

NORTHUMBERLAND COUNTY COUNCIL

CORPORATE SERVICES AND ECONOMIC GROWTH OSC

At the meeting of the **Corporate Services and Economic Growth OSC** held at Council Chamber, County Hall, Morpeth, Northumberland, NE61 2EF on Monday, 13 February 2023 at 10.00 a.m.

PRESENT

D Bawn (Chair) (in the Chair)

MEMBERS

J Beynon
M Murphy
A Wallace
P Ezhilchelvan

L Dunn
N Oliver
M Robinson

CABINET MEMBERS

Horncastle, C
Pattison, W.
Ploszaj, W.
Riddle, J.
Renner-Thompson, G.

Sanderson, G
Seymour, C.

Wearmouth, R.

Portfolio Holder for Community Services
Portfolio Holder for Adults' Wellbeing
Portfolio Holder for Business
Portfolio Holder for Local Services
Portfolio Holder for Children and Young People
Leader
Deputy Portfolio Holder for Corporate Services
Deputy Leader

OFFICERS

Barnes, G.

Binjal, S.
Bradley, N.

Elsdon, A.
Greally, R.

Kingham, A.

Masson, N.
Murfin, R.

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Revenues, Benefits and Customer Service Manager
Monitoring Officer
Executive Director – Adults, Ageing and Wellbeing
Service Director - Finance
Assistant Democratic Services Officer
Executive Director – Children, Young People and Education
Deputy Monitoring Officer
Executive Director
Scrutiny Co-ordinator

Nicholson, S.	Executive Director – Public Health
ONeill, G.	Service Director
Rose, J.	Service Director – Housing and Public
Soderquest, P.	Protection
	Executive Director
Taylor, M.	Executive Director of Finance (Section 151
Willis, J.	Officer)

18 **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors C. Taylor, A. Watson and R. Wilczek.

19 **MINUTES**

RESOLVED that the minutes of the meeting of the Corporate Services and Economic Growth Overview and Scrutiny Committee held on 11 January 2023, as circulated, be confirmed as a true record and signed by the Chairman.

20 **DISCLOSURE OF MEMBERS' INTERESTS**

Councillor M. Robinson declared he had an interest in item 8 and would leave the room whilst it was being discussed.

21 **FORWARD PLAN OF CABINET DECISIONS**

The Forward Plan of forthcoming Key Cabinet decisions was reported to the Committee. (Report enclosed with the signed minutes as Appendix A).

RESOLVED that the Forward Plan of key decisions be noted.

22 **BUDGET 2023-24 AND MEDIUM-TERM FINANCIAL PLAN 2023-27 FOR THE HOUSING REVENUE ACCOUNT**

Councillor R Wearmouth, Deputy Leader and Portfolio Holder for Corporate Services. Introduced the report to committee, the was a proposal for a 7% increase in rent for Council tenants. The 7% was needed to ensure the Housing Revenue Account (HRA) remained sustainable. There was a need to carry out maintenance on existing stock as well as replenishing stock lost to the right to buy scheme. Without this investment the account would not be sustainable. The Council had implemented a hardship fund to help those eligible to ease the strain of rent increases. It was noted that other housing providers were also raising rents however details had not been confirmed. It was a ring-fenced budget from tenant's rent.

The following comments were made in response to members questions:-

- The hardship fund would be given to those who were eligible after an income assessment in accordance with normal Council procedure. There was a protocol that would be followed for contacting eligible tenants and publication of the scheme. Officers were confident the £350,000 set aside

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would cover the elevation of rent for those that needed it.

- It was confirmed that the Council would be working jointly with partners to deliver affordable housing to help combat the significant challenge with supply and demand across the County. It was important to work with these partners to cover areas of the County where the Authority held no stock. It was highlighted that all stock would be owned by the HRA and would become an asset. The revenue would come back into the account and would then lead back into the budget plan.
- Members acknowledged that there were inflationary pressures which meant that the 7% increase was necessary to carry out the maintenance needed to sustain the housing revenue account.
- The leader agreed that a briefing note be sent to all members to give an update on the Council's progress with affordable housing.
- In the future it was hoped that there would be a policy conference on the housing revenue account to discuss with members how it was run.

RESOLVED to advise the Cabinet that it supported the recommendations contained in the report, subject to consideration of the issues highlighted above.

23 **BUDGET CONSULTATION REPORT 2023-24**

Councillor Richard Wearmouth, Deputy Leader and Portfolio Holder for Corporate Services introduced the report to committee. The consultation was used to prepare for future budgets.

On 6th December 2022, the Council launched its budget consultation. This was through an online survey tool and was open to anyone wishing to participate, including residents, businesses, partner organisations, Members and staff. The consultation was promoted through a variety of media channels. As the survey was online and open to all, the responses were not a 'statistical sample' of the population and therefore the officers were not presenting the results as representative of the population as a whole. However, the results did provide a useful sense of views across a range of stakeholders, including:

- Residents (97.1% of the responses);
- Local businesses;
- Charities;
- Community Groups;
- NCC staff who are residents;
- NCC Staff who are non-residents;
- Councillors;
- Public Sector.

In total, there were 209 responses to the consultation. The response rate was down on last year's survey and, officers would take time to understand the possible reasons for this and look to increase the response rates for future years.

The following comments were made in response to members questions:-

- It was acknowledged that the information from the results was good, but the number of responses needed to be improved. It was acknowledged that incentives may be needed to increase public participation.

