

NORTHUMBERLAND COUNTY COUNCIL

CORPORATE SERVICES AND ECONOMIC GROWTH OVERVIEW AND SCRUTINY COMMITTEE

At a remote meeting of the **Corporate Services and Economic Growth Overview and Scrutiny Committee** held on Monday, 9 November 2020 at 10.00 am.

PRESENT

Councillor D Bawn
(Chair in the Chair)

COUNCILLORS

Beynon JA
Cessford T
Grimshaw L
Robinson M

Roughead GA
Seymour C
Simpson EM
Swithenbank ICL

OFFICERS

Angus K

Executive Director of HR and OD and
Deputy Chief Executive

Hand C

Executive Director of Finance and
Section 151 Officer

Hunter P

Service Director

Lally, D

Chief Executive

Nicholson S

Scrutiny Coordinator

Norris K

Democratic Services Officer

ALSO PRESENT

Flux B
Oliver N

Business Chair
Cabinet Member for Corporate
Services

Sanderson G

Leader of the Council

57. APOLOGIES FOR ABSENCE

Apologies were received from Councillor K Parry.

58. MINUTES

RESOLVED that the minutes of the meeting of the Corporate Services and

Economic Growth OSC held on 12 October 2020, as circulated, be confirmed as a true record and signed by the Chair.

59. FORWARD PLAN OF CABINET DECISIONS

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

RESOLVED that the information be noted.

60. SCRUTINY OF CABINET REPORTS

The following report would be considered by the Cabinet on 10 November 2020. The Committee was asked to comment on the proposals contained in the report and any comments would be presented to the Cabinet by the Chair.

Budget 2021-22 and Medium-Term Financial Plan 2021-2024 MTFP and Budget

The report provided an update on the development of the 2021-22 Budget and the Medium-Term Financial Plan (MTFP) covering the period 2021 to 2024. The report also detailed budget proposals for 2021-22 to meet the budget gap, as a basis for budget consultation, prior to the receipt of the Local Government Finance Settlement 2021-22 in December 2020. (A copy of the report is attached to the signed minutes as Appendix B.)

The Cabinet Member for Corporate Services introduced the interim report which set out details of the process so far and the remainder of the process up until the presentation of the full budget in February. The process had been more complex this year due to the uncertainty around COVID and the Government had decided on a one year settlement in December, with the comprehensive three year spending review the following year.

Paragraph 4 set out areas of uncertainty around future Government funding.

In terms of the timetable, online consultation would begin soon with a full scrutiny meeting for all members in January. There would also be a series of presentations to Local Area Council meetings in January and a virtual presentation/consultation session for members of the public to submit questions.

There was currently a gap of £8.3 million in terms of savings for next year but as the Council was in a healthy position with its reserves, it was confident it would be able to deal with that. Page 8 described the proportionate allocation of the remaining savings across the different service areas.

COVID was causing delays and some reprofiling was being carried out around capital which could result in some projects being pushed back as part of the three year financial plan, however, the Council remained ambitious in terms of delivery.

Councillor Oliver expressed his thanks to lead officers in every service area involved along with his colleagues in the Cabinet, all of whom had worked extremely hard to get to this position.

Chris Hand drew members' attention to paragraph 11 on page 3 of the report which set out the principles of how the savings proposals had been developed.

In response to questions the following information was provided:

