

NORTHUMBERLAND COUNTY COUNCIL

COUNTY COUNCIL

At the meeting of the **County Council** held at Council Chamber - County Hall on Wednesday, 22 February 2023 at 3.00 pm.

PRESENT

B Flux (Chair) (in the Chair)

MEMBERS

C Ball	D Bawn
J Beynon	L Bowman
D Carr	E Cartie
G Castle	E Chicken
T Clark	A Dale
W Daley	S Dickinson
R Dodd	C Dunbar
L Dunn	P Ezhilchelvan
S Fairless-Aitken	D Ferguson
J Foster	B Gallacher
C Hardy	G Hill
C Horncastle	C Humphrey
I Hunter	J I Hutchinson
P Jackson	V Jones
D Kennedy	J Lang
S Lee	M Mather
N Morphet	M Murphy
K Nisbet	N Oliver
K Parry	W Pattison
W Ploszaj	M Purvis
J Reid	G Renner-Thompson
M Richardson	J Riddle
M Robinson	G Sanderson
A Scott	C Seymour
A Sharp	G Stewart
M Swinbank	M Swinburn
C Taylor	T Thorne
D Towns	H Waddell
A Wallace	A Watson
J Watson	R Wearmouth
R Wilczek	

OFFICERS

One member of the press and public were present.

1 APOLOGIES FOR ABSENCE

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Apologies were received from Councillors Bridgett, Cessford, Darwin, Grimshaw and Simpson.

2 **MINUTES**

RESOLVED that the minutes of the meeting of County Council held on Wednesday 18 January 2023, as circulated, be confirmed as a true record, signed by the Business Chair and sealed with the Common Seal of the Council.

3 **DISCLOSURE OF MEMBERS' INTERESTS**

4 **ANNOUNCEMENTS BY THE BUSINESS CHAIR, LEADER OR HEAD OF PAID SERVICE**

The Business Chair welcomed Dr Helen Paterson to her first meeting as Chief Executive and advised members that there would be a two minute silence on Friday to mark the first anniversary of the Ukrainian invasion.

The Leader reported that consultation on Devolution was going very well. A series of meetings were taking place across the County which would build up a full consultation picture. He also welcomed Dr Paterson to her first meeting.

The Business Chair then advised that he would be moving Member Questions (item 6 on the agenda) to the end. This would allow Council more time on the budget papers, which would be dealt with first, before returning to agenda item 8.

5 **CORRESPONDENCE (IF ANY) TO DATE OF MEETING**
6 **QUESTIONS**

Question 1 from Councillor Purvis to the Leader

Given the challenges is Adult Social Care and Northumberland residents feeding back it was the one of the most concerned areas for them, could the Leader clarify how he plans to make millions of pounds worth of cuts without affecting care?

Response from Councillor Pattison

Through this Budget, we are significantly increasing the budget for Adult Social Care by 16% (from £111m to £129m (net)) because the Council is committed to tackling inequalities and helping people most in need. That delivers on what residents told us in the Budget consultation. None of the proposals would lead to people being denied care which they have been assessed as needing. In fact, the budget proposes many positive things such as continuing the scheme we introduced last year to pay the Real Living Wage to care services workers because the Council is committed to good-quality jobs.

The main saving included in the adult social care budget is based on continuing the programme in which a specialist team reviews existing individual care plans to ensure that the risks to people with complex needs are being managed in a way which doesn't restrict their independence any more than is necessary. This is not about reducing the volume of services to individual clients where that service is required to meet their assessed needs. However, it does lead to better value for money in the use of resources in Adult Services.

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Councillor Purvis referred to the £1.1m efficiency in vacant posts. This was a significant figure and demonstrated the problems in recruiting and retaining staff. He asked what more could be done to attract staff like care assistants and social workers, such as increasing the hourly wage rate. Councillor Pattison noted these concerns.

Question 2 from Councillor Nisbet to the Leader

Does the Leader of Council realise how much a Council House rent increase of 7% will affect the most vulnerable in Northumberland's Communities?

Response from Councillor Horncastle

Having good-quality Council Homes for rent is a vital part of delivering on the Council's tackling inequalities priority. That means we are committed to maintaining existing services to tenants, carrying out essential maintenance, meeting regulatory obligations as well as building new, affordable homes. And, to do all that we have to increase rents. We are not alone in this, for example Newcastle City Council have increased rents by 7% for their tenants, and Karbon Homes have also just announced a 7% increase in their rents.

However, just over 70% of our tenants are in receipt of benefits which will increase to offset the proposed increase in rent. They will also be able to claim Discretionary Housing Payments should they experience financial difficulties. And, for those tenants who don't receive any benefits and may experience difficulties paying rent as a result of this increase, we are proposing a hardship fund of £350,000.

Alongside this, the Housing Operations team will continue to provide support and advice on welfare benefits and debt to help tenants manage their finances. During this financial year alone, the Team have helped secure an additional £449k including securing water discounts and maximising housing benefits for tenants.

Question 3 from Councillor Scott to the Leader

Can he tell Council whether the cut to children's services will impact SEN provision?

Response from Councillor Renner Thompson

The budget will impact positively on SEN provision and indeed, this is a key part of this Council's commitment to tackling inequalities. And, it's important to highlight this Budget increases Children's Services funding. Gross expenditure is increasing from £239.379 million to £256.787 million (an increase of £17.408 million). High needs funding had increased by 54% since 2010.

He then detailed a number of other support measures.

