

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At the meeting of the **Cabinet** held at Council Chamber - County Hall on Tuesday, 14 February 2023 at 10.00 am.

PRESENT

Councillor G. Sanderson
(Leader of the Council, in the Chair)

CABINET MEMBERS

Horncastle, C.
Pattison, W.
Ploszaj, W.

Renner Thompson, G.
Riddle, J.R.
Wearmouth, R.

OTHER MEMBERS

Ferguson, D.
Flux, B.

Stewart, G.

OFFICERS IN ATTENDANCE

Aviston, S.
Bennett, LM
Binjal, S (Remote)
Bradley, N.

Bryden, L.
Elsdon, A.
Hunter, P.
Kingham, A.

Masson, N. (Remote)
Murfin, R.

O'Neill, G.

Paterson, H.
Rose, J.

Soderquest, P. (Remote)

Taylor, M.

Head of School Organisation
Senior Democratic Services Officer
Monitoring Officer
Executive Director for Adults, Aging
& Wellbeing
Senior Manager for Commissioning
Service Director - Finance
Interim Senior Service Director
Executive Director for Children,
Young People & Education
Deputy Monitoring Officer
Interim Executive Director of
Planning & Local Services
Regeneration, Commercial &
Economy
Executive Director for Public
Health, Inequalities & Stronger
Communities
Chief Executive
Interim Executive Director of
Regeneration
Service Director - Housing and
Public Protection
Interim Executive Director for

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Willis, J.

Communities & Business
Development
Executive Director for Resources &
Transformation (S151)

86 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor J. Watson.

87 **MINUTES**

RESOLVED that the minutes of the meeting of Cabinet held on 17 January 2023, as circulated, be confirmed as a true record and signed by the Chair.

88 **DISCLOSURE OF MEMBERS' INTERESTS**

Councillor H.G.H. Sanderson declared a non-pecuniary interest in agenda item no. 4 as his spouse worked part time for Northumberland County Council.

89 **REPORT OF THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR CORPORATE SERVICES**

Budget 2023-24 and Medium-Term Financial Plan 2023-27 for the Housing Revenue Account

The report asked for Cabinet's approval for the updated Budget 2023-24, Medium Term Financial Plan (MTFP) 2023-27, and 30 year Business Plan for the Housing Revenue Account (HRA) (copy attached to the signed minutes as Appendix B.)

The Leader reported that Northumberland County Council's proposed increase in Council Tax was 4.6% and that this included 2% for Adult Social Care. This increase was well below inflation. Account had been taken of savings and efficiencies across the Council, however front-line services would not be cut. He added that he was deeply grateful to all staff who worked so hard across all services.

Three key priorities would be ensuring that Northumberland's residents received value for money for their Council Tax by ensuring that services were delivered as well as they could be or improving them where necessary. Addressing inequalities would aim to ensure that all residents, regardless of where they lived in Northumberland, would receive the same opportunities and chances. Support for businesses would include free parking in town centres which it was hoped would further encourage visitors to Northumberland's towns and help local businesses.

RESOLVED that the Cabinet

1. Approve the Housing Revenue Account 2023-24 budget as detailed within Appendix 1, which will reduce the balance on the HRA reserve from £29.809 million at 31 March 2023, to £29.121 million at 31 March 2024; and note the indicative budgets to 2026-27 which will reduce the balance of the HRA

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reserve to £9.294 million.