- There was currently no information about the amount of funding the Council would receive in December for the one year financial settlement. The Leader had led extensive lobbying of the Government to ensure that the Council would get the best settlement possible but at this stage it was too early to say if it would be enough.
- In terms of savings being associated with the pandemic, one of the assumptions in the plan was that COVID pressures would be funded separately.
- Due to COVID 19 there was an assumption that there would be a short term reduction in the collection of business rates but that it would increase in the long term as firms recovered.
- It was agreed that the committee be provided with details of income generation streams over the last three years.
- In response to comments about budgets in Children's Services it was stated there had been areas of overspend in some budgets and, where appropriate, some budgets had been rebased for 2021/22. The amount spent on children's services had been rising and the net effect would be upwards as it had been for the last two years.
- Clarification was provided as to why there was pressure on the winter services budget. There were circumstances around weather conditions which impacted on the roads and the Council had overspent in that area in the last two years by over £1 million. Funding had been found elsewhere within the local services budget, but that could not be relied upon to be available this year and the pressure was therefore reflected in the budget.
- Assurance was provided regarding economic regeneration within Northumberland. The Administration remained committed to economic regeneration efforts being focused across the county. In rural areas this was often around tourism or forestry and in urban areas by adopting a town by town approach to meet specific needs.
- In terms of honouring and supporting contracts throughout COVID 19 to assist partners where appropriate, the Council had been keen to honour individual contracts, an example of this being school transport. It was noted there had also been some savings around the reintroduction of free school transport for sixth formers which had not been as expensive as originally projected and this had been reflected in the budget.

RESOLVED that

- (1) Cabinet be advised that this committee supports the recommendations as outlined in the report; and

- (2) the committee be provided with details of income generation streams over the last three years.

61. OVERVIEW – REPORT OF THE CHIEF EXECUTIVE

Covid-19: Response and Recovery Update

This report was considered by the Cabinet on 13 October 2020 and followed a report to Cabinet on 23 June 2020. It provided members with the latest update on the impact of the Coronavirus (Covid-19) pandemic on the work of the Council. It also provided an overview of the Council's ongoing response and recovery initiatives since June. (A copy of the report is attached to the signed minutes as Appendix C.)

The Chief Executive advised members that the report had been written at the time Northumberland was in Tier 2 and arrangements for a country wide lockdown had subsequently been introduced. The local restrictions had provided support for businesses and other organisations but these had recently been overtaken by national arrangements.

This report had been presented to each of the scrutiny committees and the areas to be highlighted today were mainly around regeneration, business support and job creation. Notification had been received the previous week about revised business grant arrangements and the Council had also received £1.5 million of support from the North of Tyne Combined Authority. The report set out the arrangements for the Council's corporate services, the vast majority of which had transferred successfully to home working. It was noted that the IT team had done a great job in supporting home working and ensuring all Council services operated as successfully as possible.

Details of the current position regarding Council Services were provided.

In terms of business grant arrangements, guidance had been received last week and an update setting out clear guidelines would be provided as soon as possible.

The Leader reiterated that much of the report was out of date due to the time that had passed and the second lockdown. He said it had been clearly demonstrated that working alongside neighbouring authorities had shown a very beneficial effect on the number of cases in Northumberland and he supported the continuation of that working relationship going forward. Regular contact with the Government was essential in order to agree what the next steps should be.

The report highlighted how well the Council had performed in delivering services and the Leader expressed his thanks to staff, at all levels, for continuing to do so. He praised the development of Northumberland Communities Together and referred to page 13 of the report which gave an indication of how effective that had been.

An initiative in the half term break to support families in need and children eligible for free school meals had gone extremely well and the Leader expressed his gratitude that the Government had announced a change in their position on this as it would result in significant extra support to provide that service going forward.

All businesses had suffered significantly because of COVID 19 and unemployment was a major concern. Although there had been assistance from the Government and from the Council, recovery would be a huge undertaking. The Council was doing everything possible to facilitate the provision of help and advice and would continue to liaise with the Government to ensure that, when coming out of lockdown, the next stage would consider the effect on businesses, livelihood and employment.