Children's Services overall is funded from multiple budgets and this proposal will make better use of those existing funding pots, aligning them to fund SEN services and posts. It will also make better use of digital platforms which will give greater reach into schools. These changes do not impact negatively upon SEN.

Councillor Scott asked the Cabinet Member to include the children of Prudhoe in

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the next plans for building special needs schools. Councillor Renner Thompson responded that this was covered by the SEND place planning strategy. Of the 330 pupils in the west of the county with these needs, 240 were educated in the west area and it was recognised that this was an issue. There was a large piece of work ongoing on special educational needs transport. If the numbers in any one part of the county supported the need for a stand alone school, that is what he would commit to do.

Question 4 from Councillor Murphy to the Leader

Can the Leader tell us over the last year how much money has been spent on external legal costs?

Response from Councillor Wearmouth

The total legal fees for the previous 3 financial years has been provided as a comparator and is as follows: -

20/21 circa £700k - (£712,073.51)

21/22 circa £800k - (£812,177.80)

22/23 circa £800k - (£816,115.90)

External legal fees are considered to be those relating to either the instruction of external legal firms or Counsel (including KC's, formerly QC's). External legal spend fluctuates each financial year depending on the complexity of matters. In the past the Council has instructed to cover large scale projects such as the Northumberland Line, complex adult and children's social care matters, complex governance and employment matters and planning matters.

As the Council works through the matters highlighted in the Caller review and moves back to business as usual, embedding the 'best ways of working ' it is envisaged the external legal spend will reduce in time.

Councillor Murphy suggested that it would be better to develop the required expertise in house which would ensure that consistent advice was there when needed. Councillor Wearmouth responded that the in house legal team was very good but each area of law had its specialism and sometimes very specific support was needed from outside. Whenever things could be done in house, then they were.

Question 5 from Councillor Ball to the Leader

A large part of County Hall is currently stood empty, with no signs of redevelopment work, and from what I can see it is being used for old furniture storage, this will have a cost implication for the running of the overall site. We proposed small incubator business opportunities in 2021 to utilise the space to support startups and local businesses. What is the leader's vision and plan for this wasted, unloved section of this building?

Response from the Leader

As well as what has been delivered so far, we have committed £3.1m in the Capital Programme to re-purpose Blocks 5 and 6. He commended the work which had been done on the refurbishment of county hall and appropriate measures had been put into place to ensure that the unused part of the building was kept safe for the moment.

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Councillor Ball responded that office space was a premium in this area and she urged the Administration to be forward thinking and look at what could be done with this excellent business opportunity.

The Leader responded that proper consideration was being given to the most appropriate use of this space and part of the work of the strategic change programme would be to look at the Council's assets. He urged members to be patient and reiterated that £3m in funding had been allocated to repurpose that part of the building in the next year or so.

Question 6 from Councillor Wallace to the Leader

How many Council Houses does the Leader plan to build with this budget given the 2017 election pledges have not been met?

Response from the Leader

Through this Budget, we have ringfenced £45m which will deliver 400 new, affordable homes for rent. I would also highlight we have recently obtained planning permission for 12 Dementia-friendly bungalows in Blyth which is great news and supports independent living. Planning permission has just recently been granted for a further scheme to build nine affordable bungalows at New Hartley.

1,657 affordable homes had been delivered in the past six years and he committed to maintaining this level of progress through the rest of this Administration.

Councillor Wallace welcomed this figure and asked when his ward was going to get some. The Leader undertook to provide Councillor Wallace with a written answer.

Question 7 from Councillor Wilczek to the Leader

Town and Parish Councils are already picking up services to deliver tidy communities for residents, what areas of the local services does he think will be affected by the cuts he proposes?

Response from Councillor Riddle

The County Council is not proposing any cuts to grounds maintenance and street cleansing services across the county. Indeed, we have agreed service standards that ensure high quality local environments are maintained in our towns, villages and public spaces. We are also investing over £25m in our fleet over the next four years.

Through consultation, our residents have told us local services are very important to them and this Budget reflects what is most important to residents.

The County Council already works closely in partnership with Town and Parish Councils. We visit Parish Councils on a much more frequent basis, and my officers regularly attend training and support sessions, helpfully coordinated by NALC. At these sessions we listen, as well as inform, and I am pleased that

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closer working seems to be far more the norm now.

As there are no proposed changes to the core standards of service delivery for grounds maintenance and street cleansing, the well-established arrangements between the Council and towns and parishes remain unaffected by our Budget proposals.

Question 8 from Councillor Dunn to the Leader

Over recent years we have seen an increase in HMOs throughout the whole of the county, many of which house the more vulnerable in our society – homeless persons, asylum seekers, those in need of rehabilitation to achieve independent living. Often they are situated in residential areas and spring up in local communities without any warning. The Caller Report made several references to elected members not being given information they are entitled to. Does the Leader agree with me therefore that, if out of nothing more than courtesy and respect, elected members and Parish Councillors (bearing in mind that our recently refreshed Charter does state that this council “will engage with Town & Parish Councils on all issues that are likely to affect their area”) should be informed of matters like these which without a doubt impact the residents they represent?

Response from Councillor Horncastle

Local Members and Parish Councillors are already engaged in the development of HMOs because, in all but a limited number of cases, before an HMO can be licensed it must receive planning permission. The planning process provides for consistent consultation with members, parish councillors and the public. Notifying members of other potential HMOs does present some challenges, especially when they are established through existing permitted development rights, but Officers will work with the Member to explore what options are available to do this whilst avoiding undue, additional demands on staff. Finally, the Council is required to keep a public register of all licensed HMOs which is available to view all now on the Council's website. He acknowledged there had been some problems in Blyth recently which he was happy to discuss with Councillor Dunn.