2. Note that from 1 April 2023, due to current rises in inflation, the government has imposed a rent cap on social housing rent increases of 7.0%, moving away for one year from the previously agreed Rent Standard of consumer price index (CPI) +1.0% (11.1%). The budget detailed in Appendix 1 assumes that rents will rise by the revised Government capped rate of 7.0%, with recoverable service charges rising by CPI 10.10% plus 1.0% for the period 1 April 2023 to 31 March 2024.
3. Approve the increase of 7.0% for Housing rents from 1 April 2023.
4. Approve the increase of 11.1% for Housing Service Charges from 1 April 2023.
5. Approve the Non-Recurrent Growth item Hardship fund of £0.350 million for 2023-24 to support NCC tenants who may, due to their income, not be eligible to receive any financial assistance through existing benefits (Housing Benefit/Universal Credit/Discretionary Housing Payment) (detailed in point 9 & 16).
6. Note the indicative 30-year Housing Revenue Account business plan as detailed within Appendix 1.
7. Approve the estimated pay inflationary increase for 2023-24 of 4.0% totalling £0.418 million (detailed in point 15).
8. Approve the Non-Pay Inflation Schedule for 2023-24 totalling £0.738 million (detailed in point 15).
9. Approve the Recurrent Growth as follows:
 - a. Housing Disrepair of £0.250 million for 2023-24 to cover costs of housing disrepair mitigation/resolution (detailed in point 16).
 - b. Additional staffing budget of £0.424 million for 2023-24 (detailed in point 16).
10. Approve the Recurrent Saving in relation to the Introduction of phased Service Charges for Sheltered Housing tenants, with estimated additional income of £0.100 million in 2024-25 (50.0%), £0.155 million in 2025-26 (75.0%) and £0.212 million 2026-27 (100.0%) (detailed in point 17).
11. Note that £45.017 million has been set aside over the 4-year period 2023-24 to 2026-27 in the HRA Capital programme to invest in Affordable Housing. Details are set out in Appendix 1.

90 **REPORT OF THE LEADER OF THE COUNCIL**

Budget Consultation 2023-24

Members received a summary of the results of the budget consultation undertaken between 6 December 2022 and 17 January 2023. The budget

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consultation helped to inform the Council's Budget and Medium-Term Financial Plan (copy attached to the signed minutes as Appendix B)

The Leader reported that it was hoped to increase public interest going forward and obtain more public input into the process. As part of the consultation process both he and the Deputy Leader had attended all of the Local Area Councils and spoken to local business leaders.

RESOLVED to note the summary results of the budget consultation undertaken between 6th December 2022 and 17th January 2023 as well as wider engagement undertaken.

91 **REPORT OF THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR CORPORATE SERVICES**

Budget 2023-23 and Medium-Term Financial Plan 2023-27

The purpose of the report was to enable the Cabinet to make formal budget recommendations to the County Council. The report provided the Revenue Budget for 2023-24 and Revenue Medium-Term Financial Plan (MTFP 2023-27 and the Capital Budget for 2023-24 and Capital MTFP 2023-27, following the Government's Autumn Statement on 17 November 2022, and the publication of the provisional Local Government Finance Settlement on 19 December 2022. (Copy of report attached to the signed minutes as Appendix C.)

A report from the meeting of the Corporate Services and Economic Growth Overview and Scrutiny Committee held on 13 February 2023, to which all members had been invited, was circulated at the meeting. (Copy of the report is attached to the signed minutes.)

RESOLVED to make the following recommendations to the County Council:

1. Note that the figures contained within the Budget 2023-24 within Appendix 1 are based on the provisional Local Government Finance Settlement of 19 December 2022.
2. Approve the revenue budget for 2023-24 including, the budget balancing target totalling £17.045 million contained within Appendix 1.
3. Note the Revenue MTFP covering the period 2023-27 detailed within Appendix 1 and the requirement to deliver budget balancing measures of £9.564 million in 2024-25, £18.508 million in 2025-26, and £8.954 million in 2026-27.
4. Note the estimated receipt of Revenue Support Grant of £12.430 million for 2023-24 contained within Appendix 1.
5. Note the estimated retained Business Rates and the Top-Up grant funding to be received by the Council for 2023-24 of £94.805 million and £307.453 million over the remaining period of the MTFP contained within Appendix 1
6. Note the estimated deficit from prior years on Collection Fund Business

