



Northumberland County Council

Your ref:

Our ref:

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Tel direct: 0345 600 6400

Date: 5 February 2024

Dear Sir or Madam,

Your attendance is requested at a meeting of the **CABINET** to be held in **COUNCIL CHAMBER - COUNTY HALL** on **TUESDAY, 13 FEBRUARY 2024** at **10.00 AM**.

Yours faithfully

Dr Helen Paterson
Chief Executive

To Cabinet members as follows:-

V Jones, G Renner-Thompson, J Riddle, G Sanderson (Chair), J Watson, R Wearmouth (Vice-Chair), C Horncastle, W Pattison, W Ploszaj and G Stewart

Cabinet meetings are streamed live on the Council's Youtube channel, Northumberland TV at

[NorthumberlandTV - YouTube](#)



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AGENDA

PART I

It is expected that the matters included in this part of the agenda will be dealt with in public.

1. APOLOGIES FOR ABSENCE

2. MINUTES

(Pages 1
- 12)

Minutes of the meeting of the meeting of Cabinet held on Tuesday 16 January 2024, as circulated, to be confirmed as a true record and signed by the Chair.

3. DISCLOSURE OF MEMBERS' INTERESTS

Unless already entered in the Council's Register of Members' interests, members are required where a matter arises at a meeting;

a. Which directly relates to Disclosable Pecuniary Interest ('DPI') as set out in Appendix B, Table 1 of the Code of Conduct, to disclose the interest, not participate in any discussion or vote and not to remain in room. Where members have a DPI or if the matter concerns an executive function and is being considered by a Cabinet Member with a DPI they must notify the Monitoring Officer and arrange for somebody else to deal with the matter.

b. Which directly relates to the financial interest or well being of a Other Registrable Interest as set out in Appendix B, Table 2 of the Code of Conduct to disclose the interest and only speak on the matter if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain the room.

c. Which directly relates to their financial interest or well-being (and is not DPI) or the financial well being of a relative or close associate, to declare the interest and members may only speak on the matter if members of the public are also allowed to speak. Otherwise, the member must not take part in discussion or vote on the matter and must leave the room.

d. Which affects the financial well-being of the member, a relative or close associate or a body included under the Other Registrable Interests column in Table 2, to disclose the interest and apply the test set out at paragraph 9 of Appendix B before deciding whether they may remain in the meeting.

e. Where Members have or a Cabinet Member has an Other Registerable Interest or Non Registerable Interest in a matter being considered in exercise of their executive function, they must notify the

Monitoring Officer and arrange for somebody else to deal with it.

NB Any member needing clarification must contact monitoringofficer@northumberland.gov.uk. Members are referred to the Code of Conduct which contains the matters above in full. Please refer to the guidance on disclosures at the rear of this agenda letter.

4. REPORT OF THE LEADER (Pages 13 - 16)

Budget Engagement Report

This report provides a summary of the engagement on the Council's Budget which commenced in July 2023 and included a Budget Survey which closed on 26th January 2024. This engagement helps to inform the Council's Budget and Medium-Term Financial Plan (**Agenda item 4**)

5. REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES (Pages 17 - 192)

Budget 2024-25 and Medium-Term Financial Plan 2024-2028

The purpose of this report is to enable the Cabinet to make formal budget recommendations to the County Council.

The report provides the Revenue Budget for 2024-25 and Revenue MTFP 2024-28 and the Capital Budget for 2024-25 and Capital MTFP 2024-28, following the Government's Autumn Statement on 22 November 2023, and the publication of the provisional Local Government Finance Settlement on 18 December 2023.

It is important to note that there may need to be some revisions to the figures following receipt of the Government's final Local Government Finance Settlement figures in February 2024. It is proposed that any changes to the figures as a result of this announcement, which impact on the Budget 2024-25 and MTFP 2024-28 are delegated to the Executive Director for Transformation and Resources in consultation with the Cabinet Member for Corporate Services. If the final Local Government Settlement is received prior to the Cabinet or 21 February 2024 Council meeting, then a supplementary report will be provided to Members advising of any changes (Agenda item 5).

6. REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES (Pages 193 - 320)

Revenues and Benefits Policies

The purpose of this report is to update Members on the policies governing the administration of Revenues and Benefits and seek approval for the updates and amendments highlighted (Agenda item 6).

7. REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES (Pages 321 -

Corporate Fraud Policies

The purpose of the report is to provide an update on the County Council's policies in relation to Corporate Fraud activity and seek approval for updated policies (**Agenda item 7**).

- 8. REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES** (Pages 351 - 364)

Summary of New Capital Proposals considered by Officer Capital Strategy Group

The report summarises proposed amendments to the Capital Programme considered by the officer Capital Strategy Group (**Agenda item 8**).

- 9. REPORT OF THE CABINET MEMBER FOR CARING FOR ADULTS** (Pages 365 - 398)
- ### **Adult Social Care: Extra Care and Supported Living Strategy**

To present the updated Extra Care and Supported Living Strategy (2024) (**Agenda item 9**).

- 10. REPORT OF THE CABINET MEMBERS FOR SUPPORTING BUSINESS AND OPPORTUNITIES AND THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES** (Pages 399 - 414)

North East Investment Zone

The purpose of the report is to provide an overview of the North East Investment Zone proposal focused on Advanced Manufacturing and Green Industries and seeks authorisation for designation of a Business Rates Retention Site in Northumberland (**Agenda item 10**).

- 11. REPORT OF THE CABINET MEMBER FOR INSPIRING YOUNG PEOPLE** (Pages 415 - 464)

School Admission Arrangements for Community and Voluntary Controlled Schools for the 2025/2026 Academic Year

This report informs Cabinet of the outcomes of the consultation on School Admission Arrangements for Community and Voluntary Controlled Schools for the 2025/26 Academic Year as required by the School Admissions Code 2021. Approval (determination) of these admission arrangements is also sought (**Agenda item 11**).

- 12. URGENT BUSINESS**

To consider such other business as, in the opinion of the Chair, should, by reason of special circumstances, be considered as a matter of urgency.

IF YOU HAVE AN INTEREST AT THIS MEETING, PLEASE:

- Declare it and give details of its nature before the matter is discussed or as soon as it becomes apparent to you.
- Complete this sheet and pass it to the Democratic Services Officer.

Name:		Date of meeting:	
Meeting:			
Item to which your interest relates:			
Nature of Interest i.e. either disclosable pecuniary interest (as defined by Table 1 of Appendix B to the Code of Conduct, Other Registerable Interest or Non-Registerable Interest (as defined by Appendix B to Code of Conduct) (please give details):			
Are you intending to withdraw from the meeting?		Yes - <input type="checkbox"/>	No - <input type="checkbox"/>

Registering Interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in "The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012". You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

"Disclosable Pecuniary Interest" means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A 'sensitive interest' is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a 'sensitive interest' you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

Non participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest, just that you have an interest.

Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.

5. Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Disclosure of Other Registerable Interests

6. Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests (as set out in **Table 2**), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Disclosure of Non-Registerable Interests

7. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in **Table 1**) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
8. Where a matter arises at a meeting which **affects** –
- a. your own financial interest or well-being;
 - b. a financial interest or well-being of a relative or close associate; or
 - c. a financial interest or wellbeing of a body included under Other Registrable Interests as set out in **Table 2** you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied
9. Where a matter (referred to in paragraph 8 above) **affects** the financial interest or well- being:
- a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
 - b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise, you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Where you have an Other Registerable Interest or Non-Registerable Interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Table 1: Disclosable Pecuniary Interests

This table sets out the explanation of Disclosable Pecuniary Interests as set out in the [Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012](#).

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain. [Any unpaid directorship.]
Sponsorship	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land and Property	Any beneficial interest in land which is within the area of the council. ‘Land’ excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners (alone or jointly with another) a right to occupy or to receive income.
Licenses	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer
Corporate tenancies	Any tenancy where (to the councillor’s knowledge)— (a) the landlord is the council; and (b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest in securities* of a body

	<p>where—</p> <p>(a) that body (to the councillor’s knowledge) has a place of business or land in the area of the council; and</p> <p>(b) either—</p> <ul style="list-style-type: none"> i. the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or ii. if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/ her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.
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* ‘director’ includes a member of the committee of management of an industrial and provident society.

* ‘securities’ means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2: Other Registrable Interests

You have a personal interest in any business of your authority where it relates to or is likely to affect:

- a) any body of which you are in general control or management and to which you are nominated or appointed by your authority
- b) any body
 - i. exercising functions of a public nature
 - ii. any body directed to charitable purposes or
 - iii. one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)

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Agenda Item 2

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the Cabinet held at County Hall, Morpeth on Tuesday 16 January 2024 at 10.00 am.

PRESENT

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

CABINET MEMBERS

Horncastle, C.	Riddle, J.
Jones, V.	Stewart, G.
Pattison, W.	Watson, J.G.
Ploszaj, W.	Wearmouth, R.
Renner Thompson, G.	

OFFICERS IN ATTENDANCE

Aviston, S.	Head of School Organisation
Bradley, N.	Executive Director for Adults, Aging & Wellbeing
Gerrard, S.	Director of Law and Governance
Hadfield, K.	Democratic and Electoral Services Manager
Hunter, P.	Assistant Chief Executive
Kingham, A.	Executive Director for Children, Young People and Education
McMillan, S.	Director of Economic Development and Growth
Murfin, R.	Director of Housing and Planning
O'Neill, G.	Executive Director for Public Health (DPH), Inequalities & Stronger Communities
Paterson, Dr H.	Chief Executive
Willis, J.	Executive Director for Transformation and Resources (S151)

66. MINUTES

RESOLVED that the minutes of the meeting of Cabinet held on 12 December 2023, as circulated, be confirmed as a true record and signed by the Chair.

67. DISCLOSURES OF MEMBERS INTERESTS

Whilst not specific declarations of interest, Councillors Sanderson and Jones wished to have it recorded that they had family members who worked for the County Council.

68. REPORT OF THE COMMUNITIES AND PLACE OVERVIEW AND SCRUTINY COMMITTEE

Planning Service Performance

Cabinet was asked to consider a report from the Committee on the above (copy of report attached to the signed minutes).

The report was presented by Councillor Oliver, Chair of the Communities and Place OSC. Councillor Oliver set the context to the review which Scrutiny had undertaken, and the current challenges facing the planning service. There had been much change in the last few years.

He commented on the perception that enforcement was not happening as much as it should, and that it was not consistent enough. However, the service had to rely on potential breaches being reported and therefore additional resource would be helpful in this area. It was suggested that the changes introduced by the Government to the way local authorities could charge for planning applications could provide additional revenue to support this.

There had been some discussion about affordable housing, and the point made that this was a joint venture with housing providers, and it was up to the Council to find the best way of ensuring that more of this type of housing was provided.

There had also been discussion around planning performance and whether the service had sufficient resource. There were challenges in recruitment and retention and it was felt that thought needed to be given to how this could be addressed, and that some additional resource was needed in this area as well as in enforcement.

Councillor Horncastle agreed that the report was excellent and represented a well-balanced argument. There were issues within the planning service arising from the pandemic which had created a large backlog of applications to be dealt with by a reduced complement of staff. However, this backlog was now under control and more staff had been recruited so the service was almost back up to full levels.

Recently the Council had agreed a new enforcement strategy. Every single enforcement enquiry had to be responded to and it had been agreed that Local Area Committees would receive some training on enforcement when agendas were quiet to address a perceived lack of knowledge on the subject. This would allow members to respond more effectively to queries from the public and town and parish councils.

Councillor Wearmouth welcomed this and suggested it would be useful to also do this with town and parish councils. He also complimented the work done by Scrutiny on this issue, which was an excellent example of the role Scrutiny should be performing

Councillor Riddle commented that the Authority was in the top 15 in the country for receiving major planning applications and this was because business was encouraged to come to the County. Staff should be complimented for the work they did and he reminded members that the Authority had met every one of its statutory duties, and that enforcement was not a statutory duty.

The Leader echoed these comments and proposed that a Policy Conference be arranged on the planning process and enforcement, which was seconded by Councillor Wearmouth.

RESOLVED that:-

- (a) the recommendation from Scrutiny to consider investment in the enforcement team and the addition of a rolling fighting fund to support this work be accepted;
- (b) the recommendation from Scrutiny to also consider additional support for the Planning Department to deal with the increase in the number of planning applications and enquiries received be considered as part of the forthcoming budget process; and
- (c) a Policy Conference around the planning process and enforcement be set up.

69. REPORT OF THE LEADER AND DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES

Budget 2024-25 and Medium Term Financial Plan 2024-28 Update

The report provided an update on the development of the 2024-25 Budget and the MTFP covering the period 2024 to 2028 following the publication of the provisional Local Government Finance Settlement on 18 December 2023 (copy of report attached to the signed minutes).

This was presented by Councillor Wearmouth. He referred to the draft information on efficiencies and the capital programme contained in the appendices and welcomed that he had been able to bring this detail forward at this stage in the cycle. This was not usual, but represented increased transparency with the public and wider Council and elements of these would be highlighted as part of the budget consultation. The draft budget would reflect the Administration's three corporate priorities. An important element to the budget was the amount of funding which had been leveraged in from other sources to support the capital programme. This exceeded anything achieved previously.

Members spoke in support of the proposed budget including the capital programme.

RESOLVED that the update be noted.

70. REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES

Budget 2024-25 , Medium Term Financial Plan 2024-28 and 30 Year Business Plan for the Housing Revenue Account

The report sought Cabinet approval for the updated Budget 2024-25, Medium Term Financial Plan (MTFP) 2024-28 and 30-year Business plan for the Housing Revenue Account (HRA) (copy of report attached to the signed minutes).

This was presented by Councillor Wearmouth . He drew members' attention to the recommendations and the key points of the report, including the proposed hardship fund again this year. It was expected that £250,000 of support would be needed, based on last year's demand.

Councillor Horncastle explained to members about the Housing Revenue Account and the restrictions on how it operated. The rent had to be raised to deliver what needed to be achieved, and all Authorities were in the same position.

Councillor Jones welcomed the inclusion of a hardship fund again this year as this would offer protection to tenants.

The Leader agreed. The two key issues here were the need for a reasonable rent increase to make sure that the housing stock was properly maintained and that there was a system in place to help those who needed it, which there was.

RESOLVED that:-

- (a) Cabinet approve the Housing Revenue Account 2024-25 budget as detailed within Appendix 1, which will reduce the balance on the HRA reserve from £28.175 million at 31 March 2024, to £19.193 million at 31 March 2025; and note the indicative budgets to 2027-28 which will reduce the balance of the HRA reserve to £13.708 million;
- (b) Cabinet note that from 1 April 2024, social housing rent will be increased by Consumer Price Index (CPI) plus 1.00% as per the previously agreed Rent Standard. The budget detailed in Appendix 1 assumes that rents will rise by CPI 6.70% plus 1.00% with recoverable service charges also rising by CPI plus 1.00% for the period 1 April 2024 to 31 March 2025;
- (c) Cabinet approve the increase of 7.70% for housing rents from 1 April 2024 in line with the Government rent standard;

- (d) Cabinet approve the increase of 7.70% for housing service charges from 1 April 2024;
- (e) Cabinet approve the Non-Recurrent Growth Item Hardship Fund of £0.350 million for 2024-25 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 points 6.5 & 6.11);
- (f) Cabinet approve that any unspent balance in relation to the Hardship Fund for 2023-24, can be carried forward as an earmarked reserve into 2024-25 (detailed in point 6.5) and added to the 2024-25 in-year budget allocation;
- (g) Cabinet note the indicative 30-year Housing Revenue Account business plan as detailed within Appendix 1;
- (h) Cabinet approve the estimated pay inflationary increase for 2024-25 of 4.00% totalling £0.447 million (detailed in point 6.10);
- (i) Cabinet approve the Non-Pay Inflation Schedule for 2024-25 totalling £0.280 million (detailed in point 6.10);
- (j) Cabinet approve the Recurrent Growth as follows:
 - i) Housing Disrepair of £0.275 million from 2024-25 to cover the costs of housing disrepair mitigation and resolution; and note that the budget will be reduced by £0.150 million after 5 years (detailed in point 6.11).
 - ii) Additional staffing budget of £0.367 million from 2024-25 (detailed in point 6.11).
 - iii) Additional budget for consumable materials for void properties of £0.159 million from 2024-25 (detailed in point 6.11).
- (k) Cabinet note the Recurrent Saving in relation to the Introduction of phased Service Charges for Sheltered Housing tenants, with estimated additional income of £0.120 million in 2024-25 (50.00%), £0.180 million in 2025-26 (75.00%) and £0.240 million 2026-27 (100.00%) as agreed within the budget and MTFP 2023-24 (detailed in point 6.12);
- (l) Cabinet note and approve the expenditure plan relating to £41.434 million which has been set aside over the 4-year period 2024-25 to 2027-28 in the HRA Capital programme to invest in Affordable Housing. Details are set out in Appendix 1; and
- (m) Cabinet approve an amendment to the Housing Rent policy, to enable re-let of HRA properties at Formula Rent from April 2025 (detailed in point 6.29).

71. REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES

Notification of the Estimated Collection Fund Balances 2023-24 – Council Tax and Business Rates

The report advised members of the estimated year end balances on the Collection Fund in relation to Council Tax and Business Rates for the year ending 31 March 2024 (copy attached to the signed minutes).

The report was presented by Councillor Wearmouth. He referred to the additional £337,000 being sought by the Police and Crime Commissioner and hoped this money would be spent in Northumberland. He commended the Revenues and Benefits Team for their work.

The Leader echoed this thanks. The work demonstrated great efficiency and effectiveness and should be acknowledged. He advised that he would write to the Police and Crime Commissioner seeking a discussion about how the additional funding might be invested

Councillor Renner Thompson commented that there was a current consultation asking residents for another 7.7% increase in the Police Precept and residents might want to take into account that the PCC was already receiving a lot of additional funding from Northumberland when the Police response was not always great.

RESOLVED that:-

- (a) Cabinet approve the declaration of a surplus on the Collection Fund for the year ending 31 March 2024 in relation to Council Tax of £4.486 million to be distributed to the Council and Northumbria Police and Crime Commissioner in accordance with Council Tax regulations; the Council's share being £4.149 million;
- (b) Cabinet note the overall estimated surplus on the Collection Fund for the year ending 31 March 2024 in relation to Business Rates of £6.943 million; the Council's share being £3.471 million;
- (c) Cabinet note the distribution of the estimated Collection Fund surplus for Council Tax to the Northumbria Police and Crime Commissioner of £0.337 million, and the distribution of the estimated Collection Fund surplus for Business Rates of £3.471 million to the Secretary of State; and
- (d) Cabinet note the inclusion of the Council's share of the estimated Collection Fund balances distributable in 2023-24 of £4.149 million surplus and £3.471 million surplus for Council Tax and Business Rates respectively, within the Council's budget 2024-25.

72. REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES

Summary of New Capital Proposals considered by Officer Capital Strategy Group

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group (copy attached to the signed minutes).

RESOLVED that:-

(1) Greensfield Farm Alnwick

Cabinet approve the spend of £0.333 million to acquire 2 3-bedroom houses on the Wynyard Homes Greensfield Farm development in Alnwick. Note this will be funded using in year capital receipts and retained capital receipts within the Housing Revenue Account.

(2) Lyndon Walk

- (i) Cabinet approve the updated spend of the Lyndon Walk 13 bungalows proposal of £2.796 million. This will be funded from Housing Revenue Account reserves; and
- (ii) Cabinet approve the amendment to the Capital Programme for the updated spend as profiled in the report.

(3) Dene Park Windows

- (i) Cabinet approve the spend of £0.184 million to replace the windows at Dene Park House. Note that the funding for this project will come from the existing Property Stewardship Budget allocation within the Capital Programme; and
- (ii) Cabinet approve the amendment to the Capital Programme to reallocate £0.184 million from the Property Stewardship Budget to Dene Park House in 2023-24.

(4) Energising Blyth Programme – Energy Central Institute

- (i) Cabinet approve the amendment to the Capital Programme to establish the Energy Central Campus Phase 2 (Energy Central Institute) as a defined project in the Capital Programme with a total budget of £15.421 million as profiled in the body of the report.
- (ii) Cabinet approve the proposal to accelerate capital spend of £1.404 million in advance of business case approval to drive forward project development inclusive of spend in 2022-23.
- (iii) authority be delegated to the Executive Director for Place and Regeneration to enter into a contract to the value of £1.060 million to

appoint a multi-disciplinary Design Team, subject to the appropriate procurement processes being followed.

- (iv) Cabinet approve the spend of £0.750 million to commence work on demolishing Keel Row Shopping Centre and 3-5/7-9 Bridge Street.
- (v) authority be delegated to the Executive Director for Place and Regeneration to enter into a contract for the demolition of Keel Row Shopping Centre and 3-5/7-9 Bridge Street, subject to the appropriate procurement processes being followed.

(5) Energising Blyth Programme – Technical Fit-Out and Equipment

- (i) Cabinet approve the amendment to the Capital Programme to establish the Energy Central Campus Phase 1 – Technical Fit-Out and Equipment as a defined project with a total budget of £1.450 million as profiled in the body of the report.
- (ii) Authority be delegated, in accordance with the Local Assurance Framework, to the Council's s151 Officer following consideration by the Energising Blyth Programme Board to approve the Full Business Case and report any capital implications to Capital Strategy Group for consideration in the Capital Programme.

(6) Woodhorn Lift Replacement

- (i) Cabinet approve the spend of £0.121 million to replace the lift in the Winding House at Woodhorn. Note that this is funded from the existing Property Stewardship budget in the Capital Programme.
- (ii) Cabinet approve the amendment to the Capital Programme to reallocate £0.121 million from the Property Stewardship Budget to Woodhorn Lift Replacement.
- (iii) Cabinet approve the novation of the MEND grant and accept the Grant Funding Agreement Terms (subject to Legal review) from the Arts Council for the sum of £0.107 million.

(7) County Hall – Print Room Refurbishment

- (i.) Cabinet note the spend of £0.125 million for the refurbishment of the County Hall Print Room. Also noting that the refurbishment work commenced on 28 November 2023, and that this is funded from the existing Property Stewardship budget in the Capital Programme.
- (ii.) Cabinet approve the amendment to the Capital Programme to reallocate £0.125 million from the Property Stewardship budget to County Hall – Print Room Refurbishment.

73. REPORT OF THE CABINET MEMBER FOR SUPPORTING BUSINESS AND OPPORTUNITIES

Ashington Regeneration Programme – Update, Funding and Site Acquisitions

This report provided an update on the delivery of the Ashington Regeneration Programme and sought approval for the strategic acquisition of the Wansbeck Square and Woodhorn Road sites from Advance Northumberland (Commercial) Limited to create the required development platform to enable implementation.

It further set out the associated holding costs post-acquisition that the Council will incur and requested an allocation of £160,000 revenue to meet these costs in 2023/24 and 2024/25 from the Regeneration Reserve Development Fund.

The report also sought approval for the development and submission of an outline bid for £2.5m to the North of Tyne Combined Authority's Northumberland Line Economic Corridor Investment Programme which, if successful, would provide important match funding for the redevelopment of Wansbeck Square Strategic Site (copy attached to the signed minutes).

The report was presented by Councillor Ploszaj. The programme hoped to replicate what was being done in Blyth and aimed to boost the town's economy with funding from the Government and the County Council. He detailed the key points of the report and informed members that he would continue to work closely with town and local County Councillors as the programme developed. A wide range of engagement events were planned.

The Leader expressed his gratitude to the Ashington Town Board and the Town Council. He fully supported this ambitious scheme which was very much needed.

Councillor Watson also expressed his support for it, as well as thanks to Advance Northumberland for the work they had done on this. The Leader agreed they had and continued, to play a major part in this project.

Councillor Wearmouth agreed with this and particularly commended John Johnston who led the Town Board for his leadership. This was only part of a wider programme of investment which included the new College, the Northumberland Line and the forthcoming regeneration of the Hirst. This project was testament to the persistence of Regeneration staff when the Town Deal funding application had not been successful, and showed that the Government did listen when proper connections were made.

Members fully supported the report.

RESOLVED that:-

- (a) Cabinet approve the following in respect of site acquisitions and required funding:

- i) that the Council complete the acquisition of the Wansbeck Square site with vacant possession, as previously agreed in principle, at a market value of £1,365,000, plus Stamp Duty Land Tax.
 - ii) that the Council complete the acquisition of the Woodhorn Road site with vacant possession, as previously agreed in principle, at a market value of £210,000 plus Stamp Duty Land Tax.
 - iii) that the Council approves an allocation of up to £160,000 of revenue funding from the Council's Regeneration Reserve Development Fund to pay for the holding costs which will be incurred, following acquisition of the Wansbeck Square and Woodhorn Road sites as set out in Section 6 of the report;
- (b) Cabinet note that following a competitive tender process, Identity Consult has been appointed as the Design Team to take forward ambitious plans for the redevelopment of Wansbeck Square and progress the designs for the Public Realm and Connectivity project, which will enable the creation of Grand Corner Gateway; and
 - (c) Cabinet approve the development of a high-level business case to the North of Tyne Combined Authority in order to secure funding from the Northumberland Line Economic Corridor Investment Fund for the redevelopment of Wansbeck Square, with approval of the final bid submission delegated to the Council's S151 Officer. The Accountable Body will monitor the use of funding subsequently awarded and ensure adherence to the Grant Agreement.

74. REPORT OF THE CABINET MEMBER FOR INSPIRING YOUNG PEOPLE

National Funding Formula & School Funding 2024-25

The report updated Cabinet regarding the National Funding Formula (NFF) and the implications for 2024/25 School Funding in Northumberland (copy attached to the signed minutes).

The report was presented by Councillor Renner Thompson. He detailed the key points of the report.

RESOLVED that:-

- (a) Cabinet approve the proposals for the continuing implementation of the National Funding Formula for 2024/25 as agreed previously, in line with the recommendation of the Schools Forum meeting of 22 November 2023 and the results of the subsequent consultation exercise held with schools;
- (b) Cabinet approve the transfer of up to 0.5% funding from the Schools' Block to the High Needs Block, in line with recommendation of the Schools Forum meeting of 22 November 2023 and the results of the subsequent consultation exercise held with schools; and

- (c) Cabinet approve the delegation of the approval of the final formula values to the Executive Director of Children Young People & Education and Cabinet Member for Inspiring Young People in line with the principles agreed at Schools Forum on 22 November 2023, once the final budget allocations are released by the Department for Education in December 2023.

CHAIR.....

DATE.....

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Northumberland County Council

Cabinet

Tuesday, 13 February 2024

Budget Engagement Report

Report of Councillor(s) Cllr Glen Sanderson, Leader of Council

Responsible Officer(s): Jan Willis, Executive Director for Resources & Transformation (S151)

1. Link to Key Priorities of the Corporate Plan

The Council's Budget and Medium-Term Financial Plan (MTFP) are aligned to and indeed critical to delivering the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Economic Growth.

2. Purpose of report

This report provides a summary of engagement on the Council's Budget which commenced in July 2023 and included a Budget Survey which closed on 26th January 2024. This engagement helps to inform the Council's Budget and Medium-Term Financial Plan.

3. Recommendations

Cabinet is requested to:

- Consider and note the Budget engagement activities and the summary results of the Budget Consultation Survey undertaken between December and January 2024.

4. Forward plan date and reason for urgency if applicable

This report first appeared on the Forward Plan on 1st February 2024. The online Budget engagement survey closed on 26th January 2024. This was to enable a six-week consultation, which is considered good practice, following the Cabinet meeting on 12th December and the commencement of the Budget Consultation Survey.

5. Background

- 5.1 The Council continues to ensure its Budget and MTFP reflects services and investments that are most important to residents and businesses in all communities across the County.
- 5.2 The Budget engagement commenced with an all-Member ‘Policy Conference’ in July 2023. The aim of this was to equip Members with background and technical information to participate more fully in the budget-setting process.
- 5.3 This was followed by a further ‘Policy Conference’ in September 2023, where the Executive Director, Transformation and Resources and the Director of Finance and Procurement shared with Members detailed assumptions and projections for the Council's 2024-25 Budget. The session included questions, answers and comments from Members.
- 5.4 A detailed Budget Engagement document was developed. This provided: detail on the background to the Council’s finances; options open to the Council to set a balanced Budget; and directorate summaries of Budget proposals. The Engagement document was considered by Corporate Services and Economic Growth Overview and Scrutiny Committee on 27th November. Following this, the document was formally launched at Council’s Cabinet on 12th December, alongside the Council’s Budget Consultation Survey. The Survey was open to the public, online and in libraries until 26th January 2024. Appendix 1 of this report sets out the summary results of the consultation survey.
- 5.5 In November, the Leader and Officers met with business representatives to present an overview of the Budget. In that discussion, some of the key themes and priorities from businesses included:
- Understanding how the new Combined Authority will work and how businesses can engage in that;
 - Overall, businesses are supportive of the levels of regeneration investment into the County;
 - Investment in transport infrastructure; and,
 - Attracting talent to the County / region and ensuring businesses have access to the right skills.
- 5.6 The S151 Officer offered Budget briefing sessions to all of the Council’s political groups. The following group sessions took place:
- Labour Group - 6 December 2023.
 - Independent Group - 11 December 2023.
 - Lib Democrat Group – 30 January 2024.
 - Green Group - 18 December 2023 and 15 January 2024.
- 5.7 During January, the Leader and Deputy Leader presented an overview of Budget proposals to the five Local Area Committees (LAC), taking questions and listening to Members’ thoughts. The LAC meetings took place on the following dates:
- 10 January - Ashington and Blyth.
 - 15 January - Castle Morpeth.
 - 16 January – Tynedale.

- 24 January - Cramlington, Bedlington and Seaton Valley.
- 25 January - North Northumberland.

This was followed by a recorded ‘question & answer’ session on 31st January where anyone could submit questions on the Budget to the Leader and S151 Officer.

6. Options open to the Council and reasons for the recommendations

- 6.1 Whilst the Council is not legally required to consult residents during the Budget setting process, this would not be considered good practice and runs counter to openness and transparency. We therefore do not consider this a viable option.

7. Implications

Policy	Budget Engagement helps to inform the Council’s Budget and Medium-Term Financial Plan.
Finance and value for money	Whilst there are no financial implications arising directly from this report. Engagement helps to inform the Council’s Budget which is detailed in a separate report to Cabinet.
Legal	Whilst there are no legal implications arising directly from this report, engagement helps to inform the Council’s Budget which is detailed in a separate report to Cabinet.
Procurement	There are no specific Procurement implications within this report.
Human resources	There are no specific HR implications within this report.
Property	There are no specific Property implications within this report.
The Equalities Act: is a full impact assessment required and attached?	There are no specific Equalities implications within this report, although this helps to inform the Council’s Budget which is detailed in the separate report to Cabinet. No EIA is required for this report as no change of services is proposed.
Risk assessment	There are no specific risk implications within this report.
Crime and disorder	There are no specific crime implications within this report.
Customer considerations	There are no specific customer implications within this report.
Carbon reduction	There are no specific carbon reduction implications within this report.

Health and wellbeing	There are no specific health and wellbeing implications within this report.
Wards	(All Wards);

8. Background papers

Not applicable

9. Links to other key reports already published

[Budget 2024-25 and Medium Term Financial Plan 2024-28](#)

10. Author and Contact Details

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Northumberland
County Council

Appendix 1

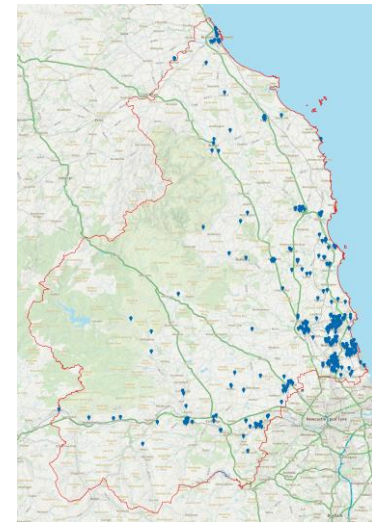
Budget 2024/25 and MTFP Consultation Summary of Survey Results

Introduction

- Each year the council must set a balanced budget, which sets out funding for its services as well as its plans for investing. The budget must also take account of new cost-pressures as well as making sure all its services are as efficient as possible.
- A consultation to collect the views of local communities through an online survey ran from 12/12/2023 to 26/01/2024.
- In total 338 responses were received – 93.8% of which are residents of Northumberland.
- Residents were asked to provide a postcode to enable analysis by local area. Responses were fairly evenly spread across the County:

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- Ashington / Blyth (75 responses, 22.2%)
- Castle Morpeth (77 responses, 22.8%)
- Cramlington / Bedlington / Seaton Valley (68 responses, 20.1%)
- North Northumberland (71 responses, 21.0%)
- Tynedale (42 responses, 12.4%)
- Not in Northumberland (5 responses, 1.5%)



Capacity in which consultation completed:	Total	Percent
I am a resident of Northumberland	317	93.8%
I represent / own a local business	17	5.0%
I represent a charity that covers the Northumberland area	4	1.2%
I represent a community group in Northumberland	11	3.3%
I work for Northumberland County Council (resident)	16	4.7%
I work for Northumberland County Council (non-resident)	4	1.2%
I am a Councillor	17	5.0%
I represent a public sector organisation	4	1.2%

If we look at how our budget was spent last year would you spend more, less or about the same on the following services:

The survey asked respondents to give their opinion as to whether they would spend more, less or about the same as last year on five service areas. An explanation of what services each area provides was given to help respondents decide.

- 42% of respondents said that more should be spent on Public Health with 36% saying more should be spent on Place & Regeneration.
- 35% of respondents felt that less should be spent on Enabling Services, with 20% wanting less budget allocated to Adults Services.

	More	Less	About the Same	Not Answered
Place and Regeneration (15.4% of budget / £131.7m total budget)	35.5%	13.9%	47.9%	2.7%
Public Health, Inequalities and Stronger Communities (3.8% of budget / £32.8m total budget)	41.7%	18.6%	37.6%	2.1%
Children and Young People (31.4% of budget / £269.2m total budget)	33.7%	15.7%	47.6%	3.0%
Adults (27.4% of budget / £235m total budget)	29.3%	19.5%	48.8%	2.4%
Enabling Services (22% of budget / £188.2m total budget)	16.0%	35.2%	45.3%	3.6%

- There are differences in opinion depending on where respondents reside within the County. All areas wanted less spent on Enabling Services

Ashington / Blyth	Castle Morpeth	Cramlington / Bedlington / Seaton Valley	North Northumberland	Tynedale
<ul style="list-style-type: none"> • More spent on Public Health (41%) and Place and Regeneration (36%) • Want less spent on Enabling Services (32%) • About the same on Children's Services (55%). 	<ul style="list-style-type: none"> • More spent on Public Health 30%) and Children and Young People (30%) • Want less spent on Enabling Services (46%). • About the same on Place and Regeneration (60%) 	<ul style="list-style-type: none"> • More spent on Public Health (47%). • Want less spent on Enabling Services (35%). • About the same on Adults (56%) 	<ul style="list-style-type: none"> • More spent on Public Health (45%). • Want less spent on Enabling Services (34). • About the same on Adults (49%) 	<ul style="list-style-type: none"> • More spent on Public Health (48%). • Want less spent on Enabling Services (33%). • About the same on Children and Young People (48%).

How important are these services to you?

- 56% of respondents felt that Place and Regeneration services were extremely important or very important. This was followed by Children and Young People (55%) and Public Health (53%)
- Least important for respondents were Enabling Services, where 27% of respondents indicated these services were not very important or not important at all).

	Extremely important	Very important	Important	Not very important	Not important at all	Not Answered
Place and Regeneration	28.1	27.8	31.1	9.8	2.0	1.2
Public Health, Inequalities and Stronger Communities	26.9	26.0	32.5	11.0	2.4	1.2
Children and Young People	29.6	24.9	31.1	9.2	2.4	3.0
Adults	24.0	23.4	39.9	11.0	0.9	0.9
Enabling Services	12.7	17.2	41.4	23.1	4.1	1.5

There are variations in opinion across the County.

- People living in Tynedale were more likely than other areas to feel Place and Regeneration were extremely important / important (66.7%) compared to 48.1% in Castle Morpeth.
- Respondents in North Northumberland were more focused on Children and Young People (67.6%) and Adults (62%).

	% extremely important / very important				
	Place and Regeneration	Public Health, Inequalities and Stronger Communities	Children and Young People	Adults	Enabling Services
Ashington / Blyth	53.3%	52.0%	37.3%	37.3%	25.3%
Castle Morpeth	48.1%	46.8%	51.9%	41.6%	27.3%
Cramlington / Bedlington / Seaton Valley	54.4%	48.5%	55.9%	48.5%	30.9%
North Northumberland	60.6%	56.3%	67.6%	62.0%	32.4%
Tynedale	66.7%	66.7%	66.7%	47.6%	38.1%

Place and Regeneration

Do you have concerns on any of the budget proposals outlined for place and regeneration services? If yes, what are these?

166 people responded to this question

- **Roads and Paths** – Roads and paths (maintaining / investing) was most mentioned by residents (31 people, 19%).
- **Towns and Villages** - 27 respondents (16%) highlighted they would want to see more resources for some towns and villages.
- **Recycling** - 14 respondents (8%) highlighted recycling in the proposals. Some felt the levels of recycling and the types of items that can be recycled should be increased. Others suggested offering more recycling services (e.g. doorstep glass collection).
- **Meaning of efficiencies** – 13 residents responded that they were unsure of what efficiencies would mean in practice. They felt they needed more information and detail about how efficiencies would be achieved. Some respondents were concerned efficiencies might lead to job cuts.
- **Climate Change** - 11 respondents highlighted questions and concerns with money being spent locally on climate change. Some felt this was a "national issue" and funding should be focused on local communities.
- **Cost of services** - 4 respondents said that they would be concerned if the cost of running some services increased if this did not result in an improved service to residents. Residents felt any increases in cost for some services (e.g. waste, parking) might lead to other issues (e.g. fly-tipping or reduced visits to town centres).
- **Salaries, Staffing and Internal Processes** - 9 residents said that they felt there should be a review of staffing levels and wages. Internal processes, such as BEST reviews, should be assessed to find efficiencies and that the Council should review internal processes to save money.
- **Charges for car parking** - 9 respondents said they would like to maintain free parking for residents. There were also suggestions that funds could be made from tourist parking or a small charge.
- **Public Toilets** - 5 residents said public toilets should continue to be maintained and improved.

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Would you be prepared to accept a reduction in any of these services? If yes which ones?

- Of the 143 respondents to this question 73% said they'd be willing to accept a reduction in service.
- 28 people (27%) would accept a reduction in arts and culture, 15 people (14%) climate change and 15 (14%) tourism.

Are you happy for the Council to make decisions about these services to save money or make the service more efficient if there is no change in the level of service you receive? - 65% said yes

Reduction in Service?	No.
Arts & Culture	28
Climate Change	15
Tourism	15
All	13
Business	12
Free Car Parking	9
Planning	9
Regeneration / Towns	8
Roads	7
Street Lighting	7
Bins / Waste Collection	6
Cycling	3
Second homes / holiday homes	3
Housing	2
Grass Cutting	1
Internal Processes	1
Payments to staff	1
Public Toilets	1

Place and Regeneration

Would you be willing to pay more for a service if it meant the level of service you receive was maintained? If yes which services?

Of the 166 respondents, 52% would not be willing to pay more for a service. Of the respondents who would be willing, the services they'd be prepared to pay more for were:

- 26% - Bins, Waste, Recycling
- 16% - Roads
- 9% - Parking
- 9% - only willing to pay more if services were improved or provided better value for money
- 8% - All place and regeneration services

Do you have any ideas for how the Council could raise more income or deliver these services differently to save money?

197 respondents had ideas as to how the Council could raise more income or deliver services differently in place and regeneration. These included:

- Attract more Tourists / High Profile Events
- Minimum charge to use tip
- Review internal processes
- Ask for more money from the government
- Improved partnership working
- Charge for Parking
- Cut expenditure to paid officials / wages / Councillors
- Reduce subcontracting
- Higher Council Tax for holiday / second homes / higher bands
- Shared bins less use properties
- Better quality road repairs – last longer
- Reduce energy use council buildings / street lighting
- Sell logs from pruning of trees / mulch

Public Health, Inequalities & Stronger Communities

Do you have concerns on any of the budget proposals outlined for public health, inequalities and stronger communities services? If yes, what are these?

117 people responded to this question.

- **Health Initiatives** – 21 people (18%) were concerned about health initiatives. These included smoking, drug and alcohol support. Some respondents felt these should be covered by the NHS rather than the local authority.
- **Sport provision / facilities** – 15 people (13%) had concerns around sporting provision and facilities. They do not want to see sporting facilities close, or see costs increase and they want to see 'even' provision.
- **Health Service Provision & Facilities** - 11 respondents were concerned about health services and facilities. Access to a hospital and dentist were issues raised.
- **Libraries** - 10 people focussed on libraries. Respondents were positive about libraries, wanting the service to be maintained and these are seen as essential community hubs.
- **Partnership Working & Contracts** – 9 respondents highlighted contracts within public health and felt partnership working should be improved where possible.
- **Reducing Inequalities** - 4 respondents had concerns about reduction of inequalities and how this should be a main focus.
- **Carers** - 3 residents felt support for carers was missing from the budget proposals.

Are you happy for the Council to make decisions about these services to save money or make the service more efficient if there is no change in the level of service you receive?

- 64% of respondents said yes

Would you be prepared to accept a reduction in any of these services? If yes which ones?

- Of the 106 respondents to this question 75% said they'd be willing to accept a reduction in service.
- 13 people (17%) would accept a reduction in libraries and museums, 13 (17%) sport and leisure facilities and 12 (15%) cost of living.

Reduction in Service	Responses
Libraries and Museums	13
Sport and Leisure	13
Cost of Living	12
All	11
Health Initiatives	11
Public Health	7
Alcohol / Drugs / Smoking	5
Customer Experience	5
Internal Processes	3
Care to Communities	1
Council properties	1
Payments to Staff	1

Public Health, Inequalities & Stronger Communities

Do you have any ideas for how the Council could raise more income or deliver these services differently to save money?

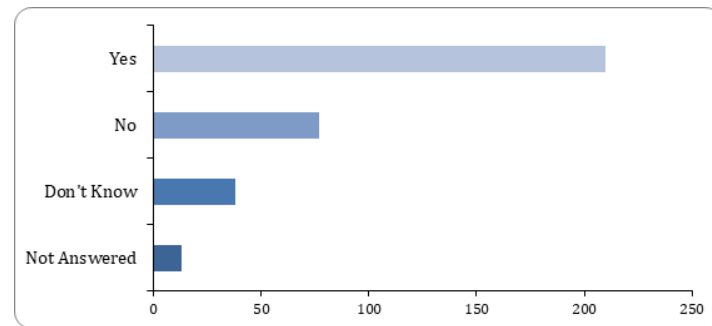
147 respondents had ideas as to how the Council could raise more income or deliver services differently in Public Health, Inequalities and Stronger Communities. These included:

- Increase partnership working – including with residents & health services
- Efficiencies
- Better communication
- Combine numerous services in one facility / hub (bank, post office, health care, libraries, social services etc.)
- Community run support – parish councils, charities
- Forums – get resident's views / community input
- Use volunteers
- Reduce salaries
- Private Sector sponsorship
- Charge for library membership
- Use council car parks at weekend for sporting events – charge
- Review and monitor contracts
- Look at how technology and innovation can help

In previous years, the Council has supported some of the lowest income households with a local Council Tax Support Scheme. Given the cost-of-living pressures on households we propose to continue this scheme in the 2024-25.