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- Members were reminded that the Leader and Deputy Leader attending Local Area Council meetings which allowed members the opportunity to comment on the proposed budget. It was acknowledged that questions were answered to the best ability at the time, but figures were still outstanding from the government.
- It was important to ensure the budget met the three priorities of the Council. It was acknowledged that it was important to do a public consultation to gather opinions and get an indication of what was needed.
- It was recognised that it could be beneficial to show the correlation between the consultation results and the policies and budget implemented.
- It was suggested that there be more discussion with members including a policy conference for the budget to ensure all members are involved.
- The Leader thanked the respondents and emphasised the invaluable information

RESOLVED to advise the Cabinet that it supported the recommendations contained in the report

24 **BUDGET 2023-24 AND MEDIUM-TERM FINANCIAL PLAN 2023-27**

Councillor Glen Sanderson, Leader of the Council, introduced the report to committee. He thanked Jan Willis the Section 151 Officer, Alison Elsdon and all of the finance team for their hard work. The budget promoted the three priorities which were agreed at the policy conference held in January. These priorities were: value for money, tackling inequalities and supporting businesses. There had been consultation with the public and other stakeholders through online consultations, meetings with Town & Parish Councils and meetings with business leaders.

The Leader highlighted that there would be no cuts to frontline services. The leisure investment programme would continue as would the school programmes. There were broadband programmes that would start and an extensive cycling and walking initiative. Car parking in town centres and the first hour of parking at country parks would remain free.

The administration wanted to tackle inequalities in the County and give children and young people the best opportunities in life regardless of their background. The skills programme in Blyth would allow young people to gain valuable skills needed in industries within the County. There was the Hardship fund to help eligible residents with Council rent. There was also a council tax support scheme that would help eligible residents with Council Tax.

The Authority would continue to work with Advance Northumberland to help support businesses. There was funding from Borderlands and several town deals which were expected to commence soon. The budget illustrated value for money, it would encourage jobs and opportunities and a good quality of life for residents.

The following comments were made in response to members questions:

- It was confirmed that where there had been deletion of vacant posts in

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services this was due to Officers determining the service could function without them.

- A schedule of the new fees and charges would be shared with members highlighting any changes from the current year.
- It was acknowledged that 1.25% addition to the national insurance had been removed following the Autumn budget statement. The employer contribution to the pension fund was also decreasing, both of which had been reflected in the budget.
- The report addressed the robustness of the budget and members were assured that if there were any risks to the Authority the budget would not have been brought forward. The Authority held reserves for any uncertainty that may occur. There were unusable reserves that the Authority was required to keep for accounting purposes.
- Members were informed that the Council was working with all academies and maintained schools to invest money into the school system. It was noted that the Council was the owner of the freehold that the academies were built on.
- The Authority was waiting for the final sign off from Government of funding for the Northumberland Line but the Leader was confident that the project would go ahead and there had been a commitment from Government. Assessments had been carried out and the Authority was aware of what impact the Northumberland Line would make on the area.
- The increase in Council Tax was necessary to ensure there was no damage to Council Tax base. The cumulative impact of a lower increase would have been significant in the future.

RESOLVED to advise the Cabinet that it supported the recommendations contained in the report, subject to consideration of the issues highlighted above.

25 **COUNCIL TAX DISCRETIONARY DISCOUNT AND COUNCIL TAX SUPPORT HARDSHIP SCHEMES 2023-24**

Councillor Richard Wearmouth, the deputy leader and portfolio holder for corporate services introduced the report to committee. The Council was mindful of the current cost of living crisis that the residents of Northumberland were facing, as well as the significant inflationary pressures that the local authority was also experiencing.

The Hardship Scheme payment of up to £175 would be applied to the council tax bills of working age Council Tax Support claimants after all other discounts and after the Government's mandatory Council Tax Support Fund scheme of £25 which would reduce the bills of all Council Tax Support claimants.

The following comments were made in response to members questions:

- It was confirmed that those who were not in receipt of council tax support would receive the £17.21 discount to the Council Tax bill.
- Those who were eligible would receive up to £175 plus £25 provided by the Government in the form of a hardship payment.
- It was acknowledged that the hardship scheme was for one year only to reflect the households need for immediate help with the cost of living.
- It was confirmed that the council tax hardship scheme was more beneficial

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than freezing council tax as it targeted help to those who needed it most as well as protecting the council tax base from permanent damage. The cumulative impact of not raising the council tax base would be significant.

RESOLVED to advise the Cabinet that it supported the recommendations contained in the report, subject to consideration of the issues highlighted above.

26 **REVENUES AND BENEFITS POLICIES**

Councillor Richard Wearmouth, Deputy Leader and Portfolio Holder for Corporate Services introduced the report to committee.

Two policy changes were highlighted to committee. There was a hope to implement a premium for empty homes across the County after one year rather than two and to implement a council tax premium for second homes across the County from 2024/25. Both measures would be subject to the levelling up and regeneration bill receiving royal assent by 31st March 2023. It was something that the Authority felt needed to be done to reflect a pressing need in the County. Second homes were an increasing issue in the County and the Cabinet had agreed to implement the increase once the bill had gone through Parliament.

RESOLVED to advise the Cabinet that it supported the recommendations contained in the report

27 **WORK PROGRAMME**

The Committee received an update on its Work Programme for the 2022/23 council year.

RESOLVED that this information was noted.

CHAIR.....

DATE.....

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