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- Rates balances of £1.944 million in 2023-24 contained within Appendix 1.
7. Note the estimated receipt of Rural Services Delivery Grant of £2.745 million in 2023-24 contained within Appendix 1.
 8. Note the estimated receipt of the New Homes Bonus of £0.961 million for 2023-24 contained within Appendix 1.
 9. Note the estimated receipt of Improved Better Care Funding Grant of £12.496 million for 2023-24 contained within Appendix 1.
 10. Note the estimated receipt of Social Care grant funding of £22.056 million for 2023-24 contained within Appendix 1.
 11. Note the estimated receipt of Adult Social Care Discharge Grant funding of £1.752 million in 2023-24 and £2.920 million in 2024-25 contained within Appendix 1.
 12. Note the estimated receipt of Adult Social Care Market Sustainability and Improvement grant funding of £3.563 million in 2023-24 and £5.357 million in 2024-25 contained within Appendix 1.
 13. Note the estimated receipt of the Services Grant of £2.787 million in 2023-24 contained within Appendix 1.
 14. Approve a 2.99% increase in Council Tax for 2023-24, 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 of 3.00%.
 15. Note that the MTFP 2023-27 includes a 2.99% annual increase in Council Tax for 2024-25 and then 1.99% thereafter for the remaining years of the MTFP and, that an estimate of annual tax base growth has been included.
 16. Note the non-collection rate for Council Tax purposes remains at 1.00% for 2023-24 (1.00% in 2022-23).
 17. Note the estimated surplus of £2.737 million from prior years on the Collection Fund Council Tax balance for 2023-24 contained within Appendix 1.
 18. Note the estimated receipt of Council Tax Support funding of £0.654 million in 2023-24 and note the intended use of the grant contained within Appendix 1.
 19. Approve a 2.00% increase in Council Tax for 2023-24 for use on Adult Social Care services; raising an additional £4.530 million to support the Budget 2023-24, and note the assumed increase included in the MTFP of 2.00% for 2024-25 and zero thereafter.
 20. Approve the Reserves Policy for 2023-24 detailed in Appendix 2.
 21. Note the Schedule of Reserves and Provisions contained within Appendix 3

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22. Approve: The net contributions from the Strategic Management Reserve of £12.739 million in 2023-24 and note the proposed contributions from reserves of £15.792 million in 2024-25, £6.335 million in 2025-26 and the proposed contribution to reserves of £1.032 million in 2026-27 contained within Appendix 1, comprising: a) non-recurrent pressures of £5.898 million for 2023-24, and note the non-recurrent pressures totalling £4.528 million in 2024-25; £0.935 million in 2025-26 and £0.159 million in 2026-27 (as detailed within Appendix 8; excluding the Adult Social Care Discharge Fund, Adult Social Care Market and Sustainability and Improvement Fund, Locality Coordinators, Council Tax Support Fund and Transformation Programme), b) the Active Northumberland Management fee of up to £1.000 million in 2023-24, c) delayed receipt of investment income from the airport of £0.957 million in 2023-24; and that interest of £0.161 million in 2024-25, and £1.191 million in 2025-26 and 2026-27 will be repaid into the reserve in this respect, d) revenue contribution to capital (RCCO) of £8.171 million in 2024-25 and £6.591 million in 2025-26 for investment in the Schools' Development Programme, and, e) contribution from the reserve of £4.884 million in 2023-24 and note the subsequent proposed use of £3.254 million in 2024-25 in order
23. Approve the use of the Public Health Revenue Grant Reserve of £0.199 million in 2023-24 and note the contribution for 2024-25, to fund five fixed term Locality Coordinator posts contained within Appendix 1.
24. Note the proposed use of the General Fund Reserve of £7.850 million in 2024-25, to be set aside as a voluntary Minimum Revenue Provision (MRP) to enable the Council to repay debt at an appropriate time in the future contained within Appendix 1.
25. Approve the use of the Council Transformation Fund Reserve of £3.000 million in 2023-24 and note the use of £3.000 million from this reserve in financial year 2024-25 contained within Appendix 1.
26. Approve the use of the Collection Fund Smoothing Reserve of £1.944 million in 2023-24, to part fund the 2022-23 forecast deficit of the Business Rates element of the Collection Fund, and prior year deficit on Business Rates contained within Appendix 1.
27. Note: a) the Schedule of Service Specific Grants of £250.400 million contained within Appendix 4, and b) the indicative 2023-24 Public Health Grant allocation of £17.366 million contained within Appendix 4, and its proposed usage.
28. Approve the Inflation Schedule for 2023-24 totalling £28.900 million detailed in Appendix 5.
29. Approve the Recurrent Growth and Pressures Schedules of £16.694 million and the additional revenue costs associated with the Capital Programme of £6.164 million for 2023-24; and note the growth and pressures of £2.422 million in 2024-25; £1.773 million in 2025-26; and, £0.392 million in 2026-27 and the additional revenue costs associated with the capital programme of