Councillor Dunn responded that Blyth was not her area but Councillor Horncastle's explanation did not mirror her experience. Lack of information could cause immense aggravation and worry when neighbours discovered what was happening. She asked what the Council's expectations were of the companies who set up HMOs, where were they found and how did the Council ensure that everyone could co-exist in a safe, managed environment. She asked if the Leader could commit to a policy change to better inform members so they could adequately support both existing and new residents.

Councillor Horncastle responded that he could not commit to a policy change now, but he was happy to discuss specific problems with Councillor Dunn. The Leader suggested that a policy conference on housing could be a good idea in light of the points being made.

Question 9 from Councillor A. Watson to the Leader

Where is the inequality impact assessment on this year's budget, given the

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inequalities plan aims for everything the council does to be viewed through an inequalities lens?

Response from the Leader

An Equality Impact Assessment had been duly completed for the budget. The Administration had demonstrated its commitment to equalities and members were going through specific areas of the budget to find a tool by which an inequalities impact assessment could be done at the same time as an equalities impact assessment. He stressed that work was underway.

Councillor Watson recognised that a long term plan was in place but the commitment to move from one plan to the other was this year. In appendix 10 in the current equality impact assessment, it stipulated that any budget proposals which needed further equality impact assessment would be considered. She therefore asked that those budget proposals be prioritised for inequality impact assessments, and that this be carried out for next year's budget as other Councils had done. The Leader responded that the ambition was to create an integrated impact assessment which would look at equalities, inequalities and climate change to be in place for next year.

Question 10 from Councillor Wilczek to the Leader

Given the news about the firm Tolent being in financial difficulty, what assurances to us and communities can he provide about any work being carried out by them in Bedlington and the wider Council area?

Response from Councillor Ploszaj

Following the administration of Tolent Construction, Advance Northumberland have been working to secure and make safe the construction site and are now meeting with all of the Tolent supply chain who were engaged on the Project in order to establish the cost of completing the project and required timescales. Following receipt of costs and the required due diligence and approval process we aim to restart Phase 1 works (Greggs Unit) by the end of March 2023 with Phase 1 completion in June 2023. This will enable Greggs to 'fit out' their new unit and open during summer 2023.

In parallel to the above Phase 2 will be retendered with a view to starting work as soon as possible in summer 2023. In the meantime, we are keeping local Members briefed and will continue to do so.

Councillor Wilczek asked how much it was costing the County Council and Advance to provide support. Councillor Ploszaj replied that this was still being established. Councillor Wilczek asked that members be informed about this, which the Business Chair agreed.

7

REPORT OF THE LEADER OF THE COUNCIL

Budget Consultation 2023-24

This report provided a summary of results of the budget consultation undertaken between 6th December 2022 and 17th January 2023. The budget consultation helped to inform the Council's Budget and Medium-Term Financial Plan.

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The Leader presented this report. He felt the consultation had gone well. People could not be forced to respond but all members had had the opportunity to get involved. In the Spring he would be discussing with the Chief Executive a policy conference on the corporate plan and the Council's priorities so all members could have a discussion on it. He moved the report, which was seconded by Councillor Wearmouth.

Councillor Dunn felt that 209 responses was poor, and showed that the Council's engagement plan was not working. Presenting the budget at LACs was not engaging with residents as residents would only turn up to those meetings if there was a controversial planning application on the agenda. Other Councils held traditional face to face consultation and she felt more effort should be put into meeting with residents.

The Leader did not agree that the Council could be doing more and the suggestion disregarded the efforts of officers on the consultation. His Administration had done consultation in the last three years and he was aware of only one other consultation which had been undertaken in the last 13 years. He assured members he was trying as hard as he could on this but was always happy to look at other options.

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

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

The Chair then advised that he was taking items 9 and 10 together. For ease of reference, officers had consolidated the recommendations from the original report and the update report, and these had been circulated in the Chamber.

Budget 2023-24 and Medium-Term Financial Plan 2023-27 and Update to the Budget 2023-24 and Medium-Term Financial Plan 2023-27 Report

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. The update report updated members with matters relating to the Budget 2023-24 which had arisen following publication of the report which was presented to the all-Member Corporate Services and Economic Growth Overview and Scrutiny Committee on 13 February 2023 and then Cabinet on 14 February 2023.

The Leader thanked all staff throughout the Council for all of their work. The Administration had a big responsibility to do its best for residents and staff and to provide value for money. The budget priorities had been guided by the three key priorities. In the face of rising inflation, this budget had been difficult to manage and he was grateful to the S151 Officer and her staff for their help with this.

The key issue had been to protect frontline services so there would be no cuts in these areas, nor to the leisure centre programme or school building programme,

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or school support team to build on the improving Ofsted results. The care provided to older people would continue, and the budget contained additional support for this service. He detailed many other areas of support for services and highlighted the £3m pa for the next three years, (if needed) allocated to the strategic change programme which should deliver £17m per year savings on a recurrent basis. Tackling inequalities remained one of the Administration's key priorities and showed how seriously this was being taken with the signing of the Compact and investment overall of £2m to support various initiatives.