Do you agree with the proposal to continue the local Council Tax Support Scheme in 2024-25?

- 62% of respondents agree with the proposal to continue the Council Tax Support Scheme



Children & Young People

Do you have concerns on any of the budget proposals outlined for services to Children and Young People? If yes, what are these?

84 people responded to this question.

- **Workforce Pressure** - 16 people (19% of respondents) were concerned with the pressures placed on the workforce and staffing levels. Some were worried about understaffing and lack of recruitment into vacancies. Some respondents were unsure as to what "managing staff vacancies" entailed.
- **Rebuilding** - 11 people (13%) highlighted re-building / refurbishment of educational facilities. Respondents believe this is an essential part of the budget and schools must be fit for purpose.
- **Increase in funding** – 10 people (12%) felt funding should be increased in this area. This included more funding for training, to support children in the care system and safeguarding.
- **More detail on proposals** - 10 people (12%) wanted to see more detail on the proposals before commenting.
- **Support for SEND** - 6 respondents highlighted a need for more SEND places and that SEND vacancies are filled.
- **Contracts** - 5 felt money was being wasted bringing in advisors and wanted more information on what 'managing demand' means.
- **Out of school activities**- 5 felt there should be more focus on the provision of out of school activities, helping to reduce anti-social behaviour.
- **Other issues highlighted** – support and provision for disabled Children (3), funding to help young / child Carers (3), youth services (3) , child mental health support (2) and increasing support for local charities who work with children and young people (2).

Are you happy for the Council to make decisions about these services to save money or make the service more efficient if there is no change in the level of service you receive?

61% of respondents said yes

Children & Young People

Would you be prepared to accept a reduction in any of these services? If yes which ones?

- Of the 65 respondents to this question 45% (29) said they'd be willing to accept a reduction in service. 36 people (55% said there should be no reduction in services.
- 45% of those who agreed (13) said they would be happy for all services to be reduced. Others included after school activities (3), learning and skills service (3) and school transport (3).

Do you have any ideas for how the council could raise more income or deliver these services differently to save money?

99 respondents had ideas as to how the Council could raise more income or deliver services differently in services related to children and young people. These included:

- All areas move to two tier system
- Better partnership working with private sector / charities
- Review of school transport and contracts. Look at use of private taxis
- Forum / panel of residents to generate new ideas
- Career services to offer paid advice to residents
- Training on budgeting
- Eco buildings – energy saving projects
- Adequate staffing
- Increase use of family hubs – rent out for birthday parties, functions etc.
- Support from local businesses / organisations e.g. apprenticeships
- More SEN places close to residential location of child – reduce transport costs
- Promote proactive preventative services – e.g. community allotments, repair cafes, 'how to' food budget
- Sponsor a child / support our school day / community events
- Streamline EHCP process
- Increase volunteering opportunities

Reduction in Service	Response
All	13
After School Activities	3
Learning and Skills	3
School Bus Service	3
Apprenticeships	1
Housing	1
Internal Processes	1
Residential Care Homes	1
Schools	1
SEND	1
Staff	1

Adults

Do you have concerns on any of the budget proposals outlined for services to Adults? If yes, what are these?

99 people responded to this question.

- **Adult Social Care** - 17 (17%) said Adult Social Care is an area they feel needs investment, including access in remote parts of the county.
- **Charges** - 16 (16%) highlighted concerns around charges increasing and could this lead to those who need services not being able to afford them. Some thought contributions should be related to earnings / on a scale.
- **More Investment** - 16 (16%) respondents feel more money needs to be spent on Adult Services and that services need to be maintained.
- **Manage Demand** - 12 (12%) respondents were unsure what "safely manage demand" meant.
- **Independence** - 7 (7%) felt 'increasing independence' could be seen as reducing care and support and wanted more detail about what this means in practice.
- **Support to VCS / Charities** - 5 (5%) respondents suggested increased investment in VCS and Charity support.
- **Carers** - 4 (4%) commented that unpaid carers need increased support.
- **Prevention** - 4 (4%) respondents suggested we look at supporting activities such as walking groups to help older people stay healthier longer.
- **Volunteers** - 4 (4%) suggested looking at how volunteers could help support Adult Services.

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Are you happy for the Council to make decisions about these services to save money or make the service more efficient if there is no change in the level of service you receive?

56% of respondents said yes

Adults

Would you be prepared to accept a reduction in any of these services? If yes which ones?

- Of the 47 respondents to this question 43% (20) said they'd be willing to accept a reduction in service.
- Services in which respondents would be prepared to accept a reductions include all (9), grants support to VCS (5) independent living (2) and community cohesion (2).

Do you have any ideas for how the Council could raise more income or deliver these services differently to save money?

76 respondents had ideas as to how the Council could raise more income or deliver services differently in adults. These included:

- Bring back 'cottage hospitals' – free up hospital beds and allow older people to return home from care in a better position
- Increase volunteering
- Advertise adult care
- Care villages
- Increase funding from integrated care board to promote health monitoring and prevention
- Council owned care – reduce reliance on private sector. Centralised service
- Care in the community
- Divert money from other services
- Increase multi-disciplinary team working
- Encourage walking for older people – improve health and keep older residents active
- Multi-client access to specialist buildings eg maximise use of sheltered or extra housing schemes
- Raise the awareness of social commitment among the citizens of Northumberland by a campaign asking for volunteers, support this with free transportation and or use of direct link to bus services
- Look at retention of social workers. Speak to frontline staff about what the issues are
- Support carers and families - help independent living
- Support more community groups to reach out to isolated vulnerable adults & offer preventative services to keep adults healthy & well for as long as possible
- Work with neighbouring councils where possible to create regional specialist hubs

Reduction in Service	Response
All	9
Grants support to VCS	5
Community Cohesion	2
Independent Living	2
Everything except support for vulnerable adults	2
Adult Safeguarding	1
Mental Health Support	1

Enabling Services

Do you have concerns on any of the budget proposals outlined for enabling services? If yes, what are these?

85 people responded to this question.

- **Efficiencies & Savings** – 16 (19%) - Concerns were raised about the level of potential savings from BEST and whether this was achievable. Residents want to see value for money in this area. Contracts in this area should be reviewed. Seen as an area where the most efficiencies could be made.
- **Climate Change** – 14 (17%) - Climate change was an area resident's felt could be reduced. This was seen by some as a national problem requiring national funding and solutions.
- **Staffing** – 13 (15%) - staff vacancies should be effectively managed. Pay should be reviewed, especially at the top. Some respondents expressed empathy with back-office support staff – some respondents thought the Council could not function as well without these 'back office' services.
- **Not enough detail** – 8 (9%) people felt there was not enough detail in the proposals for them to comment.
- **Regulatory Services** – 5 (6%) believed services such as Democratic Services, environmental health and licensing should be maintained but we should look at how these could generate income.
- **Contacting the Council / Communication** – 3 (4%) felt there should be a review of how residents can contact the council and how information is communicated to them.
- **Generating new income** – 3 (4%) would like to see the target increased and more focus on this area.

Enabling Services

Do you have any ideas for how the council could raise more income or deliver these services differently to save money?

98 respondents had ideas as to how the Council could raise more income or deliver services differently in enabling services. These included:

- Roll out energy saving ideas, like the solar panels at county hall, to all council facilities and buildings. Reduce energy use
- A review of allowances to include penalties for non-attendance
- Abandon climate action plan
- Apply to government for more money
- Use retired volunteers
- Engage with residents via email and web services to keep residents informed, rather than printed and posted materials. Less face-to-face service delivery
- Bring in some people with private business or 'lean' experience to review council operations and look at how savings can be made
- Cost cutting efficiencies and multitasking instead of specialists. Reduce back-office support and meetings
- Drive efficiency, review staff levels based on priorities
- Further investment in digital services
- Join some services e.g. committee services and communicating with customers
- Less bureaucracy faster decision making
- Stop homeworking
- Make services which aren't online (e.g. registration services) digital delivery
- Remove duplication

Value for Money

Have any of these areas become MORE important to you over the last year?

75% (260) said yes, some areas had become more important

Which areas have become more important?

- Roads and Pavement Repairs – 88 responses (34%)
- Anti-Social Behaviour – 43 responses (17%)
- Affordable Decent Housing – 38 responses (15%)
- Care and Support for Older People – 38 responses (15%)
- Clean Streets – 36 responses (14%)

Affordable decent housing	Education provision/schools	The level of traffic congestion
Car parking generally	Facilities and activities for young children under 13 years (e.g. playgrounds)	Parks and green spaces
Free car parking in Town Centres	Facilities and activities for teenagers (e.g. skateboarding facilities, youth clubs)	Public transport
Care and support for older people	Health services	Road and pavement repairs
Care and support for disabled people	High profile events and tourist attractions	Sense of community
Clean streets	Job prospects	Shopping facilities
Community facilities (e.g. libraries & community centres)	The level of anti-social behaviour	Leisure centres (includes swimming pools)
Cultural facilities (e.g. museums, arts venues)	The level of crime	Wage levels and local cost of living

Have any of these areas become LESS important to you over the last year?

20% (85) said yes, some areas had become less important

Which areas have become less important?

- Cultural Facilities – 18 responses (21%)
- High Profile Events and Tourist Attractions – 17 responses (20%)
- Free Parking in Town Centres – 14 responses (17%)
- Shopping Facilities – 10 responses (12%)
- Leisure Centres – 8 responses (9%)

Climate Change - What do you think are the top priorities for the Council when budgeting to maintain and improve environments? (rank 1 to 7 where 1 is the most important to you and 7 is the least important)

- Supporting households and communities to reduce waste and increase recycling was seen by respondents as being the most important environmental priority, followed by promoting biodiversity / natural environments and renewable energy.
- Investing in climate change initiatives and travel choice were seen as less popular by those who responded.

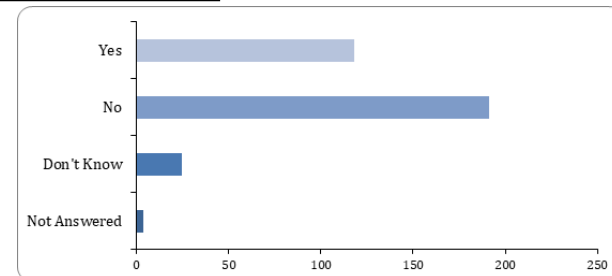
Environment Priorities in Rank Order	Ranking
Reducing waste generated by households and increasing recycling	4.41
Promoting biodiversity and protecting natural environments	4.28
Using and promoting renewable energy	4.21
Access to quality parks and open spaces	3.84
Investing in Climate Change initiatives (both reduction and mitigation)	3.52
Promoting travel choice	3.33

	Rank						
	1	2	3	4	5	6	7
Reducing waste generated by households and increasing recycling	15.09%	16.86%	20.12%	22.19%	7.69%	9.47%	2.96%
Promoting biodiversity and protecting natural environments	16.86%	17.16%	10.95%	20.12%	15.09%	12.13%	2.66%
Using and promoting renewable energy	15.98%	13.31%	21.01%	13.31%	15.98%	9.17%	5.03%
Access to quality parks and open spaces	10.65%	19.23%	13.91%	9.47%	14.79%	18.34%	5.92%
Investing in Climate Change initiatives (both reduction and mitigation)	13.61%	11.54%	10.95%	10.95%	15.98%	10.06%	21.30%
Promoting travel choice	7.69%	10.06%	11.24%	13.61%	17.16%	23.96%	8.58%

Council Tax - The Government has said that councils can increase Council Tax bills by up to 5% next year (up to 3% council tax and up to 2% adult social care precept) - do you agree with that?

- 57% of respondents did not agree.
- 35% agreed.
- Respondents from Ashington / Blyth were most opposed, with 75% not agreeing.
- People who answered the survey from Tynedale were least opposed, with 50% saying they would agree with the statement.

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Option	Total	Percent
Yes	118	34.9%
No	191	56.5%
Don't Know	25	7.4%
Not Answered	4	1.2%

	Yes	No	Don't Know
Ashington / Blyth	18.7%	74.7%	6.7%
Castle Morpeth	41.6%	54.5%	2.6%
Cramlington / Bedlington / Seaton Valley	23.5%	67.6%	7.4%
North Northumberland	47.9%	35.2%	14.1%
Tynedale	50.0%	45.2%	4.8%

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Northumberland County Council

Cabinet

Tuesday, 13 February 2024

Budget 2024-25 and Medium-Term Financial Plan 2024-2028

Report of Councillor(s): Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Services

Responsible Officer(s): Jan Willis, Executive Director for Transformation and Resources (Section 151 Officer)

1. Link to Key Priorities of the Corporate Plan

The Council's budget and Medium-Term Financial Plan (MTFP) are aligned to the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Economic Growth.

2. Purpose of report

The purpose of this report is to enable the Cabinet to make formal budget recommendations to the County Council.

The report provides the Revenue Budget for 2024-25 and Revenue MTFP 2024-28 and the Capital Budget for 2024-25 and Capital MTFP 2024-28, following the Government's Autumn Statement on 22 November 2023, and the publication of the provisional Local Government Finance Settlement on 18 December 2023.

It is important to note that there may need to be some revisions to the figures following receipt of the Government's final Local Government Finance Settlement figures in February 2024. It is proposed that any changes to the figures as a result of this announcement, which impact on the Budget 2024-25 and MTFP 2024-28 are delegated to the Executive Director for Transformation and Resources in consultation with the Cabinet Member for Corporate Services. If the final Local Government Settlement is received prior to the Cabinet or 21 February 2024 Council meeting, then a supplementary report will be provided to Members advising of any changes.

3. Recommendations

Cabinet is requested to make the following recommendations to the County Council:

1. Note that the figures contained within the Budget 2024-25 within Appendix 1 are based on the provisional Local Government Finance Settlement of 18 December 2023.
2. Approve:
 - a) the Revenue Budget for 2024-25 including the efficiencies totalling £10.846 million for 2024-25 contained within Appendix 1 (detailed in Appendix 10); and,
 - b) the Schedule of Efficiencies totalling £14.950 million for 2025-26 contained within Appendix 1 (detailed in Appendix 10) noting that the efficiencies identified may be progressed during 2024-25 in order to realise the efficiencies early.
3. Note the Revenue MTFP covering the period 2024-28 detailed within Appendix 1 and the requirement to deliver budget balancing measures of £20.248 million in 2026-27 and £14.238 million in 2027-28.
4. Note the estimated receipt of Revenue Support Grant of £14.020 million for 2024-25 contained within Appendix 1.
5. Note the estimated retained Business Rates and the Top-Up Grant funding to be received by the Council for 2024-25 of £103.696 million and £324.303 million over the remaining period of the MTFP contained within Appendix 1.
6. Note the estimated surplus from prior years on Collection Fund Business Rates balance of £3.471 million in 2024-25 contained within Appendix 1.
7. Note the estimated receipt of Rural Services Delivery Grant of £2.745 million for 2024-25 contained within Appendix 1.
8. Note the estimated receipt of the New Homes Bonus of £1.682 million (excluding service element of £0.028 million) for 2024-25 contained within Appendix 1.
9. Note the estimated receipt of Improved Better Care Funding Grant of £12.496 million for 2024-25 contained within Appendix 1.
10. Note the estimated receipt of Social Care Grant funding of £25.821 million for 2024-25 contained within Appendix 1.
11. Note the estimated receipt of Adult Social Care Discharge Grant funding of £2.920 million in 2024-25 contained within Appendix 1.
12. Note the estimated receipt of Adult Social Care Market Sustainability and Improvement Fund Grant of £6.656 million in 2024-25 contained within Appendix 1.
13. Note the estimated receipt of the Services Grant of £0.439 million in 2024-25 contained within Appendix 1.
14. Approve a 2.99% increase in Council Tax for 2024-25, 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 2024-28 includes a 2.99% annual increase in Council Tax for 2025-26 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 2024-25 (1.00% in 2023-24).
17. Note the estimated surplus of £4.149 million from prior years on the Collection Fund Council Tax balance for 2024-25 contained within Appendix 1.
18. Approve the Council Tax Support Hardship Scheme 2024-25; a reduction of up to £100.00 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.
19. Approve a 2.00% increase in Council Tax for 2024-25 for use on Adult Social Care services; raising an additional £4.993 million to support the Budget 2024-25 and note that the assumed increase included in the MTFP is 2.00% for 2025-26 and zero thereafter.
20. Approve the Reserves Policy 2024-25 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 £20.885 million in 2024-25 and note the proposed net contributions from reserves of £10.831 million in 2025-26 and £0.027 million in 2026-27, and the proposed net contribution to the reserves of £0.997 million in 2027-28, contained within Appendix 1, comprising:

- a) non-recurrent pressures of £7.147 million for 2024-25, and note the non-recurrent pressures totalling £2.084 million in 2025-26, £0.027 million in 2026-27, and £0.028 million in 2027-28, (as detailed within Appendix 9; excluding the Adult Social Care Discharge Fund, Locality Coordinators, Hirst Welfare Centre – transitional support, Council Tax Support Hardship Scheme, and BEST Initiative);
- b) delayed investment interest due from the airport as a result of Covid-19 will be repaid to the Strategic Management Reserve. It is anticipated that the airport will start to repay the delayed interest over a three-year period, commencing in April 2027 at £1.025 million per annum;
- c) revenue contribution to capital (RCCO) of £13.171 million in 2024-25; comprising of £8.171 million for investment in the Schools' Development Programme, and £5.000 million for investment in the enabling works at strategic employment sites within Northumberland; and £6.591 million in 2025-26 for investment in the Schools' Development Programme; and,
- d) contribution from the reserve of £0.567 million in 2024-25 and note the subsequent proposed use of up to £2.156 million in 2025-26 in order to balance the Budget.

23. Approve the use of the Public Health Revenue Grant Reserve of £0.428 million in 2024-25, and note the proposed contribution from this reserve of £0.180 million in 2025-26 and £0.100 million in 2026-27 contained within Appendix 1, comprising:
 - a) four fixed term Locality Coordinators totalling £0.178 million in 2024-25; and,
 - b) Hirst Welfare Centre – transitional support at £0.250 million in 2024-25, £0.180 million in 2025-26, and £0.100 million in 2026-27.
24. Approve the use of the Council Transformation Fund Reserve of £3.000 million to fund BEST programme delivery costs in 2024-25 contained within Appendix 1.
25. Approve the use of the Council Tax Hardship and Discount Scheme Fund Reserve of £1.726 million in 2024-25 contained within Appendix 1 to fund the Council Tax Support Hardship Scheme for 2024-25.
26. Note the Schedule of Service Specific Grants of £263.663 million contained within Appendix 4, and that some are still indicative pending final confirmation.
27. Note the Schedule of Fees and Charges 2024-25 contained within Appendix 5.
28. Approve the Inflation Schedule for 2024-25 totalling £28.559 million detailed in Appendix 6.
29. Approve the Recurrent Growth and Pressures Schedules of £14.823 million and the additional revenue costs associated with the Capital Programme of £19.100 million for 2024-25; and note the Growth and Pressures of £2.265 million in 2025-26; £3.130 million in 2026-27; and, £0.875 million in 2027-28 and the additional revenue costs associated with the Capital Programme of £12.609 million in 2025-26; £6.000 million in 2026-27; and £6.000 million in 2027-28 included within Appendices 1, 7 and 8.
30. Approve the Non-Recurrent Pressures of £15.221 million for 2024-25 and note the Non-Recurrent Pressures of £2.264 million for 2025-26, £0.127 million for 2026-27, and £0.028 million in 2027-28 included within Appendix 9.
31. Approve the Non-Recurrent Income of £5.475 million for 2024-25 and note the Non-Recurrent Income of £0.314 million for 2025-26; £0.283 million for 2026-27, and £0.269 million for 2027-28 included within Appendix 9.
32. Approve the identified budget balancing measures contained within Appendix 10 of £10.846 million for 2024-25 and £14.950 million for 2025-26; and note those budget balancing measures totalling £6.017 million already identified for 2026-27 to 2027-28.
33. Note the Corporate Equality Impact Assessment at Appendix 11.
34. Note the Budget by Service Area 2024-25 detailed in Appendix 12.
35. Note the receipt of Dedicated Schools Grant of £175.086 million in 2024-25; and note the revised allocation of £158.046 million for 2023-24. This is following the conversion of four schools to academy status during 2023-24.
36. Approve the Capital Strategy 2024-25 to 2027-28 contained within Appendix 13.

37. Approve the revised Capital Programme as detailed within Appendix 14 and note the increase in the Capital Programme 2024-28 of £277.560 million detailed in Appendix 15.
38. Approve the delegation of the detail of the final Local Transport Programme and any subsequent in-year amendments to the Executive Director Place and Regeneration in consultation with the Cabinet Member responsible for improving our roads and highways.
39. Approve the delegation of the detail of the capital allocation for Highways Maintenance Investment in U and C Roads and Footpaths, and the Highway Maintenance and Pothole Repair Fund to the Executive Director Place and Regeneration in consultation with the Cabinet Member responsible for improving our roads and highways.
40. Approve the Capital Prudential Indicators 2024-25 to 2027-28 based on the proposed Capital Programme detailed within Appendix 16.
41. Approve the Annual Minimum Revenue Provision (MRP) Policy detailed in Appendix 17.
42. Approve the Treasury Management Strategy Statement 2024-25 detailed in Appendix 18.
43. Approve a delegation to the Executive Director for Transformation and Resources (the Council's Section 151 Officer) to draw down a total of £2.000 million from the Council's Transformation Fund Reserve and £0.800 million from the Estates Rationalisation Reserve in order to expedite work required with regard to the BEST initiative. Also, to note that Cabinet will receive updates of any drawdowns in the quarterly financial monitoring reports.
44. Approve a delegation to amend the Budget 2024-25 and MTFP in light of any changes as a result of the final Local Government Finance Settlement to the Executive Director for Transformation and Resources (the Council's Section 151 Officer) in consultation with the Cabinet Member for Corporate Services if the final Settlement is received after the 21 February 2024 Council meeting. If the final Local Government Settlement is received prior to the Cabinet or 21 February 2024 Council meeting, then a supplementary report will be provided to Members advising of any changes necessary.

4. Forward plan date and reason for urgency if applicable

The report first appeared in the forward plan on 21 December 2023.

5. Key Issues

1. In February 2023, the Council approved the Budget for 2023-24 and the MTFP covering the period 2023-27.
2. This report updates the MTFP position; and the Budget for 2024-25, following the announcement of the Autumn Statement on 22 November 2023 and the provisional Local Government Finance Settlement on 18 December 2023. The final Settlement is not due until February 2024, which could alter the financial position. It is proposed that any changes to the figures as a result of this announcement, which impact on the 2024-25 Budget and the 2024-28 MTFP are delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Corporate Resources, if the settlement is received after 21 February 2024 Council meeting.
3. The report sets out in detail the budget balancing proposals for 2024-25 and illustrates that there is a requirement to deliver efficiencies equating to £10.846 million in 2024-25; £14.950 million in 2025-26 and £34.486 million over the remaining two years of the MTFP.
4. The report also sets out the forecast budget position for the financial year 2024-25. The position represents the best estimate at the current time.
5. The Government consultation "Fair Funding Review (FFR): a review of relative needs and resources", a technical consultation on relative need, concluded on 12 March 2018. The Secretary of State had said that the results of the review would be introduced in 2020-21. The Secretary of State also confirmed that there would be a business rates baseline reset in 2020-21; and, from 2020-21, Business Rates retention would be at 75.00%.
6. The provisional Local Government Finance Settlement announced on 1 December 2022 confirmed that the outcome of the FFR and review of the Business Rates Retention system would be postponed by at least a further two years; resulting in implementation in 2025-26 at the earliest. The 18 December 2023 provisional Local Government Finance Settlement made no further announcements regarding these issues.
7. On 19 December 2022 the Government announced a one-year settlement as part of its provisional Local Government Finance Settlement. Although the announcement only provided funding figures for 2023-24, it also provided more certainty around some of the funding streams for 2024-25 (up to the end of the current Spending Review (SR) period).
8. On 18 December 2023 the Government announced a further one-year settlement for 2024-25. This settlement was largely based on the indicative figures for 2024-25 which were announced as part of the 19 December 2022 settlement. However, this report has been updated to reflect any changes following the 18 December 2023 provisional Local Government Finance Settlement. The Budget beyond 2024-25 is less certain and therefore contains a number of assumptions.
9. The MTFP will be updated for future years once this information is available.

6. Background

National Context

1. The Government is currently reviewing the funding mechanism for Local Government. As part of the provisional Local Government Finance Settlement of 19 December 2017 the Secretary of State launched a Fair Funding Review (FFR): a review of relative needs and resources” consultation which concluded 12 March 2018. The Secretary of State had said that the results of the review would be introduced in 2020-21. The Government is looking to allocate resources to local authorities based on assessed need. This will be done using a number of key indicators which considers factors such as deprivation and sparsity, amongst others. Once need is assessed, resources will be allocated to individual authorities through the Business Rates Retention mechanism.
2. The Government is also considering the system that will be used to calculate and allocate Business Rates income across the sector. Although no firm proposals have yet been put forward, it is likely that in due course many of the core grants within the MTFP will disappear and will be replaced with retained locally collected Business Rates income. As part of the provisional Local Government Finance Settlement of 19 December 2017 the Secretary of State announced that there would be a Business Rates baseline reset in 2020-21; and, from 2020-21, Business Rates retention would be at 75.00% instead of 50.00%. The reset when it occurs will see National Non-Domestic Rates (NDR) baselines adjusted to reflect the amounts local authorities are collecting in Business Rates (currently it is based on the amounts collected in 2010-11 and 2011-12).
3. Implementation of the FFR and review of Business Rates have both been delayed and subsequently, the provisional Local Government Finance Settlement announced on 19 December 2022 confirmed that the outcome of the FFR and review of the Business Rates would be postponed by at least a further two years; resulting in implementation in 2025-26 at the earliest. In the absence of the outcome of these reviews it remains difficult to accurately forecast the financial position for the Council beyond 2024-25. However, for the purpose of the MTFP it is assumed that the Council will continue to retain 50.00% of Business Rates income.
4. The position will be monitored closely and the MTFP will be updated once more information is available.

Provisional Local Government Financial Settlement

5. The 2024-25 provisional Local Government Finance Settlement was announced by Government on 18 December 2023. The announcement only provided funding figures for 2024-25, up to the end of the current spending review. Beyond this, the Council is aware that the Government intends to change the funding mechanism for the sector from 2025-26 at the earliest. This report therefore utilises the financial data that was published as part of this announcement. Beyond that period the figures have been forecast as identified in this report. The final Local Government Finance Settlement is due in February 2024. Members are requested to note that the figures

from the provisional settlement are included within Appendix 1. **(Recommendation 1)**

6. It is recommended that the Council approves the Budget 2024-25 (Appendix 1) including the requirement to implement budget balancing measures totalling £10.846 million in 2024-25. Council is also asked to approve the efficiencies identified for 2025-26 totalling £14.950 million in order that they can be progressed and realised as soon as practicable. **(Recommendation 2)**
7. Members are requested to note the MTFP at Appendix 1 including the requirement to deliver budget balancing measures totalling £20.248 million in 2026-27, and £14.238 million in 2027-28. **(Recommendation 3)**

Settlement Funding Assessment and Revenue Support Grant

8. The Settlement Funding Assessment is a combination of resources received from Revenue Support Grant (RSG) and Baseline Funding (including Top-Up Grant).
9. From 2016-17 the methodology in determining the Settlement Funding Assessment changed. Government has taken into account the ability of each authority to raise Council Tax locally (including increases in the Tax Base, Council Tax rate and inflationary uplift). Under this methodology, where an authority has greater capacity to raise resources locally through Council Tax, RSG has been reduced.

Revenue Support Grant

10. The RSG to be received in 2024-25 is £14.020 million, which includes a Consumer Prices Index (CPI) inflationary uplift of 6.70%. One specific grant has also been rolled into the RSG: Home Office Fire and Pensions Grant (£0.766 million). This grant did not receive an inflationary uplift when it was rolled into the RSG. There is no announcement beyond 2024-25. However, for the purposes of the MTFP it is assumed that the grant remains and will increase by estimated CPI inflation; 2.00% for 2025-26, 2026-27 and 2027-28. The MTFP at Appendix 1 contains details of the RSG, which Members are asked to note. **(Recommendation 4)**

Baseline Funding

11. This is the Government's assessment of what the Council should generate from Business Rates income to meet assessed need. It comprises two elements: Assessed Retained Business Rates income and a Top-Up Grant. The grant is provided to top up the Government's assessed retained Business Rates income to the Baseline Funding level applicable for the Council.
12. The Council retains 50.00% of the Business Rates income it collects and is classified as a Top-Up authority. This means that the Council receives a Top-Up Grant over and above the 50.00% locally retained Business Rates income, which increases the overall funding the Council expects to receive from Business Rates income to the assessed baseline level. This position continues for 2024-25 and is assumed to remain unchanged over the period of the 2024-28 MTFP, in the absence of the outcome of the FFR and Review of the Business Rates Retention Scheme.

13. As stated previously, the Baseline Funding level is the Government's assessment of what the Council should achieve through retained Business Rates income (including Top-Up Grant) to meet assessed need. However, any variation in the actual level of Business Rates income collected will result in a variation from the assessed Baseline Funding level and a shortfall or excess in Business Rates funding.
14. It should be noted that there are risks to the Council's Business Rates income as a result of factors such as the success of appeals. This makes financial planning and forecasting complex. It is forecast that the Council's provision for Business Rates appeals will be £14.607 million by 31 March 2024 (£10.426 million on 31 March 2023).
15. The provisional Local Government Finance Settlement announced on 18 December 2023 confirmed that the Small Business Rates Multiplier has been frozen for 2024-25 at 49.9p. The Standard Business Rates Multiplier was increased by CPI inflation of 6.70% to 54.6p.
16. Members are requested to note the following table which shows the Council's estimated value of locally retained Business Rates and Top-Up Grant payments included in the MTFP 2024-28; based on 50.00% retention of Business Rate income. Any variation from these figures will ultimately result in a surplus or deficit which will impact on the Budget and the MTFP in future years. **(Recommendation 5)**

	Estimated Retained Business Rates £m	Top-Up Grant Funding £m	Total £m
2024-25	75.160	28.536	103.696
2025-26	77.266	29.107	106.373
2026-27	78.291	29.689	107.980
2027-28	79.667	30.283	109.950

17. Normal accounting rules require that any forecast surplus or deficit on the Business Rates element of the Collection Fund from the prior year, must be credited or charged to the General Fund in the following financial year. Within 2023-24 there is a forecast surplus of £3.471 million on the Business Rates element of the Collection Fund which is utilised in 2024-25, as shown in Appendix 1. Members are asked to note the 2023-24 forecast surplus which is to be utilised in 2024-25. **(Recommendation 6)**
18. The provisional Local Government Finance Settlement of 18 December 2023 made no announcement regarding any potential non-recurrent funding as a result of a surplus on the national Business Rates Retention Levy/Safety Net account. The position will be monitored and the MTFP updated should this be announced.
19. Business Rates income projections contained within the 2024-28 MTFP from those businesses classified as small have not been inflated in 2024-25. This is in line with the Government freezing of the Small Business Rates Multiplier. Business Rates income projections from those businesses classified as standard have been increased by CPI inflation at 6.70% in line with the Government's increase to the Standard Business Rates Multiplier. Beyond 2024-25 Business Rates income from

those businesses classified as small and standard have been inflated annually by forecast CPI at 2.00% per annum for years 2025-26 through to 2027-28.

20. Known Business Rates growth and reductions have also been forecast for all years, plus a further reduction of 1.00% of net rates payable in each of the years of the 2024-28 MTFP to account for the potential impact of an economic downturn.
21. Through the Business Rates Retention Scheme, the Council not only faces a significant risk of reduced funding if Business Rates income declines, but it also could increase funding by encouraging new business within and to the area. In most cases under the current scheme the Council will be allowed to retain 50.00% of any new Business Rates income within the area; and in the case of renewable energy the Council can retain 100.00% of Business Rates income collected.

Rural Services Delivery Grant

22. The Rural Services Delivery Grant to be received in 2024-25 remains unchanged from 2023-24 at £2.745 million. There is no announcement beyond 2024-25. However, for the purposes of the MTFP it is assumed that the grant remains unchanged, and Members are requested to note the grant. **(Recommendation 7)**

New Homes Bonus

23. The New Homes Bonus scheme was first introduced in 2011-12. For each newly built house or conversion the Council received a reward of the national average Council Tax for the relevant band. Long-term empty properties which had been brought back into use were also included in the reward and there was a premium for affordable homes. The scheme originally paid grant for six years. However, the scheme has been substantially changed over the years.
24. The provisional Local Government Finance Settlement of 18 December 2023 announced that there would be a new allocation for 2024-25 only. There are no longer any legacy payments included in the allocation. The rest of the scheme remains unchanged from 2023-24.
25. The Council expects to receive New Homes Bonus Grant funding of approximately £1.682 million (excluding the service allocation of £0.028 million) for 2024-25.
26. The Government's 2023 policy statement said that the future of the New Homes Bonus scheme would be announced in time for the 2024-25 provisional Local Government Finance Settlement. This did not happen and there has been no further mention of the future of this scheme within the 18 December 2023 provisional Local Government Finance Settlement.
27. The 2024-28 MTFP assumes there will be no change in the allocation received in 2025-26 but that the grant will cease beyond 2025-26 once the FFR is implemented. The funding supports the overall Revenue Budget of the Council and Members are requested to note the inclusion of the grant in the Council's MTFP shown at Appendix 1. **(Recommendation 8)**

Improved Better Care Funding Grant

28. The Council's Improved Better Care Funding Grant is expected to remain unchanged for 2024-25 at £12.496 million. This grant allocation is not ring fenced and is intended to help address some of the financial pressures faced by councils, including those in Adult and Children's social care.
29. Beyond 2024-25 there is less certainty and there has been no announcement on the future of this grant from Government. However, it has been assumed within the 2024-28 MTFP that this grant will continue at its current level for the duration of the MTFP. The position will be monitored and the MTFP will be updated if required. Members are requested to note the grant inclusion in the Council's 2024-28 MTFP shown at Appendix 1. **(Recommendation 9)**

Social Care Grant

30. The Government's 18 December 2023 provisional Local Government Finance Settlement confirmed an overall grant allocation of £4.544 billion in 2024-25, which is £80.000 million higher than previously forecast within the MTFP. The grant is not ring fenced.
31. In total the Council will receive Social Care Grant of £25.821 million in 2024-25; an increase of £3.765 million when compared to £22.056 million received in 2023-24. Beyond 2024-25 there is less certainty; it is unclear if there will be new funding made available for the postponed adult social care charging reform, or if this funding is time-limited, and will be repurposed towards the adult social care charging reform. The 2024-28 MTFP assumes that this grant will continue at its current level beyond 2024-25 for the duration of this MTFP. However, it should be noted that this represents a significant financial risk. The position will be monitored and the MTFP will be updated if required. Members are requested to note the grant inclusion in the Council's 2024-28 MTFP shown at Appendix 1. **(Recommendation 10)**

Adult Social Care Discharge Fund

32. This was a new non-recurrent grant for 2023-24 and 2024-25. Nationally £300.000 million was available in 2023-24 and £500.000 million is available for 2024-25. The grant is intended to reduce delayed transfers of care. The National Health Service (NHS) will receive the same amount of funding as Local Government, and the funds will be pooled through the Better Care Fund. The grant is expected to be ring-fenced and has reporting requirements.
33. In total the Council will receive Adult Social Care Discharge Grant funding of £2.920 million in 2024-25. Members are requested to note the grant inclusion in the Council's 2024-28 MTFP shown at Appendix 1. **(Recommendation 11)**

Adult Social Care Market Sustainability and Improvement Fund

34. The December 2022 provisional Local Government Finance Settlement announced a non-recurrent grant allocation of £845.000 million for 2024-25; the 18 December 2023 provisional Local Government Finance Settlement confirmed that this amount would increase to £1.050.000 billion nationally for 2024-25. Of the 2024-25 allocation £162.000 million of this is from the repurposed Market Sustainability and Fair Cost of

Care Grant which was received in 2022-23, £0.683 million of new funding was allocated for 2024-25 at the December 2022 provisional Local Government Finance Settlement, and this has been increased following an announcement by the Government in July 2023 to provide additional funding of £0.365 million in 2023-24 and £0.205 million in 2024-25 for workforce funding.

35. The funding is intended to make tangible improvements to adult social care; and, in particular to address discharge delays, social care waiting times, low fee rates, workforce pressures, and to promote technological innovation in the sector. The grant is ring-fenced and has reporting requirements.
36. In total the Council will receive Adult Social Care Market Sustainability and Improvement Grant funding of £6.656 million in 2024-25. The 2024-28 MTFP assumes that this grant will continue at its current level beyond 2024-25 for the duration of this MTFP. Members are requested to note the grant inclusion in the Council's 2024-28 MTFP shown at Appendix 1. **(Recommendation 12)**

Services Grant

37. The 18 December 2023 provisional Local Government Finance Settlement announced that this grant would continue for 2024-25. However, the national allocation has been significantly reduced from £433.000 million to £77.000 million for 2024-25. The funding has been reduced after repurposing some of the grant to fund increases in other settlement grants including the Social Care Grant, RSG, and Funding Guarantee Grant; the Council does not receive an allocation for the latter. A proportion has also been held back by Government as a contingency.
38. This is an un-ringfenced grant with no reporting requirements and is intended to provide funding to all tiers of Local Government in recognition of the vital services it delivers.
39. The Council will receive £0.439 million in 2024-25. It is currently unclear if this grant will continue beyond 2024-25. However, given the previous reduction made to this grant over the previous two years, for the purpose of the MTFP it has been assumed that the grant will not continue beyond 2024-25. Members are requested to note the grant inclusion in the Council's 2024-28 MTFP shown at Appendix 1. **(Recommendation 13)**

Council Tax

40. The budget proposals for 2024-25 contained within this report assume that the Council will agree to increase the general Council Tax by 2.99% and Members are requested to approve the recommended increase. **(Recommendation 14)**
41. The 18 December 2023 provisional Local Government Finance Settlement set the referendum limit for general Council Tax increases at 3.00% for 2024-25. There was no announcement beyond 2024-25. For the purposes of this report the increase used in 2024-25 and 2025-26 is 2.99%. It is then assumed that the limit will reduce to 2.00% from 2026-27 for the remainder of the MTFP period, and a Council Tax increase of 1.99% has been included for 2026-27 and 2027-28. Members are requested to note this assumption. **(Recommendation 15)**

42. There has been no Government decision to implement referendum limits for Town and Parish Councils.
43. An assessment of potential housing development across the County has been undertaken and an estimate of the growth in the tax base has also been included within the MTFP.
44. The Council proposes to introduce a new empty homes Council Tax premium which will come into effect on 1 April 2024. Vacant properties will be charged full Council Tax after 12 months. It is forecast that this will affect 771 properties and contribute additional Council Tax income of approximately £1.600 million in 2024-25.
45. The increase in the Council Tax Base, the income generated from the new empty homes premium, and the general 2.99% inflationary increase in 2024-25 provides additional funding of approximately £9.273 million which helps to retain the levels of service the Council provides; as well as reduce the value of measures required to balance the Budget to the levels shown within the MTFP. It is also worth highlighting that the Government's Core Spending Power calculation assumes that the Council will apply an inflationary uplift to Council Tax each year and that there is growth in the Council Tax Base figure.
46. The provision for non-collection of Council Tax remains at 1.00% for 2024-25, following a review of actual collection rates. **(Recommendation 16)**
47. It is forecast that the Council's share of the Council Tax element of the Collection Fund will generate a surplus of approximately £4.149 million by 31 March 2024. This is largely due to an increase in the tax base as a result of additional properties being built. **(Recommendation 17)**
48. The Council agreed at its meeting on 17 January 2024 to continue with the 2023-24 local Council Tax Support Scheme unchanged for 2024-25; that is, the maximum level of support for working age claimants will be 92.00%. This report, and the Budget 2024-25 and MTFP 2024-28 at Appendix 1 includes the estimated cost of the full scheme to the Council of £24.524 million.
49. In addition to this the Council Tax Support Hardship Scheme has been extended into 2024-25, and the Council Tax Discount Policy which is included in the report "Revenues and Benefits Policies for 2024-25", which will be presented to Cabinet and Council along with this report has been updated to reflect this. A reduction of up to £100.00 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. Members are asked to approve the 2024-25 Council Tax Support Hardship Scheme, and the funding, from the Council Tax Hardship and Discount Scheme Fund Reserve. The cost of the scheme is estimated to be £1.726 million and is included at Appendix 1 and Appendix 9, and the funding for the scheme is shown at Appendix 1. **(Recommendation 18, 25 and 30)**
50. The Spending Review 2015 introduced the concept of an Adult Social Care Precept.

51. The provisional Local Government Finance Settlement announced by the Government on 18 December 2023 allows local authorities to add an Adult Social Care precept to its budget of up to 2.00% in 2024-25. Beyond this there was no announcement.
52. However, the Council's MTFP included at Appendix 1 assumes that a 2.00% increase is applied in 2024-25 and 2025-26. Thereafter it is assumed that the Adult Social Care Precept will cease following the Adult Social Care funding reforms. The 2.00% increase in 2024-25 will generate additional recurrent funding of approximately £4.993 million for Adult Social Care purposes in 2024-25. For 2024-25 this will result in a Band D property increase of £39.71. It is proposed that the precept for Adult Social Care is increased by 2.00% in 2024-25 and that Members note the proposed increase of 2.00% in 2025-26 and zero thereafter contained within the MTFP 2024-28. **(Recommendation 19)**
53. The following table illustrates the Band D Council Tax calculation for 2024-25 for those elements of the charge levied by the Council only. Bands A to H are proportionate to Band D. Parish Precepts and the charge from the Police and Crime Commissioner for Northumberland are excluded.

	2023-24 Band D Charge	2024-25 Increase	2024-25 Band D Charge	Increase Band D 2023-24 to 2024-25
	£	%	£	£
General Council Tax	1,721.00	2.99	1,772.46	51.46
Adult Social Care Precept	264.30	2.00	304.01	39.71
Total Council Charge	1,985.30	4.59	2,076.47	91.17

54. The general Council Tax increase of £51.46 represents a 2.99% increase on the 2023-24 charge. The Adult Social Care Precept increase of £39.71 represents a 2.00% increase on the 2023-24 general Council Tax and Adult Social Care Precept charges. The total Council increase of £91.17 represents a 4.59% increase overall when compared to the 2023-24 charge.