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£14.075 million in 2024-25; £10.098 million in 2025-26; and £6.000 million in 2026-27 included within Appendices 1, 6 and 7.

30. Approve the Non-Recurrent Pressures of £15.066 million for 2023-24 and note the non-recurrent pressures of £16.004 million for 2024-25; £0.935 million for 2025-26 and £0.159 million for 2026-27 included within Appendix 8.
31. Approve the Non-Recurrent Income of £0.157 million for 2023-24 and note the non-recurrent income of £5.601 million for 2024-25; £0.252 million for 2025-26 and £0.221 million for 2026-27 included within Appendix 8.
32. Approve the identified budget balancing measures contained within Appendix 9 of £17.045 million for 2023-24; and note those budget balancing measures totalling £10.295 million already identified for 2024-25 to 2025-26.
33. Note the Corporate Equality Impact Assessment at Appendix 10.
34. Note the Budgets by Service Area 2023-24 detailed in Appendix 11.
35. Note the receipt of Dedicated Schools Grant of £160.287 million in 2023-24; and note the revised allocation of £150.832 million for 2022-23. This is following the conversion of three schools to academy status during 2022-23.
36. Approve the Capital Strategy 2023-24 to 2026-27 contained within Appendix 12.
37. Approve the revised Capital Programme as detailed within Appendix 13 and note the reduction in the Capital Programme 2023-27 of £37.599 million detailed in Appendix 14.
38. Approve the delegation of the detail of the final Local Transport Programme and any subsequent in-year amendments to the Executive Director responsible for Local Services in consultation with the Cabinet Member for Local Services.
39. Approve the delegation of the detail of the capital allocation for highways maintenance investment in U and C roads and footpaths to the Executive Director responsible for Local Services in consultation with the Cabinet Member for Local Services.
40. Approve the Prudential Indicators based on the proposed Capital Programme detailed within Appendix 15.
41. Approve the Annual Minimum Revenue Provision Policy detailed in Appendix 16.
42. Approve the Treasury Management Strategy Statement 2023-24 detailed in Appendix 17.
43. Approve a delegation to amend the Budget 2023-24 and MTFP in light of

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any changes as a result of the final Local Government Finance Settlement to the Council's Section 151 Officer in consultation with the Portfolio Holder.

92 **REPORT OF THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR CORPORATE SERVICES**

Council Tax Discretionary Discount and Council Tax Support Hardship Schemes 2023-24

Members received a report proposing implementation of a Council Tax Discretionary Discount and Council Tax Support Hardship Scheme 2023-24. (Copy of the report attached to the signed minutes as Appendix D.)