The proposed Council Tax rise of around 4% in a time of much higher inflation showed that the Administration was keen to get things working. The hardship fund and council tax support mechanism would help those who most needed it. He moved the report's recommendations, which was seconded by Councillor Wearmouth.

A number of questions were asked which included:-

- Councillor Kennedy asked how much the average Band D property council Tax would rise by. Councillor Wearmouth advised that this was set out on Page 17 of the report and was £87.91.
- Councillor Morphet asked why there was nothing in the capital programme this year for U and C roads. He asked if the proposed cut to the member small schemes programme would be reinstated between now and 2025 and he asked if it was correct that £800,000 was being taken from the EV charger installation budget. The Leader responded that there was already a significant budget in the LTP for U and C roads and two years ago £15m extra had been put into the LTP, followed by £2.5m last year. This meant roads were in a much better condition than they had been for some time, but advice was taken from Highways Area Managers regarding where the priorities were.
- Regarding the members small schemes funding, the situation was that if the pot was not spent, then it rolled over to the following year and at the end of an administration, reverted back to zero if not spent at the end of the four year period. The funding itself was not being removed. Regarding the EV chargers, he suspected the position was the same but would check that.
- Councillor Dale asked if it was correct that taking recommendations 14 and 19 together meant the Council Tax rise was nearer 5% than 4%. She also asked if the adult social care rise increase last year was built into the base budget, and whether the current 4.99% rise would be built into the core budget. Councillor Wearmouth confirmed that the council tax rise and the adult social care precept rolled forward to become part of the tax base. Each year the Government identified the amount by which councils could raise the council tax and adult social care precept. The proposed rises would go into the tax base. However, councillors were also being asked to agree that a 1% discount be apportioned to council tax payers to ease the pressure on incomes so this meant the average rise for a Band D property would be 4%.
- Councillor Hunter sought reassurances that the capital funding for the Berwick partnership would not be affected. The Leader confirmed that it would not.
- Councillor Reid asked where the £350,000 saving in the concessionary

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travel scheme was coming from. Councillor Riddle advised that this came from an increase in the current charge for purchasing spare seats on buses. Councillor Reid commented that price increases were not the same as efficiencies. Councillor Riddle replied that this was an excess of payment to operators so the saving related to an underspend rather than a cut to service.

- With regard to Appendix 10, the corporate equality impact assessment, Councillor Swinbank sought assurance that the budget would not result in an increase in inequality for women. The Leader felt sure this would have been taken into account in the formulation of the budget. The S151 Officer confirmed it was contained in Appendix 10.
- Councillor Robinson asked for an assurance that in future, members would have a greater role in the formulation of the budget, which would produce a more holistic result. The Leader responded that when there was a level of trust between members which allowed highly confidential information to be shared then he would agree to that. In the meantime, he was content with the current level of dialogue with Group Leaders.
- Councillor Dickinson commented that he had warned about the lack of engagement in the budget setting process at the end of last year and some of this had been outside officer control. Settlements were awaited from Government etc but officers had done their best to create a budget to meet the Administration's priorities. The basic facts of the budget were that people were being asked to pay more and get less. Town and Parish Councils were being asked to pick up the slack and were increasing their precepts to meet this shortfall. He reminded members that there was a cost of living crisis and hard working families were being asked to pay more across the board whilst cutting the services they received. The proposed cut to adult social care worried him greatly as the elderly had suffered a lot as a result of covid and young people were not being invested in either. Regarding equalities measurements, many of the proposals came in at just one point above what shouldn't be done, and this was of great concern. Regarding trust comments, he commented that there had been other discussions between Group Leaders in confidence and felt that the budget could also have been part of that.
- Councillor Kennedy was disappointed with the Leader's remarks on trust. He did not feel there had been a lack of trust between Group Leaders in meetings on other matters where confidences had been maintained. He acknowledged that setting the budget was a very difficult task, but the fact remained that £87.91 was a lot of money. The budget reflected the Administration's priorities and he didn't feel that the other groups had been properly engaged, but accepted that engaging the public could be problematic. Hexham Town Council had been successful in its market stall events and this could be something to consider.
- Councillor Reid referred to the savings which had been identified which had nothing to do with Council efficiencies. The common theme this year seemed to be about various increases rather than reviews, as in previous years. He felt the Administration could have been more proactive and tried to engage all members more at an earlier stage. The budget didn't feel like it belonged to all members. £9m had been taken out of the adult social care budget in three years but 2% had

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been put onto the adult social care precept. A national solution was needed to the adult social care crisis, it could not be put on the taxpayer. He would like to see a schedule of price increases in future years.