Reserves and Provisions

55. The Council has several reserves and provisions set aside for specific purposes and to meet potential significant general unforeseen costs.
56. Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 require local authorities to consider the level of reserves when setting a budget requirement. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer, Section 151 Officer (S151 Officer) to report formally on the adequacy of proposed reserves when setting a budget requirement. The accounting treatment for reserves is set out in the Code of Practice on Local Authority Accounting. There is a separate report accompanying the budget report covering Section 25 of the Local Government Act 2003 from the Council's S151 Officer.
57. The Chartered Institute of Public Finance and Accountancy (CIPFA) issued Local Authority Accounting Panel (LAAP) Bulletin No.99 Guidance Note on Local Authority

Reserves and Balances in July 2014, which updated previous Bulletins to reflect the new requirements of the International Financial Reporting Standards (IFRS) Code of Practice. In addition, during the period of financial austerity for the public sector, the Local Authority Accounting Panel considered it necessary to update the guidance on Local Authority reserves and balances. Compliance with the guidance is recommended in CIPFA’s Statement on the Role of the Chief Financial Officer in Local Government.

58. The Council’s reserves policy is attached at Appendix 2. This policy sets out the Council’s approach for compliance with the statutory regime and relevant non-statutory guidance. The policy for 2024-25 has been updated to reflect:

- an overview of the Housing Revenue Account (HRA) reserve.
- Arrangements for authorisation of drawdown from Earmarked Reserves and capital grants unapplied outside of the approved budget and policy framework, as set out in the Council’s Constitution. A completed Supplementary Estimate form is required for each drawdown. The financial limits for authorisation of drawdown from reserves in this instance are as follows:

	Section 151 Officer	Cabinet	Council
Revenue	£250,000	£250,001 - £500,000	Over £500,000
Capital	£500,000	£500,001 - £2,000,000	Over £2,000,000

59. Members are asked to approve the Reserves Policy for 2024-25 detailed in Appendix 2. **(Recommendation 20)**

60. For 2024-25 only it is recommended that the Executive Director for Transformation and Resources (the Council’s Section 151 Officer) has authority to draw down a total of £2.000 million from the Council’s Transformation Fund Reserve and £0.800 million from the Estates Rationalisation Reserve in order to expedite work required with regard to the BEST initiative. Cabinet will receive updates of any drawdowns in the quarterly financial monitoring reports. **(Recommendation 43)**

61. Reserves are an important part of the Council’s financial strategy and are held to create long-term budgetary stability. They enable the Council to manage change without undue impact on the Council Tax and are a key element of its strong financial standing and resilience. The Council’s key sources of funding face an uncertain future and the Council therefore holds earmarked reserves and a working balance in order to mitigate future financial risks.

Reserves

62. There are two categories of reserves: unusable and usable. Unusable reserves arise out of the interaction of legislation and proper accounting practice either to store revaluation gains or as adjustment accounts to reconcile accounting requirements driven by reporting standards to statutory requirements. These reserves cannot be used for any other purpose and are therefore not considered as part of this report. Usable reserves are split between those that are earmarked for known or predicted purposes, such as Section 106 developer contributions, and those of a general nature

which are available to fund unforeseen costs, smooth cash flow and prevent unnecessary temporary borrowing. A schedule of all usable reserves is detailed at Appendix 3.

63. A review of all usable reserves has recently been undertaken to ensure they are still required and are at an appropriate level. Appendix 3 details the outcome of the review which Members are requested to note. **(Recommendation 21)**
64. Given the uncertainty around much of the future funding for Local Government there is a real risk that the Council may be unable to meet significant unforeseen cost pressures. There is also a high level of risk associated with Business Rates income which was covered earlier in this report. It is therefore essential that the Council continues to maintain an adequate level of general reserves to fund such unforeseen events. There are two main general reserves that can be utilised for these purposes: the General Fund Reserve and the Strategic Management Reserve. Regular reviews of the reserves will continue to be undertaken to ensure reserve levels are appropriate to risks in line with legislation and best practice. The Council aims to hold general reserves of between 5.00% and 7.50% of the gross Revenue Budget, which equates to between £46.421 million and £69.631 million for 2024-25. Whilst the level of general reserves at 31 March 2024 will exceed £69.631 million the planned use of the Strategic Management Reserve in 2025-26 should bring the general reserve total within the 5.00 to 7.50% range.
65. It is proposed to utilise a net contribution of £30.746 million from the Strategic Management Reserve over the duration of the MTFP 2024-28, comprising net contributions from the Strategic Management Reserve of £20.885 million in 2024-25, £10.831 million in 2025-26, and £0.027 million in 2026-27, and a net contribution to the Strategic Management Reserve of £0.997 million in 2027-28. Proposed contributions to and from the reserve are as follows:
 - a) the non-recurrent pressures detailed in Appendix 9, excluding Adult Social Care Discharge Fund, which is funded from specific grant income, and the BEST Transformation Programme which is proposed to be funded from the Council Transformation Fund Reserve, and Locality Coordinators and Hirst Welfare Centre – transformation support which are proposed to be funded from Public Health Grant, and Council Tax Support Hardship Scheme which is proposed to be funded from the Council Tax Hardship and Discount Scheme Fund Reserve: £7.147 million 2024-25, £2.084 million 2025-26, £0.027 million 2026-27, and £0.028 million in 2027-28;
 - b) delayed investment interest due from the airport as a result of Covid-19 will be repaid to the Strategic Management Reserve. It is anticipated the airport will start to repay the delayed interest over a three-year period, commencing in April 2027, at £1.025 million per annum;
 - c) revenue contributions to capital (RCCO) of £13.171 million in 2024-25; comprising of £8.171 million for investment in the Schools' Development Programme, and £5.000 million for investment in the enabling works at strategic

employment sites within Northumberland; and £6.591 million in 2025-26 for investment in the Schools' Development Programme; and,

- d) in order to help balance the Budget it is proposed to utilise £0.567 million in 2024-25 and up to £2.156 million in 2025-26 from the Strategic Management Reserve.

- 66. These amounts are shown in the MTFP contained within Appendix 1, and Members are requested to approve the contributions from the Strategic Management Reserve for the items above in the 2024-25 Budget and note the position for 2025-26, 2026-27 and 2027-28. **(Recommendation 22)**
- 67. It is proposed to utilise £0.708 million of the Public Health Grant over the duration of the MTFP 2024-28, comprising of £0.428 million in 2024-25, £0.180 million in 2025-26 and £0.100 million in 2026-27. Proposed contributions from the reserve are as follows:
 - a) four fixed term Locality Coordinators totalling £0.178 million in 2024-25; and,
 - b) Hirst Welfare Centre – transitional support, at £0.250 million in 2024-25, £0.180 million in 2025-26, and £0.100 million in 2026-27.
- 68. These non-recurrent costs are contained within Appendix 9, and the use of the Public Health Grant is shown in the MTFP contained within Appendix 1. Members are requested to approve the contribution from the Public Health Grant for the items above in the 2024-25 Budget and note the position for 2025-26, 2026-27 and 2027-28. **(Recommendation 23)**
- 69. With regard to the Council Transformation Fund Reserve, it is proposed to utilise £3.000 million in 2024-25 to fund non-recurrent BEST programme delivery costs shown within Appendix 9. These amounts are shown in the MTFP contained within Appendix 1, and Members are asked to approve the use of the Council Transformation Fund Reserve in 2024-25. **(Recommendation 24)**
- 70. With regard to the Council Tax Hardship and Discount Scheme Fund Reserve, it is proposed to utilise £1.726 million in 2024-25 to offset the non-recurrent cost of the Council Tax Support Hardship Scheme shown within Appendix 9. These amounts are shown in the MTFP contained within Appendix 1, and Members are asked to approve the use of the Council Tax Hardship and Discount Scheme Fund Reserve in 2024-25. **(Recommendation 25)**
- 71. Part Two of the Local Government Act 2003 comprises a set of duties and powers that gives statutory support to important aspects of good financial practice in Local Government.
- 72. Section 25 requires the Chief Financial Officer (also referred to as the Section 151 Officer) to report to an Authority when it is making the statutory calculations required to determine its Council Tax or Precept. The Authority is required to take the report into account when making the calculations. The report must deal with the robustness of the estimates included within the Budget and the adequacy of the reserves for which the Budget provides.

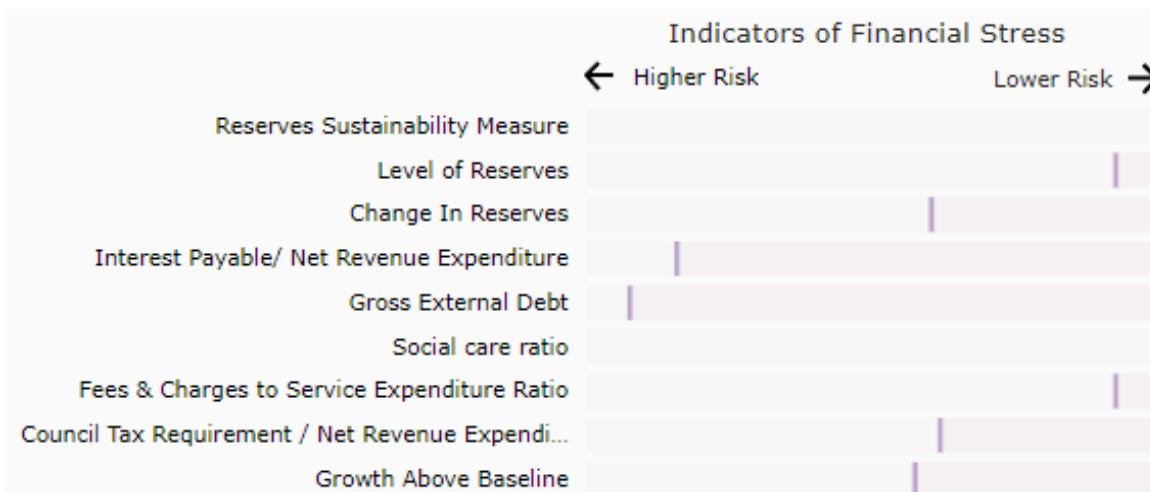
73. The Executive Director of Transformation and Resources (the Council's Section 151 Officer) is satisfied that the Council is setting a viable budget based on the assumptions contained within this report and confirms that the Council has the required financial strength within its reserves position to cope with any anticipated financial challenge, and there is a separate report accompanying the Budget explaining the Section 151 Officer's rationale.

Provisions

74. The Council maintains a number of provisions which are also detailed in Appendix 3. Provisions are set aside for specific purposes and there are prescribed criteria which are set out in International Accounting Standard 37 (IAS 37), which must be satisfied before a provision can be created.
75. The criteria are as follows:
- there is a present obligation (legal or constructive) as a result of a past event;
 - it is probable that resource will be required to settle the obligation;
 - a reliable estimate can be made regarding the obligation.
76. A provision is created to provide for the probable financial impact of such an event when the above criteria are satisfied. This differs from a reserve which is not subject to prescribed criteria and is held to create long-term budgetary stability. Reserves enable the Council to manage change without undue impact on the Council Tax and are a key element of its strong financial standing and resilience.
77. Provisions are scrutinised annually by the Council's external auditors as part of the final accounts process to ensure that they comply with the requirements of IAS 37. It is essential that the Council provides for these items when the criteria set out in IAS 37 is met to prevent unbudgeted charges to the General Fund. There is a requirement to review all provisions annually to ensure they are still relevant and satisfy the requirements of IAS 37. A review of all provisions has recently been undertaken to ensure they are still required. Appendix 3 details the outcome of the review and Members are requested to note the provisions. **(Recommendation 21)**

CIPFA Financial Resilience Index

78. In January 2024 CIPFA published a Financial Resilience Index for all English local authorities. This information has been made publicly available (via CIPFA's website).
79. The index does not produce one overall single 'league table' score. Instead, the index consists of financial ratios across nine primary indicators and a further seven secondary indicators.
80. In addition to a calculated value for each financial ratio, the index also expresses each indicator on a scale of risk-level linked to risk of financial stress. Scores for each indicator are also benchmarked with a 'nearest neighbour' peer group.
81. The following chart shows the indicator of financial stress risk for all nine primary measures on the Financial Resilience Index for the Council:



Source: initial Chief Finance Officer release of the Resilience Index

82. The Financial Resilience Index for Northumberland shows low levels of risk for four of the nine primary indicators including the Reserves Sustainability Measure which indicates that there is a low risk that the Council will utilise all its reserves if it continues to use them at the current rate in the next 4 years.
83. There are three indicators which show as a medium risk. However, a higher level of risk is indicated for the following two primary indicators:
- Interest Payable / Net Revenue Expenditure; and,
 - Gross External Debt.
84. For Northumberland the two indicators are inextricably linked. Members will be aware that the Council's debt has historically been at a high level due to the level of lending to other organisations such as Arch and its successor Advance Northumberland and Northumbria Healthcare NHS Foundation Trust (at 31 March 2023 the Council lending to third parties was £402.460 million); as well as being the main source of funding to service the Capital Programme.
85. As a consequence of the high level of debt the Council's interest payments are significant, hence the risk is high as shown in the diagram above. Members should note that the indicator does not take into account the fact that the debt is being repaid and that the Council either has a legal charge over a number of assets to cover the debt or wholly owns Advance Northumberland and by default the assets.

Service Specific Grants

86. In addition to the core funding grants detailed in this report there are a number of Service Specific Grants which are detailed at Appendix 4. Some of these grants are still indicative pending final confirmation. These grants are included within the Baseline Budget figure and total £263.663 million and Members are requested to note the grants. **(Recommendation 26)**
87. The Public Health Grant is ringfenced for the provision of services to improve the health of the local population through a sustainable health and care system by improving access, experience, and outcomes; and reducing health inequalities from deprivation, ethnicity, and vulnerable groups. The 2024-25 grant allocation has not

yet been announced, but it is expected that the grant will receive an inflationary uplift of 1.30% on the 2023-24 allocation, therefore it has been assumed within the MTFP that this grant will increase to £18.165 million. The position will be monitored and the MTFP will be updated if required once the final grant allocation is announced.

(Recommendation 26)

Fees and Charges

88. The Council derives income from Fees and Charges. The income generated from these Fees and Charges is included within the Baseline Budget row of the 2024-28 MTFP shown at Appendix 1.
89. It is Council policy to review all Fees and Charges annually to ensure that they are set at an appropriate level where applicable. A review has recently been undertaken and a full Schedule of Fees and Charges for 2024-25 is shown at Appendix 5. Members are asked to note the list of Fees and Charges 2024-25 contained at Appendix 5. **(Recommendation 27)**

EXPENDITURE

Inflation

90. The Council, in common with all other local authorities, is not immune from the very high levels of inflation that have been seen over the past 2 years and these cost pressures are particularly acute in a number of statutory services. There are pressures within Children's and Adult's Social Care services as a result of the move to the Real Living Wage where demand for the provision of care and support for looked after children and the elderly continues to grow. Although energy costs are reducing, they are still above "normal" levels. These inflationary increases add significantly to the budgetary pressures faced by the Council and are included within Appendix 6.
91. All inflationary pressures are detailed within Appendix 6 which includes the costs associated with incremental pay drift, pay inflation and non-pay inflation.
92. Pay inflation for 2024-25 is based on an increase of 4.00%. For the purposes of the MTFP it is assumed that the pay awards will be 4.00% across the term of the MTFP.
93. The budget includes non-recurrent hyper-inflation for gas and electricity of £2.317 million. As these are inflationary pressures over and above what is considered to be a normal and recurrent level of inflation it is recommended that this is funded from the Strategic Management Reserve.
94. Total inflation equates to £28.559 million for 2024-25, £17.717 million for 2025-26; £15.167 million for 2026-27, and £14.573 million for 2027-28. It is recommended that the inflationary pressures identified in Appendix 6 for 2024-25 are approved.
(Recommendation 28)

Demand for Services

95. The pressures facing the Council and the requirement to fund growth in services are shown in Appendices 7 and 8, with further detail in the following paragraphs. Recurrently, £14.823 million has been added to the base Budget for 2024-25, £2.265 million in 2025-26; £3.130 million in 2026-27 and £0.875 million in 2027-28. Also, the year-on-year increase in the revenue costs attributable to the Capital Programme (Appendix 14) is included within the MTFP at Appendix 1. This equates to £19.100 million in 2024-25, £12.609 million in 2025-26, £6.000 million in 2026-27, and £6.000 million in 2027-28, comprising:
 - a) revenue contributions to capital (RCCO) of £13.171 million in 2024-25; £8.171 million for investment in the Schools' Development Programme, and £5.000 million for investment in the enabling works at strategic employment sites within Northumberland; and £6.591 million in 2025-26 for investment in the Schools' Development Programme. These costs are all non-recurrent and it is proposed that they are funded from the Strategic Management Reserve; and,
 - b) revenue cost of borrowing associated with the Capital Programme of £5.929 million in 2024-25, £6.018 million in 2025-26, and £6.000 million for both 2026-27 and 2027-28. The assumed interest rates which are included in these figures are as follows:

Financial Year	Average estimated percentage (*)
2024-25	4.87%
2025-26	3.79%
2026-27	3.68%
2027-28	3.63%

* This excludes Minimum Revenue Provision

96. It is proposed that Members approve the 2024-25 pressures, growth and revenue costs associated with the Capital Programme and note the 2025-26, 2026-27 and 2027-28 figures. **(Recommendation 29)**
97. In addition to the grants mentioned earlier, the increase of 2.00% Adult Social Care Precept to Council Tax levels for 2024-25, and 2025-26 has provided some additional funding to meet the increasing costs of Adult Social Care. However, there remains a significant recurrent on-going pressure which needs to be funded by the Council. The MTFP assumes no increase in the Adult Social Care Precept for the remaining years of the MTFP.
98. The Council has set aside recurrent funding within the Budget 2024-25 and the MTFP to address the demographic pressures in relation to both Adult's and Children's Social Care as well as the ongoing revenue consequences of the Council's ambitious capital investment programme and a number of other identified pressures and growth areas.
99. There are also non-recurrent issues which the Council needs to address from time to time. The MTFP identifies that £15.221 million will be required in 2024-25; £2.264 million in 2025-26 and £0.127 million in 2026-27, and £0.028 million in 2027-28. Details are contained within Appendix 9. It is proposed that this one-off expenditure is approved and that when it is incurred it is funded from the Strategic Management Reserve. It is proposed that the following reserves are also utilised to fund non-recurrent items of expenditure **(Recommendations 22, 23, 24, 25 & 30)**:

	2024-25	2025-26	2026-27	2027-28
	£m	£m	£m	£m
Strategic Management Reserve	20.885	10.831	0.027	(0.997)
Council Transformation Fund Reserve	3.000	-	-	-
Public Health Grant Reserve	0.428	0.180	0.100	-
Council Tax Hardship and Discount Scheme Fund Reserve	1.726	-	-	-
Total reserves to be utilised	26.039	11.011	0.127	(0.997)
Adult Social Care Discharge Fund Grant	2.920	-	-	-
Total use of reserves for non-recurrent items	28.959	11.011	0.128	(0.997)

100. The Council also expects to achieve non-recurrent income of £5.475 million in 2024-25, £0.314 million in 2025-26 and £0.283 million in 2026-27 and £0.269 million in 2027-28, which is detailed in Appendix 9. It is proposed that Members approve the non-recurrent income for 2024-25 and note the expected receipts in the following three years of the MTFP. **(Recommendation 31)**

Budget Balancing

101. The Council's Budget 2024-25 and MTFP 2024-28, which is contained within Appendix 1, has been updated to reflect the latest forecast position for both income and expenditure. The plan also highlights the value of budget measures required in order to set a balanced budget, equating to £10.846 million in 2024-25, £14.950 million for 2025-26 and £34.486 million for the period 2026 to 2028. It is recommended that the identified efficiencies of £10.846 million for 2024-25 and £14.950 million for 2025-26, which are detailed in Appendix 10 are approved, and Members note that a further £6.017 million of efficiencies have been identified for the period 2026 to 2028. **(Recommendation 32)**
102. The Schedule of Efficiencies contained in Appendix 10 has been agreed by the individual Cabinet Members. Any efficiency proposals that are considered to represent a risk will be subject to a separate comprehensive risk appraisal process. The risk appraisal process is the responsibility of the relevant Executive Director and will continue up to the Council meeting and beyond as individual budget reduction measures are implemented.
103. In addition, the potential impact of the proposed budget balancing measures on the Council's public sector equality duties has been considered by officers in each Directorate, and where screening identifies a need, detailed equality impact assessments have been carried out on the proposals. In some cases, these are provisional and will be reviewed before final decisions are made to implement these proposals. If this process makes it clear that there are unacceptable equality impacts which cannot be mitigated by adjustments within the proposal itself, the relevant Executive Director will be expected to find alternative compensating savings which they will agree with their relevant Cabinet Member. The Executive Director - Public Health, Inequalities & Stronger Communities has provided an initial assessment of the overall equality impact of the budget proposals, shown at Appendix 11. This will be updated further as the budget process continues if required. Equality impacts will be considered further and subject to a comprehensive risk appraisal process as appropriate. Members are requested to note the Corporate Equality Impact Assessment shown at Appendix 11. **(Recommendation 33)**
104. As part of the Council's local commitment to reduce inequalities, work is progressing to develop an Integrated Impact Assessment (IIA) process. Decisions will not only be screened regarding the need for an equality impact assessment, but also for the impact on a broader range of groups experiencing socio-economic and health inequalities, as well as impacts on the environment. To implement this new approach, work is ongoing to develop an IIA tool. Once developed, the approach and the tool will be tested, and training and support will be available to ensure officers making decisions and taking decisions through the budget and committee process are fully

prepared for this change. The IIA approach will be completed during 2024 and will be implemented for the 2025-26 budget setting process.

105. A number of the proposals will require active management and each Executive Director will be responsible for their successful delivery.
106. If a proposal cannot be implemented either partially or in full the Executive Team will be expected to recommend alternative compensating savings for consideration.

Budget by Service Area

107. The 2024-25 Budget is shown by service area at Appendix 12. This highlights expenditure, income, inflation, grant funding changes, growth, pressures, efficiencies and the proposed final Budget 2024-25 by service area. Members are requested to note Appendix 12. **(Recommendation 34)**

Summary

108. The financial position of the Council over the period 2024-28 is detailed within Appendix 1.
109. It is recommended that Members approve Appendices 1, 2, 6, 7, 8, 9 and 10.

SCHOOL FUNDING

110. The Dedicated Schools Grant (DSG) is a ring-fenced grant from the Department for Education to be spent on the education of pupils both in and out of school. The available grant funding for 2023-24 (after academy recoupment), which Members are requested to note is forecast to decrease by £2.241 million from the 2023-24 original allocation to £158.046 million. This is as a result of four schools converting to academy status between April and November 2023. There has been a fifth academy conversion in December 2023 which will further reduce the grant for 2023-24.
111. The provisional value of the DSG for all schools in Northumberland (including Academies) for 2024-25 is £315.992 million. This is an increase of £24.448 million when compared to the 2023-24 original allocation across the Schools Block, High Needs Block and Early Years Block. This is due to an increase in the funding rates per pupil and now includes the Mainstream Schools Additional Grant (MSAG) which was previously a separate grant. There is an increased number of Special Educational Needs (SEN) children which has led to growth within the High Needs Block and the expansion of the early years entitlement for working parents has resulted in a significant increase in the Early Years Block. The Council will receive £175.086 million which Members are requested to note. **(Recommendation 35)**
112. The DSG is divided into four notional blocks:
- Schools Block;
 - Central School Services Block;
 - High Needs Block; and,
 - Early Years Block.
113. Virement between the four notional blocks of up to 0.50% is possible. Schools Forum have approved the full 0.50% transfer from the schools block to the high needs block for 2024-25 which is an additional £1.125 million to support budget pressures for children with additional needs.
114. The Schools Block includes funding for the individual school budget shares, calculated using the National Funding Formula (NFF).
115. The Central Schools Block is used to meet the cost of statutory services provided to all schools.
116. The High Needs Block will include funding for the additional needs of pre and post 16 students in Maintained Schools, Further Education Colleges and other establishments.
117. The Early Years Block includes funding for new early years entitlement for working parents of children aged nine months and above; two-year-old provision for the most disadvantaged children as well as the statutory offer for three and four-year-olds.

118. The implementation of the NFF has been further delayed, but the Department for Education expects all local authorities to continue to move closer to NFF values in 2024-25. Following a gradual transition in recent years, it is intended that for 2024-25 the current local formula, as approved by Cabinet, will match the NFF values.
119. The overall DSG reserve is forecast to show a surplus of £0.639 million at the end of the 2023-24 financial year, but this includes an overspend on the High Needs Block of £1.590 million. This is predominantly due to increased place funding and top-up costs associated with rising numbers of pupils with an Education, Health and Care Plan (EHCP). In 2024-25 the overall DSG reserve is expected to move to a deficit of £2.361 million if growth continues at the current rate. The service has undertaken a consultation with schools and is considering a range of measures that could be utilised to balance the funding pressures and bring the reserve back to a balanced position.

CAPITAL EXPENDITURE

Capital Strategy 2024-25 to 2027-28

120. The Chartered Institute of Public Finance and Accountancy (CIPFA)'s Treasury Management revised Code of Practice and the Prudential Code requires authorities to have in place a Capital Strategy that sets out the long-term context in which capital expenditure and investment decisions are made. The Capital Strategy should form a part of the authority's integrated revenue, capital and balance sheet planning.
121. Appendix 13 sets out the proposed Capital Strategy for the Council.
122. Members are recommended to approve the attached Capital Strategy at Appendix 13. **(Recommendation 36)**

Capital Programme 2024-25 to 2027-28

123. There is a revised Capital Programme covering the period 2024-28 within Appendix 14. The inclusion of a scheme in the programme signifies approval in principle; but each individual scheme will be subject to business case approval in line with the Council's Constitution.
124. The programme is based on that agreed in February 2023 but adjusted to reflect:
 - a) re-profiling of estimates from 2023-24 totalling £75.724 million; and,
 - b) a net increase in capital expenditure over the period 2024-28 of £277.560 million, details of which are shown in Appendix 15; comprising of new projects agreed during the year by Cabinet; other newly identified commitments and a number of schemes either reducing or being removed from the programme as part of the budget setting process. The overall increase of £277.560 million equates to a net increase in Council resource requirements over the period 2024 to 2028 of £118.540 million (£85.121 million increase for existing projects and £33.419 million increase for new projects), and a net increase in external grant contributions of £159.020 million. Members are requested to note the changes contained within Appendix 15. **(Recommendation 37)**
125. Members are recommended to approve the revised Capital Programme as detailed within Appendix 14. **(Recommendation 37)**
126. Within the revised Capital Programme there is an indicative grant allocation from the Department for Transport for the Local Transport Plan (LTP). County Council Members and Town and Parish Councils will be consulted in the development of the proposed LTP Programme as part of the prioritisation process. Members are recommended to approve the delegation of the detail of the final LTP Programme, and any subsequent in-year amendments to the Executive Director - Place and Regeneration in consultation with the Cabinet Member responsible for improving our roads and highways. **(Recommendation 38)**
127. Within the Capital Programme there is an allocation of £4.450 million in 2024-25 for Highway Maintenance Investment in U and C Roads and Footways and £2.500 million in 2024-25 and 2025-26 for Highway Maintenance and Pothole Repair Fund. Members are recommended to approve the delegation of the detail of the capital

allocation for Highways Maintenance Investment in U and C Roads and Footways; and the Highway Maintenance and Pothole Repair Fund to the Executive Director - Place and Regeneration in consultation with the Cabinet Member responsible for improving our roads and highways. **(Recommendation 39)**

Housing Revenue Account Capital Programme

128. The business case demonstrates potential capital expenditure over the MTFP of up to £86.189 million which is included in Appendix 14. Of this amount £47.754 million has been allocated through the Major Repairs Reserve to fund replacement roofs, kitchens, bathrooms, rewires and heating systems, along with other improvement schemes. In addition, £41.435 million has been allocated to increase the provision of affordable homes, in partnership with other registered providers across the county, and to increase the Council housing stock through new build schemes and open market acquisitions.

Flexible Use of Capital Receipts

129. Councils are generally only allowed to spend capital receipts - the money received when an asset is sold - on further capital projects or set aside the money for the repayment of debt. However, as part of the Local Government Settlement for 2016-17, Government announced greater flexibility for councils in how they make use of capital receipts by allowing them to use the receipts (excluding Right to Buy receipts) to help fund the revenue costs of transformation projects and release savings.
130. In December 2017, and again in February 2021, the Secretary of State announced further continuation of the capital receipts flexibility programme. The latest announcement provides a three-year extension for receipts received from 2022-23 onwards.
131. The flexibilities enable councils to use income from the sale of certain assets to fund the short-term revenue costs that support qualifying invest-to-save and efficiency projects in order to provide revenue savings in the future.
132. Qualifying expenditure under the guidance is defined as: "Expenditure on any project that is designed to generate on-going revenue savings in the delivery of services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demands for services in future years for any of the public sector delivery partners".
133. It is proposed that the Council utilises this flexibility for up to £0.500 million of capital receipts in 2024-25 on qualifying projects.
134. The proposal is not anticipated to have any revenue impact, as many of the qualifying projects will themselves provide on-going revenue benefits/efficiencies, which would in turn offset the additional cost of borrowing.

Prudential Borrowing Indicators

135. As a result of the revisions to the Capital Programme the Prudential Borrowing Indicators have been updated for the next four years. Prudential Indicators for approval are detailed within Appendix 16. **(Recommendation 40)**

Annual Minimum Revenue Provision Policy Statement

136. The proposed policy is enclosed at Appendix 17. The policy for 2024-25 has been updated pending the outcome of an ongoing Government consultation which is expected to be implemented from April 2024, as follows:

- a) for equity investments in the Council's subsidiary companies the MRP policy will be on an asset life basis over a period of 20 years; and,
- b) for capital expenditure in respect of Long-Term Capital Debtors, where principal is repaid over the term of the loan (such as the loans to Northumbria Healthcare NHS Foundation Trust), the MRP is as follows:
 - For commercial loans – where loan repayments are received in year then the loan repayments will be used in lieu of MRP and applied to write down the Capital Financing Requirement (CFR). In years where no principal loan repayment is received but anticipated then MRP will be provided over a prudent period.
 - For service loans – where loan repayments are received in year then the loan repayments will be used in lieu of MRP and applied to write down the CFR. In years where no principal loan repayment is received, then MRP will not be provided until the loan repayment is received, at which point the repayment will be applied to write down the CFR. The Council can however choose to provide MRP if it considers this to be a more prudent approach.
 - For commercial and service loans – where an actual or expected credit loss has been recognised then the MRP amount in the year will be equal to the amount of the credit loss. This amount can be reduced by any historic MRP made with respect to that loan.

137. Members are requested to approve the Annual Minimum Revenue Provision Policy for 2024-25 included at Appendix 17. **(Recommendation 41)**

TREASURY MANAGEMENT

138. The proposed Treasury Management Strategy for 2024-25 is attached at Appendix 18. The report was also considered by the Audit Committee on 31 January 2024. Any subsequent amendments following Audit Committee will be included in the final report to the full Council meeting in February.
139. The Treasury Management Practices (Appendix 18, Annex 3), which form part of the Treasury Management Strategy at Appendix 18, have been updated to incorporate the role of the Head of Corporate Finance.
140. Members are requested to approve the Treasury Management Strategy Statement included at Appendix 18. **(Recommendation 42)**

FINAL LOCAL GOVERNMENT FINANCE SETTLEMENT

141. The provisional Local Government Finance Settlement 2024-25 was announced on 18 December 2023 and the figures contained within this report are based on this announcement. However, there is currently a consultation period which could alter these figures. The outcome of the consultation will be announced in February 2024 as part of the final Local Government Finance Settlement.
142. Further to the provisional Local Government Finance Settlement 2024-25, a written ministerial statement released by Government on 24 January 2024 announced additional funding for 2024-25 for Social Care of £500.000 million, and £15.000 million for rural authorities. The final Local Government Finance Settlement will determine individual local authority allocations.
143. If the final Settlement is received in advance of the County Council meeting a report showing the changes will be provided to Members.
144. However, in the event that the final Settlement is received after the full Council meeting, it is proposed that delegated authority is approved for the Council's Section 151 Officer in consultation with the Cabinet Member for Corporate Services to amend the 2024-25 Budget if necessary. **(Recommendation 44)**

7. Implications

Policy	The Budget and MTFP support the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Economic Growth.
Finance and value for money	The financial implications of the 2024-25 Budget and the MTFP are detailed within this report. The Section 151 Officer is confident that the Budget will achieve balance, but it is evident that the position for financial year 2025-26 and beyond will continue to be challenging.
Legal	<p>It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, revised under Section 31 of the Localism Bill 2011, for the Council to produce a balanced budget.</p> <p>The Council also has a fiduciary duty not to waste public resources.</p> <p>The provisions of the Local Government Finance Act 1992 set out what the Council has to base its budget calculations upon and require the Council to set a balanced budget with regard to the advice of its Chief Finance Officer. The Act also states that the Council has got to set its budget before 11 March in the financial year preceding the one in respect of which the Budget is set.</p> <p>The responsibilities of Cabinet, as set out in the Constitution, include taking all necessary steps to prepare the authority's budget, and those plans and strategies which constitute the authority's policy framework. Cabinet undertakes this work in accordance with the Budget and Policy Framework Procedure Rules.</p>
Procurement	There are no specific procurement implications contained within this report.
Human resources	The size of the financial challenge will have an impact on staffing levels across the Council. The Council will continue to try and mitigate this impact by the management of vacancies and voluntary redundancy wherever possible.
Property	A significant proportion of the Capital Programme refers to property and assets. A review of the Council's estate is progressing.

The Equalities Act: is a full impact assessment required and attached?	Yes - required and attached. The Executive Director - Public Health, Inequalities & Stronger Communities has provided an overarching equality review, which identifies the main issues that need to be considered in setting the Budget. Cabinet will be asked to consider changing the budget proposals should it at a later stage prove not to be possible to mitigate an unacceptable equality impact.
Risk assessment	The risks associated with the budget proposals are regarded as acceptable, but these risks will continue to be reviewed up to and including implementation of the detailed proposals. Any efficiency proposals that are considered to represent a risk will be subject to a separate comprehensive risk appraisal process. The risk appraisal process is the responsibility of the relevant Executive Director and will continue up to the County Council and beyond as individual budget reduction measures are implemented.
Crime and disorder	There are no specific crime and disorder implications contained within this report.
Customer considerations	The individual proposals will carefully consider the impact upon both customers and residents of Northumberland.
Carbon reduction	The Council continues to develop proposals concerning the management of energy which are supported by the budget. Executive Directors will advise members of the carbon reduction implications in relation to their own areas of the budget and their budget proposals.
Health and wellbeing	The Council's budget is founded on the principle of promoting inclusivity.
Wards	All wards in Northumberland.

8. Background papers

22 February 2023	Full Council	Budget 2023-24 and Medium-Term Financial Plan 2023-27
12 December 2023	Cabinet	Budget 2024-25 and Medium-Term Financial Plan 2024-2028
12 December 2023	Cabinet	Setting of the Council Tax Base 2024-25

16 January 2024	Cabinet	Budget 2024-25 and Medium-Term Financial Plan 2024-28 Update
16 January 2024	Cabinet	Notification of the Estimated Collection Fund Balances 2023-24 – Council Tax and Business Rates
24 January 2024	Full Council	Approval of the Council Tax Support Scheme for 2024-25
31 January 2024	Audit Committee	Treasury Management Strategy Statement for the Financial Year 2024-25
21 February	Full Council	Revenues and Benefits Policies for 2024-24
21 February 2024	Full Council	Corporate Fraud Policies 2024-25

9. Links to other key reports already published

[Budget 2023-24 and Medium-Term Financial Plan 2023-27](#)

[Budget 2024-25 and Medium-Term Financial Plan 2024-2028](#)

[Setting of the Council Tax Base 2024-25](#)

[Budget 2024-25 and Medium-Term Financial Plan 2024-28 Update](#)

[Notification of the Estimated Collection Fund Balances 2023-24 - Council Tax and Business Rates](#)

[Approval of the Council Tax Support Scheme 2024-25](#)

10. Author and Contact Details

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	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
Funding				
Government Grants				
- Revenue Support Grant	(14.020)	(14.300)	(14.586)	(14.878)
- Business Rates - Income and Grants	(103.696)	(106.373)	(107.980)	(109.950)
- Rural Services Delivery Grant	(2.745)	(2.745)	(2.745)	(2.745)
- New Homes Bonus	(1.682)	(1.682)	-	-
- Improved Better Care Funding	(12.496)	(12.496)	(12.496)	(12.496)
- Social Care Grant	(25.821)	(25.821)	(25.821)	(25.821)
- Adult Social Care Discharge Fund	(2.920)	-	-	-
- Adult Social Care Market Sustainability and Improvement Fund	(6.656)	(6.656)	(6.656)	(6.656)
- Services Grant	(0.439)	-	-	-
Sub Total	(170.475)	(170.073)	(170.284)	(172.546)
Council Tax	(198.848)	(206.468)	(212.093)	(217.705)
Council Tax - Adult Social Care Precept	(34.106)	(39.082)	(39.363)	(39.616)
Council Tax - Income from 2nd Homes Premium	-	(7.127)	(7.246)	(7.368)
Collection of Parish Precept	(10.294)	(10.294)	(10.294)	(10.294)
Collection Fund - Council Tax Estimated	(4.149)	-	-	-
Collection Fund - Business Rates Estimated	(3.471)	-	-	-
Contributions (from)/to Reserves:				
- Strategic Management	(20.885)	(10.831)	(0.027)	0.997
- Public Health	(0.428)	(0.180)	(0.100)	-
- Council Transformation Fund	(3.000)	-	-	-
- Council Tax Hardship and Discount Scheme Fund	(1.726)	-	-	-
Total Funding	(447.382)	(444.055)	(439.407)	(446.532)
Expenditure				
Baseline Budget including Recurrent Adjustments	386.000	424.464	435.514	439.563
Pay Inflation	7.357	7.447	7.744	8.054
Non Pay and Income Inflation	19.715	8.870	6.023	5.119
Increments and Changes to Salaries	1.487	1.400	1.400	1.400
Recurrent Pressures	10.957	1.060	0.420	0.031
Growth	3.866	1.205	2.710	0.844
Revenue Cost of Capital	19.100	12.609	6.000	6.000
Non Recurrent Pressures and Income	9.746	1.950	(0.156)	(0.241)
Efficiencies Identified	(10.846)	(14.950)	(5.327)	(0.690)
Further Efficiencies Required to Balance the Budget	-	-	(14.921)	(13.548)
Total Expenditure	447.382	444.055	439.407	446.532
Tax Base	112,185.46	113,102.76	113,917.06	114,649.76
Budget Requirement	421.343	433.044	439.280	447.529
Band D Basic Council Tax	1,772.46	1,825.46	1,861.79	1,898.84
Band D Special Expenses	0.03	0.03	0.03	0.03
Band D Council Tax - Adult Social Care Precept (ASCP)	304.01	345.54	345.54	345.54
Increase in Council Tax (excl Special Expenses and ASCP)	2.99%	2.99%	1.99%	1.99%
Council only Increase	2.99%	2.99%	1.99%	1.99%
Adult Social Care Precept	2.00%	2.00%	0.00%	0.00%

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1. Background and Context

- 1.1. Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 require local authorities to consider the level of reserves when setting a budget requirement. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer, Section 151 Officer (S151 Officer) to report formally on the adequacy of proposed reserves when setting a budget requirement. The accounting treatment for reserves is set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting.
- 1.2. CIPFA issued Local Authority Accounting Panel (LAAP) Bulletin No.99, Guidance Note on Local Authority Reserves and Balances in July 2014, which updated previous bulletins to reflect the new requirements of the International Financial Reporting Standards (IFRS) Code of Practice. In addition, during the period of financial austerity for the public sector, the Local Authority Accounting Panel considered it necessary to update the guidance on local authority reserves and balances. Compliance with the guidance is recommended in CIPFA's Statement on the Role of the Chief Financial Officer in Local Government.
- 1.3. This policy sets out the Council's approach to compliance with the statutory regime and relevant non-statutory guidance.
- 1.4. Reserves are an important part of the Council's financial strategy and are held to create long-term budgetary stability. They enable the Council to manage change without undue impact on the Council Tax and are a key element of its strong financial standing and resilience. The Council's key sources of funding face an uncertain future and the Council therefore holds earmarked reserves and a working balance in order to mitigate future financial risks.
- 1.5. Earmarked reserves are reviewed quarterly and reported to Cabinet as part of the budget monitoring, budget setting and close down processes, to determine whether the original purpose for the creation of the reserve still exists and whether the reserves should be released in full or in part. Particular attention is paid in review to those reserves where the balances have not moved over a long period of time.

2. Overview

- 2.1. The Council will maintain:
 - a General Fund general reserve;
 - a Housing Revenue Account (HRA) general reserve;
 - a number of earmarked reserves; and,
 - Capital Receipts and Capital Grants reserves.

- 2.2. Additionally, the Council is required to maintain unusable reserves to comply with accounting requirements although, as the term suggests, these reserves are not available to fund expenditure.
- 2.3. The level of the general reserve is a matter for the Council to determine having had regard to the advice of the S151 Officer. The level of the reserve will be a matter of judgement which will take account of the specific risks identified through the various corporate processes. It will also take account of the extent to which specific risks are supported through earmarked reserves. The level will be expressed as a cash sum over the period of the General Fund Medium-Term Financial Plan (MTFP). The level will also be expressed as a percentage of the gross budget (to provide an indication of financial context). The Council's aim is to hold general reserves of between 5.00% (£46.421 million) and 7.50% (£69.631 million) of the gross revenue budget by the end of 2024-25.
- 2.4. The HRA is a self-financing reserve funded primarily through tenant rental income. The level of HRA Reserves needs to be maintained at an adequate level to provide for any future unforeseen expenditure or fall in income. The levels are also needed to ensure stability for the longer-term planning of the HRA. Each year the Council sets out a HRA 30-year business plan. There is a requirement to ensure that reserve balances are maintained throughout this period. The balance of reserves is determined by the level of risk associated with the budget. The current recommended minimum level of reserves is 10.00% of gross revenue budget (£3.989 million), however due to the current fluctuations in external economic factors, there will be an agreed minimum level of reserves of £10.000 million.

3. Strategic Context

- 3.1. The Council continues to face a shortfall in funding compared to spending demands and must annually review its priorities in order to address the shortfall.
- 3.2. Reserves play an important part in the Council's MTFP and are held to create long-term budgetary stability. They enable the Council to manage change without undue impact on the Council Tax and are a key element of its strong financial standing and resilience.
- 3.3. The Council holds reserves to mitigate future risks such as increased demand and costs; to help absorb the costs of future liabilities; and to enable the Council to resource policy developments and initiatives without a disruptive impact on the Council Tax.
- 3.4. The Council relies on interest earned through holding reserves to support its general spending plans.
- 3.5. Reserves are non-recurrent money. The Council does not use reserves to meet ongoing financial commitments other than as part of a sustainable budget plan. The Council has to balance the opportunity cost of holding reserves in terms of Council Tax against the importance of interest earning and long-term future planning.