RESOLVED that the Cabinet agree

1. a Council Tax Support Hardship Scheme, where a reduction of up to £175 is made to council tax bills for all working age Council Tax Support claimants, once all other discounts have been applied. The cost of this scheme will be £2.633 million.
2. a Council Tax Support Hardship Scheme, where a reduction of up to £175 is made to council tax bills for all pensionable age Council Tax Support claimants, once all other discounts have been applied. The cost of this scheme will be £0.551 million.
3. that a local discretionary discount equivalent to 1.00% of the proposed Band D council tax for 2023-24 (Northumberland County Council, council tax element) is applied to council tax bills in 2023-24 (only), following the application of all other discounts, for all households not in receipt of Council Tax Support; and excluding the exemptions shown in paragraph 4.9. The discount equates to £17.21 per household. The cost of this scheme will be £2.140 million.
4. to transfer the balance of £6.588 million from the Collection Fund Smoothing Reserve in financial year 2022-23 to a reserve entitled Council Tax Support Hardship and Discretionary Discount Schemes Reserve to cover the cost of these schemes.
5. to fund the proposed Council Tax Support Hardship Schemes described in 2.1 and 2.2 above, up to a maximum of £3.184 million from the Council Tax Support Hardship and Discretionary Discount Schemes Reserve for 2023-24.
6. to agree to fund the proposed Local Discretionary Discount as described in 2.3 above, up to a maximum of £2.140 million from the Council Tax Support Hardship and Discretionary Discount Schemes Reserve for 2023-24.
7. that once the above-mentioned allocations are exhausted that no further Hardship Scheme or Local Discretionary Discount payments are made in 2023-24.
8. that the appropriate expenditure and income budgets are created in the

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financial year 2023-24 in line with the agreed recommendations in 2.1 to 2.6.

93 **REPORT OF THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR CORPORATE SERVICES**

Revenue and Benefits Policies for 2023-24

Members were updated on the policies governing the administration of Revenues and Benefits and approval sought for the updates and amendments highlighted. (Copy of the report attached to the signed minutes as Appendix E.)

It was reported that should the Levelling-Up and Regeneration Bill become Law, it would permit the Council to implement a premium of 100% on empty homes after one year and up to an additional 100% charge on second homes. There was a requirement for this determination to be made at least one year before the beginning of the financial year to which it related; hence it would come into effect in April 2024. The Leader commented that it was important to find a balance between tourism and having housing available to local people. Not only was a significant amount of money being made available for affordable house building, it was hoped that this measure may attract further funding to support that housebuilding programme.

RESOLVED to make the following recommendations to the County Council to:

1. Approve the Revenues and Benefits Policies attached as Appendix 1 to Appendix 9.
2. Approve (subject to the Levelling-Up and Regeneration Bill receiving Royal Assent by 31 March 2023) implementing the 100% Empty Homes premium after one year from 1 April 2024.
3. Make a determination (subject to the Levelling-Up and Regeneration Bill receiving Royal Assent by 31 March 2023) to implement a 100% premium for second homes to increase the council tax charge to 200% from 1 April 2024.

94 **REPORT OF THE PORTFOLIO HOLDER FOR CHILDREN AND YOUNG PEOPLE**

Alternative Provision to Support Children Permanently Excluded from School

Members approval was sought to undertake a tender process to support the provision of alternative education for children of statutory school age due to the approaching expiry of an existing tender and a likely change in emphasis by the Department for Education in respect of regulation which may have an impact upon levels of expenditure. (Copy of the report attached to signed minutes as Appendix F).

Councillor G. Renner-Thompson introduced the report and reported that exclusions had been increasing due to Covid related pressures and the team was working hard to identify the reasons for this. The value of the contract was £15

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million over a 10 year period although it was stressed that the actual expenditure level would vary year on year depending on demand.

RESOLVED that the Cabinet

1. note the information presented in this report which includes the proposal to create a Dynamic Purchasing System to support access to Alternative Provision. This will support the Council in fulfilling its statutory duty to ensure that full time schooling is provided from the 6th school day.
2. approve a tender exercise which will ensure that appropriate contractual arrangements are in place by the 1st of September 2023.
3. note that whilst the value of this contract is approx. £1,500,000 per annum which suggests £15,000,000 over a 10-year period, expenditure levels are driven by fluctuating demand and will vary year on year.