- Councillor Bawn commented that this was a sensible budget which members could not object to. The Administration was entitled to set its own budget. It met the Administration's needs and worked for the County and he urged members to support it. There had been consultation, but people could not be forced to respond.
- Councillor Oliver commented that the Government had put more money into Northumberland than he had ever seen before. This would make a real difference to people's lives and should be acknowledged. He felt it was important to look at the bigger picture. £21m was being spent in adult social care, £17m in children's services and there was a total increase in the budget of £53m. There was a really ambitious capital programme which was investing in communities - £650m in four years. The budget focussed on delivering a strong economy and he commended it to members.
- Councillor Hill commented on her belief in robust, but responsible opposition and felt it was important to be fair and give credit where it was due. The current economic situation could not be ignored and whilst she did not agree with everything in it, it was the only budget on the table. She welcomed the support for Berwick.
- Councillor Dale thanked the staff for their work on the budget. The Caller report has referred to the need for members to work together and there had been a lost opportunity to do this on the budget. The consultation had highlighted residents' wish for more to be spent on local services. In Democratic Services, the members' allowances budget should have been looked at, particularly for planning special responsibility allowances, which could free up resource for frontline services.
- Councillor Renner Thompson commented that his gross budget in Children's Services had increased by 11% thanks to the Government. Schools were being built all over the County and the Government was providing money for family hubs and for the college in Ashington. There was a lot for Children's Services in the budget and he urged members to support it.
- Councillor Ball agreed that more funding was coming into the County but it was still less per head than many other councils. More people were living in poverty, unable to heat their homes. There were no youth workers any more, only a reactive service when people were at crisis point. Leisure centre opening hours were reducing. She had a number of concerns about the budget.
- Councillor Ezhilchelvan felt this was a common sense and compassionate budget. The increases were below inflation and there were no cuts proposed. He was disappointed that there was no constructive criticism from the opposition and no alternative suggestions. He was also disappointed that there seemed to be no appreciation of the hard work which had gone into producing the budget.
- Councillor Scott expressed her concern about the travel distance in taxis for children with special needs to the new special school in Blyth .

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She asked how much the Council spent on this and suggested it could be better spent on support in the existing schools.

- Councillor Wallace commented that the budget was doing nothing for the residents of Sleekburn. One of the schools in his area had been told they could not have grass for the pupils to play on because it cost too much. He pointed out that the Northumberland Line was not being fully funded by the Government as the County Council was contributing £30m.
- Councillor Watson commented that Appendix 10 was the duty of the equality impact assessment and in September the Council had pledged to have an inequalities plan which undertook to carry out equality impact assessments and not just reference the duty to do them.
- Councillor Ferguson welcomed the fact that inequalities was now on members' radar. This would take a while to embed but it was wrong to say that the budget had not been looked at through the inequalities lens. The inequalities plan would not be delivered in six months but it was happening.
- Councillor Dunn acknowledged that the budget process had been very difficult for officers this year and she thanked them for that. The budget contained some excellent external funding for various initiatives but this had had little or no impact on her ward. There had been two EV chargers installed recently but residents simply wanted to see improvements to front line services. Many of her residents couldn't afford electric vehicles and just wanted more reliable and affordable public transport, better roads etc. The very basic services that residents should expect from the Council were all increasing in cost. She could not support the main part of the budget, which would directly affect her residents.
- Councillor Swinburn remarked that every member would support an increase in expenditure on front line services and reduction in council tax. Some councils were having to declare themselves bankrupt but this Council was very responsible in how it handled its finances. The Council was subject to the same inflationary pressures as everyone else and this couldn't be ignored.
- Councillor Murphy reminded members that local government expenditure was controlled by national government. It was no accident that the Council didn't have enough money to pay for its services, it was as a result of decisions at national level. She urged the Administration to challenge its Government on the settlement and the way local government was funded and asked about the Administration's plans for income generation.
- Councillor Towns commented that the efficiencies included increased costs to the Council, which had to be passed on. If the opposition gained control of the Council in two years' time, he looked forward to his council tax being reduced and to listening to members defend a budget which would include efficiencies. This was a well considered budget and would be delivered in as fair a way as possible in the current situation.

Councillor Wearmouth responded to some of the points made as follows:-

- There would actually be an increase in adult social care spending of

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16%.

- A 1% reduction in council tax was proposed so this would reduce the £87.91 increase.
- There would be a 12.3% increase in Local Services spend.
- £45m was coming from the Government for Ashington College and there was money in the capital programme for Ashwood Business Park.

The Leader then summed up.

The Business Chair referred members to the consolidated recommendations 1-42 circulated in the chamber and called for a named vote. On the recommendations being put to the vote, the votes were cast as follows:-

FOR: 32 as follows:

Bawn, D.	Jackson, P.A.
Beynon, J.	Jones, V.
Carr, D.	Mather, M.
Castle, G.	Oliver, N.
Chicken, E.	Pattison, W.
Daley, W.	Ploszaj, W.
Dodd, R.R.	Renner Thompson, G.
Dunbar, C.	Riddle, J.R.
Ezhilchelvan, P.	Sanderson, H.G.H.
Ferguson, D.	Seymour, C.
Flux, B.	Stewart, G.
Hardy, C.	Swinburn, M.
Hill, G.	Thorne, T.N.
Horncastle, C.W.	Towns, D.
Humphrey, C.	Watson, J.
Hutchinson, J.I.	Wearmouth, R.

AGAINST: 22 as follows:

Ball, C.	Murphy, M.
Bowman, L.	Nisbet, K.
Cartie, E.	Parry, K.
Clark, T.	Purvis, M.
Dickinson, S.	Richardson, M.
Dunn, L.	Scott, A.
Foster, J.	Taylor, C.
Gallacher, B.	Waddell, H.
Kennedy, D.	Wallace, A.
Lang, J.A.	Watson, A.
Lee, S.	Wilczek, R.

ABSTENTIONS: 8 as follows:

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Dale, P.A.M.	Reid, J.
Fairless Aitken, S.	Robinson, M.
Hunter, E.I.	Sharp, A.
Morphet, N.	Swinbank, M.

It was therefore **RESOLVED** that 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 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 for 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

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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;
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'

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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 to balance the budget;
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 £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

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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; and
42. Approve the Treasury Management Strategy Statement 2023-24 detailed in Appendix 17.