4. Purposes

- 4.1. Reserves are therefore held for the following purposes, some of which may overlap:
- providing a working balance;
 - smoothing the impact of uneven expenditure profiles between years;
 - holding funds for future spending plans;
 - meeting future costs and liabilities where an accounting ‘provision’ cannot be justified;
 - meeting future costs and liabilities to cushion the effect on services;
 - to provide resilience against future risks; and,
 - to create capacity.
- 4.2. All earmarked reserves are held for a specific purpose and are reported quarterly to Cabinet.
- 4.3. The use of some reserves is limited by regulation e.g. the Collection Fund balance must be set against Council Tax levels. Reserves established through the HRA can only be applied within that account and the Schools’ Reserves are also ring-fenced for their use.

5. Management and Governance

- 5.1. All reserves are reviewed quarterly and reported to Cabinet as part of the Council’s budget monitoring, budget preparation, and close down processes. The Council will consider the view and advice of the S151 Officer regarding the adequacy of the reserves in the annual budget-setting process. The budget report will contain an estimate of the reserves over the duration of the MTFP.
- 5.2. Creation of new reserves:
- 5.2.1. Cabinet will approve the creation of all new reserves on the recommendation of the Section 151 Officer.
- 5.3. Adding to or utilising existing reserves:
- 5.3.1. Drawdown from Earmarked Reserves and Capital Grants Unapplied; A supplementary estimate form will be completed for each drawdown. The financial limits for this are as follows;

	Section 151 Officer	Cabinet	Council
Revenue	£250,000	£250,001 - £500,000	Over £500,000
Capital	£500,000	£500,001 - £2,000,000	Over £2,000,000

- 5.3.2. Additions to Earmarked Reserves and Capital Grants Unapplied; requires completion of a movement in earmarked reserves form for each addition to an existing reserve. These forms require approval from the relevant Executive Director or Service Director, and Section 151 or Deputy Section 151 Officer (in the absence of the S151 Officer), unless agreed otherwise by Cabinet.
- 5.3.3. General Fund general reserve and HRA general reserves; requires Cabinet approval up to £1.000 million and full Council approval over £1.000 million for each drawdown or addition to these reserves.
- 5.3.4. Capital Receipts (excluding HRA); in order to minimise the cost of borrowing all capital receipts available will be utilised in year to finance the Capital Programme.
- 5.3.5. Capital Receipts (HRA); the use of capital receipts will be managed in order to minimise the cost of borrowing whilst maximising the opportunities to secure grant funding.
- 5.3.6. Major Repairs Reserve (HRA); Depreciation charges are transferred to this reserve each year to fund major repairs. Its use is restricted to being applied to new capital investment in HRA assets or financing of HRA debt.
- 5.4. The Council will review the Reserves Policy on an annual basis.

Schedule of Reserves and Provisions 2024-25 to 2027-28

Appendix 3

	Forecast Balance at 31 March 2024 £m	Forecast Balance at 31 March 2025 £m	Forecast Balance at 31 March 2026 £m	Forecast Balance at 31 March 2027 £m	Forecast Balance at 31 March 2028 £m
General Fund	50.955	50.955	50.955	50.955	50.955
Total General Reserve	50.955	50.955	50.955	50.955	50.955
Housing Revenue Account (HRA)	28.175	20.639	14.356	8.348	8.348
Major Repairs - HRA	9.723	8.668	9.086	9.602	10.118
HRA Capital Investment	1.562	0.235	0.350	0.305	0.305
Total Earmarked HRA Reserves	39.460	29.542	23.792	18.255	18.771
Balances held by Schools	6.298	4.347	0.024	(4.621)	(4.621)
Borderlands Energy Masterplan	0.808	-	-	-	-
Community Led Housing	0.536	0.136	0.136	0.136	0.136
Council Commissioned Services	4.868	0.168	0.168	0.168	0.168
Council Tax Hardship and Discount Scheme	1.771	0.045	0.045	0.045	0.045
Council Transformation Fund	13.775	10.923	9.900	9.402	9.402
Dedicated Schools Grant	0.639	(2.361)	(2.361)	(2.361)	(2.361)
Empty Dwelling Management Order	0.094	0.024	0.009	0.006	-
Estates Rationalisation	4.562	1.519	-	-	-
Fire and Rescue Service HMICFRS Improvement	0.008	0.008	0.008	0.008	0.008
Firefighters' Immediate Detriment	0.200	0.200	0.200	0.200	0.200
Firefighters Pension Fund Admin Grant	0.033	0.033	0.033	0.033	0.033
Haltwhistle Repairs	0.066	0.066	0.066	0.066	0.066
Highways Commuted Maintenance Funds	1.073	1.020	0.965	0.912	0.857
Insurance	7.322	7.268	7.268	7.268	7.268
Legal Challenges	0.734	0.634	0.534	0.534	0.534
Open Spaces Maintenance Agreements	0.083	0.070	0.058	0.045	0.045
Planning Delivery Grant	1.038	0.838	0.743	0.490	-
Problematic Empty Properties	0.032	0.001	0.001	0.001	0.001
Recruitment and Retention	0.439	0.439	0.439	0.439	0.439
Regeneration Additional Capacity	0.405	0.255	0.054	-	-
Regeneration Development	1.836	1.836	0.504	-	-
Repairs and Maintenance	0.250	0.250	0.250	0.250	0.250
Replacement of Defective Street Lanterns	2.420	1.920	1.420	0.920	0.420
Restructuring	0.676	0.676	0.676	0.676	0.676
Revenue Grants	13.248	10.478	7.990	6.319	5.691
School Libraries	0.007	0.007	0.007	0.007	0.007
Sealodge Repairs	0.025	0.025	0.025	0.025	0.025
Section 106	18.570	16.519	15.094	15.094	12.394
Severe Weather	3.207	3.207	3.207	3.207	3.207
Social Fund	0.493	0.493	0.313	0.133	-
Sports Development	0.287	0.277	0.267	0.257	0.247
Strategic Management	41.289	20.405	9.617	9.652	10.712
Transformation of the Revenues and Benefits Service	0.155	0.155	0.155	0.155	0.155
Winter Services	1.750	1.750	1.750	1.750	1.750
Total Earmarked Reserves	128.997	83.631	59.565	51.216	47.754
Capital Grants Unapplied	63.478	63.478	63.478	63.478	63.478
Capital Receipts	0.092	0.092	0.092	0.092	0.092
Capital Receipts - HRA	7.843	0.242	0.087	0.132	0.132
Total Capital Reserves	71.413	63.812	63.657	63.702	63.702
Compensation Claims	0.067	0.037	0.037	0.037	0.037
Estates Rationalisation	0.127	0.127	0.127	0.127	0.127
Business Rates Appeals	7.304	9.604	11.686	13.810	15.977
Total Provisions	7.498	9.768	11.850	13.974	16.141
Total Reserves and Provisions	298.323	237.708	209.819	198.102	197.323

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£m

Adults, Ageing and Wellbeing

Local Reform and Community Voices	0.218
War Pensions Scheme Disregard Grant	0.151
Social Care in Prisons Grant	0.152
Total Adults, Ageing and Wellbeing	0.521

Chief Executive

The Private Finance Initiative - Fire	1.619
Fire Revenue Grant (Firelink/New Dimensions)	0.099
New Homes Bonus Grant	0.028
Feed Hygiene Grant	0.085
Total Chief Executive	1.831

Children, Education and Young People

Revenue Support Grant	0.656
Dedicated Schools Grant	175.086
Education and Skills Funding Agency	1.159
Pupil Premium	0.946
Supporting Families Grant	1.101
Youth Justice Board	0.663
Local Services Support Grant	0.513
Turnaround Grant	0.165
Unaccompanied Asylum Seeking Children	0.650
Staying Put Payment	0.121
Arts Council England - Music Hub Grant	0.398
Virtual Schools Grant	0.119
Family Hub	1.116
Key Stage 2 Moderation Grant	0.012
Extended Personal Advisor Grant	0.045
Restart Scheme	0.887
Work and Health Programme	0.470
16-19 Bursary Funds	0.020
Recovery Premium	0.019
School Led Tutoring	0.044
JTL Apprenticeship Funding	0.003
Wraparound Childcare Programme	2.104
Department for Education Funding	0.021
Total Children, Education and Young People	186.318

Public Health, Inequalities and Stronger Communities

Public Health Grant	18.165
Homes England	0.049
Total Public Health, Inequalities and Stronger Communities	18.214

£m

Place and Regeneration

New Burdens	0.058
Local Authority Bus Subsidy (Revenue) Grant	0.500
Countryside Agency	0.473
Cycle Training Grant	0.077
Homelessness Prevention Grant	0.557
The Private Finance Initiative - Waste	3.141
Total Place and Regeneration	4.806

Transformation and Resources

Discretionary Housing Grant	0.404
Housing Benefit Administration Subsidy	0.842
Rent Allowance Subsidy	41.317
Rent Rebate Subsidy	9.222
New Burdens	0.100
Total Transformation and Resources	51.885

Corporate Expenditure and Income

Local Services Support Grant	0.088
Total Corporate Expenditure and Income	0.088

Total Service Specific Grants	263.663
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Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
ADULTS, AGEING and WELLBEING					
Charges payable are dependent on the financial assessment of Service Users					
Deputyship Fees					
Annual Management Fee	First year	Statutory	£775.00	£775.00	-
Annual Management Fee	Subsequent years	Statutory	£650.00	£650.00	-
Annual Management Fee	If net asset value is less than £16,000	Statutory	3.5% of net assets	3.5% of net assets	-
Annual Management Fee	Health and welfare	Statutory	£555.00	£555.00	-
Annual Property Management Fee		Statutory	£300.00	£300.00	-
Annual Report Fee		Statutory	£216.00	£216.00	-
Appointment Fee		Statutory	£745.00	£745.00	-
Preparation of HMRC Tax Returns	Basic	Statutory	£70.00	£70.00	-
Preparation of HMRC Tax Returns	Complex	Statutory	£140.00	£140.00	-
Travel Rate	Per hour	Statutory	£40.00	£40.00	-
CHIEF EXECUTIVE					
Fire and Rescue Service					
Room Hire - Pegswood - external bookings					
Tweed	Full day	Discretionary	£155.00	£155.00	-
Tweed	Half Day	Discretionary	£83.00	£83.00	-
Wansbeck	Full day	Discretionary	£105.00	£105.00	-
Wansbeck	Half Day	Discretionary	£55.00	£55.00	-
Room Hire - West Hartford - external bookings					
Alnwick	Full day	Discretionary	£105.00	£105.00	-
Alnwick	Half Day	Discretionary	£55.00	£55.00	-
Bamburgh	Full day	Discretionary	£128.00	£128.00	-
Bamburgh	Half Day	Discretionary	£72.00	£72.00	-
Dunstanburgh	Full day	Discretionary	£128.00	£128.00	-
Dunstanburgh	Half Day	Discretionary	£72.00	£72.00	-
Dunstanburgh and Bamburgh	Full day	Discretionary	£265.00	£265.00	-
Dunstanburgh and Bamburgh	Half Day	Discretionary	£143.00	£143.00	-
Ford	Full day	Discretionary	£105.00	£105.00	-
Ford	Half Day	Discretionary	£55.00	£55.00	-
Kielder	Full day	Discretionary	£155.00	£155.00	-
Kielder	Half Day	Discretionary	£83.00	£83.00	-
Petroleum Licencing (statutory fee)	Up to 2,500 litres	Statutory	£44.00	£44.00	-
Petroleum Licencing (statutory fee)	2,501 to 50,000 litres	Statutory	£60.00	£60.00	-
Petroleum Licencing (statutory fee)	Over 50,000 litres	Statutory	£125.00	£125.00	-
Land Charges					
Additional Parcel of Land CON29R		Discretionary	£26.40	£26.40	-
Additional Parcel of Land LLC1		Discretionary	£6.60	£6.60	-
Con29 Questions		Discretionary	£19.80	£19.80	-
Enquiry Form Domestic		Discretionary	£111.36	£111.36	-
Enquiry Form Non-Domestic		Discretionary	£139.08	£139.08	-
Requisition		Discretionary	£15.00	£15.00	-
Solicitors Questions		Discretionary	£26.40	£26.40	-
Licensing					
Additional Driver Licence		Statutory	£34.00	£34.00	-
Animal Licensing Further Fees	Re-inspection fee	Statutory	£83.00	£83.00	-
Animal Licensing Further Fees	Additional host licence fee	Statutory	£88.00	£88.00	-
Animal Licensing Further Fees	Additional licensing activity fee	Statutory	£252.00	£252.00	-
Dangerous Wild Animal Act	Initial Licence	Statutory	£250.00	£250.00	-
Dangerous Wild Animal Act	Annual fee – renewal	Statutory	£225.00	£225.00	-
Dog Breeding Establishment	Renewal application	Statutory	£248.00	£248.00	-
Dog Breeding Establishment	New Application	Statutory	£275.00	£275.00	-
Driver Licence	1 Year	Statutory	£85.00	£85.00	-
Driver Licence	2 Year	Statutory	£122.00	£122.00	-

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Driver Licence	3 Year	Statutory	£159.00	£159.00	-
Hiring Out Horses	Renewal application	Statutory	£248.00	£248.00	-
Hiring Out Horses	New application	Statutory	£275.00	£275.00	-
Keeping or Training Animals for Exhibition	Renewal application	Statutory	£264.00	£264.00	-
Keeping or Training Animals for Exhibition	New application	Statutory	£264.00	£264.00	-
Private Hire Operators Licence	1 Year	Statutory	£110.00	£110.00	-
Private Hire Operators Licence	5 Year	Statutory	£502.00	£502.00	-
Private or Hackney Carriage Vehicle Licence for Vehicles using "Greener" Fuels		Statutory	£241.00	£241.00	-
Private or Hackney Carriage Vehicle Licence for Vehicles		Statutory	£241.00	£241.00	-
Providing Day Care for Dogs	Renewal application	Statutory	£248.00	£248.00	-
Providing Day Care for Dogs	New application	Statutory	£275.00	£275.00	-
Providing Home Boarding for Dogs	Renewal application	Statutory	£248.00	£248.00	-
Providing Home Boarding for Dogs	New application	Statutory	£275.00	£275.00	-
Providing or Arranging for the Provision of Boarding for Cats or Dogs	Renewal application	Statutory	£248.00	£248.00	-
Providing or Arranging for the Provision of Boarding for Cats or Dogs	New application	Statutory	£275.00	£275.00	-
Scrap Metal	Site Licence	Statutory	£715.00	£715.00	-
Scrap Metal	Mobile Collector	Statutory	£550.00	£550.00	-
Selling Animals as Pets	Renewal application	Statutory	£248.00	£248.00	-
Selling Animals as Pets	New application	Statutory	£275.00	£275.00	-
Street Trading	Static trader day	Statutory	£85.00	£85.00	-
Street Trading	Static trader 6 months	Statutory	£440.00	£440.00	-
Street Trading	Static trader Annual Licence	Statutory	£825.00	£825.00	-
Street Trading	Mobile trader 6 months	Statutory	£550.00	£550.00	-
Street Trading	Mobile trader Annual	Statutory	£1,100.00	£1,100.00	-
Tattoo/ Ear Piercing	Premises Licence	Statutory	£99.00	£99.00	-
Tattoo/ Ear Piercing	Personal Licence	Statutory	£61.00	£61.00	-
Zoo Licence	1 Species	Statutory	£165.00	£165.00	-
Zoo Licence	2-5 Species	Statutory	£303.00	£303.00	-
Zoo Licence	6+ species	Statutory	£440.00	£440.00	-
Pest Control					
Advice Visit		Discretionary	£30.00	£30.00	-
Advice Visit	Concession	Discretionary	£15.00	£15.00	-
Bed Bugs	Inside/4-Bed + property inc. Saturday	Discretionary	£165.00	£165.00	-
Bed Bugs	Concession inc. Sat	Discretionary	£82.50	£82.50	-
Cockroaches	4 Bed + property	Discretionary	£88.00	£88.00	-
Cockroaches	Concession	Discretionary	£30.00/£44.00	£30.00/£44.00	-
Cockroaches	Inside	Discretionary	£60.00	£60.00	-
Fleas	4 Bed + property	Discretionary	£110.00	£110.00	-
Fleas	Concession	Discretionary	£44.00/£55.00	£44.00/£55.00	-
Fleas	Inside inc. Saturday	Discretionary	£88.00	£88.00	-
Flies	4 Bed + property	Discretionary	£110.00	£110.00	-
Flies	Concession	Discretionary	£44.00/£55.00	£44.00/£55.00	-
Flies	Inside	Discretionary	£88.00	£88.00	-
Insect ID/Advice	Concession	Discretionary	£15.00	£15.00	-
Insect ID/Advice	Inside/4-Bed + property	Discretionary	£30.00	£30.00	-
Rats/Mice/Wasps/Ants	Concession	Discretionary	£30.00	£30.00	-
Rats/Mice/Wasps/Ants	Inside	Discretionary	£60.00	£60.00	-
Rats/Mice/Wasps/Ants	Outside	Discretionary	£60.00	£60.00	-
Wasp Nests	Inside/outside 4 Bed + property	Discretionary	£22.00	£22.00	-
Wasp Nests	Concession	Discretionary	£11.00	£11.00	-
Commercial Charges					
Rats Mice Bedbugs Flies Ants Fleas Cockroaches		Discretionary	£176.00	£176.00	-
Advice visit Insect ID		Discretionary	£44.00	£44.00	-
Wasps Nest		Discretionary	£99.00	£99.00	-
Wasps Nest Each Nest After		Discretionary	£22.00	£22.00	-

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Trading Standards					
Fireworks, Explosives and Pyrotechnics - New Licence - Less than 250kg NEC	1 Year	Statutory	£111.00	£113.00	£2.00
Fireworks, Explosives and Pyrotechnics - New Licence - Less than 250kg NEC	2 Year	Statutory	£144.00	£147.00	£3.00
Fireworks, Explosives and Pyrotechnics - New Licence - Less than 250kg NEC	3 Year	Statutory	£173.00	£181.00	£8.00
Fireworks, Explosives and Pyrotechnics - New Licence - Less than 250kg NEC	4 Year	Statutory	£206.00	£215.00	£9.00
Fireworks, Explosives and Pyrotechnics - New Licence - Less than 250kg NEC	5 Year	Statutory	£243.00	£248.00	£5.00
Fireworks, Explosives and Pyrotechnics - New Licence - Above 250kg NEC, < 2,000kg	1 Year	Statutory	£189.00	£193.00	£4.00
Fireworks, Explosives and Pyrotechnics - New Licence - Above 250kg NEC, < 2,000kg	2 Year	Statutory	£248.00	£253.00	£5.00
Fireworks, Explosives and Pyrotechnics - New Licence - Above 250kg NEC, < 2,000kg	3 Year	Statutory	£311.00	£318.00	£7.00
Fireworks, Explosives and Pyrotechnics - New Licence - Above 250kg NEC, < 2,000kg	4 Year	Statutory	£382.00	£390.00	£8.00
Fireworks, Explosives and Pyrotechnics - New Licence - Above 250kg NEC, < 2,000kg	5 Year	Statutory	£432.00	£441.00	£9.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Less than 250kg NEC	1 Year	Statutory	£55.00	£56.00	£1.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Less than 250kg NEC	2 Year	Statutory	£88.00	£90.00	£2.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Less than 250kg NEC	3 Year	Statutory	£123.00	£125.00	£2.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Less than 250kg NEC	4 Year	Statutory	£155.00	£158.00	£3.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Less than 250kg NEC	5 Year	Statutory	£189.00	£193.00	£4.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Above 250kg NEC, < 2,000kg	1 Year	Statutory	£88.00	£90.00	£2.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Above 250kg NEC, < 2,000kg	2 Year	Statutory	£150.00	£153.00	£3.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Above 250kg NEC, < 2,000kg	3 Year	Statutory	£211.00	£215.00	£4.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Above 250kg NEC, < 2,000kg	4 Year	Statutory	£272.00	£277.00	£5.00
Fireworks, Explosives and Pyrotechnics - Renewal Licence - Above 250kg NEC, < 2,000kg	5 Year	Statutory	£333.00	£340.00	£7.00
Transfer/Variation Fee		Statutory	£37.00	£38.00	£1.00
Building Control Fees					
Standard Charges for the Creation of New Housing					
1 Dwelling	Plan Charge	Statutory	£170.00	£170.00	-
1 Dwelling	Inspection Charge	Statutory	£450.00	£450.00	-
1 Dwelling	Building Notice Charge	Statutory	£620.00	£620.00	-
2 Dwellings	Plan Charge	Statutory	£250.00	£250.00	-
2 Dwellings	Inspection Charge	Statutory	£665.00	£665.00	-
2 Dwellings	Building Notice Charge	Statutory	Sum of the Relevant Plan and Inspection Charge	Sum of the Relevant Plan and Inspection Charge	-
3 Dwellings	Plan Charge	Statutory	£330.00	£330.00	-
3 Dwellings	Inspection Charge	Statutory	£785.00	£785.00	-
3 Dwellings	Building Notice Charge	Statutory	Sum of the Relevant Plan and Inspection Charge	Sum of the Relevant Plan and Inspection Charge	-
4 Dwellings	Plan Charge	Statutory	£410.00	£410.00	-
4 Dwellings	Inspection Charge	Statutory	£905.00	£905.00	-
4 Dwellings	Building Notice Charge	Statutory	Sum of the Relevant Plan and Inspection Charge	Sum of the Relevant Plan and Inspection Charge	-
5 Dwellings	Plan Charge	Statutory	£490.00	£490.00	-
5 Dwellings	Inspection Charge	Statutory	£1,025.00	£1,025.00	-
5 Dwellings	Building Notice Charge	Statutory	Sum of the Relevant Plan and Inspection Charge	Sum of the Relevant Plan and Inspection Charge	-
6 or More Dwellings or Floor Area >300sqm	Charge will be determined individually				
Erection of Domestic Extension and Certain Small Buildings					
Extension of total floor area not greater than 10m ²	Plan Charge	Statutory	£340.00	£340.00	-
Extension of total floor area not greater than 10m ²	Inspection Charge	Statutory	-	-	-
Extension of total floor area not greater than 10m ²	Building Notice Charge	Statutory	£340.00	£340.00	-
Extension of total floor area not greater than 10m ²	Regularisation Charge	Statutory	£510.00	£510.00	-
Extension floor of total exceeding 10m ² but not greater than 40 m ²	Plan Charge	Statutory	£140.00	£140.00	-
Extension floor of total exceeding 10m ² but not greater than 40 m ²	Inspection Charge	Statutory	£330.00	£330.00	-
Extension floor of total exceeding 10m ² but not greater than 40 m ²	Building Notice Charge	Statutory	£470.00	£470.00	-

Fees/Charges			Type (Discretionary/ Statutory)	2023-24	2024-25	Change
<i>All prices include VAT where applicable.</i>						
Extension floor of total exceeding 10m ² but not greater than 40 m ²	Regularisation Charge		Statutory	£705.00	£705.00	-
Extension of total floor exceeding 40m ² but not greater than 100m ²	Plan Charge		Statutory	£140.00	£140.00	-
Extension of total floor exceeding 40m ² but not greater than 100m ²	Inspection Charge		Statutory	£525.00	£525.00	-
Extension of total floor exceeding 40m ² but not greater than 100m ²	Building Notice Charge		Statutory	£665.00	£665.00	-
Extension of total floor exceeding 40m ² but not greater than 100m ²	Regularisation Charge		Statutory	£997.50	£997.50	-
Erection or extension of a non-exempt detached of attached domestic garage or carport up to 100m ²	Plan Charge		Statutory	£140.00	£140.00	-
Erection or extension of a non-exempt detached of attached domestic garage or carport up to 100m ²	Inspection Charge		Statutory	£170.00	£170.00	-
Erection or extension of a non-exempt detached of attached domestic garage or carport up to 100m ²	Building Notice Charge		Statutory	£310.00	£310.00	-
Erection or extension of a non-exempt detached of attached domestic garage or carport up to 100m ²	Regularisation Charge		Statutory	£465.00	£465.00	-
Extensions greater than 100sqm	Charge will be determined individually					
Domestic Alterations to a Single Building						
Conversion of the roof space to a dwelling to one or more rooms	Plan Charge		Statutory	£140.00	£140.00	-
Conversion of the roof space to a dwelling to one or more rooms	Inspection Charge		Statutory	£365.00	£365.00	-
Conversion of the roof space to a dwelling to one or more rooms	Building Notice Charge		Statutory	£505.00	£505.00	-
Conversion of the roof space to a dwelling to one or more rooms	Regularisation Charge		Statutory	£757.50	£757.50	-
Conversion of a garage to a dwelling to a habitable room(s)	Plan Charge		Statutory	£140.00	£140.00	-
Conversion of a garage to a dwelling to a habitable room(s)	Inspection Charge		Statutory	£190.00	£190.00	-
Conversion of a garage to a dwelling to a habitable room(s)	Building Notice Charge		Statutory	£330.00	£330.00	-
Conversion of a garage to a dwelling to a habitable room(s)	Regularisation Charge		Statutory	£495.00	£495.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost < £1,000	Plan Charge		Statutory	£160.00	£160.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost < £1,000	Building Notice Charge		Statutory	£160.00	£160.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost < £1,000	Regularisation Charge		Statutory	£240.00	£240.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £1,000, < £5,000	Plan Charge		Statutory	£250.00	£250.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £1,000, < £5,000	Building Notice Charge		Statutory	£250.00	£250.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £1,000, < £5,000	Regularisation Charge		Statutory	£375.00	£375.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £5,000, < £25,000	Plan Charge		Statutory	£140.00	£140.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £5,000, < £25,000	Inspection Charge		Statutory	£225.00	£225.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £5,000, < £25,000	Building Notice Charge		Statutory	£365.00	£365.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £5,000, < £25,000	Regularisation Charge		Statutory	£547.50	£547.50	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £25,000, < £50,000	Plan Charge		Statutory	£140.00	£140.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £25,000, < £50,000	Inspection Charge		Statutory	£375.00	£375.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £25,000, < £50,000	Building Notice Charge		Statutory	£515.00	£515.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £25,000, < £50,000	Regularisation Charge		Statutory	£772.50	£772.50	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > 50,000, < £75,000	Plan Charge		Statutory	£140.00	£140.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > 50,000, < £75,000	Inspection Charge		Statutory	£535.00	£535.00	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > 50,000, < £75,000	Building Notice Charge		Statutory	£675.00	£675.00	-

Fees/Charges	Type (Discretionary/ Statutory)	2023-24	2024-25	Change
<i>All prices include VAT where applicable.</i>				
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > 50,000, < £75,000	Regularisation Charge	£1,012.50	£1,012.50	-
Internal alterations, installation of fittings (not electrical) and/or, structural alterations- Estimated cost > £75,000	Charge will be determined individually			
Window replacement (non-competent persons scheme) - Greater than 2 Windows	Plan Charge	£205.00	£205.00	-
Window replacement (non-competent persons scheme) - Greater than 2 Windows	Building Notice Charge	£205.00	£205.00	-
Window replacement (non-competent persons scheme) - Greater than 2 Windows	Regularisation Charge	£307.50	£307.50	-
Renovation of a thermal element to a single dwelling.	Plan Charge	£205.00	£205.00	-
Renovation of a thermal element to a single dwelling.	Building Notice Charge	£205.00	£205.00	-
Renovation of a thermal element to a single dwelling.	Regularisation Charge	£307.50	£307.50	-
Underpinning	Plan Charge	£300.00	£300.00	-
Underpinning	Building Notice Charge	£300.00	£300.00	-
Underpinning	Regularisation Charge	£450.00	£450.00	-
Electrical work (not Competent Persons Scheme)	Plan Charge	£300.00	£300.00	-
Electrical work (not Competent Persons Scheme)	Building Notice Charge	£300.00	£300.00	-
Electrical work (not Competent Persons Scheme)	Regularisation Charge	£450.00	£450.00	-
Installation of heating or micro-generation equipment	Plan Charge	£205.00	£205.00	-
Installation of heating or micro-generation equipment	Building Notice Charge	£205.00	£205.00	-
Installation of heating or micro-generation equipment	Regularisation Charge	£307.50	£307.50	-
Other, Non-Domestic Work- Extensions and New Build				
Other Residential and Institutional - Floor area not exceeding 40m2	Plan Charge	£140.00	£140.00	-
Other Residential and Institutional - Floor area not exceeding 40m2	Inspection Charge	£300.00	£300.00	-
Other Residential and Institutional - Floor area not exceeding 40m2	Regularisation Charge	£660.00	£660.00	-
Other Residential and Institutional - Floor area exceeding 40m2 but not exceeding 100m2	Plan Charge	£140.00	£140.00	-
Other Residential and Institutional - Floor area exceeding 40m2 but not exceeding 100m2	Inspection Charge	£475.00	£475.00	-
Other Residential and Institutional - Floor area exceeding 40m2 but not exceeding 100m2	Regularisation Charge	£922.50	£922.50	-
Other Residential and Institutional - Floor area exceeding 100m2 but not exceeding 200m2	Plan Charge	£140.00	£140.00	-
Other Residential and Institutional - Floor area exceeding 100m2 but not exceeding 200m2	Inspection Charge	£655.00	£655.00	-
Other Residential and Institutional - Floor area exceeding 100m2 but not exceeding 200m2	Regularisation Charge	£1,192.50	£1,192.50	-
Assembly and Recreational use - Floor area not exceeding 40m2	Plan Charge	£140.00	£140.00	-
Assembly and Recreational use - Floor area not exceeding 40m2	Inspection Charge	£300.00	£300.00	-
Assembly and Recreational use - Floor area not exceeding 40m2	Regularisation Charge	£660.00	£660.00	-
Assembly and Recreational use - Floor area exceeding 40m2 but not exceeding 100m2	Plan Charge	£140.00	£140.00	-
Assembly and Recreational use - Floor area exceeding 40m2 but not exceeding 100m2	Inspection Charge	£475.00	£475.00	-
Assembly and Recreational use - Floor area exceeding 40m2 but not exceeding 100m2	Regularisation Charge	£922.50	£922.50	-
Assembly and Recreational use - Floor area exceeding 100m2 but not exceeding 200m2	Plan Charge	£140.00	£140.00	-
Assembly and Recreational use - Floor area exceeding 100m2 but not exceeding 200m2	Inspection Charge	£655.00	£655.00	-
Assembly and Recreational use - Floor area exceeding 100m2 but not exceeding 200m2	Regularisation Charge	£1,192.50	£1,192.50	-
Industrial and Storage - Floor area not exceeding 40m2	Plan Charge	£140.00	£140.00	-
Industrial and Storage - Floor area not exceeding 40m2	Inspection Charge	£170.00	£170.00	-
Industrial and Storage - Floor area not exceeding 40m2	Regularisation Charge	£465.00	£465.00	-
Industrial and Storage - Floor area exceeding 40m2 but not exceeding 100m2	Plan Charge	£140.00	£140.00	-
Industrial and Storage - Floor area exceeding 40m2 but not exceeding 100m2	Inspection Charge	£260.00	£260.00	-
Industrial and Storage - Floor area exceeding 40m2 but not exceeding 100m2	Regularisation Charge	£600.00	£600.00	-
Industrial and Storage - Floor area exceeding 100m2 but not exceeding 200m2	Plan Charge	£140.00	£140.00	-
Industrial and Storage - Floor area exceeding 100m2 but not exceeding 200m2	Inspection Charge	£380.00	£380.00	-
Industrial and Storage - Floor area exceeding 100m2 but not exceeding 200m2	Regularisation Charge	£780.00	£780.00	-
All other use cases - Floor area not exceeding 40m ²	Plan Charge	£140.00	£140.00	-
All other use cases - Floor area not exceeding 40m ²	Inspection Charge	£260.00	£260.00	-
All other use cases - Floor area not exceeding 40m ²	Regularisation Charge	£600.00	£600.00	-
All other use cases - Floor area exceeding 40m ² but not exceeding 100m ²	Plan Charge	£140.00	£140.00	-
All other use cases - Floor area exceeding 40m ² but not exceeding 100m ²	Inspection Charge	£430.00	£430.00	-
All other use cases - Floor area exceeding 40m ² but not exceeding 100m ²	Regularisation Charge	£855.00	£855.00	-
All other use cases - Floor area exceeding 100m ² but not exceeding 200m ²	Plan Charge	£140.00	£140.00	-
All other use cases - Floor area exceeding 100m ² but not exceeding 200m ²	Inspection Charge	£550.00	£550.00	-
All other use cases - Floor area exceeding 100m ² but not exceeding 200m ²	Regularisation Charge	£1,035.00	£1,035.00	-

Fees/Charges	Type (Discretionary/ Statutory)	2023-24	2024-25	Change	
<i>All prices include VAT where applicable.</i>					
All Other Non-Domestic Work - Alteration					
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, < £5,000	Plan Charge	Statutory	£280.00	£280.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, < £5,000	Building Notice Charge	Statutory	£280.00	£280.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, < £5,000	Regularisation Charge	Statutory	£420.00	£420.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £5,000, < £25,000	Plan Charge	Statutory	£90.00	£90.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £5,000, < £25,000	Inspection Charge	Statutory	£235.00	£235.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £5,000, < £25,000	Building Notice Charge	Statutory	£325.00	£325.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £5,000, < £25,000	Regularisation Charge	Statutory	£487.50	£487.50	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £25,000, < £50,000	Plan Charge	Statutory	£90.00	£90.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £25,000, < £50,000	Inspection Charge	Statutory	£310.00	£310.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £25,000, < £50,000	Building Notice Charge	Statutory	£400.00	£400.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £25,000, < £50,000	Regularisation Charge	Statutory	£600.00	£600.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £50,000, < £100,000	Plan Charge	Statutory	£90.00	£90.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £50,000, < £100,000	Inspection Charge	Statutory	£430.00	£430.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £50,000, < £100,000	Building Notice Charge	Statutory	£520.00	£520.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £50,000, < £100,000	Regularisation Charge	Statutory	£780.00	£780.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £100,000, < £150,000	Plan Charge	Statutory	£90.00	£90.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £100,000, < £150,000	Inspection Charge	Statutory	£600.00	£600.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £100,000, < £150,000	Building Notice Charge	Statutory	£690.00	£690.00	-
Alterations including: structural alterations; installation of controlled fittings; shop fronts; office fit-outs; mezzanine floors; renovation of thermal elements; etc, > £100,000, < £150,000	Regularisation Charge	Statutory	£1,035.00	£1,035.00	-
Shop fit out <200sqm	Plan Charge	Statutory	£260.00	£260.00	-
Shop fit out <200sqm	Building Notice Charge	Statutory	£260.00	£260.00	-
Shop fit out <200sqm	Regularisation Charge	Statutory	£390.00	£390.00	-
Schemes >£150,000 or >200sqm	Charge will be determined individually				
CHILDREN, YOUNG PEOPLE and EDUCATION					
Education					
Music Services					
Small Group Music Tuition	Individual 30 minute lesson per week for 33 weeks	Discretionary	£18.50	£19.00	£0.50
Small Group Music Tuition	Individual 20 minute lesson per week for 33 weeks	Discretionary	£12.35	£13.08	£0.73
Small Group Music Tuition	Shared of 2 pupils in a 30 minute lesson per week for 33 weeks	Discretionary	£9.25	£9.78	£0.53
Small Group Music Tuition	Group of 3 or more pupils in a 30 minute lesson per week for 33 weeks	Discretionary	£6.50	£6.90	£0.40
Large Group Tuition	Per hour per week for 33 weeks	Discretionary	£40.00	£53.56	£13.56
Large Instrument Hire	Per Academic Term	Discretionary	£60.00	£61.80	£1.80
Private Hire Instrument Fee	Per Academic Term	Discretionary	£27.00	£30.90	£3.90
Ranters	Ensemble Fee	Discretionary	£195.00	£200.00	£5.00

Fees/Charges		Type	2023-24	2024-25	Change
<i>All prices include VAT where applicable.</i>		(Discretionary/ Statutory)			
Northumberland Youth	Ensemble Fee	Discretionary	£175.00	£190.00	£15.00
Hoolies Youth Choir	Ensemble Fee	Discretionary	£80.00	£103.00	£23.00
Stepping Stones	Ensemble Fee	Discretionary	£40.00	£103.00	£63.00
Northumberland Skills Service					
Room Hire - Fuse Media Centre- external bookings					
STEM Lab training Room, Creative Room Training Room, Mac Suite Lower Training Room, Recording Studio, Radio Station and Green Screen Studio	Hourly Rate	Discretionary	£25.00	n/a	-
STEM Lab training Room, Creative Room Training Room, Mac Suite Lower Training Room, Recording Studio, Radio Station and Green Screen Studio	Maximum Daily Rate	Discretionary	£175.00	n/a	-
STEM Lab training Room, Creative Room Training Room, Mac Suite Lower Training Room, Recording Studio, Radio Station and Green Screen Studio	Out of Hours Charge (6pm onwards)	Discretionary	£30.00	n/a	-
Auditorium	Hourly Rate	Discretionary	£35.00	n/a	-
Auditorium	Maximum Daily Rate	Discretionary	£245.00	n/a	-
Auditorium	Out of Hours Charge (6pm onwards)	Discretionary	£40.00	n/a	-
Cinema	Hourly Rate	Discretionary	£50.00	n/a	-
Green Room	Hourly Rate	Discretionary	£20.00	n/a	-
Green Room	Maximum Daily Rate	Discretionary	£160.00	n/a	-
Green Room	Out of Hours Charge (6pm onwards)	Discretionary	£25.00	n/a	-
Refreshments	Coffee/Biscuits (8 servings)	Discretionary	£6.00	n/a	-
Refreshments	Tea/Biscuits (8 servings)	Discretionary	£4.00	n/a	-
Provision of Adult Community Learning	Creative Writing (per term)	Discretionary	£95.00	n/a	-
Provision of Adult Community Learning	Award in Education and Training (per term)	Discretionary	£345.00	n/a	-
Childrens Social Care					
Cubs and Kits Daycare Nursery	Per hour 8am - 9am	Discretionary	£6.00	£6.50	£0.50
Cubs and Kits Daycare Nursery	Per hour 9am - 4pm	Discretionary	£5.00	£5.50	£0.50
Cubs and Kits Daycare Nursery	Per hour 5pm - 6pm	Discretionary	£6.00	£6.50	£0.50
Education Welfare Service	Penalty Notices issued to parents if paid within 21 days	Statutory	£60.00	£60.00	-
Education Welfare Service	Penalty Notices issued to parents if paid between 21-28 days	Statutory	£120.00	£120.00	-
PLACE and REGENERATION					
Burial and Cremation Services					
Cremations					
Additional or replacement cremation certificates	Resident	Discretionary	£39.00	£39.00	-
Additional or replacement cremation certificates	Non Resident	Discretionary	£39.00	£39.00	-
Baby under 1 year (Medical Referee fee will apply)	Resident	Discretionary	£20.00	£20.00	-
Baby under 1 year (Medical Referee fee will apply)	Non Resident	Discretionary	£20.00	£20.00	-
Child under 16 years (Medical Referee fee will apply)	Resident	Discretionary	£20.00	£20.00	-
Child under 16 years (Medical Referee fee will apply)	Non Resident	Discretionary	£20.00	£20.00	-
Cremation (includes a Medical Referee and Mercury Abatement charge)	Resident	Discretionary	£920.00	£920.00	-
Cremation (includes a Medical Referee and Mercury Abatement charge)	Non Resident	Discretionary	£920.00	£920.00	-
Direct cremation (8.45am only) 1 per day (Monday to Friday)	Resident	Discretionary	£635.00	£635.00	-
Direct cremation (8.45am only) 1 per day (Monday to Friday)	Non Resident	Discretionary	£635.00	£635.00	-
Fee for cancelled cremation arrangements	Resident	Discretionary	£284.00	£284.00	-
Fee for cancelled cremation arrangements	Non Resident	Discretionary	£284.00	£284.00	-
Scatter Tubes - Adults	Resident	Discretionary	£23.00	£23.00	-
Scatter Tubes - Adults	Non Resident	Discretionary	£27.00	£27.00	-
Scatter Tubes - Children	Resident	Discretionary	-	-	-
Scatter Tubes - Children	Non Resident	Discretionary	£20.00	£20.00	-
To extend a cremation service	Resident	Discretionary	£142.00	£142.00	-
To extend a cremation service	Non Resident	Discretionary	£142.00	£142.00	-
Urns Metal	Resident	Discretionary	£47.00	£47.00	-
Urns Metal	Non Resident	Discretionary	£56.00	£56.00	-
Urns Wooden	Resident	Discretionary	£82.00	£82.00	-
Urns Wooden	Non Resident	Discretionary	£99.00	£99.00	-
Weekday Burial					
Adult Grave - double depth	Non Resident	Discretionary	£1,391.00	£1,391.00	-
Adult Grave - double depth	Resident	Discretionary	£1,159.00	£1,159.00	-