95 **REPORT OF THE PORTFOLIO HOLDER FOR CHILDREN AND YOUNG PEOPLE**

School Admission Arrangements for Community and Voluntary Controlled Schools for the 2024/2025 Academic Year

Members were informed of the outcomes of the consultation on School Admission Arrangements for Community and Voluntary Controlled Schools for the 2024-25 Academic Year as required by the School Admissions Code 2021 along with approval of these admission arrangements. (Copy of the report is attached to the signed minutes as Appendix G.)

The report was introduced by Councillor G. Renner Thompson.

The Head of School Organisation was asked to comment on the admission policies of academies. There would be challenges with admissions in September 2023 and officers were continuing to work with the Regional Schools Commissioner where there were concerns about local children not receiving places in their local school. The outcome of this would not be known until National Offers Day in March. Regarding school appeals, there were approximately 170-200 appeals per year over all age groups. Individual circumstances played a role in whether an appeal was successful and around two-thirds of appeals were successful. Some very popular schools which neighboured other Local Authorities had high numbers of appeals, such as Newcastle residents appealing for places at Ponteland High School. The situation was being monitored and the team worked closely with others to ensure that the right opportunities were available for Northumberland children.

RESOLVED to make the following recommendations to the County Council to:

1. Note the outcomes of the six week consultation undertaken in relation to the Council's proposed admission arrangements for community and voluntary controlled schools for 2024/25 that took place between 11th November 2022 and 23rd December 2022;

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2. Approve the proposed co-ordinated admission scheme for all maintained schools and academies, as provided in Appendix 1 of this report;
3. Approve (determine) the proposed admission arrangements, including proposed oversubscription criteria and proposed admission numbers for First and Primary community and voluntary and controlled schools, as provided in Appendix 2 of this report;
4. Approve (determine) the proposed admission arrangements, including proposed over subscription criteria and proposed admission numbers, for Middle, High and Secondary community and voluntary controlled schools, including sixth forms, as provided in Appendix 3 of this report.
5. Approve a reduction of the Published Admission Number at Northburn Primary School from 45 to 30, in view of current and future pupil numbers.
6. Approve a reduction of the Published Admission Number at Hipsburn Primary School from 21 to 15, in view of current and future pupil numbers.
7. Approve a reduction of the Published Admission Number at Shilbottle Primary School from 30 to 15, in view of current and future pupil numbers.
8. Approve a reduction of the Published Admission Number at The Duchess High School from 250 to 240, in view of current and future pupil numbers.
9. Approve the amendments to the catchment areas of Broomhill First School, Felton CofE Primary School, James Calvert Spence College and Duchess's High School as set out on pages 24 & 25 of this report.

96 **REPORT OF THE LEADER OF THE COUNCIL**

Northumberland Stewardship and Rural Growth Investment Programme

Members were informed of the Northumberland Stewardship and Rural Growth Investment Plan facilitated by the North of Tyne Combined Authority, the investment subsequently secured to support the first phase of implementation, and the proposed delivery projects to kickstart that implementation. (Copy of the report is attached to the signed minutes as Appendix I.)

The Leader introduced the report and welcomed the £9 million funding from the North of Tyne Combined Authority which was entirely for Northumberland. The funding would be used to provide help to all of Northumberland including targeting the most difficult to reach parts of the County. The money would be used in a range of ways such as skills training for small businesses and potentially marketing systems.

RESOLVED that the Cabinet

1. fully support and endorse the Northumberland Stewardship and Rural Growth Plan recently facilitated and approved by the North of Tyne Combined Authority;

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2. welcome the initial tranche of up to £9m funding secured to facilitate the delivery of the Investment Plan as set out in paragraphs 21 to 23, and subject to the approval of business cases for eligible projects;
3. agree the proposed first wave of deliverable projects as outlined at Appendix 3 to be progressively introduced over the coming months, with further reports to be presented to Cabinet in due course as required; and
4. welcome the continued commitment within the new North East Devolution Deal to Rural Growth and Stewardship.