The Business Chair then adjourned the meeting at 5.04 pm and reconvened it at 5.18 pm.

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

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

Council Tax 2023-24

The report provided Council Members with the financial information to enable the Council to calculate and set the Council Tax for 2023-24.

Councillor Wearmouth moved the recommendations, which was seconded by Councillor Jackson. On the recommendations being put to the vote there voted **FOR**: 29 as follows:-

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Bawn, D.	Jones, V.
Beynon, J.	Mather, M.
Carr, D.	Oliver, N.
Castle, G.	Pattison, W.
Chicken, E.	Ploszaj, W.
Dodd, R.R.	Renner Thompson, G.
Ezhilchelvan, P.	Riddle, J.
Ferguson, D.	Sanderson, H.G.H.
Flux, B.	Seymour, C.
Hardy, C.	Stewart, G.
Hill, G.	Thorne, T.N.
Horncastle, C.W.	Towns, D.
Humphrey, C.	Watson, J.
Hutchinson, J.I.	Wearmouth, R.
Jackson, P.A.	

AGAINST: 20 as follows:

Ball, C.	Murphy, M.
Bowman, L.	Nisbet, K.
Cartie, E.	Purvis, M.
Clark, T.	Richardson, M.
Dickinson, S.	Scott, A.
Dunn, L.	Taylor, C.
Foster, J.	Waddell, H.
Kennedy, D.	Wallace, A.
Lang, J.A.	Watson, A.
Lee, S.	Wilczek, R.

ABSTENTIONS: 8 as follows:

Dale, P.A.M.	Reid, J.
Fairless Aitken, S.	Robinson, M.
Hunter, E.I.	Sharp, A.
Morphet, N.	Swinbank, M.

1. County Council RESOLVED

- a. That the Council Tax Requirement for the Council's own purposes for 2023-24 (excluding Parish Precepts) is £218,689,232;
- b. That the following amounts be calculated for 2023-24 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: £858,904,271.
 - 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: £629,921,180.
 - 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.

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(Item R in the formula in Section 31B of the Act) (including Parish Precepts): £228,983,091.

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): £2,078.79.

v. Being the aggregate amount of all special items referred to in Section 34 (1) of the Act (total all Parish Precepts): £10,297,521.

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: £1,985.30;

c. That the Council Tax for 2023-24, excluding the Police Precept, will be increased by 4.99% (including the Adult Social Care Precept of 2.00%), equating to a charge per Band D household of £1,985.30 (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 Band	Northumberland County Council £ : p	Adult Social Care Precept £ : p	Total £ :
A	1,147.33	176.20	1,323.5
B	1,338.56	205.57	1,544.1
C	1,529.78	234.93	1,764.7
D	1,721.00	264.30	1,985.3
E	2,103.44	323.03	2,426.4
F	2,485.89	381.77	2,867.6
G	2,868.33	440.50	3,308.8
H	3,442.00	528.60	3,970.6

d. Under Section 52ZB of the Local Government Finance Act 1992 that the Council's basic amount of Council Tax for 2023-24 is not excessive in accordance with principles approved under Section 52ZC(1) of the Act (i.e. the proposed Council Tax increase for 2023-24 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 2023-24 the guideline increase for Northumberland is 5.00% (including the Adult Social Care Precept).

As the Council is proposing a Council Tax increase of 4.99% (including Adult Social Care Precept and Special Expenses) for 2023-24 then the above regulations have no impact for 2023-24.

2. County Council APPROVED:

a. That the matters listed in section 3 (c) of this report are identified as Special Expenses and that all other matters which might otherwise be

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considered to be Special Expenses under the prevailing legislation are deemed to be General Expenses;

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

3. **County Council NOTED:**

a. The Police and Crime Commissioner has agreed the recommended level of precept of £18,598,114 for 2023-24. This represents an increase of 9.75%, equating to an additional £15.00 on a Band D property; the resulting valuation bands will be as follows:

Valuation Band	Northumbria Police Authority £: p
A	112.56
B	131.32
C	150.08
D	168.84
E	206.36
F	243.88
G	281.40
H	337.68

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 £ : p	Adult Social Care Precept £ : p	Northumbria Police Authority £ : p	Total £ :
A	1,147.33	176.20	112.56	1,436.0
B	1,338.56	205.57	131.32	1,675.4
C	1,529.78	234.93	150.08	1,914.7
D	1,721.00	264.30	168.84	2,154.1
E	2,103.44	323.03	206.36	2,632.8
F	2,485.89	381.77	243.88	3,111.5
G	2,868.33	440.50	281.40	3,590.2
H	3,442.00	528.60	337.68	4,308.1

c. The total amount of Parish Precepts requested is £10,293,859 and is detailed in Appendix 1. This represents an increase of £424,290 when compared to 2022-23;

d. Kielder Parish Council has not yet set its precept. The Parish Clerk has indicated that this should be done at the parish meeting on 13 February 2023. However, the Clerk has verbally indicated that the precept will most likely be set at £5,000. If the precept changes a report updating the position will be tabled at the County Council meeting on 22 February 2023;

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- e. Special expenses of £3,662 are applied to North Sunderland Parish only in relation to play area inspection and maintenance. This has increased from £3,351 in 2022-23.

4. County Council NOTED

- 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).

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

Revenues and Benefits Policies for 2023-24

The report updated Members on the policies governing the administration of Revenues and Benefits and sought approval for the updates and amendments highlighted.

The recommendations were moved by Councillor Wearmouth and seconded by Councillor Reid.