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Adult Grave - single depth	Non Resident	Discretionary	£1,294.00	£1,294.00	-
Adult Grave - single depth	Resident	Discretionary	£1,079.00	£1,079.00	-
Adult Grave - triple depth	Non Resident	Discretionary	£1,429.00	£1,429.00	-
Adult Grave - triple depth	Resident	Discretionary	£1,191.00	£1,191.00	-
Body parts	Non Resident	Discretionary	£382.00	£382.00	-
Body parts	Resident	Discretionary	£318.00	£318.00	-
Child under 18 years	Non Resident	Discretionary	£278.00	£278.00	-
Child under 18 years	Resident	Discretionary	-	-	-
Cremated remains of any person	Non Resident	Discretionary	£382.00	£382.00	-
Cremated remains of any person	Resident	Discretionary	£318.00	£318.00	-
Fee for a cancelled burial after grave preparation	Non Resident	Discretionary	£410.00	£410.00	-
Fee for a cancelled burial after grave preparation	Resident	Discretionary	£342.00	£342.00	-
Scattering of ashes - accompanied	Non Resident	Discretionary	£218.00	£218.00	-
Scattering of ashes - accompanied	Resident	Discretionary	£182.00	£182.00	-
Use of any NCC chapel (prior to burial) per 20 minutes service	Non Resident	Discretionary	£170.00	£170.00	-
Use of any NCC chapel (prior to burial) per 20 minutes service	Resident	Discretionary	£142.00	£142.00	-
Saturday Burial					
Adult Grave - double depth	Non Resident	Discretionary	£2,100.00	£2,100.00	-
Adult Grave - double depth	Resident	Discretionary	£1,750.00	£1,750.00	-
Adult Grave - single depth	Non Resident	Discretionary	£1,952.00	£1,952.00	-
Adult Grave - single depth	Resident	Discretionary	£1,627.00	£1,627.00	-
Adult Grave - triple depth	Non Resident	Discretionary	£2,243.00	£2,243.00	-
Adult Grave - triple depth	Resident	Discretionary	£1,869.00	£1,869.00	-
Body parts	Non Resident	Discretionary	£527.00	£527.00	-
Body parts	Resident	Discretionary	£439.00	£439.00	-
Child under 18 years	Non Resident	Discretionary	£481.00	£481.00	-
Child under 18 years	Resident	Discretionary	£401.00	£401.00	-
Cremated remains of any person	Non Resident	Discretionary	£527.00	£527.00	-
Cremated remains of any person	Resident	Discretionary	£439.00	£439.00	-
Scattering of ashes - accompanied	Non Resident	Discretionary	£273.00	£273.00	-
Scattering of ashes - accompanied	Resident	Discretionary	£227.00	£227.00	-
Stillborn	Non Resident	Discretionary	£253.00	£253.00	-
Stillborn	Resident	Discretionary	£211.00	£211.00	-
Use of any NCC chapel (prior to burial) per 45 minutes service	Non Resident	Discretionary	£170.00	£170.00	-
Use of any NCC chapel (prior to burial) per 45 minutes service	Resident	Discretionary	£142.00	£142.00	-
Cowpen Cemetery Only					
Burial of Cremated remains including bronze memorial plaque	Non Resident	Discretionary	£1,257.00	£1,257.00	-
Burial of Cremated remains including bronze memorial plaque	Resident	Discretionary	£1,047.00	£1,047.00	-
Burial of Cremated remains including bronze memorial plaque Saturday	Non Resident	Discretionary	£1,402.00	£1,402.00	-
Burial of Cremated remains including bronze memorial plaque Saturday	Resident	Discretionary	£1,168.00	£1,168.00	-
Woodland Burial - Only Available at Fairmoor Cemetery					
Adult Fee Burial only - single depth	Non Resident	Discretionary	£1,294.00	£1,294.00	-
Adult Fee Burial only - single depth	Resident	Discretionary	£1,079.00	£1,079.00	-
Adult Fee Burial only (Saturday fee) - single depth	Non Resident	Discretionary	£1,952.00	£1,952.00	-
Adult Fee Burial only (Saturday fee) - single depth	Resident	Discretionary	£1,627.00	£1,627.00	-
Adult Grave single depth (includes purchase of exclusive right of burial for 50 years)	Non Resident	Discretionary	£2,661.00	£2,661.00	-
Adult Grave single depth (includes purchase of exclusive right of burial for 50 years)	Resident	Discretionary	£2,218.00	£2,218.00	-
Adult Grave single depth with tree (includes purchase of exclusive right of burial for 50 years)	Non Resident	Discretionary	£2,804.00	£2,804.00	-
Adult Grave single depth with tree (includes purchase of exclusive right of burial for 50 years)	Resident	Discretionary	£2,336.00	£2,336.00	-
Purchase of Exclusive Right of Burials (50 years)					
Adult Grave - double depth - (if available)	Non Resident	Discretionary	£1,429.00	£1,429.00	-
Adult Grave - double depth - (if available)	Resident	Discretionary	£1,191.00	£1,191.00	-
Adult Grave - single depth	Non Resident	Discretionary	£1,367.00	£1,367.00	-
Adult Grave - single depth	Resident	Discretionary	£1,139.00	£1,139.00	-
Adult Grave - triple depth by request - (if available)	Non Resident	Discretionary	£1,606.00	£1,606.00	-
Adult Grave - triple depth by request - (if available)	Resident	Discretionary	£1,338.00	£1,338.00	-
Child under 18 years	Non Resident	Discretionary	£565.00	£565.00	-

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Child under 18 years	Resident	Discretionary	£471.00	£471.00	-
Cremated Remains Grave out of rotation	Non Resident	Discretionary	£627.00	£627.00	-
Cremated Remains Grave out of rotation	Resident	Discretionary	£522.00	£522.00	-
Cremated Remains of any person	Non Resident	Discretionary	£506.00	£506.00	-
Cremated Remains of any person	Resident	Discretionary	£421.00	£421.00	-
Exclusive Right of Burial Deed transfer fee	Non Resident	Discretionary	£48.00	£48.00	-
Exclusive Right of Burial Deed transfer fee	Resident	Discretionary	£48.00	£48.00	-
Grave out of Rotation (any depth excluding cremated remains grave)	Non Resident	Discretionary	£1,690.00	£1,690.00	-
Grave out of Rotation (any depth excluding cremated remains grave)	Resident	Discretionary	£1,408.00	£1,408.00	-
Right to construct a vault grave 4ft width	Non Resident	Discretionary	£3,096.00	£3,096.00	-
Right to construct a vault grave 4ft width	Resident	Discretionary	£2,580.00	£2,580.00	-
Stillborn/Baby under 1 year	Non Resident	Discretionary	£465.00	£465.00	-
Stillborn/Baby under 1 year	Resident	Discretionary	-	-	-
Containers					
Urns - wooden - (not supplied as part of cremation package) Cremated Remains Container	Non Resident	Discretionary	£118.80	£118.80	-
Urns - wooden - (not supplied as part of cremation package) Cremated Remains Container	Resident	Discretionary	£98.40	£98.40	-
Urns - metal - (not supplied as part of cremation package) Cremated Remains Container	Non Resident	Discretionary	£67.20	£67.20	-
Urns - metal - (not supplied as part of cremation package) Cremated Remains Container	Resident	Discretionary	£56.40	£56.40	-
Scatter tubes - (not supplied as part of cremation package) Cremated Remains Children	Non Resident	Discretionary	£24.00	£24.00	-
Scatter tubes - (not supplied as part of cremation package) Cremated Remains Children	Resident	Discretionary	-	-	-
Scatter tubes - (not supplied as part of cremation package) Cremated Remains Adult	Non Resident	Discretionary	£32.40	£32.40	-
Scatter tubes - (not supplied as part of cremation package) Cremated Remains Adult	Resident	Discretionary	£27.60	£27.60	-
Memorials - Blyth Crematorium					
Supply and install a bronze memorial plaque to be placed in the Garden of Remembrance (includes 10 year lease)	Non Resident	Discretionary	£875.00	£875.00	-
Supply and install a bronze memorial plaque to be placed in the Garden of Remembrance (includes 10 year lease)	Resident	Discretionary	£729.00	£729.00	-
Memorial plaque in the book of remembrance room at Blyth Crematorium (includes 10 year lease)	Non Resident	Discretionary	£437.00	£437.00	-
Memorial plaque in the book of remembrance room at Blyth Crematorium (includes 10 year lease)	Resident	Discretionary	£364.00	£364.00	-
Entry in the book of remembrance at Blyth Crematorium. Permanent inscription					
Book of remembrance - 2 line entry	Non Resident	Discretionary	£118.80	£118.80	-
Book of remembrance - 2 line entry	Resident	Discretionary	£98.40	£98.40	-
Book of remembrance - 3 line entry	Non Resident	Discretionary	£151.20	£151.20	-
Book of remembrance - 3 line entry	Resident	Discretionary	£126.00	£126.00	-
Book of remembrance - 4 line entry	Non Resident	Discretionary	£168.00	£168.00	-
Book of remembrance - 4 line entry	Resident	Discretionary	£139.20	£139.20	-
Book of remembrance - 5 line entry	Non Resident	Discretionary	£175.20	£175.20	-
Book of remembrance - 5 line entry	Resident	Discretionary	£145.20	£145.20	-
Book of remembrance - 6 line entry	Non Resident	Discretionary	£205.20	£205.20	-
Book of remembrance - 6 line entry	Resident	Discretionary	£171.60	£171.60	-
Additional illustration - Flower, Coat of Arms or Badge (only available with a minimum of four line entry in the book of remembrance)					
Book of remembrance - incorporating illustration/badge	Non Resident	Discretionary	£175.20	£175.20	-
Book of remembrance - incorporating illustration/badge	Resident	Discretionary	£145.20	£145.20	-
Book of remembrance - incorporating coat of arms	Non Resident	Discretionary	£194.40	£194.40	-
Book of remembrance - incorporating coat of arms	Resident	Discretionary	£162.00	£162.00	-
Miniature book of remembrance - (for family to keep at home)					
Miniature book of remembrance - 2 lines	Non Resident	Discretionary	£151.20	£151.20	-
Miniature book of remembrance - 2 lines	Resident	Discretionary	£126.00	£126.00	-
Miniature book of remembrance - 4 lines	Non Resident	Discretionary	£183.60	£183.60	-
Miniature book of remembrance - 4 lines	Resident	Discretionary	£153.60	£153.60	-
Miniature book of remembrance - 6 lines	Non Resident	Discretionary	£200.40	£200.40	-
Miniature book of remembrance - 6 lines	Resident	Discretionary	£166.80	£166.80	-
Memorial Cards - 2 lines	Non Resident	Discretionary	£43.20	£43.20	-
Memorial Cards - 2 lines	Resident	Discretionary	£36.00	£36.00	-

Fees/Charges		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
<i>All prices include VAT where applicable.</i>					
Memorial Cards - 3 lines	Non Resident	Discretionary	£54.00	£54.00	-
Memorial Cards - 3 lines	Resident	Discretionary	£44.40	£44.40	-
Memorial Cards - 4 lines	Non Resident	Discretionary	£66.00	£66.00	-
Memorial Cards - 4 lines	Resident	Discretionary	£54.00	£54.00	-
Memorial Cards - 5 lines	Non Resident	Discretionary	£85.20	£85.20	-
Memorial Cards - 5 lines	Resident	Discretionary	£70.80	£70.80	-
Memorial Cards - 6 lines	Non Resident	Discretionary	£96.00	£96.00	-
Memorial Cards - 6 lines	Resident	Discretionary	£80.40	£80.40	-
Additional line (Book of rem, cards and mini book)	Non Resident	Discretionary	£46.80	£46.80	-
Additional line (Book of rem, cards and mini book)	Resident	Discretionary	£39.60	£39.60	-
Additional illustration - Flower, Coat of Arms or Badge (only available with a four line plus entry)					
Book of remembrance - incorporating illustration/badge	Non Resident	Discretionary	£175.20	£175.20	-
Book of remembrance - incorporating illustration/badge	Resident	Discretionary	£145.20	£145.20	-
Book of remembrance - incorporating coat of arms	Non Resident	Discretionary	£194.40	£194.40	-
Book of remembrance - incorporating coat of arms	Resident	Discretionary	£162.00	£162.00	-
Audio Music Charges (Only available at Blyth Crematorium/ Cowpen Cemetery)					
Charges for Audio and Video Recordings of a Service					
Video recording supplied on DVD - (First or only copy)	Non Resident	Discretionary	£70.80	£70.80	-
Video recording supplied on DVD - (First or only copy)	Resident	Discretionary	£58.80	£58.80	-
As above with visual tribute	Non Resident	Discretionary	£91.20	£91.20	-
As above with visual tribute	Resident	Discretionary	£76.80	£76.80	-
Subsequent Copies	Non Resident	Discretionary	£37.20	£37.20	-
Subsequent Copies	Resident	Discretionary	£30.00	£30.00	-
Downloadable MP4 Video file	Non Resident	Discretionary	£57.60	£57.60	-
Downloadable MP4 Video file	Resident	Discretionary	£48.00	£48.00	-
Downloadable MP4 Video file with Visual Tribute	Non Resident	Discretionary	£72.00	£72.00	-
Downloadable MP4 Video file with Visual Tribute	Resident	Discretionary	£60.00	£60.00	-
Charges for the Preparation of Visual Tributes					
Single still image	Non Resident	Discretionary	£26.40	£26.40	-
Single still image	Resident	Discretionary	£21.60	£21.60	-
Slide show up to 25 images and NO music	Non Resident	Discretionary	£60.00	£60.00	-
Slide show up to 25 images and NO music	Resident	Discretionary	£49.20	£49.20	-
for every additional 25 images and NO music	Non Resident	Discretionary	£79.20	£79.20	-
for every additional 25 images and NO music	Resident	Discretionary	£66.00	£66.00	-
Slide show up to 25 images WITH music	Non Resident	Discretionary	£106.80	£106.80	-
Slide show up to 25 images WITH music	Resident	Discretionary	£88.80	£88.80	-
for every additional 25 images WITH music	Non Resident	Discretionary	£144.00	£144.00	-
for every additional 25 images WITH music	Resident	Discretionary	£120.00	£120.00	-
Family video file	Non Resident	Discretionary	£43.20	£43.20	-
Family video file	Resident	Discretionary	£36.00	£36.00	-
URGENT SERVICE order for tributes received after the 48hr cut-off period are subject to an additional fee	Non Resident	Discretionary	£178.80	£178.80	-
URGENT SERVICE order for tributes received after the 48hr cut-off period are subject to an additional fee	Resident	Discretionary	£148.80	£148.80	-
URGENT SERVICE order for Web-cast received after the 24hr cut-off period are subject to an additional fee	Non Resident	Discretionary	£70.80	£70.80	-
URGENT SERVICE order for Web-cast received after the 24hr cut-off period are subject to an additional fee	Resident	Discretionary	£58.80	£58.80	-
Charges for Webcasting a Service					
Webcast Setup and Administration	Non Resident	Discretionary	£72.00	£72.00	-
Webcast Setup and Administration	Resident	Discretionary	£60.00	£60.00	-
DVD Containing webcast (First Copy Only)	Non Resident	Discretionary	£70.80	£70.80	-
DVD Containing webcast (First Copy Only)	Resident	Discretionary	£58.80	£58.80	-
Subsequent Copies	Non Resident	Discretionary	£37.20	£37.20	-
Subsequent Copies	Resident	Discretionary	£30.00	£30.00	-

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Memorials - All NCC Cemeteries					
Additional inscription	Non Resident	Discretionary	£106.00	£106.00	-
Additional inscription	Resident	Discretionary	£88.00	£88.00	-
Replace or renovate existing memorial (with no amendments)	Non Resident	Discretionary	£47.00	£47.00	-
Replace or renovate existing memorial (with no amendments)	Resident	Discretionary	£39.00	£39.00	-
Replacement memorial with amended/added inscription Permit Fee	Non Resident	Discretionary	£153.00	£153.00	-
Replacement memorial with amended/added inscription Permit Fee	Resident	Discretionary	£128.00	£128.00	-
Memorial permit fee for graves without concrete foundation plinths	Non Resident	Discretionary	£45.00	£45.00	-
Memorial permit fee for graves without concrete foundation plinths	Resident	Discretionary	£38.00	£38.00	-
Memorial with foundation base	Non Resident	Discretionary	£631.20	£631.20	-
Memorial with foundation base	Resident	Discretionary	£526.80	£526.80	-
Vase 6" x 6" Permit Fee - no base	Non Resident	Discretionary	£45.00	£45.00	-
Vase 6" x 6" Permit Fee - no base	Resident	Discretionary	£37.00	£37.00	-
Vase 6" x 6" Permit Fee - with base	Non Resident	Discretionary	£152.40	£152.40	-
Vase 6" x 6" Permit Fee - with base	Resident	Discretionary	£127.20	£127.20	-
Vase foundation Permit Fee (Vase not exceeding 12" in height and 18" sq. base)	Non Resident	Discretionary	£366.00	£366.00	-
Vase foundation Permit Fee (Vase not exceeding 12" in height and 18" sq. base)	Resident	Discretionary	£304.80	£304.80	-
Half kerb set Permit Fee	Non Resident	Discretionary	£132.00	£132.00	-
Half kerb set Permit Fee	Resident	Discretionary	£110.00	£110.00	-
Kerb set full grave Permit Fee	Non Resident	Discretionary	£262.00	£262.00	-
Kerb set full grave Permit Fee	Resident	Discretionary	£219.00	£219.00	-
Supply and install a bronze memorial plaque (includes 10 year lease)	Non Resident	Discretionary	£875.00	£875.00	-
Supply and install a bronze memorial plaque (includes 10 year lease)	Resident	Discretionary	£729.00	£729.00	-
Memorials - Miscellaneous					
Renewal of all 10 year leases (seats, trees, roses, wall plaques)	Non Resident	Discretionary	£352.00	£352.00	-
Renewal of all 10 year leases (seats, trees, roses, wall plaques)	Resident	Discretionary	£293.00	£293.00	-
Refurbishment of a bronze memorial plaque	Non Resident	Discretionary	£59.00	£59.00	-
Refurbishment of a bronze memorial plaque	Resident	Discretionary	£49.00	£49.00	-
Search of cemetery or crematorium records	Non Resident	Discretionary	£67.00	£67.00	-
Search of cemetery or crematorium records	Resident	Discretionary	£67.00	£67.00	-
Certified extract from register of cremations	Non Resident	Discretionary	£57.00	£57.00	-
Certified extract from register of cremations	Resident	Discretionary	£57.00	£57.00	-
Certified copy of an entry in register of burials	Non Resident	Discretionary	£57.00	£57.00	-
Certified copy of an entry in register of burials	Resident	Discretionary	£57.00	£57.00	-
Request for probe of an existing grave	Non Resident	Discretionary	£68.00	£68.00	-
Request for probe of an existing grave	Resident	Discretionary	£57.00	£57.00	-
Parking					
Pay and Display Permit	3 monthly	Discretionary	£72.00	£108.00	£36.00
Pay and Display Permit	6 monthly	Discretionary	£123.00	£184.50	£61.50
Pay and Display Permit	Annual	Discretionary	£225.00	£337.50	£112.50
Residents Parking Permit		Discretionary	£30.00	£30.00	-
Coach Parking - Bamburgh, Seahouses and Green Lane	4 Hours	Discretionary	£8.00	£9.00	£1.00
Coach Parking - Bamburgh, Seahouses and Green Lane	All Day	Discretionary	£12.00	£13.00	£1.00
Parking at the Coast					
Beadnell	1 Hour	Discretionary	Free	Free	-
Beadnell	3 Hours	Discretionary	£6.00	£6.50	£0.50
Beadnell	All Day	Discretionary	£8.50	£9.00	£0.50
Craster / Newton Steads / Low Newton	1 Hour	Discretionary	£2.30	£2.80	£0.50
Craster / Newton Steads / Low Newton	2 Hours	Discretionary	£4.50	£5.00	£0.50
Craster / Newton Steads / Low Newton	3 Hours	Discretionary	£6.00	£6.50	£0.50
Craster / Newton Steads / Low Newton	All Day	Discretionary	£8.50	£9.00	£0.50
Holy Island / Bamburgh	3 Hours	Discretionary	£6.00	£6.50	£0.50
Holy Island / Bamburgh	4 Hours	Discretionary	£7.00	£7.50	£0.50
Holy Island / Bamburgh	5 Hours	Discretionary	£8.00	£8.50	£0.50
Holy Island / Bamburgh	All Day	Discretionary	£9.50	£10.00	£0.50
Seahouses	1 Hour	Discretionary	Free	Free	-
Seahouses	2 Hours	Discretionary	£4.50	£5.00	£0.50

Fees/Charges		Type	2023-24	2024-25	Change
<i>All prices include VAT where applicable.</i>		(Discretionary/ Statutory)			
Seahouses	3 Hours	Discretionary	£6.00	£6.50	£0.50
Seahouses	All Day	Discretionary	£9.50	£10.00	£0.50
Country Parks	First Hour	Discretionary	Free	Free	-
Country Parks	up to 2 hours	Discretionary	£2.00	£2.50	£0.50
Country Parks	Over 2 hours	Discretionary	£4.00	£4.50	£0.50
Country Parks	Annual parking permit	Discretionary	£50.00	£55.00	£5.00
Penalty Charge Notices	Higher Level Contravention	Statutory	£70.00	£70.00	-
Penalty Charge Notices	Higher Level Contravention - if paid within 14 days	Statutory	£35.00	£35.00	-
Penalty Charge Notices	Lower Level Contravention	Statutory	£50.00	£50.00	-
Penalty Charge Notices	Lower Level Contravention - if paid within 14 days	Statutory	£25.00	£25.00	-
Permits					
Campsite at Druridge Bay	Campervan/caravan per night	Discretionary	£30.00	£30.00	-
Campsite at Druridge Bay	Tent per night	Discretionary	£15.00	£15.00	-
Water Sports	Child day permit	Discretionary	£5.60	£5.60	-
Water Sports	Child week permit	Discretionary	£10.80	£10.80	-
Water Sports	Child year permit	Discretionary	£36.00	£36.00	-
Water Sports	Adult day permit	Discretionary	£7.50	£7.50	-
Water Sports	Adult week permit	Discretionary	£14.50	£14.50	-
Water Sports	Adult year permit	Discretionary	£48.00	£48.00	-
Water Sports	Family day permit	Discretionary	£14.40	£14.40	-
Water Sports	Family week permit	Discretionary	£28.00	£28.00	-
Water Sports	Family year permit	Discretionary	£72.00	£72.00	-
Water Sports	Group day permit	Discretionary	£30.00	£30.00	-
Water Sports	Group week permit	Discretionary	£58.00	£58.00	-
Water Sports	Group year permit	Discretionary	£150.70	£150.70	-
Fishing Permit - Tyne Green	Annual Charge	Discretionary	£21.30	£21.30	-
Fishing Permit - Tyne Green	Day rate	Discretionary	£7.45	£7.45	-
Fishing Permit - Tyne Green	Weekly rate	Discretionary	£13.10	£13.10	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse and brown trout - Adult	Day rate	Discretionary	£10.18	£10.18	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse and brown trout - Adult	Weekly Rate	Discretionary	£17.76	£17.76	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse and brown trout - Adult	Annual Charge	Discretionary	£27.09	£27.09	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse and brown trout - concession	Day Rate	Discretionary	£5.42	£5.42	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse and brown trout - concession	Weekly Rate	Discretionary	£9.49	£9.49	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse and brown trout - concession	Annual Charge	Discretionary	£14.43	£14.43	-
Fishing Permit - Wansbeck Riverside - Coarse and brown trout - fishing club members (North Bank)	Annual Charge	Discretionary	£13.37	£13.37	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse, brown trout and salmon Migratory- Adult	Day Rate	Discretionary	£33.34	£33.34	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse, brown trout and salmon Migratory- Adult	Weekly Rate	Discretionary	£58.34	£58.34	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse, brown trout and salmon Migratory- Adult	Annual Charge	Discretionary	£94.25	£94.25	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse, brown trout and salmon Migratory- concession	Day Rate	Discretionary	£17.76	£17.76	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse, brown trout and salmon Migratory- concession	Weekly Rate	Discretionary	£31.69	£31.69	-
Fishing Permit - Wansbeck Riverside or Tyne Green - Coarse, brown trout and salmon Migratory- concession	Annual Charge	Discretionary	£50.56	£50.56	-
Fishing Permit - Bolam Lake - Coarse - Adult	Day Rate	Discretionary	£10.18	£10.18	-
Fishing Permit - Bolam Lake - Coarse - Adult	Weekly Rate	Discretionary	£17.76	£17.76	-
Fishing Permit - Bolam Lake - Coarse - Adult	Annual Charge	Discretionary	£27.09	£27.09	-
Fishing Permit - Bolam Lake - Coarse - Concession	Day Rate	Discretionary	£5.42	£5.42	-
Fishing Permit - Bolam Lake - Coarse - Concession	Weekly Rate	Discretionary	£9.49	£9.49	-
Fishing Permit - Bolam Lake - Coarse - Concession	Annual Charge	Discretionary	£14.43	£14.43	-
Fishing Permit - All Sites- Coarse - Adult	Day Rate	Discretionary	£10.18	£10.18	-
Fishing Permit - All Sites- Coarse - Adult	Weekly Rate	Discretionary	£40.78	£40.78	-
Fishing Permit - All Sites- Coarse - Adult	Annual Charge	Discretionary	£60.97	£60.97	-

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Fishing Permit - All Sites- Coarse - Concession	Day Rate	Discretionary	£5.42	£5.42	-
Fishing Permit - All Sites- Coarse - Concession	Weekly Rate	Discretionary	£21.22	£21.22	-
Fishing Permit - All Sites- Coarse - Concession	Annual Charge	Discretionary	£32.49	£32.49	-
Fishing Permit - Wansbeck Riverside and Tyne Green - Coarse, Brown Trout and Salmon Migratory - Adult	Day Rate	Discretionary	£33.34	£33.34	-
Fishing Permit - Wansbeck Riverside and Tyne Green - Coarse, Brown Trout and Salmon Migratory - Adult	Weekly Rate	Discretionary	£102.08	£102.08	-
Fishing Permit - Wansbeck Riverside and Tyne Green - Coarse, Brown Trout and Salmon Migratory - Adult	Annual Charge	Discretionary	£155.69	£155.69	-
Fishing Permit - Wansbeck Riverside and Tyne Green - Coarse, Brown Trout and Salmon Migratory - concession	Day Rate	Discretionary	£17.76	£17.76	-
Fishing Permit - Wansbeck Riverside and Tyne Green - Coarse, Brown Trout and Salmon Migratory - concession	Weekly Rate	Discretionary	£54.49	£54.49	-
Fishing Permit - Wansbeck Riverside and Tyne Green - Coarse, Brown Trout and Salmon Migratory - concession	Annual Charge	Discretionary	£95.37	£95.37	-
Seaton Sluice Harbour - Launching permit	Annual Charge	Discretionary	£60.71	£60.71	-
Seaton Sluice Harbour - Mooring Permit - 13 foot or less	Annual Charge	Discretionary	£118.09	£118.09	-
Seaton Sluice Harbour - Mooring Permit - charge per additional foot up to 28 Feet	Annual Charge	Discretionary	£9.08	£9.08	-
Seaton Sluice Harbour - Boat Storage Permit	Annual Charge	Discretionary	£51.24	£51.24	-
Parks and Green Spaces					
Football Pitch (Adult)	Per team per season	Discretionary	£410.00	£410.00	-
Football Pitch and changing room (Adult)	Per team per season	Discretionary	£676.00	£676.00	-
Football Pitch and changing room (Adult)	Occasional hire	Discretionary	£56.24	£56.24	-
Football Pitch (Junior)	Per team per season	Discretionary	£220.00	£220.00	-
Football Pitch and changing room (Junior)	Per team per season	Discretionary	£234.00	£234.00	-
Football Pitch and changing room (Junior)	Occasional hire	Discretionary	£20.20	£20.20	-
Pavillion Hire	Annual Charge	Discretionary	£601.00	£601.00	-
Pavillion Hire	Occasional hire	Discretionary	£26.40	£26.40	-
Bowling Green	Per season	Discretionary	£520.00	£520.00	-
Bowling Green	Occasional hire	Discretionary	£14.50	£14.50	-
Room Hire-Country Park	Half Day	Discretionary	£26.40	£26.40	-
Planning					
Pre App service:					
Do I need permission?	Householder	Discretionary	£50.00	£50.00	-
Do I need permission?	Non-householder	Discretionary	£100.00	£100.00	-
Householder Pre-application enquiry		Discretionary	£100.00	£100.00	-
Householder Pre-application enquiry (Listed Building)		Discretionary	£200.00	£200.00	-
Face to face meeting	Between £200 and £600 depending on officer level required	Discretionary	£600.00	£600.00	-
Large strategic developments	Lite Fee	Discretionary	£1,200.00	£1,200.00	-
Major developments (10-29 houses)	Full Fee	Discretionary	£1,200.00	£1,200.00	-
Major developments (10-29 houses)	Lite Fee	Discretionary	£500.00	£500.00	-
Major developments (30-99 houses)	Full Fee	Discretionary	£2,000.00	£2,000.00	-
Major developments (30-99 houses)	Lite Fee	Discretionary	£800.00	£800.00	-
Medium developments (5-9 houses)	Full Fee	Discretionary	£1,000.00	£1,000.00	-
Medium developments (5-9 houses)	Lite Fee	Discretionary	£400.00	£400.00	-
Minor developments (1-4 houses)	Full Fee	Discretionary	£500.00	£500.00	-
Minor developments (1-4 houses)	Lite Fee	Discretionary	£200.00	£200.00	-
Telecommunications development		Discretionary	£200.00	£200.00	-
Works to a listed building without separate planning advice (Non-household)		Discretionary	£350.00	£350.00	-
Planning Fees:					
Statutory Planning Fees	Statutory Planning Fees	Statutory	Fees as per National Planning Portal	Fees as per National Planning Portal	-
Transport					
Concessionary Travel	Increase in the current charge made for purchasing spare seats on school transport, otherwise known as concessionary travel	Discretionary	£600.00	£660.00	£60.00
Post 16 Transport Fees and Charges	Charge for first year	Discretionary	£50.00	£50.00	-

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Streetworks Permits					
TTRO (Planned)	Planned	Discretionary	£1,500.00	£1,550.00	£50.00
TTRO (Emergency)	Emergency	Discretionary	£600.00	£625.00	£25.00
S50 licences		Discretionary	£550.00	£575.00	£25.00
Skips (registered)	Registered	Discretionary	£22.00	£23.00	£1.00
Skips (unregistered)	Unregistered	Discretionary	£100.00	£105.00	£5.00
Scaffolds (registered)	Registered	Discretionary	£80.00	£84.00	£4.00
Scaffolds (unregistered)	Unregistered	Discretionary	£135.00	£140.00	£5.00
Waste Services					
Bulky Waste	Single item	Discretionary	£19.80	£20.80	£1.00
Bulky Waste	2-4 items	Discretionary	£39.60	£41.58	£1.98
Bulky Waste	5-8 items	Discretionary	£79.00	£82.95	£3.95
Garden Waste	Annual fee	Discretionary	£49.50	£52.00	£2.50
Garden Waste	Small 140 litre bin	Discretionary	£34.00	£35.00	£1.00
Garden Waste	Standard 240 litre bin	Discretionary	£39.50	£40.50	£1.00
Garden Waste	Large 340 litre bin	Discretionary	£69.00	£70.00	£1.00
Rubble charges at household waste recovery centres	Single bag		£2.75	£2.75	-
Rubble charges at household waste recovery centres	Standard car		£16.50	£16.50	-
Rubble charges at household waste recovery centres	Trailer less than 5 foot/small van		£27.50	£27.50	-
Rubble charges at household waste recovery centres	Trailer longer than 5 foot		£55.00	£55.00	-
Rubble charges at household waste recovery centres	Transit Van		£110.00	£110.00	-
Hazardous Waste	Asbestos up to 2 bags, or 2 sheets @ 4ft x 4ft	Discretionary	£9.00	£9.00	-
Hazardous Waste	Asbestos up to 7 bags, or 5 sheets @ 6ft x 3ft	Discretionary	£31.50	£31.50	-
Hazardous Waste	Asbestos up to 12 bags, or 8 sheets @ 6ft x 3ft	Discretionary	£76.50	£76.50	-
Hazardous Waste	Asbestos up to 18 bags, or 12 sheets @ 6ft x 3ft	Discretionary	£123.75	£123.75	-
Hazardous Waste	Chemicals up to 90 kg	Discretionary	£9.00	£9.00	-
Libraries					
Audio books; 1-3 CDs	Per 3 week loan	Discretionary	Free	Free	-
Audio books; 4+ CDs	Per 3 week loan	Discretionary	Free	Free	-
Audio books; children's	Per 3 week loan	Discretionary	Free	Free	-
British Library Lending charges	British Library Lending charges	Discretionary	£7.00	£7.00	-
British Library Lending renewals	Charge for customer requested renewals	Discretionary	£4.00	£4.00	-
CD-ROMs	Per 3 week loan	Discretionary	n/a	n/a	-
DVD single item hire	All DVD and Video loans are charged per week or part thereof	Discretionary	n/a	n/a	-
Fines; per day late within the first week	Overdue charges will be levied at all libraries (with the exception of mobile libraries) on each item at a rate per day in the first week that the issuing library is open	Discretionary	tbc	tbc	-
Fines; per week after the first week	£1.55 per week or part of week thereafter up to a maximum of £7.75	Discretionary	tbc	tbc	-
Hire of space in libraries	Basic rate per hour - part use up to 100 square metres	Discretionary			n/a
Hire of space in libraries	Basic rate per hour - part use 100 to 200 square metres	Discretionary			n/a
Hire of space in libraries	Basic rate per hour - part use over 200 square metres	Discretionary			n/a
Hire of space in libraries	Basic rate per hour - sole use up to 100 square metres	Discretionary			n/a
Hire of space in libraries	Basic rate per hour- sole use 100 to 200 square metres	Discretionary			n/a
Hire of space in libraries	Basic rate per hour- sole use over 200 square metres	Discretionary			n/a
Hire of space in libraries	Commercial rate per hour - part use up to 100 square metres	Discretionary			n/a
Hire of space in libraries	Commercial rate per hour - part use 100 to 200 square metres	Discretionary			n/a
Hire of space in libraries	Commercial rate per hour - part use over 200 square metres	Discretionary			n/a
Hire of space in libraries	Commercial rate per hour - sole use up to 100 square metres	Discretionary			n/a
Hire of space in libraries	Commercial rate per hour - sole use 100 to 200 square metres	Discretionary			n/a
Hire of space in libraries	Commercial rate per hour - sole use over 200 square metres	Discretionary			n/a
Hire of space in libraries	Concessionary rate per hour - part use up to 100 square metres	Discretionary			n/a
Hire of space in libraries	Concessionary rate per hour - part use 100 to 200 square	Discretionary			n/a
Hire of space in libraries	Concessionary rate per hour - part use over 200 square metres	Discretionary			n/a
Hire of space in libraries	Concessionary rate per hour - sole use up to 100 square metres	Discretionary			n/a
Hire of space in libraries	Concessionary rate per hour - sole use 100 to 200 square	Discretionary			n/a

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Hire of space in libraries	Concessionary rate per hour- sole use over 200 square metres	Discretionary			n/a
Interlending charges	Full cost to the library service of providing the service	Discretionary	n/a	n/a	-
Language courses; multiple sets	Multiple item sets for 6 weeks	Discretionary	n/a	n/a	-
Language courses; single item	Single item for 3 weeks	Discretionary	n/a	n/a	-
Music CDs	Per 1 week loan	Discretionary	n/a	n/a	-
Performing Arts Service	Music sets of Northumberland library stock (Music sets 0-50)	Discretionary	£6.00	£6.00	-
Performing Arts Service	Music sets of Northumberland library stock (Music sets 51-100)	Discretionary	£12.00	£12.00	-
Performing Arts Service	Music sets of Northumberland library stock (Music sets 101-150)	Discretionary	£18.00	£18.00	-
Performing Arts Service	Music sets of Northumberland library stock (Music sets 151-200)	Discretionary	£24.00	£24.00	-
Performing Arts Service	Music sets if borrowed outside of Northumberland library stock (Music sets 0-50)	Discretionary	£12.00	£12.00	-
Performing Arts Service	Music sets if borrowed outside of Northumberland library stock (Music sets 51-100)	Discretionary	£24.00	£24.00	-
Performing Arts Service	Music sets if borrowed outside of Northumberland library stock (Music sets 100-150)	Discretionary	£36.00	£36.00	-
Performing Arts Service	Music sets if borrowed outside of Northumberland library stock (Music sets 151-200)	Discretionary	£48.00	£48.00	-
Performing Arts Service	Drama sets of Northumberland library stock	Discretionary	£1.50	£1.50	-
Performing Arts Service	Drama sets if borrowed outside of Northumberland library stock	Discretionary	£10.00	£10.00	-
Photocopying	Single copy A4 size - Black and White	Discretionary	£0.15	£0.15	-
Photocopying	Single copy A4 size - Colour	Discretionary	£0.55	£0.55	-
Photocopying	Single copy A3 size - Black and White	Discretionary	£0.35	£0.35	-
Photocopying	Single copy A3 size - Colour	Discretionary	£1.10	£1.10	-
Photocopying	Single copy by Community Groups - Black and White	Discretionary	£0.10	£0.10	-
Photocopying	Single copy by Community Groups - Colour	Discretionary	£0.25	£0.25	-
Photocopying	Single copy Computer Printouts - Black and White	Discretionary	£0.15	£0.15	-
Photocopying	Single copy Computer Printouts - Colour	Discretionary	£0.55	£0.55	-
Photocopying	Microfilm Reader Printouts	Discretionary	£0.55	£0.55	-
Photocopying	Microfilm Reader Printouts done by Staff	Discretionary	£1.10	£1.10	-
Replacement cards	Charge for a replacement card	Discretionary	£1.65	£1.65	-
Flood and Surface Water					
Ordinary watercourse pre-application written advice	Ordinary watercourse pre-application written advice	Discretionary	-	-	-
Ordinary watercourse consent	Ordinary watercourse consent	Statutory	£50.00	£50.00	-
Watercourse regulation site visit with written pre-application advice	Watercourse regulation site visit with written pre-application	Discretionary	-	-	-
Basic Report - Information request for data held by Lead Local Flood Authority (LLFA)	Basic Report- Information request for data held by LLFA	Discretionary	-	-	-
Detailed Report - Information request for data held by LLFA and detailed advice	Up to minor	Discretionary	-	-	-
Detailed Report - Information request for data held by LLFA and detailed advice	Major	Discretionary	-	-	-
Detailed Report - Information request for data held by LLFA and detailed advice	Large-major	Discretionary	-	-	-
Supply of surface water management plan modelling data	Up to Minor	Discretionary	-	-	-
Supply of surface water management plan modelling data	Major	Discretionary	-	-	-
Supply of surface water management plan modelling data	Large-major	Discretionary	-	-	-
Written advice	Up to minor	Discretionary	-	-	-
Written advice	Major	Discretionary	-	-	-
Written advice	Large-major	Discretionary	-	-	-
Meeting at County Hall with written advice	Up to minor	Discretionary	-	-	-
Meeting at County Hall with written advice	Major	Discretionary	-	-	-
Meeting at County Hall with written advice	Large-major	Discretionary	-	-	-
Written advice and site visit	Up to minor	Discretionary	-	-	-
Written advice and site visit	Major	Discretionary	-	-	-
Written advice and site visit	Large-major	Discretionary	-	-	-
Follow up written advice	Up to minor	Discretionary	-	-	-
Follow up written advice	Major	Discretionary	-	-	-
Follow up written advice	Large-major	Discretionary	-	-	-

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Organisational Risk					
Health and Safety	Schools health and safety advice, training, audit, docs 1 - 100 pupils	Discretionary	-	-	-
Health and Safety	Schools health and safety advice, training, audit, docs 101 - 250 pupils	Discretionary	-	-	-
Health and Safety	Schools health and safety advice, training, audit, docs 251 - 500 pupils	Discretionary	-	-	-
Health and Safety	Schools health and safety advice, training, audit, docs 501 - 1,000 pupils	Discretionary	-	-	-
Health and Safety	Schools health and safety advice, training, audit, docs 1,000 - 1,200 pupils	Discretionary	-	-	-
Health and Safety	Schools health and safety advice, training, audit, docs 1,200 + pupils	Discretionary	-	-	-
Registrars					
Birth/Death/Marriage/Civil Partnership Certificate	At Registration	Statutory	£11.00	£11.00	-
Birth/Death/Marriage/Civil Partnership Certificate	From a current register	Statutory	£11.00	£11.00	-
Birth/Death/Marriage/Civil Partnership Certificate	At Registration (24 hour Service)	Statutory	£11.00	£11.00	-
Birth/Death/Marriage/Civil Partnership Certificate	From a current register (24 hour Service)	Statutory	£11.00	£11.00	-
Notice of Marriage	Statutory fee for giving notice	Statutory	£35.00	£35.00	-
Notice of Civil Partnership	Statutory fee for giving notice	Statutory	£35.00	£35.00	-
Attendance Fees - Statutory Wedding Room	Tuesday and Thursday AM only	Statutory	£57.00	£57.00	-
Church	Monday to Sunday (Selected times only)	Statutory	£97.00	£97.00	-
27 Fenkle Street, Alnwick	Monday - Thursday	Discretionary	£215.00	£235.00	£20.00
27 Fenkle Street, Alnwick	Friday - Saturday	Discretionary	£225.00	£250.00	£25.00
27 Fenkle Street, Alnwick	Bank Holiday Weekend (Saturday)	Discretionary	£250.00	£275.00	£25.00
Morpeth Town Hall Ante Room	Monday - Thursday	Discretionary	£215.00	£235.00	£20.00
Morpeth Town Hall Ante Room	Friday	Discretionary	£225.00	£250.00	£25.00
Morpeth Twon Hall Ballroom	Monday - Thursday	Discretionary	£340.00	£375.00	£35.00
Morpeth Twon Hall Ballroom	Friday - Saturday	Discretionary	£350.00	£385.00	£35.00
Morpeth Twon Hall Ballroom	Bank Holiday Weekend (Saturday)	Discretionary	£415.00	£435.00	£20.00
Berwick Town Hall Council Chamber	Monday - Thursday	Discretionary	£340.00	£375.00	£35.00
Berwick Town Hall Council Chamber	Friday - Saturday	Discretionary	£350.00	£385.00	£35.00
Berwick Town Hall Council Chamber	Bank Holiday Weekend (Saturday)	Discretionary	£415.00	£435.00	£20.00
Hexham House	Monday - Thursday	Discretionary	£405.00	£425.00	£20.00
Hexham House	Friday - Saturday	Discretionary	£460.00	£485.00	£25.00
Hexham House	Sunday	Discretionary	£560.00	£590.00	£30.00
Hexham House	Bank Holiday Weekend (Saturday - Sunday)	Discretionary	£560.00	£590.00	£30.00
Attendance Fees / Naming / Renewal of Vows / Commitment Ceremonies - Approved Premises Venues	Monday - Thursday	Discretionary	£510.00	£560.00	£50.00
Attendance Fees / Naming / Renewal of Vows / Commitment Ceremonies - Approved Premises Venues	Friday - Sunday	Discretionary	£560.00	£600.00	£40.00
Attendance Fees / Naming / Renewal of Vows / Commitment Ceremonies - Approved Premises Venues	Bank Holiday Weekend (Saturday - Sunday)	Discretionary	£595.00	£650.00	£55.00
Citizenship Ceremony	Individual ceremony	Discretionary	£100.00	£100.00	-
Licencing of Approved Premises	Licence fee renewal (lasts 5 years)	Discretionary	£2,200.00	£2,200.00	-
Licencing of Approved Premises	Licence fee - new application (lasts 5 years)	Discretionary	£2,200.00	£2,200.00	-
Telephone and Digital Access					
Blue Badge Fees	There is a £10 fee for those that are deemed eligible for a Blue Badge	Statutory	£10.00	£10.00	-
TRANSFORMATION and RESOURCES					
Facilities Management Room Hire	Lindisfarne Centre - Old Sports Hall - Adult bookings - per hour	Discretionary	£35.00	£35.00	-
Facilities Management Room Hire	Lindisfarne Centre - Old Sports Hall - Child bookings - per hour	Discretionary	£20.00	£20.00	-
Facilities Management Room Hire	Lindisfarne Centre - Meeting Room - per hour	Discretionary	£12.50	£12.50	-
Facilities Management Room Hire	Lindisfarne Centre - Small Hall - per hour	Discretionary	£12.50	£12.50	-
Facilities Management Room Hire	Lindisfarne Centre - Large Hall - per hour	Discretionary	£15.00	£15.00	-

