts): £1,848.39.
- v) Being the aggregate amount of all special items referred to in Section 34 (1) of the Act (total all parish precepts): £9,343,407.
- vi) Being the amount at (b) iv) above less the result given by dividing the amount at (b) v) above by Item T, above, calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax at Band D for the year for dwellings in those parts of its area to which no

parish precept relates: £1,760.96.

- (c) that the Council Tax for 2020-21, excluding the Police precept, will be increased by 3.99% (including the Adult Social Care Precept of 2%), equating to a charge per Band D household of £1,760.96 (excluding special expenses). For other bands different proportions will apply. For example, Band A properties will be charged 6/9 (two thirds) of a Band D property and Band H properties will be charged 18/9 (double) of a Band D property.

The relevant valuation bands are as follows:

Valuation	Northumberland County	Adult Social	Total
Band	Council	Care Precept	
	£ : p	£ : p	£ : p
A	1,070.97	103.00	1,173.97
B	1,249.47	120.17	1,369.64
C	1,427.96	137.33	1,565.29
D	1,606.46	154.50	1,760.96
E	1,963.45	188.83	2,152.28
F	2,320.44	223.17	2,543.61
G	2,677.43	257.50	2,934.93
H	3,212.92	309.00	3,521.92

- (d) under Section 52ZB of the Local Government Finance Act 1992 that the Council's basic amount of Council Tax for 2020-21 is not excessive in accordance with principles approved under Section 52ZC(1) of the Act.

(i.e. the proposed Council Tax increase for 2020-21 means that the Council does not need to hold a referendum on its proposed Council Tax. The regulations set out in Section 52ZC of the Act requires all billing authorities (council and precept authorities (i.e. Fire and Police authorities)) to hold a referendum on their proposed level of basic Council Tax each year if they exceed government guidelines which are set out annually. For 2020-21 the guideline increase is 4% (including the Adult Social Care Precept).

As the Council is proposing a Council Tax increase of 3.99% (including Adult Social Care and special expenses) for 2020-21 then the above regulations have no impact for 2020-21.

(2) County Council APPROVES:

- (a) that the matters listed in section 3 (c) of the report are identified as

special expenses and that all other matters which might otherwise be considered to be special expenses under the prevailing legislation are deemed to be general expenses.

- (b) that the Council Tax Leaflet continues be made available via the Council's website, rather than enclosed with Council Tax bills, and that the final document be delegated to and finalised by the Section 151 Officer.

(3) County Council NOTES:

- (a) that the Police and Crime Commissioner has agreed the recommended level of precept of £14,641,042 for 2020-21. This represents an increase of 1.99%, equating to an additional £2.67 on a Band D property; the resulting valuation bands will be as follows:

Valuation Band	Northumbria Police Authority
	£: p
A	91.33
B	106.56
C	121.78
D	137.00
E	167.44
F	197.89
G	228.33
H	274.00

- (b) the Aggregate of Council Tax requirements, including that of Northumbria Police Authority, the Council's own requirement and that for Adult Social Care purposes (excluding Parish Precepts), are as follows:

Valuation Band	Northumberland County Council	Adult Social Care Precept	Northumbria Police Authority	Total
	£ : p	£ : p	£ : p	£ : p
A	1,070.97	103.00	91.33	1,265.30
B	1,249.47	120.17	106.56	1,476.20
C	1,427.96	137.33	121.78	1,687.07
D	1,606.46	154.50	137.00	1,897.96
E	1,963.45	188.83	167.44	2,319.72

F	2,320.44	223.17	197.89	2,741.50
G	2,677.43	257.50	228.33	3,163.26
H	3,212.92	309.00	274.00	3,795.92

- (c) the total amount of parish precepts requested is £9,340,217 and is detailed in Appendix 1. This represents an increase of £392,493 when compared to 2019-20.
- (d) special expenses of £3,190 are applied to North Sunderland Parish only in relation to play area inspection and maintenance. This has increased from £3,127 in 2019-20.

4. County Council NOTES:

- (a) the basic Council Tax valuation bands are shown in paragraph 3 (b).
- (b) the detailed Council Tax calculations are set out in Appendices 2 and 3. Analysis of the Council Tax by parish is provided at Appendix 2 excluding Northumbria Police precept. Appendix 3 shows the total Council Tax charge by parish (including the Council only element and Adult Social Care Precept, Northumbria Police Precept, Special Expenses and Parish Precepts).

73. REPORT OF THE DEMOCRATIC SERVICES MANAGER

Appointment of Independent Members to the Audit Committee

The report sought approval to the appointment of two independent members to the Audit Committee.

Councillor Oliver thanked the previous independent members who had done a fantastic job serving the Audit Committee.

RESOLVED that:-

- (a) Council approve the appointment of Mr Peter Topping and Mr Stephen Watson commencing 19 February 2020 for a period of two years; and
- (b) Council express its thanks to the two outgoing independent members of the Committee.

74. REPORTS OF THE CHIEF EXECUTIVE

(1) Community Governance Review - Amble

Councillor Dodd advised that this matter had to be deferred for the time being. Councillor Watson understood why this was necessary, but asked that the

issue of increasing the number of town councillors at Amble TC from 9 to 11 be considered separately to the boundary changes, as this was very much needed given the increase in population in the Amble area

(2) Community Governance Review - Easington and Belford Parishes

Council was asked to consider the outcome of a community governance review in the County.

Councillor Reid commented that the changes seemed sensible but stressed that there needed to be consistency on the Parish name to prevent any future documentation problems. He also asked when the changes would come into effect as Easington currently had no precept and Belford had set a precept and this would impact on the Parish going forward. Mr Henry advised that any impact on Easington would be deferred until the next financial year, though the order could come into effect in advance of that, and would take into account any specific arrangements that needed to be made regarding the levying of a precept.

Councillor Reid also queried the lack of reference to any responses in support of the changes. Councillor Oliver pointed out that this had not been a referendum. The consultation was there to flag up the issues so that they could be considered as part of the decision making process.

RESOLVED that:-

- (a) the outcome of the community governance review for Easington and Belford Parishes be agreed as follows:
 - Easington Parish be abolished and its area be transferred to Belford Parish.
 - Belford Parish's three wards; Belford, Middleton and Warenton be abolished.
 - The number of Parish Councillors on Belford Parish Council be reduced from 12 to 9; and
- (b) the Democratic Services Manager be authorised to make, sign and seal the appropriate orders for the changes by virtue of the powers contained in the Local Government and Public Involvement in Health Act.

75. ANNUAL TIMETABLE OF MEETINGS 2020-21 AND VENUE FOR COUNCIL MEETINGS 2020-21

Council was asked to approve a timetable of meetings for 2020-21.

Council was also asked to note that, due to refurbishment works being carried out in the Council Chamber during the latter part of 2020 and early 2021, Council meetings would need to take place at the following alternative venues:-

2 September 2020 - Northumberland Hall, Alnwick
4 November 2020 - Morpeth Town Hall
6 January 2021 - Civic Centre, Blyth
24 February 2021 - Hexham Mart

Councillor Dungworth supported the idea of taking Council meetings around the County but was concerned that Ashington had been missed off and suggested that the Morpeth venue be changed to Ashington Town Hall, given that it was a significantly sized town in the County.

Councillor Dodd agreed that this could be investigated.

RESOLVED that:-

- (a) the timetable of meetings for 2020-21 be agreed; and
- (b) the alternative venues be agreed, subject to the above comments.

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

in the presence of:-

.....
Chair of the County Council

.....
Duly Authorised Officer