Councillor Morphet asked about the second homes council tax premium applying to properties which were let in a furnished state between tenants. Some landlords relied on the income from their second homes which they used exclusively for rental purposes and would struggle to pay 200% council tax when they were struggling to find a tenant. He asked if the premium would disadvantage landlords like those.

Councillor Swinbank asked, in relation to this, whether an impact assessment would be done to determine whether the aim of reducing the shift in emphasis from principal residences to second homes had been achieved in the longer term.

Councillor Wearmouth responded that this depended on what was meant by impact but this was a valid question. It could be measured through council tax collection figures and he agreed that it would be sensible to understand the impact more generally.

In response to Councillor Morphet's question on second homes, the S151 Officer advised that by definition, there was no residence, so this would not apply to properties which had been let. Furnished lets for periods between tenants did come under this definition but the guidance was not very clear on this point so the detail in the Bill would need to be checked.

Councillor Hunter asked if there would be financial support available to areas where there were a high number of second homes which had suffered as a result of this. Councillor Wearmouth said this could be looked at, but it would depend on

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what income came in.

Other queries were raised by members on the second homes premium and the definition of second homes which could not be answered at this stage until the Bill was issued. Members were generally supportive of it.

Councillor Kennedy asked whether the income could be ring fenced for a specific purpose rather than it just being put into the general fund. Councillor Wearmouth responded that this was a debate to be had for a future budget.

On the recommendations being put to the vote by show of hands, the votes were cast as FOR: a substantial majority; AGAINST: 2; ABSTENTIONS:0.

RESOLVED that:-

- (a) the Revenues and Benefits Policies attached as Appendix 1 to Appendix 9 be approved;
- (b) Council 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; and
- (c) Council approve (subject to the Levelling-Up and Regeneration Bill receiving Royal Assent by 31 March 2023) implementing a 100% premium for second homes to increase the council tax charge to 200% from 1 April 2024.

12

REPORT OF THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR CORPORATE SERVICES

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

The report proposed that Members implement:

- a) a one-off discount equivalent to a 1.00% reduction in Band D council tax (Northumberland County Council element of council tax only) for households that do not receive Council Tax Support (subject to a number of exclusions shown at paragraph 4.9). The discount will be equivalent to £17.21 in 2023-24 and will be applied to council tax bills once all other discounts have been applied.
- b) a Council Tax Support Hardship Scheme for 2023-24 where a reduction of up to £175 will be made to council tax bills for all working age Council Tax Support claimants; and those pensionable age Council Tax Support claimants that do not receive 100.00% Council Tax Support, once all other discounts have been applied.
- c) These reductions to the council tax bills will be made in order to alleviate financial hardship and cushion the impact of the Government's recommended 2.99% council tax increase.
- d) The discount and hardship payments will be funded from the surplus remaining in the Collection Fund Smoothing Reserve which the Council was required to set aside as a result of the Covid-19 pandemic. It is proposed that a reserve entitled Council Tax Support Hardship and Discretionary Discount Schemes Reserve is created to cover the cost of these schemes.

The recommendations were moved by Councillor Wearmouth and seconded by the Leader.

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A number of questions and comments were made including:-

- Councillor Robinson asked if residents would have to claim or would the discounts be applied automatically. Members were informed that both discounts would be automatic.
- Councillor Morphet asked about the transfer of £6.6m into a dedicated reserve to cover the three expenses identified. The S151 Officer replied that she was estimating what the cost would be at the moment but the proposal was to transfer the whole of the balance into a separate reserve to fund the schemes. If there was money left in the reserve at the end of the year, that would be for Council to decide how it should be used.
- Councillor Dickinson welcomed any support scheme for residents and to help those most in need.
- Councillor Reid remarked he would have preferred a plan for an alternative use of this funding rather than it being used to discount council tax bills.
- Councillor Hill supported the proposals and suggested that it would be helpful to see details of what town and parish councils spent their precept on, as there were cases where the majority of it went on staffing and administration.

On the recommendations being put to the vote by show of hands, the votes were cast as FOR: a substantial majority; AGAINST: 2; ABSTENTIONS:0.

It was therefore **RESOLVED:-**

- (a) Council agree 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;
- (b) Council agree 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;
- (c) Council agree 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;
- (d) Council agree 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;
- (e) Council agree 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;
- (f) Council 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;
- (g) Council agree that once the above-mentioned allocations are exhausted that no further Hardship Scheme or Local Discretionary Discount payments

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- are made in 2023-24; and
- (h) Council agree that the appropriate expenditure and income budgets are created in the financial year 2023-24 in line with the agreed recommendations in 2.1 to 2.6.

13 **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 sought Council 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).

The recommendations were moved by Councillor Wearmouth and were seconded by Councillor Watson and Councillor Wearmouth detailed the key points.

Councillor Dickinson asked, of the 70% of residents who received council rent benefit, was that 100% of their rent, or was it 70% up to the cap, and did the rise of 7% take many people up to the cap position. The Head of Housing advised that those receiving benefits would either be getting 100% now or partial contribution to the rent so the rental increase would still qualify for additional benefits so there would be no adverse impact on those residents. Regarding the 30% of tenants who did not have housing benefit or universal credit, they may be impacted by virtue of them moving up to those benefit areas. At this point in time, he could not provide a definitive answer. The granular detail of residents' income was not held within the Authority but the uptake of the hardship fund would be monitored.