Fees/Charges <i>All prices include VAT where applicable.</i>		Type (Discretionary/ Statutory)	2023-24	2024-25	Change
Facilities Management Room Hire	Lindisfarne Centre - Out of Hours (after 7pm and weekend) minimum fee	Discretionary	£30.00	£30.00	-
Facilities Management Room Hire	Northumberland Hall - per hour	Discretionary	£35.00	£35.00	-
Facilities Management Room Hire	Druridge Bay Community Centre - Hall - per hour	Discretionary	£12.00	£12.00	-
Facilities Management Room Hire	Druridge Bay Community Centre - Lounge - per hour	Discretionary	£5.50	£5.50	-
Facilities Management Room Hire	Druridge Bay Community Centre - Kitchen - per hour	Discretionary	£3.50	£3.50	-
Facilities Management Room Hire	All sites - Out of Hours	Discretionary	£30.00	£30.00	-
Records Office					
Copy Certificate - Baptism	Standard Charge	Statutory	£18.00	£18.00	-
24 hour certificate provision service Baptism	produced within 24 hours of receipt of request	Discretionary	£36.00	£36.00	-
Copy Certificate - Marriage	Standard Charge	Statutory	£12.00	£12.00	-
24 hour certificate provision service Marriage	produced within 24 hours of receipt of request	Discretionary	£36.00	£36.00	-
Self-service photography 1 Day Licence	Daily camera licence for camera use in the search room	Discretionary	£10.00	£10.00	-
Self-service photograph 1 Week Licence	Daily camera licence for camera use in the search room	Discretionary	£25.00	£25.00	-
Self-service photography 1 Month Licence	Daily camera licence for camera use in the search room	Discretionary	£75.00	£75.00	-
Self-service photography 1 Year Licence	Daily camera licence for camera use in the search room	Discretionary	£200.00	£200.00	-
Self-service photography 1 Day Licence	Camera licence after 5pm on Tues	Discretionary	n/a	n/a	-
Copies from microfiche and microfilm - Reading Room	Per item	Discretionary	£2.50	£2.50	-
Copies from microfiche and microfilm - Standard Copies	Per item	Discretionary	£2.50	£2.50	-
Copies from microfiche and microfilm	Per item	Discretionary	£2.50	£2.50	-
Copies made by Archives staff when ordered in the search room	Copied documents black and white, A4 - PHOTOCOPY - EXPRESS SERVICE	Discretionary	£1.10	£1.10	-
Copies made by Archives staff when ordered in the search room	Copied documents black and white, A3 - PHOTOCOPY - EXPRESS SERVICE	Discretionary	£1.10	£1.10	-
Copies made by Archives staff when ordered in the search room	Copied documents black and white, A4 - PHOTOCOPY - STANDARD SERVICE	Discretionary	£0.55	£0.55	-
Copies made by Archives staff when ordered in the search room	Copied documents black and white, A3 - PHOTOCOPY - STANDARD SERVICE	Discretionary	£0.55	£0.55	-
Digital copies made by Archives staff	Image up to A4 - digital	Discretionary	£5.50	£5.50	-
Digital copies made by Archives staff	Image up to A3 - digital	Discretionary	£7.00	£7.00	-
Digital copies made by Archives staff	Image up to A2 - digital	Discretionary	£13.50	£13.50	-
Digital copies made by Archives staff	Image up to A1 - digital	Discretionary	£16.50	£16.50	-
Digital copies made by Archives staff	Image up to A0 - digital	Discretionary	£19.00	£19.00	-
Digital copies made by Archives staff	Image over A0 - digital	Discretionary	POA	POA	-
Digital copies made by Archives staff	Supplying a scanned copy on CD (B)	Discretionary	£4 and cost of image	£4 and cost of image	-
Digital copies made by Archives staff	Any digital copy size A4 - print	Discretionary	£7.00	£7.00	-
Digital copies made by Archives staff	Any digital copy size A3 - print	Discretionary	£9.00	£9.00	-
Digital copies made by Archives staff	Any digital copy size A2 - print	Discretionary	£16.50	£16.50	-
Digital copies made by Archives staff	Any digital copy size A1 - print	Discretionary	£19.50	£19.50	-
Digital copies made by Archives staff	Any digital copy size A0 - print	Discretionary	£25.00	£25.00	-
Digital copies made by Archives staff	Any digital copy size A0 + - print	Discretionary	POA	POA	-
Digital copies made by Archives staff	Any subsequent digital copy of any document	Discretionary	As per original cost	As per original cost	-
Expediated search and copy fees	Additional fee for urgent requests which we endeavour to complete within 24 hours	Discretionary	Twice the usual cost	Twice the usual cost	-
Permission to publish in print	Local commercial publication	Discretionary	£45.00	£45.00	-
Permission to publish in print	National/ international commercial publication	Discretionary	£75.00	£75.00	-
Permission to broadcast on TV	World buyout, all media, unlimited broadcasts (inc. release on DVD/Blu-ray)	Discretionary	POA	POA	-
Research by Archives staff	Per hour	Discretionary	£35.00	£35.00	-
Research by Archives staff express Service	Per hour	Discretionary	£70.00	£70.00	-
Specific records check by Archive staff	Inc. a copy of the entry or page if found, if not fee still applies for the search	Discretionary	£5.00	£5.00	-
Archive site tours	Full Tour Search Room and Repositories (inc. VAT) half day	Discretionary	£216.00	£216.00	-

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Inflation Schedule 2024-25

	Inflation Factor	Adults, Ageing and Wellbeing £	Corporate Expenditure and Income £	Children, Education and Young People £	Transformation and Resources £	Public Health, Inequalities and Stronger Communities £	Chief Executive £	Place and Regeneration £	General Fund £
Local Government Employees	4.00%	-	6,477,800	-	-	-	-	-	6,477,800
Teachers	4.00%	-	13,740	-	-	-	-	-	13,740
Soulbury	4.00%	-	37,600	-	-	-	-	-	37,600
Youth Workers	4.00%	-	2,380	-	-	-	-	-	2,380
Firefighters	4.00%	-	484,420	-	-	-	-	-	484,420
Members	4.00%	-	-	-	-	-	110,050	-	110,050
Apprenticeship Levy	4.00%	-	34,000	-	-	-	-	-	34,000
Enhanced Pensions	6.30%	-	96,300	76,700	-	-	24,210	-	197,210
Total Pay Inflation		-	7,146,240	76,700	-	-	134,260	-	7,357,200
Gas	4.50%	3,820	-	1,990	13,080	3,040	2,240	7,990	32,160
Electricity	3.00%	3,220	-	5,150	24,570	3,710	7,290	59,340	103,280
Water Charges	3.00%	1,620	-	800	7,840	870	1,340	14,920	27,390
Business Rates	6.70%	1,840	-	9,240	87,590	2,450	36,420	89,550	227,090
Council Tax	4.99%	100	-	150	240	-	-	810	1,300
Insurance - Vehicles	6.70%	-	-	-	-	-	4,900	36,500	41,400
Premises Insurance	11.00%	13,730	-	2,660	10,430	18,950	3,190	21,530	70,490
Insurance - Employers Liability / Third Party	11.00%	18,360	-	15,350	8,770	5,530	16,300	175,200	239,510
PFI Scheme Payments	N/A	-	-	-	-	-	133,630	1,961,610	2,095,240
Highways Materials	8.46%	-	-	-	-	-	-	191,360	191,360
Fleet Parts	N/A	-	-	-	-	-	-	100,000	100,000
Concessions to Bus Operators	4.20%	-	-	-	-	-	-	195,120	195,120
Social Care Contract Inflation	N/A	8,692,420	-	1,893,800	-	-	-	-	10,586,220
Social Care Contract Inflation - Market Sustainability and Improvement Fund	N/A	6,656,000	-	-	-	-	-	-	6,656,000
Funded by Additional Income	N/A	(643,980)	-	(17,700)	-	-	-	-	(661,680)
Data Lines	12.50%	-	-	-	-	-	162,560	-	162,560
Stores SLA with Tyne and Wear Fire Brigade	10.40%	-	-	-	-	-	11,490	-	11,490
Vehicle SLA with Tyne and Wear Fire Brigade	10.40%	-	-	-	-	-	45,330	-	45,330
Vehicle Repairs - Tyres	4.00%	-	-	-	-	-	-	11,080	11,080
Raw Material Cost of Parts	4.00%	-	-	-	-	-	-	43,820	43,820
Raw Material Cost of Oil	4.00%	-	-	-	-	-	-	1,420	1,420
Grounds Maintenance	4.00%	-	-	-	-	-	-	9,090	9,090
Weed Control	4.00%	-	-	-	-	-	-	2,240	2,240
Wheelie Bins	4.00%	-	-	-	-	-	-	7,970	7,970
Hazardous Waste Collection Service	4.00%	-	-	-	-	-	-	1,880	1,880
Verge Cutting Contractors	4.00%	-	-	-	-	-	-	2,190	2,190
External Audit Fees	6.70%	-	-	-	32,640	-	-	-	32,640
Change in Levies (Environment Agency and Northumberland Inshore Fisheries and Conservation Authority)	N/A	-	31,000	-	-	-	-	-	31,000
Total Non-Pay Inflation		14,747,130	31,000	1,911,440	185,160	34,550	424,690	2,933,620	20,267,590
Increase in Bulky Waste Collection Charges		-	-	-	-	-	-	(14,000)	(14,000)
Increase Parking Charges at Country Parks		-	-	-	-	-	-	(30,000)	(30,000)
Increase in Garden Waste Collection Charges		-	-	-	-	-	-	(80,000)	(80,000)
Increased Income from Coastal Tourism Car Parks		-	-	-	-	-	-	(60,000)	(60,000)
Increase in Trade Waste Charges		-	-	-	-	-	-	(150,000)	(150,000)
Procurement - Increase in SLA Fees		-	-	-	(7,000)	-	-	-	(7,000)
Continuing Health Care Admin Fee Increase		(100,000)	-	-	-	-	-	-	(100,000)
Additional Registrars Income	10.00%	-	-	-	-	(112,000)	-	-	(112,000)
Total Inflation - Income		(100,000)	-	-	(7,000)	(112,000)	-	(334,000)	(553,000)
Increments and Changes to Salaries		632,520	-	261,250	77,980	118,600	40,530	355,840	1,486,720
Total		15,279,650	7,177,240	2,249,390	256,140	41,150	599,480	2,955,460	28,558,510

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	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
Chief Executive				
Firelink Grant Reducing	0.030	0.030	0.030	0.030
Fire and Rescue Service - Data Lines/Comms	0.101	0.031	0.001	0.001
Fire and Rescue Service - Realignment of Non-Staffing Budgets	0.071	-	-	-
Fire and Rescue Service - Overtime	0.400	-	-	-
Elections - Annual Canvassers	0.023	-	-	-
Legal - Realignment of Income Budgets	0.054	-	-	-
Removal of the Fire Pension Grant	0.766	-	-	-
Total Chief Executive	1.445	0.061	0.031	0.031
Children, Education and Young People				
Staff / Non Staff Costs for Children's Homes - New Builds and Ofsted Recommendation	0.528	0.415	-	-
Support required for Statutory Short Break Services for Disabled Children	0.125	-	-	-
Foster Care and Special Guardianship Allowances - Full Year Effect of 2023-24 Inflationary Increase	0.568	-	-	-
Increase to the Provision of Overnight Respite Care	0.188	-	-	-
Significant Cost Increase for Additional External Residential Placements	2.010	-	-	-
Increase in Teachers Employers Pension Rate	0.012	-	-	-
Total Children, Education and Young People	3.431	0.415	-	-
Place and Regeneration				
<u>Environment and Transport</u>				
Technical Staff to Support Development of New Waste Services Required Under the Environment Act 2021 and National Resources and Waste Strategy	0.085	-	-	-
Loss of Crematorium Income	0.370	-	-	-
Waste PFI legislative Changes	0.591	0.202	0.389	-
Solar Car Port Inspection and Maintenance costs	0.031	-	-	-
Home to School Transport (not SEND)	0.400	-	-	-
<u>Housing and Planning</u>				
Strategic Development Grant not achievable	0.110	-	-	-
Planning Fee Income Target not achievable	0.195	-	-	-
Total Place and Regeneration	1.782	0.202	0.389	-
Transformation and Resources				
<u>Digital and IT</u>				
Cyber Security Software	0.073	-	-	-
Microsoft Office 365 Enterprise Agreement Contract	-	0.382	-	-
IT Backup and Recovery Service	0.159	-	-	-
Replacement IT Consumables	0.050	-	-	-
Integrated Services - Income Pressures	0.080	-	-	-
Total Transformation and Resources	0.362	0.382	-	-
Cross Directorate/Corporate				
Shortfall in 2022-23 Pay Award	0.207	-	-	-
Shortfall in 2023-24 Pay Award	3.203	-	-	-
Bank Charges	0.080	-	-	-
Cost of Benefits	0.301	-	-	-
External Audit Fees	0.006	-	-	-
Apprenticeship Levy	0.140	-	-	-
Total Cross Directorate/Corporate	3.937	-	-	-
Total Recurrent Pressures	10.957	1.060	0.420	0.031

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	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
Adults, Ageing and Wellbeing				
Demographic Pressures	0.500	0.500	1.870	-
Additional Demographic Pressures 2024-25	-	-	-	-
Additional Posts in Team Assessing and Reviewing Financial Assessments	0.172	-	-	-
Total Adults, Ageing and Wellbeing	0.672	0.500	1.870	-
Chief Executive				
Additional Member Allowances	0.054	0.035	0.003	-
Fire and Rescue - Increase Part-Time Driver Training Role to 1.00 Full Time Equivalent	0.013	-	-	-
Total Chief Executive	0.067	0.035	0.003	-
Children, Education and Young People				
SEN Home to School Transport Service - Increase in Pupil Numbers Accessing Transport	2.564	0.670	0.837	0.844
Total Children, Education and Young People	2.564	0.670	0.837	0.844
Place and Regeneration				
<u>Economic Development and Growth</u>				
Borderlands Partnership Staffing	0.048	-	-	-
<u>Environment and Transport</u>				
Members Local Improvement Schemes Revenue Provision	0.120	-	-	-
Newbiggin Bay Beach Management	0.045	-	-	-
Public Conveniences Winter Opening	0.045	-	-	-
<u>Housing and Planning</u>				
Armed Forces Outreach Service	0.072	-	-	-
Total Place and Regeneration	0.330	-	-	-
Public Health, Inequalities and Stronger Communities				
Chantry Running Costs	0.070	-	-	-
Strategic Community Safety	0.104	-	-	-
Total Public Health, Inequalities and Stronger Communities	0.174	-	-	-
Transformation and Resources				
Restaurant - Staffing	0.059	-	-	-
Total Transformation and Resources	0.059	-	-	-
Total Growth	3.866	1.205	2.710	0.844

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	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
Non-Recurrent Pressures				
Adults, Ageing & Wellbeing				
Adult Social Care Discharge Fund - Use of Grant	2.920	-	-	-
Temporary Additional Post in Financial Assessment Team	0.031	0.015	-	-
Total Adults, Ageing and Wellbeing	2.951	0.015	-	-
Chief Executive				
Elections (net cost to NCC)	0.224	1.005	-	-
Legal - Staffing Regrades Pending Service Review	0.193	-	-	-
Total Chief Executive	0.417	1.005	-	-
Children, Education and Young People				
Emily Wilding Davison School - Deficit on Academy Conversion	1.433	-	-	-
Energy Central Learning Hub - Northumberland Skills Lagged Funding	0.187	-	-	-
High Cost External Placement for One Year Only	0.733	-	-	-
Total Children, Education and Young People	2.353	-	-	-
Place and Regeneration				
<u>Economic Development and Growth</u>				
Additional Delivery Capacity	0.225	0.237	-	-
Grant Support for Berwick Maltings Transition Period	0.150	0.150	-	-
<u>Environment and Transport</u>				
Parks and Green Spaces	0.250	-	-	-
Kerbside Glass Recycling Trial	0.052	-	-	-
Enhanced Litter Picking on Fast Roads	0.298	0.298	-	-
Continuation of Food Waste Recycling Trial	0.158	0.158	-	-
Storm Arwen - Completion of Outstanding Tree Works within NCC Woodlands	0.418	-	-	-
Waste PFI Facility Redesign and Financial Modelling to Increase Recycling Services	0.114	-	-	-
Total Place and Regeneration	1.665	0.843	-	-
Public Health, Inequalities and Stronger Communities				
Archives Service - Rental Charges	0.025	0.026	0.027	0.028
Locality Coordinators - Funded by Grant	0.178	-	-	-
Rothbury Pool and Gym	0.048	0.048	-	-
Dave Stephens Centre and Blyth Beach Huts - Transitional Support	0.122	-	-	-
Druridge Bay Fitness Centre - Transitional Support	0.111	0.089	-	-
Hirst Welfare Centre - Transitional Support - Funded by Grant	0.250	0.180	0.100	-
Northburn Sports and Community Centre - Transitional Support	0.058	0.058	-	-
Total Public Health, Inequalities and Stronger Communities	0.792	0.401	0.127	0.028
Transformation and Resources				
Council Tax Support Hardship Scheme	1.726	-	-	-
Total Transformation and Resources	1.726	-	-	-
Cross Directorate/Corporate				
Gas Hyper-Inflation	0.647	-	-	-
Electricity Hyper-Inflation	1.670	-	-	-
BEST Initiative	3.000	-	-	-
Total Cross Directorate/Corporate	5.317	-	-	-
Total Non-Recurrent Pressures	15.221	2.264	0.127	0.028
Non-Recurrent Income				
Children, Education and Young People				
Energy Central Learning Hub - Northumberland Skills Lagged Funding	-	(0.062)	(0.062)	(0.063)
Total Children, Education and Young People	-	(0.062)	(0.062)	(0.063)
Place and Regeneration				
Change to Income from Sale of Electricity at EFW Plant (PFI Contract)	(5.225)	-	-	-
Highways Staff Saving	(0.045)	(0.045)	-	-
Total Place and Regeneration	(5.270)	(0.045)	-	-
Transformation and Resources				
Replacement of Wide Area Network Contract	(0.205)	(0.207)	(0.221)	(0.206)
Total Transformation and Resources	(0.205)	(0.207)	(0.221)	(0.206)
Total Non-Recurrent Income	(5.475)	(0.314)	(0.283)	(0.269)
Total Non-Recurrent Items	9.746	1.950	(0.156)	(0.241)

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	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
Adults, Ageing and Wellbeing				
Care Management Savings from the Review of Individual Packages of Care	3.000	3.000	-	-
Social Work/Care Management Service Review	0.050	-	-	-
Revise Funding Arrangements for Ceiling Track Hoists	0.090	-	-	-
Reviewing Staffing within In-House Day Services	0.095	-	-	-
Removal of Contribution to Local Government Pension Scheme Pension Fund No Longer Required	0.120	-	-	-
Reduction in Non Staffing Budgets	0.012	-	-	-
BEST Value for Money Savings	0.057	0.113	0.057	-
Additional Income as a Result of Streamlining the Process for Client Charging	0.206	0.418	-	-
Total Adults, Ageing and Wellbeing	3.630	3.531	0.057	-
Chief Executive				
Human Resources and Organisation Development - Non Staffing Savings	0.037	-	-	-
Total Chief Executive	0.037	-	-	-
Children, Education and Young People				
Reduction in Out of County Placements Due to Children's Homes New Builds	0.606	2.410	-	-
Utilisation of Grant across Family Help and Family Hub Teams	0.472	0.472	-	-
Completion of the Early Help Reorganisation	0.156	-	-	-
Reduction to Historical Enhanced Pension Budgets	0.100	0.100	0.050	0.050
Education and Skills Management Costs Offset Against Grant Funding	0.079	-	-	-
Utilisation of Adolescent Services Grant	0.415	-	-	-
Removal of a Vacant Post	0.020	-	-	-
Regional Contract Renegotiation	0.100	-	-	-
BEST Value for Money Savings	0.136	0.778	0.204	-
Total Children, Education and Young People	2.084	3.760	0.254	0.050
Place and Regeneration				
<u>Economic Development and Growth</u>				
Review of Arts and Culture Portfolio	0.013	0.041	-	-
<u>Environment and Transport</u>				
Full Year Effect of Home to School Transport Concessionary Travel Charge increase for purchasing spare seats on school transport.	0.017	0.003	-	-
Increased Customer Base - Trade Waste Service	0.150	-	-	-
Review of Streetworks Charges	0.031	-	-	-
Standardising Colours of New/Replacement Bins	0.010	-	-	-
Increase to Northumberland Pay and Display Parking Permit	0.012	0.011	0.015	-
Redirect Wood Waste from Recycling to Energy Recovery	0.250	-	-	-
Seek Alternative Funding and Renegotiation of Contracts for Post 16 Home to School Transport	-	0.320	0.157	-
Solar Car Port - Electricity Savings	0.196	-	-	-
Reduction and Review of Fleet Operating Leases	0.270	-	-	-
BEST Value for Money Savings	0.642	0.641	-	-
Total Place and Regeneration	1.591	1.016	0.172	-

	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
Public Health, Inequalities and Stronger Communities				
Reduction in Leisure Management Fee	0.200	0.200	-	-
Creating a Modern Sustainable Library Offer	-	0.200	0.200	-
BEST - Communities First Model (Net Saving)	0.500	0.500	0.250	-
Review of Sport Development	-	0.075	-	-
Total Public Health, Inequalities and Stronger Communities	0.700	0.975	0.450	-
Transformation and Resources				
<u>Finance and Procurement</u>				
Removal of Vacant Posts no Longer Required	0.064	-	-	-
Increase in Procurement Rebate Income Target	0.047	0.010	-	-
Reduction in Non-Staffing Budgets	0.048	0.001	-	-
Cash in Transit and Machine Maintenance Contractual Savings	0.066	-	-	-
Fund 25% of Insurance Team Costs from the Insurance Fund	0.054	-	-	-
<u>Digital and IT</u>				
Software Licences and Data Centre - Contractual Savings	0.089	0.105	-	-
BEST Use of Technology Savings	0.150	0.300	0.150	-
Total Transformation and Resources	0.518	0.416	0.150	-
Cross Directorate/Corporate				
BEST - Use of Resources Savings - Corporate Business Support	-	0.750	0.750	-
BEST - Use of Resources Savings - Employee Service Centre	-	0.112	0.168	0.057
BEST - Customer Services Savings	0.146	0.890	1.326	0.583
BEST Use of Assets Savings	1.000	1.000	-	-
BEST in Class Commissioning - Category Management Savings	0.500	2.000	2.000	-
BEST in Class Commissioning - Reduction in 3rd Party Spend	0.500	0.500	-	-
Procurement - Supplier Incentive Programme Savings (Net)	0.140	-	-	-
Total Cross Directorate/Corporate	2.286	5.252	4.244	0.640
Total Efficiencies	10.846	14.950	5.327	0.690

Corporate Equality Impact Assessment	
<p>Carrying out an Equality Impact Assessment (EIA) will help the County Council to meet its Public Sector Equality Duties (Equality Act 2010).</p> <p>The duties which need to be considered when making decisions are to:</p> <ul style="list-style-type: none"> • eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act; • advance equality of opportunity between people who share a protected characteristic and those who do not; and • foster good relations between people who share a protected characteristic and those who do not. <p>Failure to assess the equality impact may increase the risk of making an unfair decision which could potentially be discriminatory. It also prevents us from identifying opportunities to promote equality and therefore leaves the County Council open to potential legal challenge.</p> <p>Using this EIA template will help to ensure that a decision is made in a fair way, based on evidence. It provides a clear and structured method to assess the potential impact on protected groups.</p>	
Title of Policy or Proposal	Budget report for 2024-25 (assessment of overall impacts of the package of proposals that have been put forward as part of the budget report for 2024-25).
Briefly describe the aims of the policy change, decision or proposal, the likely outcomes and the rationale for it	<p>The County Council has a statutory duty to set a budget and these proposals will include efficiencies of £10.846 million in 2024-25 and £14.950 million in 2025-26 with impacts on several of the Council's services. Also included is a planned core increase, for each of those years, in Council Tax of 2.99% plus an additional 2.00% adult social care levy to provide funding specifically for adult social care.</p> <p>All individual budget efficiency proposals for 2024-25 and 2025-26 have been initially screened for potential equality implications, and where this has identified potential equality impacts, specific impact assessments have been or will be carried out – except in cases where the final decision on whether to proceed with the efficiency will be taken after the</p>

	<p>budget round. In those cases, impact assessments will be carried out prior to final decisions being made and those assessments could, potentially, lead to decisions that some efficiencies should not be made as currently proposed but should be achieved in other ways.</p> <p>Some planned efficiencies such as those through reduced use of out of county placements and reviews of how risks are being managed in care plans in adult social care will involve case by case assessments of how best to meet the needs of individuals. In these cases, individuals' protected characteristics will be considered during assessments, and it is possible that the outcome may be a lower or higher level of efficiencies than the assumption in the budget.</p> <p>A significant proportion of the anticipated efficiencies over the two years 2024-25 and 2025-26 are expected to result from multiple projects that will deliver the Council's BEST ways of working initiative. The business case for BEST efficiencies was agreed at a Cabinet meeting on 17th January 2023.</p> <p>A key aim of the BEST initiative is "no detriment to residents" therefore consideration will be given to the potential equality impact at the design of each change project option. During the development of each project, individual project Equality Impact Assessments will be carried out and considered by the Programme Board. These assessments will be updated as the projects develop and both the balance of efficiencies across the programme and the approaches taken within individual projects will be reconsidered if any significant detrimental impact is identified on a group of residents, or staff, sharing protected characteristics identified in the Equality Act 2010.</p>
<p>Consider the potential impact on any member of staff or member of the public with the following protected characteristics:</p> <p>Age, Disability, Gender identity/Gender reassignment, Race, Religion or belief, Sex, Sexual orientation, Women who are pregnant or have recently had a baby.</p> <p>Also, for issues affecting staff, consider employees who are married or in a civil partnership.</p>	

<p>What information is already held or have you obtained through consultation or engagement activity?</p>	<p>Age: The age profiles of users of services vary significantly between the services. In particular, children’s services are especially relevant to children and young people and to adults in the age range most likely to have dependent children, whilst adult social care services are particularly relevant to older people. A distinctive feature of Northumberland is that it has an above average proportion of older people in its population, and the projection is for a higher than average increase in this proportion over the coming decade – a change which will affect most Council services.</p> <p>Disability: All significant Council services within all Directorates are used by disabled people. Managers of individual services are expected to ensure that they understand specific issues which arise for disabled users, and to make reasonable adjustments to address any identified barriers to access.</p> <p>Most adult social care services are specifically designed to support disabled people, and disabled children are among those most likely to have special educational needs or to be “children in need” requiring social care. Services provided by each of the other Directorates also include some which focus on supporting disabled people, such as concessionary transport schemes.</p> <p>One of the proposed efficiencies in adult social care involves a reduction in spending on services for disabled people. This saving is expected to come from the ongoing management of risks in individual care and support plans, based on past experience of the work of a specialist team which focuses on reviewing long-term care plans to assess whether they remain the best way to manage risks and support the person’s independence. The level of saving is an estimate of what it may be possible to achieve, rather than a firm plan about how efficiencies will be realised, so equality impacts cannot be fully assessed at this point. No change is proposed as a result of the budget decision to the Council’s eligibility criteria for adult social care, nor are any changes proposed to the Council’s policies</p>
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which would introduce new restrictions on the range of choices open to adults with care and support needs about how those needs are met. Reviews of how risks are managed in individual care and support plans take account in each individual case of any potential impacts associated with the disabilities of service users; where possible, the aim of these reviews is to identify ways in which risks to service users can be managed without unnecessarily intrusive supervision, which both reduces costs and improves service users' quality of life.

Any disabled staff affected by proposals in the budget will be supported through the process and any reasonable adjustments required will be made. Discussions will take place to identify any new adjustments or support required depending on the outcome of the process.

Gender Identity/Gender Reassignment: Numbers of transgender people are believed to be low as a proportion of the users of any particular Council service. While there are a wide range of barriers to access that can arise for people in this protected group, as a result either of prejudice or of rules and systems based on the assumption of fixed gender, it seems unlikely that any Council services will incur spending on meeting the needs of this protected group which is sufficiently significant in relation to their total budgets to affect the overall budget settlement, and none of the services affected by new efficiencies proposals has been identified as likely to have a significant differential impact on this group.

Race: Because of the demographic composition of the County, none of the Council's services spends a substantial proportion of its budget in ways which have a clear differential impact on specific racial groups. The diverse and dispersed nature of the County's minority populations mean that statistics on service usage are not easy to interpret, but there is no current reason to believe that take-up of major services is disproportionately low in any racial group, though there can at times be issues about the availability of culturally

	<p>appropriate services, because of the lack of substantial groups of potential users for these. There are also some specific issues about support for gypsies and travellers, refugees and asylum seekers – where relevant, these have been/will be considered in the EIAs for specific budget proposals.</p> <p>Religion or Belief: In some Council services, particularly in education, but also to some extent in care services, religious organisations provide significant services. In some cases, these organisations give preference to adherents of a specific religion. The overall impact of current arrangements is likely to be that people of some particular faiths are in some circumstances slightly advantaged compared to those of other faiths or who are not religious. None of the budget proposals has been assessed as likely to have significant overall differential impacts for people with specific religions or beliefs, but where relevant this issue will be considered during detailed planning for implementation of the proposals.</p> <p>Sex: Patterns of usage of specific services vary, but in general Council services are used by women more than by men. For instance, social care services for older people are disproportionately used by women, because of their greater longevity and higher rates of disability; and many children’s services may still be more significant in their impact on women because of the continuation of traditional assumptions about the gender balance of child-care responsibilities.</p> <p>EIAs on specific efficiencies proposals have considered/will consider more closely the gender balance of their users.</p> <p>Sexual Orientation: We have limited information about differences in overall usage of services by sexual orientation. It is probable that lesbian, gay and bisexual (LGB) people, and in particular gay men, are less likely to be parents making use of children’s services than other groups, and it has been suggested that LGB people may also be likely to have more</p>
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	<p>limited sources of family support than other groups if they need care and might therefore have disproportionate need for publicly funded care services. In addition, many of the of services available to support LGB people exist outside of the geographical boundaries of the county.</p> <p>Sexual orientation can also affect health and therefore care needs – for instance LGB people are statistically more likely to have mental health or substance misuse problems, and gay men remain more at risk of HIV infection than heterosexual men, though numbers of people requiring support for that reason remain low in Northumberland. Otherwise, differences in the experiences of people of different sexual orientations are likely in general to be concerned with the culture of services, and in some cases of other users of services, rather than being directly connected with levels of spending.</p> <p>Women who are Pregnant or recently had a Baby: Some specific Council services are particularly relevant to pregnant women and women with young babies. No general issues have been identified, though there are specific issues which might need to be considered in the case of some efficiencies proposals.</p> <p>The Council regularly publishes an analysis of its equality information. The most recent report is available on the Equality in Northumberland page of the Council’s website.</p>
<p>After considering the information, which protected groups may potentially be affected?</p>	<p>Potentially affected: Age Disability Gender Identity/Gender Reassignment Race Religion or belief Sex Sexual orientation Women who are Pregnant or recently had a Baby</p> <p>Not potentially affected: People who are Married or in a Civil Partnership</p>

	<p>There is no reason to believe that overall budget allocations will have any differential impact on the treatment of employees who are married or in civil partnerships. However, further equality impact assessments linked to the implementation of specific budget proposals will be carried out where necessary and will consider whether there is a possibility of differential impacts. It will remain in principle possible for the allocation of efficiencies to be reviewed after the setting of the Council budget if these assessments show that there is evidence of a relevant differential impact on this group.</p>
<p>Using the information you have, give details of any potential positive and negative impacts on protected groups likely to be affected by the policy change, decision or proposal</p>	<p>Age: People of different age groups could be disproportionately advantaged or disadvantaged by the budget proposals. Because of the overall pattern of Council expenditure, there are likely to be particularly significant impacts on children and young people and on the oldest age groups.</p> <p>However, when developing detailed plans for implementing efficiencies in 2024-25 that might affect different age groups, specific assessments have been, or will be, undertaken as the proposals are developed and solutions will be sought which minimise any adverse impacts that are identified during impact assessments.</p> <p>The remainder of efficiencies identified in the budget for 2023-24 through the ongoing integration of the staff employed to deliver youth activities into the “Family Hub” provision, utilising the funding being made available to support the development of our Family Hub 0-19 offer, will be made during 2024-25. This will provide the opportunity for a more joined up approach to the delivery of services for families and children across the age range. Whilst there is currently not expected to be a significant adverse impact on any service users, this issue will be kept under review as plans are finalised.</p> <p>Given the nature of the Council’s statutory responsibilities and taking into account the scale of efficiencies required and other Council priorities, Members may take the view that age-specific impacts</p>

	<p>cannot reasonably be avoided. In developing detailed plans for implementing efficiencies, solutions will be sought which minimise adverse impacts.</p> <p>The impact of the budget proposals on the ability of people of different age groups to participate in public life will need to be considered in developing some specific proposals for 2024-25. If more detailed equality impact assessments indicate there could be a disproportionate negative impact those proposals will be reviewed.</p> <p>Disability: Disabled people are more likely than others to depend on local authority services to support their quality of life and their ability to live independently, so any major reduction in public spending has the potential to have a particular impact on disabled people. In some cases, it may be possible to achieve better outcomes for disabled people at the same time as reducing costs. For instance, reviews of individual risk management plans, which will continue in adult social care, aim to support people to live more independently and seek to review over-protective care arrangements which prevent that.</p> <p>The scale of efficiencies in adult social care, combined with the fact that these efficiencies will have to be achieved as the cumulative consequence of decisions about individual cases taking full account of protected characteristics, means there is a risk that the full efficiencies might not be achieved.</p> <p>A positive impact for disabled people using care services in Northumberland is anticipated from increased funding provision to care organisations to enable them to continue to pay the “Real Living Wage” in 2024-25, and to fund commitments by home care agencies commissioned by the Council to good employment practices for their care workers. This should help to address workforce retention issues in this sector, which have had adverse impacts on disabled people who need care and support services.</p> <p>As individual proposals are implemented, specific assessments will be undertaken as the proposals are</p>
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	<p>developed as consideration will need to be given to mitigation against any increased risk for disabled residents. However, given the overall efficiencies required, Members may judge the impact of the budget proposals to be acceptable after other alternatives have been considered.</p> <p>Impacts of other proposals have been considered in individual EIAs or will be considered before final decisions are made. Again, Members may judge that the overall impact of these proposals is acceptable after other alternatives have been considered given the very challenging overall financial position.</p> <p>No major and widespread impact on participation in public life is anticipated, though some changes might have some impact on some people. For example, the impact of proposed increases to car parking fees in some car parks, including Country Parks, on disabled people has been mitigated by allowing Blue Badge scheme pass holders to continue to park at no cost. EIAs on individual efficiencies proposals have considered (or will consider) this issue.</p> <p>No major and widespread impact on public attitudes towards disabled people is anticipated, though some changes might have some impact on some people. EIAs on individual efficiencies proposals have considered (or will consider) this issue.</p> <p>No significant risks that might make it more likely that disabled people will be at risk of harassment or victimisation of this kind have so far been identified, though the issue will be considered in more detailed EIAs of those proposals on which further work is planned after the budget has been set. The operation of safeguarding arrangements focused on identifying harassment or victimisation of disabled people will continue to be an important priority for the Council.</p> <p>Potential adjustments have been/will be considered in EIAs on individual efficiencies proposals.</p> <p>In the unlikely event that any budget proposals result in redundancies there is some evidence that disabled staff may face additional barriers in securing alternative</p>
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	<p>employment. Northumberland County Council is part of the Government's Disability Confident scheme and to help to overcome any adverse impact offers a Guaranteed Interview Scheme for disabled job applicants. This ensures that all disabled members of staff who meet the essential requirements for a post will be shortlisted for interview; they will not be required to meet the desirable requirements. Reasonable adjustments will be made for disabled staff that need to be relocated or are working from home.</p> <p>This information will be publicised to all affected employees. Guidance for managers supporting disabled employees, available on the Council website, and through Enable Staff Disability Network, will be promoted to staff as a source of advice and support.</p> <p>Specific opportunities to create positive impacts in the course of making changes required to achieve efficiencies have been/will be considered in assessing the equality impact of each specific proposal.</p> <p>Gender Identity/Gender Reassignment: No issues have currently been identified as a result of which people with different gender identities or who have transitioned or are transitioning would be disproportionately advantaged or disadvantaged by this budget, though the question will be considered during further development of individual efficiencies proposals. The Council is continuing to work to promote awareness and provide support to people with different gender identities or who have changed from the gender they were assigned at birth.</p> <p>No significant differential impact on the ability of people who have transitioned or are transitioning to participate in public life has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>No significant differential impact that would affect public attitudes towards people who have transitioned or are transitioning has been identified in preparing the</p>
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	<p>budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>No significant differential impact that would make it more likely that people who have transitioned or are transitioning will be at risk of harassment or victimisation has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>It does not currently appear likely there is a risk that people who have transitioned or are transitioning could be disproportionately disadvantaged by this budget but this issue has been/will be considered further in EIAs for specific efficiencies proposals.</p> <p>Opportunities to create positive impacts for people who have transitioned or are transitioning will need to be considered in planning the implementation of specific budget proposals.</p> <p>Race: No significant differential impact on specific national or ethnic minorities protected by the Equality Act 2010 has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>No significant differential impact on the ability of specific national or ethnic minorities to participate in public life has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>No significant differential impact that would affect public attitudes towards people of different national or ethnic minorities has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need</p>
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	<p>to consider whether there is a possibility of differential impacts.</p> <p>No significant differential impact that would make it more likely that people from different national or ethnic minorities will be at risk of harassment or victimisation has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>It does not currently appear likely there is a risk that people of different national or ethnic minorities could be disproportionately disadvantaged by this budget, but this issue has been/will be considered further in EIAs for specific efficiencies proposals.</p> <p>Opportunities to create positive impacts for people of different national or ethnic minorities will need to be considered in planning the implementation of specific budget proposals. The continuing development of personal budgets across a range of adult and children's services offers a specific opportunity to empower people to arrange culturally appropriate forms of support.</p> <p>Religion or Belief: No issues have currently been identified as a result of which people with different religions or beliefs might be disproportionately advantaged or disadvantaged by this budget, though the question will be considered during further development of individual efficiencies proposals.</p> <p>No significant differential impact on the ability of people with specific religious or other beliefs to participate in public life has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>No significant differential impact that would affect public attitudes towards people with religious or other beliefs has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need</p>
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	<p>to consider whether there is a possibility of differential impacts.</p> <p>No significant differential impact that would make it more likely that people with religious or other beliefs will be at risk of harassment or victimisation has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>It does not currently appear likely there is a risk that people with religious or other beliefs could be disproportionately disadvantaged by this budget, but this issue has been/will be considered further in EIAs for specific efficiencies proposals.</p> <p>Opportunities to create positive impacts for people with religious or other beliefs will need to be considered in planning the implementation of specific budget proposals.</p> <p>Sex: Because of the pattern of usage of Council services, it is likely that any substantial reduction in Council budgets will disproportionately disadvantage women.</p> <p>As with a number of public services, libraries are used more by women than by men, so the potentially greater impact of changes on women will need to be considered as proposals are developed.</p> <p>Women make up substantially more than half of the Council's directly employed workforce, and the position is likely to be similar overall across organisations providing services commissioned by the Council. Because many of these are services which still have predominantly female workforces, such as care services, any reductions in employment, direct or indirect, as a result of budget efficiencies are likely to disproportionately affect women.</p> <p>The continuation of schemes offering care providers funding to enable them to pay the "real living wage" to care workers and to support good employment practices in home care services will benefit a low paid</p>
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	<p>workforce which remains predominantly female.</p> <p>Detailed issues have been/will be considered in EIAs on specific efficiencies proposals and will be examined further in the course of implementation, where relevant.</p> <p>No significant issues that would affect the ability of males or females to participate in public life have so far been identified. However, the need for further impact assessment, to support decisions during the further development and implementation of the proposals, will be considered and this issue will be further examined where relevant.</p> <p>No significant issues that might differentially affect public attitudes towards males or females have so far been identified. However, the need for further impact assessment, to support decisions during the further development and implementation of the proposals, will be considered and this issue will be further examined where relevant.</p> <p>No significant risks that might make it more likely that males or females will be at risk of harassment or victimisation of this kind have so far been identified, though the issue will be considered in more detailed EIAs of those proposals on which further work is planned after the budget has been set.</p> <p>The Council has a limited ability to mitigate the overall impact of budget reductions on women, which is largely a consequence of the wider economic situation, and of decisions taken nationally about how to respond to this. However, in considering specific proposals for 2024-25, Members will need to take into account the potential detrimental consequences of budget efficiencies for equality between the sexes. More specific opportunities for reducing disadvantage to women (or possibly, in some cases, to men) have been or will be considered in EIAs for specific efficiencies proposals.</p> <p>Opportunities to create positive impacts in the course of making changes required to achieve efficiencies have been or will be considered in assessing the equality impact of each specific proposal.</p>
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	<p>Sexual Orientation: The budget proposals planned for 2024-25 currently appear unlikely to have a differential impact. Where necessary, further assessment of the impact on people with different sexual orientations will be linked to the implementation of specific budget proposals.</p> <p>No significant differential impact on the ability of people of different sexual orientations to participate in public life has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>No significant differential impact on public attitudes towards people of different sexual orientations has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>No significant risks that might make it more likely that people with different sexual orientations will be at risk of harassment or victimisation has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p>No specific opportunities to create positive impacts for people with different sexual orientations linked to budget efficiencies have so far been identified; this issue will need to be considered where relevant in developing detailed proposals.</p> <p>If EIAs linked to the implementation of specific budget proposals identify differential impacts, they will need to consider whether there are reasonable steps that could be taken to reduce these.</p> <p>Women who are Pregnant or recently had a Baby: The risk that pregnant women or those with children under 26 weeks could be disproportionately disadvantaged will need to be considered in carrying out detailed EIAs required to support the implementation of specific budget proposals.</p>
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	<p>No significant risk has been identified that the budget proposals will affect public attitudes towards pregnant women or those with children under 26 weeks however further detailed EIAs on individual efficiencies will, where it is relevant, consider this issue.</p> <p>No significant risk has been identified that the budget proposals will make it more or less likely that pregnant women or those with children under 26 weeks will be at risk of harassment or victimisation but further detailed EIAs on individual efficiencies will where relevant consider this issue.</p> <p>Opportunities to create positive impacts for pregnant women or those with children under 26 weeks will need to be considered where relevant in carrying out detailed EIAs required to support the implementation of specific budget proposals.</p>
<p>Give details of any Human Rights implications and actions that may be needed to safeguard Human Rights.</p>	<p>Human rights issues have been considered in EIAs of specific budget proposals, and no unacceptable implications have been identified. Where necessary, further EIAs linked to the implementation of specific budget proposals will consider potential human rights issues. It would in principle be possible to review the overall balance of the budget efficiencies if these specific EIAs revealed human rights issues which could not be addressed within them; however, this does not appear likely to be necessary.</p>
<p>Give details of any actions that can be taken to promote equality or to lessen any potential adverse impact on protected groups.</p>	<p>If EIAs linked to the implementation of specific budget proposals identify differential impacts on any protected groups, they will need to consider whether there are reasonable steps that could be taken to reduce these.</p>
<p>What plans are there to monitor and review the actual impact of the policy change, decision or proposal on equality of opportunity?</p>	<p>Monitoring arrangements have been/will be considered in EIAs for specific budget proposals and service changes. The Council carries out an annual equality information analysis, which provides a regular overview of significant equalities issues across services, including any issues which emerge as a result of budget changes.</p>

<p>When will follow up review be done?</p>	<p>Follow up reviews will be done for individual EIAs for specific proposals as these are developed and implemented. Further reviews of specific proposals will be done if these are identified during the annual equality information analysis.</p>
<p>Based on a consideration of all the potential impacts, mark one of the following as an overall summary of the outcome of this assessment:</p>	
	<p>The equality analysis has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken.</p>
	<p>The equality analysis has identified risks or opportunities to promote better equality; the change, decision or proposal will be adjusted to avoid risks and ensure that opportunities are taken.</p>
<p>X</p>	<p>The equality analysis has identified risks to equality which will not be eliminated, and/or opportunities to promote better equality which will not be taken. Acceptance of these is reasonable and proportionate, given the objectives of the change, decision or proposal, and its overall financial and policy context.</p>
	<p>The equality analysis shows that the change, decision or proposal would lead to actual or potential unlawful discrimination or would conflict with the Council's positive duties to an extent which is disproportionate to its objectives. It should not be adopted in its current form.</p>
<p>Explain how the judgement above was reached and summarise steps which will be taken to reduce any negative or to enhance any positive impacts on equality</p>	<p>It does not appear possible to achieve substantial budget efficiencies without some detrimental effect on people in protected groups because one of the functions of many public services is to provide additional support to disadvantaged groups. However, there are opportunities to make budget efficiencies in ways which minimise these impacts, and which contribute to making changes in services which have some positive aspects for protected groups. The opportunity to add a 2.00% adult social care levy to council tax has been taken to help reduce the impact</p>

	<p>on services used by older and disabled people.</p> <p>The Council's approach will continue to be to address equality and human rights issues on a number of levels:</p> <p>This impact assessment will support the Council's decisions about the budget for each Directorate, the overall level of the budget, and the specific efficiencies proposals included in the final budget.</p> <p>Individual EIAs have been carried out for each efficiencies proposal included in the Council's budget, other than proposals which will be developed more fully following further consultation and review, and proposals which were assessed at a screening stage as having no significant potential impact on equality or human rights - for instance because they are concerned purely with improving technical efficiency.</p> <p>Where the intention is to develop proposals more fully after the budget has been set, or where there are significant further decisions to be taken during the implementation of any of the budget proposals, the need for further EIAs will be considered. If any of these identifies a potential need to revise either budget decisions within a Directorate budget or the overall balance of efficiencies between Directorates, this will be considered through the Council's usual decision-making processes.</p> <p>Where the Council has specific statutory duties to individuals in protected groups –for instance its duties to disabled people under social services legislation – it will continue to fulfil these duties, even if the overall impact requires the Executive Team to recommend alternative compensating efficiencies for consideration. Changes to the budgets which have been set for specific services or Directorates (though the first options considered will usually be budget adjustments within a Directorate)</p>

Name(s) and job title(s) of person (people involved in) carrying out this assessment	Keith Thompson – Rights Team Manager Stephen Corlett – Senior Manager
Authorising Director or Head of Service	Gill O’Neil Executive Director – Public Health, Inequalities & Stronger Communities
Date authorised	09 January 2024
The completed equality impact assessment must be attached to the report that will be considered by the decision maker or decision makers to enable them to give due regard to the impact of the policy, decision or proposal on protected groups.	