97 **REPORT OF THE LEADER OF THE COUNCIL**

Council Response to the Report of the Independent Future of Farming in Northumberland Inquiry

Members received a report summarising the key findings and recommendations from the independent inquiry and was requested to approve the proposed Council response to those recommendations. (Copy of report attached to signed minutes as Appendix J.)

Councillor J. Riddle declared an interest, for clarity, as he was a hill farmer. The Leader commented that he was also a farmer but did not feel it was necessary to declare an interest as this was an issue which benefitted the farming industry as a whole in Northumberland.

The Leader introduced the report. Councillor J. Riddle, whilst welcoming the report, stressed that there were still many uncertainties, and some farmers may still lose substantial sums in subsidies and may be farming at a loss. There was still a problem here and a lot of work would be required to solve it.

RESOLVED that the Cabinet

1. approve the proposed initial Council response to the key findings and recommendations of the independent Inquiry into the Future of Farming in Northumberland as set out in Appendix 2; and
2. communicate those initial responses to Dr. Sally Shortall in her capacity as Inquiry Chair with a request that the Panel reconvenes in early 2024 to review progress and suggest any further next steps.

98 **REPORT OF THE PORTFOLIO HOLDER FOR HEALTHY LIVES**

Council Response to the Independent Review of its Cultural Investment Portfolio

Members received a report summarising the key findings and recommendations from the independent Review within the context of the proposed initial response by the Council to those findings and recommendations. (Copy of report attached to signed minutes as Appendix J.)

The Leader introduced the report and referred to the brief for the review which

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was included in the report. The review had looked at whether funding was spent wisely and in the best place and how to ensure the best future investment. It had been concluded that the current investment of over £1 million per year may need to be looked at closely to ensure that Council Tax payers received value for money and that the cultural offer met their needs. Future funding would be looked at along with the Arts Council and the Review Chair.

RESOLVED that the Cabinet

1. approve the proposed initial Council response to the key findings and recommendations of the independent Review of the Cultural Investment Portfolio as set out in Appendix 2; and
2. approve the proposed revised budget for the Cultural Investment Portfolio, which are included in the proposed Council Budget 2023/24 and Medium-Term Financial Plan, whilst recognising that the proposed investment contributions to Museums Northumberland in 2024/25 and 2025/26 are subject to a further business and financial planning review process.

99 **REPORT OF THE LEADER OF THE COUNCIL**

Revised Outline Business Case for Berwick Theatre

Members received an update about some important changes to the Outline Business Case for the Berwick Theatre (New Maltings) project, including changes to the project costs, funding requirement, and value for money assessment. (Copy of the report is attached to the signed minutes as Appendix K.)

The Interim Executive Director of Regeneration introduced the report and explained the details of different phases of the project. Phase 1 comprised of investment in temporary facilities at Berwick Barracks and Phase 2, the transformation of The Maltings Theatre. Images were shown of the proposed development for Members' information. The temporary move of facilities would allow the culture offer of The Maltings to be retained during the renovation work.

Destination Tweed was a Borderlands project creating a recreational route along the length of the River Tweed. The County Council and Government would be contributing to the English section of the project. A circular walking/cycling route would be established in addition to the long distance route. A further, more detailed report would be brought to the Cabinet at a future date.

A supplementary report was circulated to Members at the meeting with a recommendation for approval of the request to enter into a contract for the design process, following a procurement exercise.

RESOLVED that the Cabinet

1. accept the proposed changes to the Outline Business Case (OBC) as set out in this report for the redevelopment of Berwick Theatre (New Maltings) to reflect the increased project costs;
2. approve an additional allocation of £837,415 capital funding in 2023/24 from

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the Strategic Regeneration Projects budget held within the Council's capital programme to be invested primarily in the Phase 1 works (Berwick Barracks);

3. approve that a request is made to the Borderlands Partnership Board and the Government so seek a further sum of £5,000,000 from Northumberland's indicative allocation within the Borderlands Inclusive Growth Deal to be invested primarily in the Phase 2 works (Main Theatre);
4. agree that the Council's capital programme is amended, following its approval as part of the 2023/24 Budget and Medium-Term Financial Plan at full Council on 22 February, to reflect the full funding package for Berwick Theatre as set out in Table 4 in paragraph 36; and
5. agree that Destination Tweed is added to the Council's capital programme as set out in Table 4 in paragraph 36 of this report to take account of the reprofiling adjustment agreed with the UK Government in the context of the Borderlands Inclusive Growth Deal – whilst acknowledging that a further report will be presented to Cabinet in due course to set out the details of the projects this investment will deliver.
6. approve the request to enter into contract with MICA Architects at the sum of £2,180,426.67.