Councillor Reid commented he could not support a 7% rise when the Government had told local authorities to reduce rents by 1% and he did not agree that tenants should pay for a mistake the Government had made. He queried the Deputy Leader's introductory comments on the report that the affordable homes target could not be met if the rents were not raised and felt this was wrong.

Councillor Horncastle reported that there would be some in depth training for members on affordable housing as it was a complex subject.

Councillor Hill reiterated the need for more social housing.

On the recommendations being put to the vote there voted FOR: 30; AGAINST: 20; ABSTENTIONS: 2.

RESOLVED that:-

- (a) Council 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 reserve to £9.294 million;
- (b) Council 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

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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;

- (c) Council approve the increase of 7.0% for Housing rents from 1 April 2023;
- (d) Council approve the increase of 11.1% for Housing Service Charges from 1 April 2023;
- (e) Council 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);
- (f) Council note the indicative 30-year Housing Revenue Account business plan as detailed within Appendix 1;
- (g) Council approve the estimated pay inflationary increase for 2023-24 of 4.0% totalling £0.418 million (detailed in point 15);
- (h) Council approve the Non-Pay Inflation Schedule for 2023-24 totalling £0.738 million (detailed in point 15);
- (i) Council 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);
- (j) Council 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); and
- (k) Council 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.

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

Political Proportionality

Council was asked to determine the political proportionality of the registered political groups on the council and to allocate seats on committees in accordance with that proportionality in accordance with the provisions of Sections 15 and 16 of the Local Government and Housing Act 1989.

Councillor Wearmouth moved the report's recommendations which was seconded

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by Councillor Reid.

RESOLVED that:-

- (a) Council note that following the notification by the Independent Group Leader of changes to the number in the Independent group, the total number of councillors in each political group on the County Council was now Conservative 33, Labour 20, Independent 7, Liberal Democrat 4, Green 2 and 1 un-grouped member;
- (b) Council confirm that the political proportionality of the Groups was as follows: Conservative 49.25%, Labour 29.85%, Independent 10.45%, Liberal Democrat 5.97%, Green 2.99% and un-grouped 1.49%;
- (c) Council agree to continue to use the method for determining allocations to Committees as agreed by Full Council at its meeting of 30 March 2022;
- (d) Council approve the provisions of Appendix 1 which set out the proportional allocation of places on committees in accordance with the proportionality approved above;
- (e) Council agree the allocation of seats to Northumberland County principal/decision making Committees set out in Appendix 2 to the report;
- (f) Council agree allocations to advisory/non-decision-making committees set out in Appendix 3 to this report; and
- (g) Council agree that Group Leaders will appoint members to fill the committee places allocated to their respective Groups and agree that Group Leaders will provide a finalised list of members for each committee (in line with their respective allocations) to the Monitoring Officer to fill the allocated positions.

15

REPORT OF THE CHIEF EXECUTIVE AND INTERIM HEAD OF HR/OD

Approval of Voluntary Redundancy Requests

The report asked Council to receive and consider the report and the recommendations of the Staff and Appointments Committee in respect of approving two voluntary redundancies. The Staff and Appointments Committee met on 20 February 2023 and due to the timings it was not possible to include their recommendations in advance of deadlines for papers to be submitted. The report outlining their recommendations had been circulated to all members in the Chamber (copy attached to the sealed minutes).

The report's recommendations were moved by the Leader and seconded by Councillor Watson.

RESOLVED that Council approve the recommendation from the Staff and Appointments Committee held on 20 February 2023 to grant the voluntary redundancy requests of:

- (a) the Director of Housing and Public Protection, Mr Philip Soderquest; and
- (b) the Revenues and Benefits Manager, Mr Graeme Barnes.

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

Delegated Decision - Capital investment for Schools Broadband service improvement

The report informed Council of a delegated decision made by the Council's s151 Officer and Executive Director of Finance under the Budget and Policy Framework Procedure Rules.

17 **RESOLVED** that the delegated decision be noted.
APPOINTMENT OF CHAIR OF COMMUNITIES AND PLACE OVERVIEW AND SCRUTINY COMMITTEE

Council was requested to appoint a Chair of Communities and Place Overview and Scrutiny Committee in place of Councillor Reid.

Councillor Nick Oliver was nominated by the Leader and seconded by Councillor J. Watson.

RESOLVED that Councillor Oliver be elected Chair of the Communities and Place OSC.

18 **REPORT OF THE LEADER OF THE COUNCIL**

Appointment of the Preferred Candidate for the Position of Executive Director of Transformation & Resources and S151 Officer

In accordance with the Local Authorities (Standing Orders) (England) Regulations 2001, matters relating to the appointment of a Section 151 Officer are reserved to the Full Council. The report asked members to consider the recommendation of the Staff and Appointments Committee held on 30 January 2023 to appoint Jan Willis to the role of Executive Director – Transformation & Resources and Section 151 Officer (S151).

The Leader proposed the report's recommendations, which was seconded by Councillor Oliver.

RESOLVED that

(a) Council approve the recommendations from the Staff and Appointments Committee held on 30th January 2023 to permanently appoint Jan Willis to the role of Executive Director – Transformation & Resources and Section 151 Officer;

(b) Council note that the Staff and Appointments Committee has agreed that the remuneration for the post of Executive Director – Transformation & Resources and Section 151 Officer will be at £162,285 per annum with access to staff benefits in line with all Council employees; and

(c) Council note the appointment will be subject to the Council's standard pre-employment checks.

Ch.'s Initials.....