Further Considerations

In addition to considering the potential impact on people who share a protected characteristic identified in the Equality Act 2010, there may be a potential impact of these budget proposals on other groups in relation to other factors including socio-economic and health inequality, for example people who are unemployed, living on a low income, have low skills or low levels of literacy as well as other vulnerable groups such as veterans, children and young people cared for or care experienced, carers, domestic abuse victims and survivors, ex-offenders, people who are homeless or experiencing multiple complexities.

Most people with low incomes or in poor health who have significant issues related to their vulnerability will receive support through Adult or Children’s Social Care, and the impact of these issues will be considered in the course of individual assessments of needs. The other Council functions particularly relevant for people in many of these groups are housing and the community support networks supported by Northumberland Communities Together, however no reductions in housing budgets are proposed.

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Budget by Service Area 2024-25

		2023-24 Budget	Virements	Increments	Inflation	Growth	Pressures	Savings	Funding Changes	2024-25 Requested Budget	% Change
		£	£	£	£	£	£	£	£	£	
Adults, Ageing and Wellbeing	Pay	38,330,380	(190,310)	632,990	-	172,050	2,696,470	(391,960)	-	41,249,620	7.62%
	Non Pay	191,083,490	4,068,760	850	15,852,670	658,930	2,915,530	(4,200,590)	-	210,379,640	10.10%
	Gross Expenditure	229,413,870	3,878,450	633,840	15,852,670	830,980	5,612,000	(4,592,550)	-	251,629,260	9.68%
	Grants	(521,300)	-	-	-	-	-	-	-	(521,300)	0.00%
	Sales, Fees, Charges	(38,078,070)	(9,700)	-	(1,105,540)	(158,930)	-	747,550	-	(38,604,690)	1.38%
	Other Income	(66,160,860)	(4,017,880)	(1,320)	(100,000)	-	(1,270)	215,000	-	(70,066,330)	5.90%
	Gross Income	(104,760,230)	(4,027,580)	(1,320)	(1,205,540)	(158,930)	(1,270)	962,550	-	(109,192,320)	4.23%
Net Expenditure	124,653,640	(149,130)	632,520	14,647,130	672,050	5,610,730	(3,630,000)	-	142,436,940	14.27%	
Chief Executive	Pay	27,942,670	271,850	40,530	24,210	12,630	2,337,900	-	-	30,629,790	9.62%
	Non Pay	11,902,720	(34,260)	-	534,740	53,730	396,450	(37,190)	-	12,816,190	7.67%
	Gross Expenditure	39,845,390	237,590	40,530	558,950	66,360	2,734,350	(37,190)	-	43,445,980	9.04%
	Grants	(2,627,720)	-	-	-	-	796,340	-	-	(1,831,380)	-30.31%
	Other Income	(489,960)	(13,550)	-	-	-	33,000	-	-	(470,510)	-3.97%
	Gross Income	(6,079,120)	(13,550)	-	-	-	850,070	-	-	(5,242,600)	-13.76%
	Net Expenditure	33,766,270	224,040	40,530	558,950	66,360	3,584,420	(37,190)	-	38,203,380	13.14%
Children, Education and Young People	Pay	53,007,570	1,257,390	297,590	269,000	-	4,376,160	(252,990)	(225,320)	58,729,400	10.79%
	Non Pay	215,812,790	(2,170,250)	142,420	1,926,170	2,564,000	4,169,110	(1,899,860)	19,933,190	240,477,570	11.43%
	Gross Expenditure	268,820,360	(912,860)	440,010	2,195,170	2,564,000	8,545,270	(2,152,850)	19,707,870	299,206,970	11.30%
	Grants	(168,223,510)	1,438,540	(74,730)	(138,120)	-	(201,090)	91,820	(19,211,490)	(186,318,580)	10.76%
	Sales, Fees, Charges	(1,710,290)	108,010	(15,530)	-	-	-	-	109,970	(1,507,840)	-11.84%
	Other Income	(12,402,800)	(828,960)	(88,500)	(68,910)	-	(178,780)	(39,970)	(606,350)	(14,214,270)	14.61%
	Gross Income	(182,336,600)	717,590	(178,760)	(207,030)	-	(379,870)	51,850	(19,707,870)	(202,040,690)	10.81%
Net Expenditure	86,483,760	(195,270)	261,250	1,988,140	2,564,000	8,165,400	(2,101,000)	-	97,166,280	12.35%	
Public Health, Inequalities and Stronger Communities	Pay	10,890,010	614,880	124,090	-	179,830	871,320	-	-	12,680,130	16.44%
	Non Pay	20,426,740	55,510	-	34,550	54,830	614,000	(700,000)	799,000	21,284,630	4.20%
	Gross Expenditure	31,316,750	670,390	124,090	34,550	234,660	1,485,320	(700,000)	799,000	33,964,760	8.46%
	Grants	(17,365,630)	(46,910)	(1,960)	-	-	-	-	(799,000)	(18,213,500)	4.88%
	Sales, Fees, Charges	(2,013,000)	(253,590)	-	(112,000)	(61,660)	-	-	-	(2,440,250)	21.22%
	Other Income	(370,570)	(489,920)	(3,530)	-	-	-	-	-	(864,020)	133.16%
	Gross Income	(19,749,200)	(790,420)	(5,490)	(112,000)	(61,660)	-	-	(799,000)	(21,517,770)	8.96%
Net Expenditure	11,567,550	(120,030)	118,600	(77,450)	173,000	1,485,320	(700,000)	-	12,446,990	7.60%	
Place and Regeneration	Pay	47,854,930	1,830,230	(90,780)	-	72,000	3,630,080	-	-	53,296,460	11.37%
	Non Pay	79,670,700	3,863,480	36,110	2,934,010	210,000	(3,587,030)	(1,185,000)	287,640	82,229,910	3.21%
	Gross Expenditure	127,525,630	5,693,710	(54,670)	2,934,010	282,000	43,050	(1,185,000)	287,640	135,526,370	6.27%
	Grants	(4,998,680)	23,550	346,630	-	-	110,000	-	(287,640)	(4,806,140)	-3.85%
	Sales, Fees, Charges	(22,220,410)	(132,820)	11,830	(334,000)	-	504,960	(193,000)	-	(22,363,440)	0.64%
	Other Income	(23,110,900)	(5,519,230)	52,050	-	48,000	(693,950)	-	-	(29,224,030)	26.45%
	Gross Income	(50,329,990)	(5,628,500)	410,510	(334,000)	48,000	(78,990)	(193,000)	(287,640)	(56,393,610)	12.05%
Net Expenditure	77,195,640	65,210	355,840	2,600,010	330,000	(35,940)	(1,378,000)	-	79,132,760	2.51%	
Transformation and Resources	Pay	22,472,470	(801,640)	77,980	-	58,640	1,282,480	(64,000)	-	23,025,930	2.46%
	Non Pay	69,208,100	282,190	-	185,160	-	(1,682,530)	(398,750)	-	67,594,170	-2.33%
	Gross Expenditure	91,680,570	(519,450)	77,980	185,160	58,640	(400,050)	(462,750)	-	90,620,100	-1.16%
	Grants	(55,699,820)	-	-	-	-	3,815,200	-	-	(51,884,620)	-6.85%
	Sales, Fees, Charges	(3,662,960)	(41,020)	-	(7,000)	-	37,000	-	-	(3,673,980)	0.30%
	Other Income	(4,861,270)	101,020	-	-	-	51,610	(391,500)	-	(5,100,140)	4.91%
	Gross Income	(64,224,050)	60,000	-	(7,000)	-	3,903,810	(391,500)	-	(60,658,740)	-5.55%
Net Expenditure	27,456,520	(459,450)	77,980	178,160	58,640	3,503,760	(854,250)	-	29,961,360	9.12%	

Budget by Service Area 2024-25

Appendix 12

		2023-24 Budget	Virements	Increments	Inflation	Growth	Pressures	Savings	Funding Changes	2024-25 Requested Budget	% Change
		£	£	£	£	£	£	£	£	£	
Corporate Expenditure and Income	Pay	2,635,320	-	-	130,300	-	140,000	-	-	2,905,620	10.26%
	Non Pay	48,228,810	634,630	-	7,046,550	19,101,540	(1,750,690)	(2,146,000)	-	71,114,840	47.45%
	Gross Expenditure	50,864,130	634,630	-	7,176,850	19,101,540	(1,610,690)	(2,146,000)	-	74,020,460	45.53%
	Grants	(87,910)	-	-	-	-	-	-	-	(87,910)	0.00%
	Other Income	(25,898,760)	-	-	-	-	-	-	-	(25,898,760)	0.00%
	Gross Income	(25,986,670)	-	-	-	-	-	-	-	(25,986,670)	0.00%
	Net Expenditure	24,877,460	634,630	-	7,176,850	19,101,540	(1,610,690)	(2,146,000)	-	48,033,790	93.08%
Total Services	Pay	203,133,350	2,982,400	1,082,400	423,510	495,150	15,334,410	(708,950)	(225,320)	222,516,950	9.54%
	Non Pay	636,333,350	6,700,060	179,380	28,513,850	22,643,030	1,074,840	(10,567,390)	21,019,830	705,896,950	10.93%
	Gross Expenditure	839,466,700	9,682,460	1,261,780	28,937,360	23,138,180	16,409,250	(11,276,340)	20,794,510	928,413,900	10.60%
	Grants	(249,524,570)	1,415,180	269,940	(138,120)	-	4,520,450	91,820	(20,298,130)	(263,663,430)	5.67%
	Sales, Fees, Charges	(70,646,170)	(329,120)	(3,700)	(1,558,540)	(220,590)	562,690	554,550	109,970	(71,530,910)	1.25%
	Other Income	(133,295,120)	(10,768,520)	(41,300)	(168,910)	48,000	(789,390)	(216,470)	(606,350)	(145,838,060)	9.41%
	Gross Income	(453,465,860)	(9,682,460)	224,940	(1,865,570)	(172,590)	4,293,750	429,900	(20,794,510)	(481,032,400)	6.08%
Net Expenditure	386,000,840	-	1,486,720	27,071,790	22,965,590	20,703,000	(10,846,440)	-	447,381,500	15.90%	
Corporate Funding	Pay	-	-	-	-	-	-	-	-	-	0.00%
	Non Pay	-	-	-	-	-	-	-	-	-	0.00%
	Gross Expenditure	-	-	-	-	-	-	-	-	-	0.00%
	Grants	(151,653,410)	-	-	-	-	-	-	(22,292,950)	(173,946,360)	14.70%
	Sales, Fees, Charges	-	-	-	-	-	-	-	-	-	0.00%
	Other Income	(234,347,430)	-	-	-	-	-	-	(39,087,710)	(273,435,140)	16.68%
	Gross Income	(386,000,840)	-	-	-	-	-	-	(61,380,660)	(447,381,500)	15.90%
Net Expenditure	(386,000,840)	-	-	-	-	-	-	(61,380,660)	(447,381,500)	15.90%	
General Fund	Net Expenditure	-	-	1,486,720	27,071,790	22,965,590	20,703,000	(10,846,440)	(61,380,660)	-	

Capital Strategy 2024-25 to 2027-28

1. BACKGROUND

1.1. Purpose and Aims of the Capital Strategy

The Chartered Institute of Public Finance and Accountancy (CIPFA)'s Treasury Management Code of Practice and the Prudential Code requires authorities to have in place a capital strategy that sets out the long-term context in which capital expenditure and investment decisions are made. The capital strategy should form a part of the authority's integrated revenue, capital and balance sheet planning.

The Council itself is also keen to ensure that its capital assets, and the resources tied up in them, are efficiently and effectively used. Accordingly, this Capital Strategy Statement sets out the corporate aims and principles that underpin the production of the authority's Capital Programme.

Northumberland County Council's Capital Strategy will be reviewed on an annual basis to reflect the changing needs and priorities of the Council.

The Capital Strategy should be read in conjunction with the Capital Programme, Treasury Management Strategy Statement and Prudential Indicators detailed in the Budget 2024-25 and Medium-Term Financial Plan (MTEP) 2024-28.

The Council's Capital Strategy aims to support delivery of the Council's priorities insofar as they can be achieved within available resources. Some of this can be achieved by the Council on its own but much can be delivered by working with others including neighbouring authorities in the North of Tyne Combined Authority and from May 2024 the North East Mayoral Combined Authority, partner authorities in the Borderlands initiative, stakeholders in Northumberland's mixed economy of education providers, North East Local Enterprise Partnership (NELEP), Northumbria Healthcare NHS Foundation Trust, the Council's wholly-owned economic development company Advance Northumberland, and local communities.

Key priorities for application of capital expenditure are:

- delivering policy ambitions;
- exercising financial prudence, maintaining the level of capital investment and outstanding debt that are sustainable within the Council's revenue expenditure programme;
- investing in schemes which will reduce the Council's revenue costs; and,
- being alert to opportunities to lever external resources in delivering corporate priorities.

The Council's policy priorities are detailed in the Corporate Plan and include issues where capital investment will be required.

The Council has three key priorities which are, Achieving Value for Money, Tackling Inequalities and Driving Economic Growth. All of the capital projects are in line with the Council's priorities.

The Council is committed to protecting frontline services, investing for the future and looking after the most vulnerable in our communities. In line with this commitment the Council has provided a major capital investment programme. Projects include building green new school complexes and leisure facilities from Berwick to Hexham, investing in town centres and improving connectivity both through sustainable travel and through investment in technology and broadband.

One of the Council's flagship projects is the Northumberland Line, a passenger rail service which will connect Ashington to Newcastle and is due to open in summer 2024.

The County Council fully acknowledges that it has a significant role to play in maximising its contribution to the reduction of greenhouse gas emissions - both in reducing its own carbon footprint and in promoting and facilitating wider behaviour change through its local leadership.

It has committed to working with the Government to achieve carbon neutrality for the county of Northumberland by 2030.

In doing so, the Council's plans to accelerate and expand its programme of investment and behaviour change, with the target of having reduced its carbon footprint by 50% from the 2010 baseline by 2025.

In order to meet the carbon targets the Council has reflected this in the Capital Programme by managing the property portfolio, developing renewable energy such as solar car ports and managing the Council owned woodland, replacing any woodland lost to development twofold.

1.2. The Key Objective of Northumberland's Capital Strategy

The key objective of the Capital Strategy is to deliver a Capital Programme that:

- ensures the Council's capital assets are used to support the delivery of services according to the priorities within the Corporate Plan and the Council's vision;
- is affordable, financially prudent and sustainable, and ensure that decisions are made with sufficient regard to the long-term financing implications and potential risks to the authority; and,
- ensures the most cost-effective use is made of existing assets and new capital investment.

The resources employed to deliver the Capital Strategy are allocated through the budget process that sets the four-year rolling Capital Programme as part of the medium-term financial planning and annual budget setting processes.

1.3. The Council's Corporate Objectives and Priorities

The capital budgets within the Capital Strategy should support the key priorities laid out in the Council's Corporate Plan. Each capital proposal is required to clearly demonstrate that the project links to the Council's three overarching priorities.

- **Achieving Value for Money:** We are funded by residents and businesses, and we are accountable to them for our spending decisions and the quality of services we provide. We must ensure we are delivering Best Value through efficient, effective and accessible services that respond to and meet the needs and expectations of our residents.
- **Tackling Inequalities:** By tackling inequalities, we want to reduce the gap in experiences our residents have across health, education, employment and social outcomes.
- **Driving Economic Growth:** We want Northumberland to be a great place to live with opportunities for our all of our residents, whether they live in our vast rural countryside or within one of our busy towns. To do this we must create the conditions for a growing and thriving economy.

2. APPROACH TO INVESTMENT PRIORITISATION

2.1. The Capital Programme

The Capital Programme for 2024-25 to 2027-28 has being updated as part of the 2024-25 budget setting process and is due to be considered at full Council on 21 February 2024.

Identification and Prioritisation of Capital Investment needs

The basis of the Capital Programme is driven by the budget and service planning process. The size of the Capital Programme is determined by:

- the need to incur capital expenditure;
- capital resources available; and,
- the revenue implications flowing from the capital expenditure.

As part of the budget planning process, services will be required to submit capital proposals which are considered by Members for investment decisions. The capital investment appraisal process will focus on:

- policy and strategic fit;
- value for money, cost/benefit context;
- affordability and resources;
- options appraisal;
- risk assessment; and,
- capability and capacity within the Council to manage and deliver a project.

Capital investment proposals will be presented for approval on the standard Capital Project Bid Appraisal form that includes the following sections:

- description of the project;
- project outcomes and outputs;
- key dates and milestones;
- costs of the scheme and funding sources;
- revenue implications;
- risks associated with the project; and,
- information on the project's fit with the Council's strategic priorities; and implications of not proceeding.

2.2. Capital Projects Evaluation and Priority Scoring Matrix (PSM)

The Council has limited resources to meet the capital investment requirements of delivering quality services and contributing to its community leadership responsibilities. Elected Members ultimately determine the projects to be included within the Capital Programme but to assist the decision-making process the Council has introduced a priority-scoring matrix. This identifies a number of weighted criteria against which potential capital projects are evaluated and compared:

- the contribution the project makes to achieving the Council's strategic priorities and organisational objectives (max 40 points);
- the impact of the project on the Council's revenue budgets either as additional running costs or as a means of reducing costs (max 25 points);
- the project's ability to assist in the implementation of a wider programme of investment, such as the proportion of externally generated funding attracted by the project (max 10 points);
- the status of the project in terms of its contribution to meeting specific statutory obligations or Government initiatives (max 5 points);
- the project's ability to meet the requirements of the Council's Asset Management Plan (max 15 points);
- the project's contribution to addressing Non-Statutory Health and Safety recommendations from the Health and Safety Officer and Fire Officer (max 5 points);
- the degree of risk associated with the project; the potential for overspending, slippage, funding not materialising, etc (max 5 points); and,
- the level of internal resources required by the project (max 20 points).

2.3. Assessment of Proposals and Timetable

The Council's policy is to agree the rolling Capital Programme on an annual basis at the February Council budget setting meeting.

Capital proposals will be submitted to the Corporate Finance Team as part of the budget setting process. The bids will be assessed and evaluated by a panel of officers from the Council's Capital Strategy Group (CSG), based on information set out in the capital appraisal form and scoring matrix as described above, before being submitted to the Executive Team for review and then full Council for consideration and approval.

The timetable for capital proposals to be considered for inclusion within the approved Capital Programme is outlined below:

Date	Action
July – August	Services develop initial capital bids within Departmental Management Teams.
August - September	Bids submitted to Corporate Finance for review and assessment of available resources.
September - November	Officer Capital Strategy Group review, score and prioritise proposals using the Priority Scoring Matrix (PSM).
November - December	Executive Team considers the proposals and agrees a draft Capital Programme.
December	Corporate Finance finalise the draft capital programme and identify all revenue implications.
January - February	Cabinet considers and recommends the final Capital Programme to Council.
February	Council approves the Capital Programme.

Inclusion in the Capital Programme is not approval to commence a project. A full business case is required to be submitted to Cabinet prior to a project proceeding and expenditure being incurred.

2.4. Invest to Save Capital Proposals

Service Departments are encouraged to consider innovation in service provision that can drive efficiency and deliver cashable savings. These are often referred to as invest to save projects. Invest to save bids will be considered on the same basis as other capital proposals and need to demonstrate what savings and benefits will be achieved as a result of the proposed initiative. However, because the benefits of these schemes should outweigh the costs, there is a greater likelihood of these projects being prioritised and included in the Capital Programme.

2.5. Service Delivery Investments - Loans to External Bodies or Organisations

The Council's Capital Programme also includes provision to provide loan facilities to external bodies or organisations for activities that are aligned to, and support, Council service objectives and / or corporate priorities. Examples may include, supporting economic growth and improving the health and wellbeing of local communities.

There are statutory regulations which govern the accounting treatment of loans provided towards expenditure which would, if incurred by the Authority itself, be classified as capital expenditure.

Loans for these purposes will be subject to a financial appraisal and a series of due diligence checks and will only be provided if the Council is fully satisfied of the borrower's ability to meet their obligations. Wherever possible, the Council will aim to mitigate its risks and exposure to default by seeking appropriate security from the borrower. This may often be in the form of a legal charge over the borrower's property / assets.

The rate of interest charged on these facilities will be dependent on the nature and structure of the individual loan and the assessed risks to the Council. However, loans would usually only be provided on the basis that there is no net cost to the Council. Individual business cases presented to Cabinet will highlight the relevant risks and propose an appropriate rate of interest for the loan facility.

In addition, all loans will need to satisfy subsidy control requirements.

All loan applications are considered on a case-by-case basis and subject to a report to the Council's Risk Appraisal Panel, Corporate Services and Economic Growth Overview and Scrutiny Committee; and where a capital budget for this purpose has been approved, Cabinet will ultimately make the final decision. In instances where there is no prior budget approval the business case will be considered through the same route, but the final loan decision will be taken by Full Council.

The only exception to this is in respect of loans provided to Advance Northumberland, the Council's wholly owned economic development company, which is part of the Council's group structure. Approval of these facilities will be delegated to the Council's Loans Review Panel which will comprise of the Cabinet Member for Corporate Services, the Section 151 Officer, the Deputy Section 151 Officer supported by the Treasury Management Finance Manager; subject to the budget provision set out in the Medium-Term Capital Plan.

The Medium-Term Capital Programme includes a provision of £52.000 million over the four years for loans to third parties.

2.6. Approvals Outside of the Normal Budget Setting Process.

Any additional capital requirements within the year, and outside of the above budget process will be considered through the democratic process for inclusion in that year's programme.

3. FUNDING SOURCES AND INVESTMENT DECISIONS

The main sources of capital funding are summarised below:

3.1. Borrowing

The Council seeks to minimise the level of borrowing required to finance capital expenditure by maximising grants and contributions received and ensuring that any surplus assets are sold.

The Local Government Act 2003 enables local authorities to determine their programmes for capital investment and associated borrowing requirements, provided they have regard to the Prudential Code for Capital Finance in Local Authorities developed by CIPFA.

The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. To demonstrate that local authorities have fulfilled these objectives, the Prudential Code sets out a series of indicators – known as the Prudential Indicators - the Council must consider as a part of its budget setting process.

3.2. Capital Receipts

A capital receipt is an amount of money exceeding £0.010 million which is generated from the sale of a capital asset. Capital receipts are an important funding source for the Capital Programme.

The Council has a substantial property estate, mainly for operational service requirements and administrative buildings. This estate is managed through the Asset Management Plan which identifies property requirements and, where appropriate, properties which are surplus to requirements, and which may be disposed of.

Capital receipts from asset disposal represent a finite funding source and it is important that a planned and structured manner of disposals is created to support the priorities of the Council. Cash receipts from the disposal of surplus assets are to be used to fund new capital investment or offset future debt or transitional costs.

The actual realisation, timing and value of asset sales are important, as any in-year shortfalls need to be met from increased borrowing. As a result, progress on asset disposal is closely monitored by Property Services.

The Council's policy is to treat all capital receipts as a corporate resource, enabling investment to be directed towards those schemes or projects with the highest corporate priority. This means that individual services are not reliant on their ability to generate capital receipts. The only exception to this is the Housing Revenue Account (HRA); statutorily the Council is allowed to retain approximately 48.00% of HRA capital receipts for use within the HRA. The remaining 52.00% is paid to Government.

3.3. Revenue Funding

Capital expenditure may be funded directly from revenue, but this will be limited by the capacity of School Budgets to fund this. For example, funds are sometimes earmarked from individual schools' revenue budgets to supplement the capital resources allocated to school improvement and expansion projects.

Pressures on the Council's Revenue Budget and Council Tax levels limit the extent to which this may, generally, be exercised as a source of capital funding.

3.4. Grant Funding and External Contributions

Grants are allocated in relation to specific programmes or projects and the Council will endeavour to maximise grant allocations, developing appropriate projects and programmes which reflect government and partnership led initiatives, but address priority needs in the County.

The majority of "planned" capital expenditure for maintenance of transport infrastructure, school buildings and provision of Disabled Facilities are provided by appropriate grants.

Contributions will also continue to be sought from developers towards the provision of public or private assets or facilities. This will include agreements with developers to mitigate the impact of their development on communities (known as Section 106 agreements) as well as contributions towards Highways Infrastructure requirements associated with developments (known as Section 38 and 278 agreements).

The Council will continue to work with the other organisations to utilise redundant assets and vacant land to bring them into a useful economic purpose to facilitate regeneration and employment creation. It will also continue to work with other public agencies to consider projects that are to the mutual benefit of all parties.

3.5. Consideration of Capital Proposals Attracting Specific Funding

Schemes attracting partial external funding will be assessed in the same way as those schemes which require 100.00% of funding from borrowing and will only be included within the Capital Programme if they meet the Council's needs, objectives and priorities. Schemes attracting 100.00% external funding would normally be included automatically within the Capital Programme; subject to confirmation of the external funding, confirmation that the projects fit with Council priorities and consideration of any associated revenue implications. A capital bid appraisal form still needs to be completed for these proposals. New schemes in year which attract 100.00% external funding will require approval by Cabinet before they are included within the Capital Programme.

4. REVENUE IMPLICATIONS - LINKS TO THE MTFP, TREASURY MANAGEMENT STRATEGY STATEMENT AND PRUDENTIAL INDICATORS

The impact of the revenue implications is a significant factor in determining approval of projects. All capital investment decisions consider the revenue implications both in terms of servicing the finance and the running costs of the new assets.

The use and financing of capital resources has been fully considered in the production of the Council's Annual Budget and MTFP and are reflected in both the Treasury Management Strategy Statement for 2024-25 and Prudential Indicators for 2024-25 to 2027-28.

5. MONITORING OF THE CAPITAL PROGRAMME DELIVERY

Officers monitor progress of the Capital Programme monthly with reports being submitted to Cabinet on a quarterly basis.

All processes and procedures relating to the monitoring of the Capital Programme are set out in the Council's Financial Regulations. The following are key controls:

- all capital expenditure must be carried out in accordance with contract procedure rules and financial regulations;
- the expenditure must comply with the statutory definition of "capital purposes" as interpreted in guidance issued by the Section 151 Officer;
- once the scheme has been included in the Capital Programme following the budget setting process, a further report providing more detail and seeking specific approval must be submitted to the Capital Strategy Group and or Cabinet unless delegated approval applies; and,
- officers must ensure that the budget for each capital project is under the control of a nominated project manager.

6. STEWARDSHIP OF ASSETS

The Council's Asset Management Plan sets out the condition of its assets and the arrangements for managing these effectively.

7. OVERVIEW OF THE CAPITAL PROGRAMME

Capital Expenditure	2023-24 Estimate £m	2024-25 Estimate £m	2025-26 Estimate £m	2026-27 Estimate £m	2027-28 Estimate £m
Adults, Ageing and Wellbeing	3.429	5.431	2.000	2.000	-
Children, Young People and Education	25.679	61.461	39.811	42.287	19.569
Climate Change	5.791	1.161	2.639	-	-
Digital and IT	5.738	9.212	2.828	2.269	1.785
Economic Development and Growth	57.090	89.158	77.873	17.022	1.500
Finance and Procurement	14.097	32.004	20.000	6.000	6.000
Fire and Rescue	2.517	2.172	2.128	1.330	1.243
Highways and Transport	119.711	87.542	87.329	25.849	1.138
Housing – GF	-	0.720	-	-	-
Housing HRA	17.448	31.719	25.692	14.701	14.076
Leisure Services	2.239	3.755	1.905	-	-
Neighbourhood Services	6.508	6.330	7.907	8.488	1.000
Property Services	3.606	7.082	5.342	1.342	2.257
Total Capital Expenditure	263.853	337.747	275.454	121.288	48.568

The table below summarises how the above capital expenditure is being financed:

Capital Funding	2023-24 Estimate £m	2024-25 Estimate £m	2025-26 Estimate £m	2026-27 Estimate £m	2027-28 Estimate £m
Capital Receipts	5.589	6.246	5.456	2.655	2.655
External Grants	128.350	165.540	145.453	40.802	3.106
GF Borrowing	111.715	129.061	99.311	65.185	30.646
GF Contributions	6.007	13.171	6.591	-	-
HRA Borrowing	-	-	-	-	-
HRA Contributions	12.192	23.729	18.643	12.646	12.161
Total Capital Funding	263.853	337.747	275.454	121.288	48.568

Capital Programme 2024-25 to 2027-28 (Summary)

	2024-2025	2025-2026	2026-2027	2027-2028	TOTAL
	£	£	£	£	£
Adults, Ageing and Wellbeing	5,431,599	2,000,000	2,000,000	-	9,431,599
Children, Young People and Education	61,460,884	39,811,037	42,287,388	19,569,285	163,128,594
Climate Change	1,160,848	2,639,324	-	-	3,800,172
Digital and IT	9,212,190	2,828,333	2,268,334	1,785,000	16,093,857
Economic Development and Growth	89,158,104	77,872,806	17,022,291	1,500,000	185,553,201
Finance and Procurement	32,003,617	20,000,000	6,000,000	6,000,000	64,003,617
Fire and Rescue	2,171,700	2,128,500	1,329,938	1,243,292	6,873,430
Highways and Transport	87,542,572	87,328,945	25,848,469	1,137,480	201,857,466
Housing - GF	719,806	-	-	-	719,806
Housing - HRA	31,719,488	25,692,207	14,701,000	14,076,000	86,188,695
Leisure Services	3,755,237	1,904,542	-	-	5,659,779
Neighbourhood Services	6,329,592	7,907,000	8,488,000	1,000,000	23,724,592
Property Services	7,081,615	5,341,505	1,342,169	2,257,309	16,022,598
Total Capital Programme	337,747,252	275,454,199	121,287,589	48,568,366	783,057,406
FUNDING					
Capital Receipts	6,246,000	5,456,000	2,655,000	2,655,000	17,012,000
External Grants	165,539,677	145,453,109	40,801,861	3,106,000	354,900,647
GF Borrowing (Balance)	129,060,719	99,311,048	65,184,728	30,646,366	324,202,861
GF Revenue Contributions	13,171,368	6,590,835	-	-	19,762,203
HRA Borrowing	-	-	-	-	-
HRA Contributions	23,729,488	18,643,207	12,646,000	12,161,000	67,179,695
TOTAL FUNDING	337,747,252	275,454,199	121,287,589	48,568,366	783,057,406

Capital Programme 2024-25 to 2027-28 (Detailed)

Project Title	2024-2025			2025-2026			2026-2027			2027-2028			TOTAL		
	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Adults, Ageing and Wellbeing															
Disabled Facilities Grant	4,578,012	4,578,012	-	2,000,000	2,000,000	-	2,000,000	2,000,000	-	-	-	-	8,578,012	8,578,012	-
Person Centred Care Information System (SWIFT)	402,400	-	402,400	-	-	-	-	-	-	-	-	-	402,400	-	402,400
Tynedale House Fire Doors	220,002	220,002	-	-	-	-	-	-	-	-	-	-	220,002	220,002	-
Adult Social Care Capital Fund	231,185	231,185	-	-	-	-	-	-	-	-	-	-	231,185	231,185	-
Total Adults, Ageing and Wellbeing	5,431,599	5,029,199	402,400	2,000,000	2,000,000	-	2,000,000	2,000,000	-	-	-	-	9,431,599	9,029,199	402,400
Children, Young People and Education															
Children's Homes Provision (6 no. 1-Bed) - Purchase of six residential properties	500,000	-	500,000	-	-	-	-	-	-	-	-	-	500,000	-	500,000
Basic Need - Other	721,654	721,654	-	-	-	-	-	-	-	-	-	-	721,654	721,654	-
School Led - Energy Efficiency Capital Allocation	50,400	50,400	-	-	-	-	-	-	-	-	-	-	50,400	50,400	-
Berwick Partnership Schools	4,838,766	1,427,000	3,411,766	3,765,934	-	3,765,934	25,960,000	-	25,960,000	12,980,000	-	12,980,000	47,544,700	1,427,000	46,117,700
Choppington Primary Artificial Pitch	205,000	105,000	100,000	-	-	-	-	-	-	-	-	-	205,000	105,000	100,000
Coquet Partnership Redevelopment	13,220,999	1,285,784	11,935,215	15,342,114	-	15,342,114	5,899,817	-	5,899,817	147,495	-	147,495	34,610,425	1,285,784	33,324,641
Devolved Formula Capital	591,570	591,570	-	591,570	591,570	-	591,570	591,570	-	-	-	-	1,774,710	1,774,710	-
KEVI New Build Sports Block	2,871,000	2,871,000	-	3,165,817	710,000	2,455,817	-	-	-	-	-	-	6,036,817	3,581,000	2,455,817
Mobile Classroom Replacement Programme	675,721	675,721	-	-	-	-	-	-	-	-	-	-	675,721	675,721	-
School Condition Programme (SCIP) - Remedials / General Programme	2,074,000	2,074,000	-	2,750,000	2,750,000	-	2,750,000	2,750,000	-	2,750,000	2,750,000	-	10,324,000	10,324,000	-
Seaton Valley Federation of Schools	33,652,012	6,138,753	27,513,259	7,721,102	-	7,721,102	1,310,291	-	1,310,291	-	-	-	42,683,405	6,138,753	36,544,652
Special Educational Need (SEN) Capacity Growth	-	-	-	6,474,500	2,400,000	4,074,500	5,775,710	-	5,775,710	3,691,790	-	3,691,790	15,942,000	2,400,000	13,542,000
West of County Schools Restructure	384,878	9,000	375,878	-	-	-	-	-	-	-	-	-	384,878	9,000	375,878
Corbridge Middle School - 3G Pitch	490,601	450,000	40,601	-	-	-	-	-	-	-	-	-	490,601	450,000	40,601
Kyloe House - New Recreation Area	251,283	251,283	-	-	-	-	-	-	-	-	-	-	251,283	251,283	-
Family Hubs Grant	59,000	59,000	-	-	-	-	-	-	-	-	-	-	59,000	59,000	-
Northumberland Skills ICT Hardware & Network Refresh	224,000	-	224,000	-	-	-	-	-	-	-	-	-	224,000	-	224,000
Purchase of House to Accommodate a Disabled Child	500,000	500,000	-	-	-	-	-	-	-	-	-	-	500,000	500,000	-
Pegwood Cemetery Lodge	150,000	-	150,000	-	-	-	-	-	-	-	-	-	150,000	-	150,000
Total Children, Young People and Education	61,460,884	17,210,165	44,250,719	39,811,037	6,451,570	33,359,467	42,287,388	3,341,570	38,945,818	19,569,285	2,750,000	16,819,285	163,128,594	29,753,305	133,375,289
Climate Change															
Climate Change Capital Fund	1,160,848	619,064	541,784	2,639,324	-	2,639,324	-	-	-	-	-	-	3,800,172	619,064	3,181,108
Total Climate Change	1,160,848	619,064	541,784	2,639,324	-	2,639,324	-	-	-	-	-	-	3,800,172	619,064	3,181,108
Digital and IT															
CISCO Infrastructure	569,179	-	569,179	100,000	-	100,000	-	-	-	-	-	-	669,179	-	669,179
Desk Top Refresh - Phase 2	500,000	-	500,000	750,000	-	750,000	-	-	-	-	-	-	1,250,000	-	1,250,000
Northumberland WAN and Full Fibre	2,331,290	-	2,331,290	100,000	-	100,000	-	-	-	-	-	-	2,431,290	-	2,431,290
Broadband Phase 2 Gainshare Extension	612,325	-	612,325	-	-	-	-	-	-	-	-	-	612,325	-	612,325
Community Broadband	2,651,820	2,145,000	506,820	-	-	-	-	-	-	-	-	-	2,651,820	2,145,000	506,820
Air Conditioning	159,340	-	159,340	-	-	-	-	-	-	-	-	-	159,340	-	159,340
Craster Mast	50,080	-	50,080	-	-	-	-	-	-	-	-	-	50,080	-	50,080
Local Full Fibre Network	82,823	-	82,823	-	-	-	-	-	-	-	-	-	82,823	-	82,823
Office 365 Implementation	42,087	-	42,087	-	-	-	-	-	-	-	-	-	42,087	-	42,087
Server Infrastructure	52,363	-	52,363	-	-	-	-	-	-	-	-	-	52,363	-	52,363
Hardware Infrastructure	242,550	-	242,550	360,000	-	360,000	-	-	-	685,000	-	685,000	1,287,550	-	1,287,550
Network Infrastructure Modernisation	953,333	-	953,333	953,333	-	953,333	953,334	-	953,334	-	-	-	2,860,000	-	2,860,000
Desktop Refresh	750,000	-	750,000	350,000	-	350,000	1,100,000	-	1,100,000	1,100,000	-	1,100,000	3,300,000	-	3,300,000
Mobile Phone Refresh	215,000	-	215,000	215,000	-	215,000	215,000	-	215,000	-	-	-	645,000	-	645,000
Total Digital and IT	9,212,190	2,145,000	7,067,190	2,828,333	-	2,828,333	2,268,334	-	2,268,334	1,785,000	-	1,785,000	16,093,857	2,145,000	13,948,857
Economic Development and Growth															
Ashington High Street Investment Programme	885,826	582,915	302,911	-	-	-	-	-	-	-	-	-	885,826	582,915	302,911
Ashington North East Quarter Re-development Phase 2	100,000	-	100,000	-	-	-	-	-	-	-	-	-	100,000	-	100,000
Ashington Town Centre Renewal of Strategic Sites Programme	12,073,858	12,073,858	-	14,832,355	6,081,087	8,751,268	24,000	-	24,000	-	-	-	26,930,213	18,154,945	8,775,268
Bedlington Town Centre Redevelopment Phase 1 & 2	1,173,698	-	1,173,698	-	-	-	-	-	-	-	-	-	1,173,698	-	1,173,698
Energising Blyth Culture Centre and Market Place	3,961,414	-	3,961,414	372,553	-	372,553	-	-	-	-	-	-	4,333,967	-	4,333,967
Energising Blyth Future High Street Fund (FHSF)	4,662,345	2,566,606	2,095,739	-	-	-	-	-	-	-	-	-	4,662,345	2,566,606	2,095,739
Energising Blyth The Link	860,682	-	860,682	-	-	-	-	-	-	-	-	-	860,682	-	860,682
Blyth Town Centre Northern Gateway (Phase 2)	1,534,285	1,534,285	-	1,681,925	385,104	1,296,821	-	-	-	-	-	-	3,216,210	1,919,389	1,296,821
Energising Blyth Energy Central Campus Phase 1	1,479,312	1,000,000	479,312	170,084	-	170,084	-	-	-	-	-	-	1,649,396	1,000,000	649,396
Energising Blyth Acquisitions / Delivery Costs	2,283,090	-	2,283,090	7,384,969	-	7,384,969	-	-	-	-	-	-	9,668,059	-	9,668,059
Energising Blyth Town Deal 2022-2026	9,076,993	9,026,896	50,097	3,739,214	3,739,214	-	-	-	-	-	-	-	12,816,207	12,766,110	50,097