100 **REPORT OF THE PORTFOLIO HOLDER FOR BUSINESS**

Energy Central Campus Governance Update

Members were asked to approve amendments to the representation from Northumberland County Council on the Energy Central Campus Company Ltd. Board of Directors. (Copy of the report is attached to the signed minutes as Appendix L.)

Councillor W. Ploszaj presented the report.

RESOLVED to approve that the Director of Regeneration and Executive Director for Children, Young People, and Education postholders (or their equivalents) are nominated by the Council to the Board of Energy Campus Company Ltd with the current Interim Director of Regeneration undertaking the role of the Director of Regeneration in the short term until that role is appointed to on a permanent basis.

101 **REPORT OF THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR CORPORATE SERVICES**

Summary of New Capital Proposals considered by Officer Capital Strategy Group

Members received a report summarising proposed amendments to the Capital Programme considered by the officer Capital Strategy Group via email on 2 December 2022 and 6 February 2023. (Copy of the report is attached to the

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signed minutes as Appendix M.)

The Deputy Leader presented the report.

RESOLVED that the Cabinet

1. **A1068 Hadston to Druridge Bay Country Park Pedestrian Crossing:**

Accept an overall funding contribution of £85,000 for improvements to the above crossing released via a Section 106 agreement by the developer for phase three of the Park View housing development in Hadston and agree that this amount be added to the Council's capital programme for 2022/23 to allow the agreed scheme to be implemented.

2. **Proposed improvements to the main gateway into Ridley Park, Blyth:**

Approve capital contribution of £26,000 from the Parks Enhancement Capital Budget for 2022/23 included in the Council's MTFP in respect of NCC's contribution to Friends of Ridley Park for the provision of a new decorative Gateway at a total cost of £50,000.

3. **Realignment of Capital Schemes relating to Broadband:**

Approve the reallocation of capital funding for Broadband improvements across the county including the erection of a new mobile mast at Craster as detailed in the Table in paragraph 7.2 below, noting that there is no overall increase in the capital budget requirement already included in the Council's MTFP.

4. **Queen Elizabeth Parks Commemoration Schemes**

Further to the approval granted in the December Cabinet Paper to provide additional budget for a number of park enhancements to celebrate the life of the late Queen Elizabeth II, to confirm approval for the allocation of capital funds from the Parks Improvement Programme that was identified as being required as part of the overall funding arrangements within the approved list of commemoration schemes as follows:-

- Eastwood Park Scheme in Prudhoe to proceed at a gross cost of £126,196 with £121,196 funded from the Parks Enhancement Fund and £5,000 from external contributions.
- Carlisle Park Scheme in Morpeth to proceed at a cost of £110,000, with £70,000 to be funded from the Parks Enhancement Fund. £40,000 will be funded from the Queen Elizabeth II Commemoration Scheme budget if approved by full Council on 22 February 2023. The additional cost will not be committed until approved and will not be incurred before 1 April 2023.
- Valley Park Scheme, Cramlington to proceed at a gross cost of £119,500 with £112,000 funded from the Parks Enhancement Fund and £7,500 from external contributions.

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- Cleasewell Hill Park Scheme to proceed at a gross cost of £200,000 to be funded from the Parks Enhancement Fund.
- Warkworth Beach Scheme to proceed at a gross cost of £12,000 to be funded from the Parks Enhancement Fund.

CHAIR.....

DATE.....

Ch.'s Initials.....