In response to questions the following information was provided:

- Clarification was provided as to why, before lockdown, the Council had decided to go into Tier 3 with neighbouring authorities. The Leader said it had been a difficult decision which had been made on public health advice around connectivity and, had it not been taken, there would have been a rapid increase in cases. Subsequent figures had shown that this cautious approach had been right. The next steps were very important and it was essential to have ongoing dialogue with the neighbouring authorities. It was also crucial that Northumberland was recognised as a special case and it needed to be treated as such. The Leader said he must continue to take public health advice and the Council would do whatever was correct in terms of public health and for the benefit of all its residents.
- The Chief Executive referred to data prior to lockdown which had shown that the North East was the only region to have a slight dip in cases. This had confirmed that the decision to go into Tier 3 was right and gave communities the opportunity to slow down any spread of infection. This had been recognised by the Chief Medical Officer and it was hoped that any forthcoming discussions about tiers would enable Northumberland to be in the most minimal tier possible.
- In terms of Northumberland's unusual profile and whether it had been treated as one entity, the Chief Executive referred to a Cabinet Office visit prior to the announcement of national lockdown where it was felt that the Cabinet Office had very much recognised the differences within Northumberland. However, a decision had to be made at a point in time and this was based on the best public health information available.
- Most of the population in Northumberland had been very supportive. Each time a decision was made it had to balance the risks, ensure businesses and communities were well represented and ensure the most vulnerable were protected. The Leader said he had not been prepared to go against public health advice which could have resulted in increased cases and potential deaths and would not do so in the future.
- Assurance was sought that the community and voluntary sector was being supported as much as possible. The Chief Executive said that the communities together hub had provided a great cross county partnership and there were numerous funding streams coming into that, examples of which

were provided from external organisations, the Council's own funds and central government.

- Comments were made about communication and a request for officers to ensure that residents received an answer to their queries. The Chief Executive said generally teams had done a really good job in responding to the many thousands of queries made. If there was anything outstanding of which members were aware, she was happy for these to be forwarded to herself or the relevant director to pick up.
- In terms of democracy, meetings and decision making, there was an amended public speaking protocol and it was queried if this applied to all meetings where the public had a right to have their say. The Leader said that meeting schedules were back to full capacity, public meetings were being livestreamed and would remain on the YouTube channel for up to two weeks. With regard to public participation, discussions were taking place on having a public question and answer session on COVID and a public session on the budget to gain a better understanding of what residents felt should be the Council's focus.
- The Council would do everything possible using its capital budget to attract businesses from the private sector back into the area and to support existing businesses going forward. Any specific ideas from members were welcome and Richard Wearmouth, the Cabinet Member for Economic Regeneration, would be happy to discuss.
- It was confirmed that a holding statement would be made quickly about the support available for businesses under the new guidelines and the schemes would go live as soon as possible.
- In response to a suggestion that Dr Henry Kippin, Director of Economic Growth at the North of Tyne and Helen Golightly, the Chief Executive at the NELEP be invited to a future meeting to discuss economic recovery from COVID 19 in Northumberland as part of a regional effort, the Scrutiny Co-ordinator said the Executive Director of Regeneration, Commercial and Economy would be attending January's meeting to present a report on Northumberland Economic Recovery from COVID and he would liaise with her in that regard.
- In terms of the State of Area Debate, the Leader felt that previous meetings of the Local Area Councils had not offered sufficient dialogue or exchange which was why he was suggesting a different approach as highlighted earlier.

RESOLVED

- (1) That the impact of the Coronavirus (Covid-19) pandemic on the work of the Council and the Council's ongoing response and recovery initiatives since June be noted.
- (2) The Scrutiny Co-ordinator to liaise with the Executive Director of Regeneration, Commercial and Economy about inviting the Director of Economic Growth at the North of Tyne and the Chief Executive at the NELEP to January's meeting to contribute to the report on Northumberland Economic Recovery from COVID.

62. REPORT OF THE SCRUTINY COORDINATOR

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

Members received the committee’s work programme and monitoring report for the 2019/20 council year. (Report enclosed with the signed minutes as Appendix D.)

Janice Rose had agreed to provide overview on the borderlands process which may tie in with previous discussions.

The Scrutiny Coordinator had noted Councillor Robinson’s earlier request that the committee be provided with details of income generation streams over the last three years.

RESOLVED that the work programme be noted.

63. DATE OF NEXT MEETING

The next meeting would be held on Monday, 7 December 2020 at 10:00 am.

Chair _____

Date _____