Project Title	2024-2025			2025-2026			2026-2027			2027-2028			TOTAL		
	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Energising Blyth Levelling Up Deep Dive Funding - Welcoming and Safe Blyth	145,000	145,000	-	-	-	-	-	-	-	-	-	-	145,000	145,000	-
Energising Blyth Levelling Up Deep Dive Funding - Housing Renewal and Town Centre Living	6,626,000	6,626,000	-	8,700,000	8,700,000	-	-	-	-	-	-	-	15,326,000	15,326,000	-
Energising Blyth Levelling Up Deep Dive - Energy Central Campus Training Kit	1,450,000	1,450,000	-	-	-	-	-	-	-	-	-	-	1,450,000	1,450,000	-
Blyth to Bebside Cycle Corridor	3,262,329	3,262,329	-	3,244,739	1,123,859	2,120,880	-	-	-	-	-	-	6,507,068	4,386,188	2,120,880
Borderlands - Berwick Maltings	12,242,012	11,916,597	325,415	7,487,358	7,487,358	-	498,291	498,291	-	-	-	-	20,227,661	19,902,246	325,415
Borderlands - Carlisle Station	3,461,279	3,461,279	-	1,000,000	1,000,000	-	-	-	-	-	-	-	4,461,279	4,461,279	-
Borderlands - Destination Tweed	750,000	-	750,000	-	-	-	-	-	-	-	-	-	750,000	-	750,000
Borderlands - Carlisle University	14,304,687	14,304,687	-	23,682,615	23,682,615	-	-	-	-	-	-	-	37,987,302	37,987,302	-
Great Northumberland Forest	2,135,294	2,135,294	-	16,579	16,579	-	-	-	-	-	-	-	2,151,873	2,151,873	-
Great Northumberland Forest - Storm Arwen Recovery	250,000	250,000	-	-	-	-	-	-	-	-	-	-	250,000	250,000	-
Hexham HAZ	100,000	-	100,000	-	-	-	-	-	-	-	-	-	100,000	-	100,000
Hexham - The Shambles	250,000	-	250,000	-	-	-	-	-	-	-	-	-	250,000	-	250,000
Strategic Regeneration Projects	5,540,000	-	5,540,000	1,560,415	-	1,560,415	-	-	-	-	-	-	7,100,415	-	7,100,415
Berwick Gateway	50,000	-	50,000	-	-	-	-	-	-	-	-	-	50,000	-	50,000
Cramlington	500,000	-	500,000	1,000,000	-	1,000,000	2,000,000	-	2,000,000	-	-	-	3,500,000	-	3,500,000
Borderlands Place Plans	-	-	-	2,500,000	2,000,000	500,000	11,500,000	10,000,000	1,500,000	1,500,000	-	-	15,500,000	12,000,000	3,500,000
Ashington Town Centre infrastructure	-	-	-	500,000	-	500,000	3,000,000	-	3,000,000	-	-	-	3,500,000	-	3,500,000
Total Economic Development and Growth	89,158,104	70,335,746	18,822,358	77,872,806	54,215,816	23,656,990	17,022,291	10,498,291	6,524,000	1,500,000	-	1,500,000	185,553,201	135,049,853	50,503,348
Finance and Procurement															
Capital Contract Inflation	5,000,000	-	5,000,000	-	-	-	-	-	-	-	-	-	5,000,000	-	5,000,000
Loan to NELEP - Ashwood	1,335,069	1,335,069	-	-	-	-	-	-	-	-	-	-	1,335,069	1,335,069	-
Strategic Employment Sites Enabling Works	5,000,000	-	5,000,000	-	-	-	-	-	-	-	-	-	5,000,000	-	5,000,000
Loans to Third Parties (e.g. Advance Northumberland, Other Organisations)	20,000,000	-	20,000,000	20,000,000	-	20,000,000	6,000,000	-	6,000,000	6,000,000	-	6,000,000	52,000,000	-	52,000,000
Portland Park - Grant to Advance Northumberland	668,548	-	668,548	-	-	-	-	-	-	-	-	-	668,548	-	668,548
Total Finance and Procurement	32,003,617	1,335,069	30,668,548	20,000,000	-	20,000,000	6,000,000	-	6,000,000	6,000,000	-	6,000,000	64,003,617	1,335,069	62,668,548
Fire and Rescue															
FRS Fleet Requirement	836,000	-	836,000	1,007,000	-	1,007,000	1,001,500	-	1,001,500	900,292	-	900,292	3,744,792	-	3,744,792
FRS Risk Critical Equipment	335,700	-	335,700	121,500	-	121,500	328,438	-	328,438	343,000	-	343,000	1,128,638	-	1,128,638
Fire Control Upgrade / Replacement	1,000,000	-	1,000,000	1,000,000	-	1,000,000	-	-	-	-	-	-	2,000,000	-	2,000,000
Total Fire and Rescue	2,171,700	-	2,171,700	2,128,500	-	2,128,500	1,329,938	-	1,329,938	1,243,292	-	1,243,292	6,873,430	-	6,873,430
Highways and Transport															
Blyth Relief Road	8,866,836	8,866,836	-	37,706,723	35,706,723	2,000,000	-	-	-	-	-	-	46,573,559	44,573,559	2,000,000
Local Cycling and Walking Infrastructure	3,864,000	3,000,000	864,000	-	-	-	-	-	-	-	-	-	3,864,000	3,000,000	864,000
Northumberland Rail Line	17,386,829	12,000,000	5,386,829	7,500,000	7,500,000	-	-	-	-	-	-	-	24,886,829	19,500,000	5,386,829
A1068 Shilbottle Road Junction Improvements	1,090,518	-	1,090,518	-	-	-	-	-	-	-	-	-	1,090,518	-	1,090,518
CP - Car Parks General	1,480,337	-	1,480,337	-	-	-	-	-	-	-	-	-	1,480,337	-	1,480,337
Levelling up Fund for Rapid Electric Vehicle Chargers	156,000	106,000	50,000	-	-	-	-	-	-	-	-	-	156,000	106,000	50,000
Levelling Up Funds - Hexham to Corbridge	4,590,000	4,590,000	-	4,225,000	3,225,000	1,000,000	-	-	-	-	-	-	8,815,000	7,815,000	1,000,000
Levelling Up Funds - Bedlington East to West	3,910,000	3,910,000	-	3,748,000	2,748,000	1,000,000	-	-	-	-	-	-	7,658,000	6,658,000	1,000,000
FCERM - Beadnell	145,000	145,000	-	1,805,000	1,600,000	205,000	-	-	-	-	-	-	1,950,000	1,745,000	205,000
FCERM - Branton Surface Water	20,261	20,261	-	-	-	-	-	-	-	-	-	-	20,261	20,261	-
FCERM - Cresswell Coastal Management	450,000	335,000	115,000	-	-	-	-	-	-	-	-	-	450,000	335,000	115,000
FCERM - Haydon Bridge	108,000	108,000	-	788,000	708,000	80,000	-	-	-	-	-	-	896,000	816,000	80,000
FCERM - Hepscott FAS	227,692	177,692	50,000	-	-	-	-	-	-	-	-	-	227,692	177,692	50,000
FCERM - Kirkwell Cottages	41,440	41,440	-	-	-	-	-	-	-	-	-	-	41,440	41,440	-
FCERM - Loansdean	45,000	45,000	-	-	-	-	-	-	-	-	-	-	45,000	45,000	-
FCERM - Meggie's Burn	6,000	6,000	-	33,000	33,000	-	11,000	11,000	-	-	-	-	50,000	50,000	-
FCERM - Stocksfield & Riding Mill	26,000	26,000	-	314,000	285,000	29,000	-	-	-	-	-	-	340,000	311,000	29,000
FCERM - Next Generation Flood Resilience	1,212,000	1,212,000	-	1,049,000	1,049,000	-	1,125,000	1,125,000	-	-	-	-	3,386,000	3,386,000	-
Highways Laboratory Expansion	300,000	-	300,000	-	-	-	-	-	-	-	-	-	300,000	-	300,000
Highway Maintenance Investment in U and C roads and Footways	4,450,000	-	4,450,000	-	-	-	-	-	-	-	-	-	4,450,000	-	4,450,000
LTP - Local Transport Plan	26,021,619	26,021,619	-	23,426,000	23,426,000	-	23,426,000	23,426,000	-	-	-	-	72,873,619	72,873,619	-
Members Local Improvement Schemes	2,418,037	-	2,418,037	1,035,000	-	1,035,000	1,035,000	-	1,035,000	1,035,000	-	1,035,000	5,523,037	-	5,523,037
Salt Barns	1,350,148	-	1,350,148	-	-	-	-	-	-	-	-	-	1,350,148	-	1,350,148
Tyne Mills Depot, Hexham	110,987	-	110,987	162,372	-	162,372	3,683	-	3,683	6,480	-	6,480	283,522	-	283,522
Highway Maintenance and Pothole Repair Fund	5,770,500	3,270,500	2,500,000	5,268,000	2,768,000	2,500,000	-	-	-	-	-	-	11,038,500	6,038,500	5,000,000
New DfT Challenge Fund Bid Support - Steel Structures	26,000	26,000	-	-	-	-	-	-	-	-	-	-	26,000	26,000	-
FCERM - Lynemouth Bay Landfill Encapsulation	3,179,000	400,000	2,779,000	-	-	-	-	-	-	-	-	-	3,179,000	400,000	2,779,000
FCERM - Ovingham Surface Water	52,756	-	52,756	-	-	-	-	-	-	-	-	-	52,756	-	52,756
FCERM - Red Row	51,779	51,779	-	-	-	-	-	-	-	-	-	-	51,779	51,779	-
FCERM - Wylam SW	-	-	-	-	-	-	-	-	-	96,000	96,000	-	96,000	96,000	-
FCERM - Brumwell Court & Guessburn	12,000	12,000	-	162,000	132,000	30,000	-	-	-	-	-	-	174,000	144,000	30,000

Project Title	2024-2025			2025-2026			2026-2027			2027-2028			TOTAL		
	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding	Gross Budget	External Funding	NCC Funding
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Powburn Depot Recycling Facility	133,833	-	133,833	94,850	-	94,850	247,786	-	247,786	-	-	-	476,469	-	476,469
Longhorsley Flood Alleviation Scheme	40,000	40,000	-	12,000	12,000	-	-	-	-	-	-	-	52,000	52,000	-
Total Highways and Transport	87,542,572	64,411,127	23,131,445	87,328,945	79,192,723	8,136,222	25,848,469	24,562,000	1,286,469	1,137,480	96,000	1,041,480	201,857,466	168,261,850	33,595,616
Housing - General Fund															
Community Housing Fund	719,806	710,307	9,499	-	-	-	-	-	-	-	-	-	719,806	710,307	9,499
Total Housing - General Fund	719,806	710,307	9,499	-	-	-	-	-	-	-	-	-	719,806	710,307	9,499
Housing - HRA															
HRA Miscellaneous / Other	93,000	-	93,000	80,000	-	80,000	80,000	-	80,000	80,000	-	80,000	333,000	-	333,000
HRA Energy Efficiency	500,000	-	500,000	500,000	-	500,000	-	-	-	-	-	-	1,000,000	-	1,000,000
Chronically Sick and Disabled Persons Grants	516,000	-	516,000	531,000	-	531,000	546,000	-	546,000	561,000	-	561,000	2,154,000	-	2,154,000
Homes England Grant Recovery (re RTB)	75,000	-	75,000	75,000	-	75,000	75,000	-	75,000	75,000	-	75,000	300,000	-	300,000
Affordable Homes	15,838,703	3,744,000	12,094,703	12,742,412	3,593,000	9,149,412	3,300,000	400,000	2,900,000	2,760,000	260,000	2,500,000	34,641,115	7,997,000	26,644,115
Major Repairs Reserve	10,600,000	-	10,600,000	10,700,000	-	10,700,000	10,700,000	-	10,700,000	10,600,000	-	10,600,000	42,600,000	-	42,600,000
Amble HUSK bungalows	2,493,497	-	2,493,497	-	-	-	-	-	-	-	-	-	2,493,497	-	2,493,497
Affordable Homes - Riverbrook Gardens Development	39,492	-	39,492	-	-	-	-	-	-	-	-	-	39,492	-	39,492
Lyndon Walk (Dementia Bungalows)	1,563,796	-	1,563,796	1,063,795	-	1,063,795	-	-	-	-	-	-	2,627,591	-	2,627,591
Total Housing - HRA	31,719,488	3,744,000	27,975,488	25,692,207	3,593,000	22,099,207	14,701,000	400,000	14,301,000	14,076,000	260,000	13,816,000	86,188,695	7,997,000	78,191,695
Leisure Services															
Haltwhistle Football Project	46,486	-	46,486	-	-	-	-	-	-	-	-	-	46,486	-	46,486
Northumberland PlayZones	300,000	-	300,000	-	-	-	-	-	-	-	-	-	300,000	-	300,000
Library Service New Vehicle	225,000	-	225,000	-	-	-	-	-	-	-	-	-	225,000	-	225,000
Concordia Leisure Centre	1,048,376	-	1,048,376	503,525	-	503,525	-	-	-	-	-	-	1,551,901	-	1,551,901
Willowburn Sport Centre	1,338,521	-	1,338,521	956,882	-	956,882	-	-	-	-	-	-	2,295,403	-	2,295,403
Wentworth Sport Centre	796,854	-	796,854	444,135	-	444,135	-	-	-	-	-	-	1,240,989	-	1,240,989
Total Leisure Services	3,755,237	-	3,755,237	1,904,542	-	1,904,542	-	-	-	-	-	-	5,659,779	-	5,659,779
Neighbourhood Services															
Fleet Replacement Programme	5,680,592	-	5,680,592	7,507,000	-	7,507,000	8,488,000	-	8,488,000	1,000,000	-	1,000,000	22,675,592	-	22,675,592
Parks Enhancement / Green Spaces Programme	600,000	-	600,000	400,000	-	400,000	-	-	-	-	-	-	1,000,000	-	1,000,000
Park QEII Commemoration Schemes	49,000	-	49,000	-	-	-	-	-	-	-	-	-	49,000	-	49,000
Total Neighbourhood Services	6,329,592	-	6,329,592	7,907,000	-	7,907,000	8,488,000	-	8,488,000	1,000,000	-	1,000,000	23,724,592	-	23,724,592
Property Services															
County Hall Refurbishment	515,000	-	515,000	3,900,000	-	3,900,000	-	-	-	-	-	-	4,415,000	-	4,415,000
County Hall Solar PV	98,939	-	98,939	-	-	-	-	-	-	-	-	-	98,939	-	98,939
Cowley Road Depot Refurb & Car Park	24,005	-	24,005	281,881	-	281,881	2,346	-	2,346	1,505,517	-	1,505,517	1,813,749	-	1,813,749
Depot Rationalisation	555,861	-	555,861	282,198	-	282,198	1,315,501	-	1,315,501	51,000	-	51,000	2,204,560	-	2,204,560
Leisure Buildings - Essential Remedial	1,000,000	-	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000	-	1,000,000
Leisure Buildings - Essential Remedial - Prudhoe Waterworld Wet Change	160,000	-	160,000	-	-	-	-	-	-	-	-	-	160,000	-	160,000
The Living Barracks	-	-	-	-	-	-	-	-	-	700,792	-	700,792	700,792	-	700,792
Prudhoe Waterworld Improvements	1,410,000	-	1,410,000	-	-	-	-	-	-	-	-	-	1,410,000	-	1,410,000
Property Stewardship Fund - Backlog M&E and Fabric	1,900,000	-	1,900,000	-	-	-	-	-	-	-	-	-	1,900,000	-	1,900,000
Property Stewardship Fund - Bearl Depot Drainage and New Build	1,549	-	1,549	48,186	-	48,186	24,322	-	24,322	-	-	-	74,057	-	74,057
Property Stewardship Fund - Powburn Depot Roof	119,636	-	119,636	-	-	-	-	-	-	-	-	-	119,636	-	119,636
Property Stewardship Fund - Public Toilet Refurbishment	470,100	-	470,100	258,240	-	258,240	-	-	-	-	-	-	728,340	-	728,340
Property Stewardship Fund - Woodhorn Heapstead	726,525	-	726,525	571,000	-	571,000	-	-	-	-	-	-	1,297,525	-	1,297,525
Property Stewardship Fund - Woodhorn Walker Fan Building	100,000	-	100,000	-	-	-	-	-	-	-	-	-	100,000	-	100,000
Total Property Services	7,081,615	-	7,081,615	5,341,505	-	5,341,505	1,342,169	-	1,342,169	2,257,309	-	2,257,309	16,022,598	-	16,022,598
TOTAL CAPITAL PROGRAMME	337,747,252	165,539,677	172,207,575	275,454,199	145,453,109	130,001,090	121,287,589	40,801,861	80,485,728	48,568,366	3,106,000	45,462,366	783,057,406	354,900,647	428,156,759

Net Movement in the Capital Programme 2024-25 to 2027-28 (Excluding Reprofiling)

Project	Gross Budget £m	External Funding £m	NCC Funding £m	Description
Children, Young People and Education				
Berwick Partnership Schools	7.899	1.281	6.618	Increase in budget based on latest cost estimates
Coquet Partnership Redevelopment	3.874	-	3.874	Increase in budget based on latest cost estimates
Family Hubs Grant	0.059	0.059	-	Inclusion of the Family Hub Grant capital element for 2024-25
KEVI New Build Sports Block	1.407	0.001	1.406	Increase in budget based on latest cost estimates
Kyloe House - New Recreation Area	0.251	0.251	-	Inclusion of anticipated budget requirement to provide a suitable external space for children at Kyloe House
Northumberland Skills ICT Hardware & Network Refresh	0.224	-	0.224	Inclusion of anticipated budget requirement to renew and modernise the IT infrastructure used to provide the Adult Learning Service
Pegswood Cemetery Lodge	0.150	-	0.150	Inclusion of anticipated budget requirement to adapt a property for a family with a disabled child
Purchase of house to accommodate a disabled child	0.500	0.500	-	Inclusion of anticipated budget requirement to purchase a property for a family with a disabled child
School Condition Programme (SCIP) - Remedials / General Programme	1.868	1.868	-	Amendment of the 2024-25 SCIP Grant figure and inclusion of the 2027-28 SCIP funding
Seaton Valley Federation of Schools	13.282	3.000	10.282	Increase in budget based on latest cost estimates
Climate Change				
Climate Change Capital Fund	0.569	0.619	(0.050)	Inclusion of external funding in the programme for 2024-25 in relation to Local Electric Vehicle Infrastructure grant and a reallocation to the Levelling Up Funding for Rapid Electrical Vehicle chargers project
Digital and IT				
Broadband Phase 2 Gainshare Extension	(0.044)	-	(0.044)	Reprofiling of future year's funding back into 2023-24 to support planned expenditure
Desktop Refresh	3.300	-	3.300	Inclusion of anticipated budget requirement for the period April 2024 to March 2028
Hardware Infrastructure	1.288	-	1.288	Inclusion of anticipated budget requirement for the period April 2024 to March 2028
Mobile Phone Refresh	0.645	-	0.645	Inclusion of anticipated budget requirement for the period April 2024 to March 2028
Network Infrastructure Modernisation	2.860	-	2.860	Inclusion of anticipated budget requirement for the period April 2024 to March 2028
Economic Development and Growth				
Ashington High Street Investment Programme	0.729	0.583	0.146	Increase in budget based on latest cost estimates
Ashington North East Quarter Re-development Phase 2	0.100	-	0.100	Replacement of budget used to fund the purchase of the Alnwick Playhouse Lighting Rig in 2023-24 with no impact on programme delivery
Ashington Town Centre infrastructure	3.500	-	3.500	Inclusion of anticipated budget requirement for the delivery of the Ashington Town Centre regeneration programme
Ashington Town Centre Renewal of Strategic Sites Programme	26.130	17.355	8.775	Inclusion of anticipated budget requirement funded by the Department for Levelling Up, Housing and Communities and the Council to revitalise the Town Centre and High Street
Borderlands	73.227	68.890	4.337	Inclusion of anticipated budget requirement for the period April 2024 to March 2028 for schemes being administered by the Council
Cramlington	3.500	-	3.500	Inclusion of anticipated budget requirement for the delivery of the Cramlington regeneration programme
Energising Blyth	(3.252)	-	(3.252)	Funding profiles updated to reflect approved business cases
Energising Blyth - Levelling Up Deep Dive Funding	15.471	15.471	-	Inclusion of new funding in the programme received from DLUHC
Great Northumberland Forest	1.050	1.050	-	Inclusion of anticipated budget requirement, externally funded, to plant millions of trees across the County by 2030 to assist with climate change, biodiversity decline, promoting health and wellbeing, and supporting a thriving local economy
Hexham Town Centre Redevelopment	(2.500)	-	(2.500)	Removed from the capital programme while discussions continue around possible solutions and cost estimates
Strategic Regeneration Projects	(1.572)	-	(1.572)	The budget is provided to enable the delivery of economic regeneration projects with the budget changing as funds have been allocated to identified projects
Finance and Procurement				
Capital Contract Inflation	5.000	-	5.000	General contract price increase
Loans to Third Parties (e.g. Advance Northumberland, Other Organisations)	40.000	-	40.000	Inclusion of anticipated budget requirements for the period April 2024 to March 2028
Portland Park - Grant to Advance Northumberland	(2.331)	-	(2.331)	Reallocation to the Ashington Town Centre Strategic Sites programme project
Strategic Employment Sites Enabling Works	5.000	-	5.000	Inclusion of anticipated budget requirements for 2024-25

Net Movement in the Capital Programme 2024-25 to 2027-28 (Excluding Reprofiting)

Project	Gross Budget £m	External Funding £m	NCC Funding £m	Description
Fire and Rescue				
Fire Control Upgrade / Replacement	2.000	-	2.000	Inclusion of anticipated budget requirement to replace the current Fire Control System with an updated system
FRS Fleet Requirement	0.900	-	0.900	Inclusion of anticipated budget for 2027-28
FRS Risk Critical Equipment	0.343	-	0.343	Inclusion of anticipated budget for 2027-28
Highways and Transport				
Blyth Relief Road	2.000	5.351	(3.351)	Budget revision reflecting the current anticipated profile and a change in the level of expected Government grant funding from 85% to 100% of scheme costs
CP - Car Parks General	0.545	-	0.545	Increase in budget based on latest cost estimates to complete required schemes
FCERM - Beadnell	0.116	0.116	-	Improved cost certainty following the completion of the feasibility study with the funding profiles updated to align with the Environment Agency programme
FCERM - Branton Surface Water	(0.021)	(0.021)	-	Updated costs following the completion of a feasibility study and funding profiles updated to align with Environment Agency programme
FCERM - Brumwell Court & Guessburn	0.174	0.144	0.030	This is a sub-project of Stocksfield and Riding Mill below with funding profiles updated to align with the Environment Agency programme
FCERM - Cresswell Coastal Management	(0.012)	(0.012)	-	Funding profiles updated to align with Environment Agency programme
FCERM - Haydon Bridge	0.757	0.757	-	Updated costs following the completion of a feasibility study and funding profiles updated to align with Environment Agency programme subject to approval of final business case
FCERM - Lynemouth Bay Landfill Encapsulation	(0.150)	(0.150)	-	Updated costs following confirmation of the match funding to be received from the Coal Authority for the element of works on their land
FCERM - Next Generation Flood Resilience	3.386	3.386	-	Inclusion of anticipated budget requirement for 2024-25 to 2026-27
FCERM - Pilgrims Way SW	(0.029)	(0.029)	-	Construction is now expected in 2023-24 subject to planning permission and consents
FCERM - Stocksfield & Riding Mill	0.266	0.296	(0.030)	Updated costs following the completion of a feasibility study and funding profiles updated to align with Environment Agency programme with NCC element of funds allocated to Brumwell Court and Guessburn
FCERM - Wylam SW	(0.034)	(0.034)	-	Updated costs following the completion of a feasibility study and funding profiles updated to align with Environment Agency programme
Highway Maintenance and Pothole Repair Fund	10.536	5.536	5.000	Inclusion of increased Highways Maintenance Capital Funding from the Department for Transport alongside additional Council funds to address the condition of the County's road network
Levelling up Fund for Rapid Electric Vehicle Chargers	0.156	0.106	0.050	Inclusion of anticipated budget requirement to install rapid electric vehicle charges with NCC contribution reallocated from the Climate Change Capital Fund
Levelling Up Funds - Bedlington East to West	7.658	6.658	1.000	Inclusion of anticipated budget requirement to create active travel links with NCC match funding reallocated from the Local Cycling and Walking Infrastructure budget
Levelling Up Funds - Hexham to Corbridge	8.815	7.815	1.000	Inclusion of anticipated budget requirement to create active travel links with NCC match funding reallocated from the Local Cycling and Walking Infrastructure budget
Local Cycling and Walking Infrastructure	(2.000)	-	(2.000)	NCC match funding reallocated to the Bedlington East to West and Hexham to Corbridge active travel projects
Longhorsley Flood Alleviation Scheme	0.052	0.052	-	Inclusion of anticipated budget requirement to improve and reconfigure the existing culverts and their inlets to reduce the risk of surface water flooding to residential properties and the highway
Members Local Improvement Schemes	1.095	-	1.095	Inclusion of anticipated budget requirement for 2027-28 to reflect the increase from 67 to 69 members at May 2025 election
Northumberland Rail Line	22.304	19.500	2.804	Increase in budget based on latest cost estimates
Powburn Depot Recycling Facility	0.476	-	0.476	Inclusion of anticipated budget requirement to meet Environment Agency standards for the safe disposal and recycling of hazardous road planings
Salt Barns	0.966	-	0.966	Return of budget utilised on other projects in 2023-24. There is no change to the overall funding on the projects
Housing - HRA				
Affordable Homes	(6.842)	(0.880)	(5.962)	New programme of Affordable Housing proposed, due to timing of schemes and remodelling of the finances
Affordable Homes - Riverbrook Gardens Development	(0.002)	-	(0.002)	Decrease in budget based on latest cost estimates
Amble HUSK Bungalows	2.493	-	2.493	Reallocation from Affordable Homes budget

Net Movement in the Capital Programme 2024-25 to 2027-28 (Excluding Reprofiling)

Project	Gross Budget £m	External Funding £m	NCC Funding £m	Description
Chronically Sick and Disabled Persons Grants	0.081	-	0.081	Reprofiling of Budget linked to Major Repairs Reserve
Felton - HUSK	(0.683)	(0.499)	(0.184)	Reallocation to the overall Affordable Homes Project
Homes England Grant Recovery (re RTB)	0.075	-	0.075	Inclusion of anticipated budget requirement for 2027-28
HRA Miscellaneous / Other	0.098	-	0.098	Inclusion of anticipated budget requirement for 2027-28
Lyndon Walk Dementia Bungalows	2.628	-	2.628	Reallocation from the Affordable Homes project
Major Repairs Reserve	15.508	-	15.508	Increase in budget based on latest cost estimates and inclusion of 2027-28 budget
Leisure Services				
Concordia Leisure Centre	1.552	-	1.552	Inclusion of anticipated budget requirement for remedial work to be undertaken at the centre
Library Service New Vehicle	0.225	-	0.225	Inclusion of anticipated budget requirement for a Library Service vehicle
Wentworth Sport Centre	1.241	-	1.241	Inclusion of anticipated budget requirement for remedial work to be undertaken at the centre
Willowburn Sport Centre	2.295	-	2.295	Inclusion of anticipated budget requirement for remedial work to be undertaken at the centre
Neighbourhood Services				
Parks Enhancement / Green Spaces Programme	1.000	-	1.000	Inclusion of anticipated budget requirement to continue the Parks Enhancement Programme in the Capital Programme
Property Services				
Cowley Road Depot Refurb & Car Park	(0.186)	-	(0.186)	Budget profiles updated to reflect anticipated expenditure
Depot Rationalisation	(5.517)	-	(5.517)	Budget profiles updated to reflect anticipated expenditure
Hexham Tyne Mills Depot	0.284	-	0.284	Budget profiles updated to reflect anticipated expenditure
Property Stewardship Fund - Bearl Depot Drainage and New Build	0.074	-	0.074	Budget profiles updated to reflect anticipated expenditure
Property Stewardship Fund - Public Toilet Refurbishment	0.052	-	0.052	Increase in budget based on latest cost estimates
The Living Barracks	0.701	-	0.701	Inclusion of anticipated budget requirement in 2027-28 to relocate the Berwick Archives to the site
TOTAL	277.560	159.020	118.540	

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Capital Prudential Indicators 2024-25 to 2027-28

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators, which are designed to assist members overview and confirm capital expenditure plans.

The Local Government Act 2003 requires all local authorities to have regard to the Prudential Code for Capital Finance. The Code states that a soundly formulated capital programme must be driven by the desire to provide high quality, value for money public services. Consequently, the Code recognises that in making its decisions to make capital investment, the Council must have regard to:

- affordability (e.g., implications for Council Tax);
- prudence and sustainability (e.g., implications for external borrowing);
- option appraisal;
- asset management planning;
- strategic planning for the Council; and,
- achievability of the forward plan.

The key objectives of the Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. To demonstrate local authorities have fulfilled these objectives, the Code sets out the indicators that must be used and the factors that must be considered.

Under the Prudential Code for Capital Finance in Local Authorities, local authorities determine their own level of capital expenditure.

Capital Expenditure

This prudential indicator is a summary of the Council's capital expenditure plans:

Capital Expenditure	2023-24 Estimate £m	2024-25 Estimate £m	2025-26 Estimate £m	2026-27 Estimate £m	2027-28 Estimate £m
Adults, Ageing and Wellbeing	3.429	5.431	2.000	2.000	-
Children, Young People and Education	25.679	61.461	39.811	42.287	19.569
Climate Change	5.791	1.161	2.639	-	-
Digital and IT	5.738	9.212	2.828	2.269	1.785
Economic Development and Growth	57.090	89.158	77.873	17.022	1.500
Finance and Procurement	14.097	32.004	20.000	6.000	6.000
Fire and Rescue	2.517	2.172	2.128	1.330	1.243
Highways and Transport	119.711	87.542	87.329	25.849	1.138
Housing – GF	-	0.720	-	-	-
Housing HRA	17.448	31.719	25.692	14.701	14.076
Leisure Services	2.239	3.755	1.905	-	-
Neighbourhood Services	6.508	6.330	7.907	8.488	1.000
Property Services	3.606	7.082	5.342	1.342	2.257
Total Capital Expenditure	263.853	337.747	275.454	121.288	48.568

The table below summarises how the above capital expenditure is being financed:

Capital Funding	2023-24 Estimate £m	2024-25 Estimate £m	2025-26 Estimate £m	2026-27 Estimate £m	2027-28 Estimate £m
Capital Receipts	5.589	6.246	5.456	2.655	2.655
External Grants	128.350	165.540	145.453	40.802	3.106
GF Borrowing	111.715	129.061	99.311	65.185	30.646
GF Contributions	6.007	13.171	6.591	-	-
HRA Borrowing	-	-	-	-	-
HRA Contributions	12.192	23.729	18.643	12.646	12.161
Total Capital Funding	263.853	337.747	275.454	121.288	48.568

Capital Financing Requirement

The Capital Financing Requirement (CFR) is the Council's underlying need to borrow for a capital purpose.

All the capital assets the Council has ever bought will have been in part paid for by capital receipts, grants and revenue contributions. The remaining part which has not yet been paid for through revenue or capital resources is described as the CFR. In this respect it could be viewed like a mortgage. You have paid for the house (assets), have some equity in it (capital receipts etc.), but have not yet paid off the mortgage (CFR).

The CFR increases each year by capital spend, and decreases by both capital financing (capital receipts, grants etc.) and an annual revenue charge called the Minimum Revenue Provision (MRP).

The CFR shown below, which includes other long-term liabilities such as PFI and leasing arrangements, is increasing by £127.318 million over the next four years and is shown below.

The Council is asked to approve the following CFR projections:

Capital Financing Requirement	2022-23 Actual £m	2023-24 Estimate £m	2024-25 Estimate £m	2025-26 Estimate £m	2026-27 Estimate £m	2027-28 Estimate £m
General Fund CFR	962.728	1,039.967	1,125.673	1,177.228	1,190.993	1,167.285
HRA CFR	104.871	104.871	104.871	104.871	104.871	104.871
Overall CFR	1,067.599	1,144.838	1,230.544	1,282.099	1,295.864	1,272.156
Movement in Year		77.239	85.706	51.555	13.765	(23.708)

Affordability Prudential Indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Ratio of financing costs to net revenue stream	2022-23 Actual %	2023-24 Estimate %	2024-25 Estimate %	2025-26 Estimate %	2026-27 Estimate %	2027-28 Estimate %
General Fund	7.7	9.0	10.4	11.5	12.2	12.4
HRA	10.8	7.4	7.1	8.3	8.1	8.0

The estimates of financing costs include current commitments and the proposals in the budget report.

Net Income from Commercial and Service Investments as % of Net Revenue Stream

This indicator identifies the authority’s reliance on income from Commercial and Service Investments such as loans to Advance Northumberland, Northumbria Healthcare NHS Foundation Trust and Newcastle Airport etc. In Northumberland’s case, all of the income is in relation to interest received on loans provided to third parties in support of the Council’s service and policy objectives. These facilities are not provided to generate a financial return or gain for the Council.

Ratio of Income from Commercial and Service Investments to net revenue stream	2022-23 Actual %	2023-24 Estimate %	2024-25 Estimate %	2025-26 Estimate %	2026-27 Estimate %	2027-28 Estimate %
Overall	4.0	3.9	3.8	4.0	4.1	4.2

Authorised Limit for External Debt

This is an important indicator, as it is part of the Local Government Act 2003 requirements.

The Authorised Limit is the maximum amount the Council could afford to borrow in the short term but would not be sustainable in the long term. It should be set at the expected borrowing position, plus any expectations for borrowing in advance of need, plus some headroom to cope with the unexpected.

It is set as an assessment of how much the Council may need to borrow above expectations if an unforeseen incidence happened. This could be the delay in a large capital receipt, the failure of the Council Tax system etc., something that upsets the cash flow but will be corrected over time.

So, the Authorised Limit, if set properly, is an alarm mechanism that, if breached, means there is a problem with the Council’s finances.

The Council is asked to approve the following Authorised Limit:

Authorised Limit	2024-25 Estimate £m	2025-26 Estimate £m	2026-27 Estimate £m	2027-28 Estimate £m
Borrowing	1,412.353	1,561.064	1,426.401	1,377.821
Other long-term liabilities	75.465	69.514	63.048	56.012
Total	1,487.818	1,630.578	1,489.449	1,433.833

Operational Boundary for External Debt

Whilst the Authorised Limit is an overall cap on borrowing, the Operational Boundary is where the Council would expect its borrowing to be. It is only a guide and may be breached or undershot without significant concern, as borrowing will be driven by economic and market considerations as well as interest rates.

The Council is asked to approve the following Operational Boundary:

Operational Boundary	2024-25 Estimate £m	2025-26 Estimate £m	2026-27 Estimate £m	2027-28 Estimate £m
Borrowing	1,176.961	1,300.887	1,188.668	1,148.184
Other long-term liabilities	62.887	57.928	52.540	46.677
Total	1,239.848	1,358.815	1,241.208	1,194.861

Treasury Management Limits on Activity

There are two debt related treasury activity limits. The purpose of these is to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive, they will impair the opportunities to reduce costs / improve performance. The indicators are:

- maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits; and
- limit on Investments for longer than 365 days.

Maturity Structure of Borrowing

Setting limits for the maturity structure of debt ensures a reasonable spread of maturing debt as a safety mechanism to ensure significant amounts of maturing debt is not ending at a time when interest rates for refinancing the debt may be high.

Maturity Structure of fixed rate borrowing during 2024-25	Upper Limit %	Lower Limit %
Under 12 months	25	0
1 year - 2 years	40	0
2 years within 5 years	60	0
5 years within 10 years	80	0
10 years and above	100	0

Maturity Structure of variable rate borrowing during 2024-25	Upper Limit %	Lower Limit %
Under 12 months	35	0
1 year - 2 years	40	0
2 years within 5 years	60	0
5 years within 10 years	80	0
10 years and above	100	0

Investments for Periods Longer than 365 Days

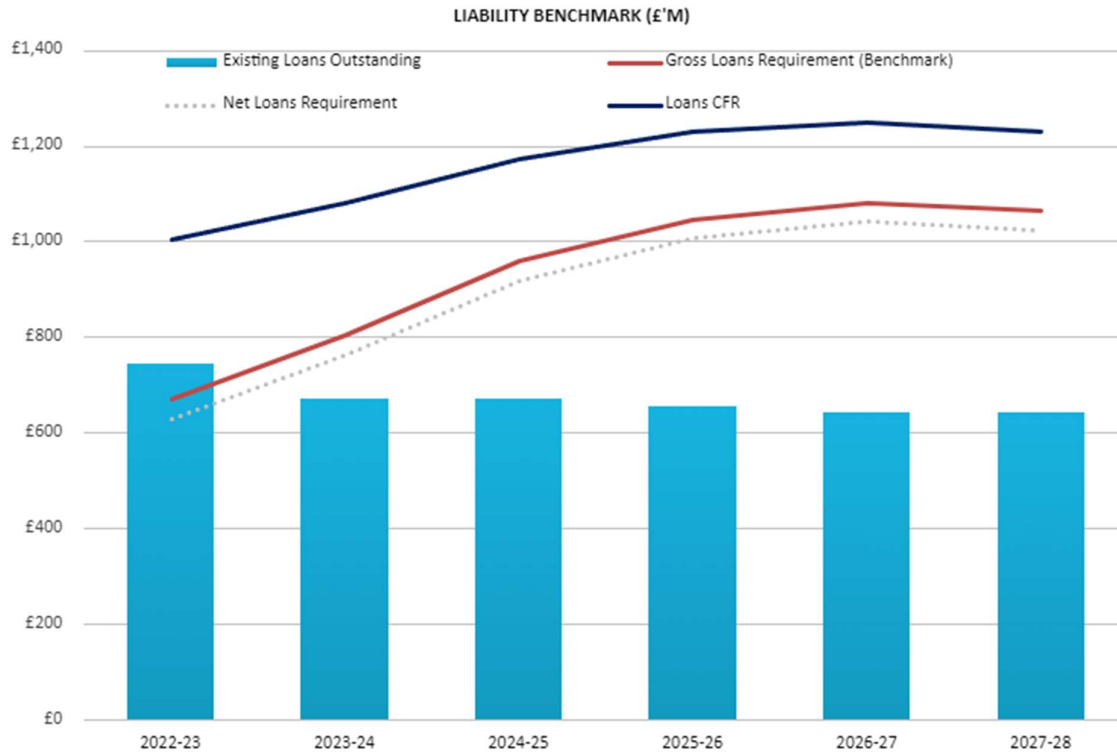
These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator:

Maximum principal sums invested which can be held for over 365 days	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
Principal sums invested > 365 days	120.000	120.000	120.000	120.000

Liability Benchmark

The liability benchmark is a graphical projection of the amount of loan debt outstanding which the authority needs each year into the future, in order to fund its existing debt liabilities, planned prudential borrowing and other cash flows. In essence it compares the existing external borrowing (i.e. loans outstanding) against the future 'gross loans requirement' (i.e. need); with the gap representing the future need to borrow (externally). It should be noted that the 'loans requirement' figure assumes all available investment balances (except, in the case of the gross loans requirement, a provision to cover day-to-day liquidity / cash flow requirements) will be used to support the borrowing need, in lieu of borrowing externally.



Supplementary Indicator - Internal Borrowing

The following indicator identifies the estimated level of internal borrowing, i.e. the extent to which internal / investment balances are being used in lieu of borrowing externally (to fund the CFR, or overall need to borrow):

Internal Borrowing	2024-25 %	2025-26 %	2026-27 %	2028-27 %
Estimated % of CFR (exc. PFI) funded from internal borrowing – Average for Year	21.00	15.78	13.43	12.74

Note: the above indicator is not specifying a limit. It simply identifies, for information purposes, the assumed internal borrowing position that has been used in calculating the revenue budget implications for the Council's treasury management activity.

The indicator identifies the interest rate risk exposure on this element of the borrowing need / requirement, i.e. beyond that attributable to actual external borrowing. The higher the percentage, the greater the potential risk.

The following table identifies the notional additional cost should the above internal borrowing need to be externalised – i.e. replaced with actual external loans:

Internal Borrowing – Notional Replacement Cost	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
Notional cost of externalising internal borrowing	0.047	1.195	1.090	0.658

Note the above (notional) cost is based on the estimated average external borrowing rate for each year. Again, the above indicator is not specifying a limit. It is simply for information purposes.

Annual Minimum Revenue Provision Policy Statement 2024-25

Background

Local authorities are required each year to set aside some of their revenue as provision for debt repayment. Previous regulations prescribed how much provision to make using a formula which was linked to prudential indicators. The system was simplified under the 2008 Regulations and authorities are now only required to make “prudent provision”, based on guidance issued by the former Department for Communities and Local Government.

The broad aim of prudent provision is to ensure debt is repaid over a period that is either reasonably equal with that over which the capital expenditure provides benefit; or, in the case of borrowing supported by Government Revenue Support Grant reasonably equal with the period implicit in the determination of that grant.

The Government’s guidance offers four options for the calculation of the provision:

- Option One - Regulatory method: Minimum Revenue Provision (MRP) charges are based on the same formula used in the previous regulations. This method should only be adopted for capital expenditure incurred before 1 April 2008. However, it may also be applied for any new capital expenditure that is deemed to be ‘supported’ as part of the Revenue Support Grant (RSG) settlement on the grounds that the MRP charge would be offset by the support included with the RSG.
- Option Two – Capital Financing Requirement (CFR) Method: A simplified version of option one which removes an adjustment in the original formula, known as Adjustment A, which ensured consistency with previous Capital Regulations. For most authorities this method would probably result in a higher level of provision than option one. This method should only be adopted for capital expenditure incurred before 1 April 2008.
- Option Three – Asset Life Method: The MRP charge is aligned to the estimated life of the asset for which the borrowing is undertaken. This method is suggested for new borrowing for which no Government support is being given (i.e. unsupported borrowing), but can also be used for supported borrowing as well.
- Option Four – Depreciation Method: MRP is matched to the provision for depreciation. The result should be similar to option three.

The guidance suggests that from 2009-10 onwards MRP charges relating to non-government supported borrowing must be calculated using either method three or four.

The legislation requires local authorities to draw up a statement of their policy on the annual MRP, for full approval by Council before the start of the financial year to which the provision will relate.

Confirmation of Policy

A continuation of the existing practise is proposed for 2024-25 with a modification to the existing third-party loans policy and the addition of a policy for equity investments.

The Council is therefore recommended to approve the following arrangements which are unchanged from the previous year:

- for historic capital expenditure incurred before 1 April 2008, or which in the future will be Supported Capital Expenditure, MRP will be charged on a straight-line basis over 50 years, as adopted in 2019-20;
- for all capital expenditure incurred after 1 April 2008 financed from unsupported (prudential) borrowing (including PFI and finance leases), MRP will be based upon an asset life method in accordance with Option 3 of the guidance;
- with regard to the Option 3 element, a fixed average asset life will be assumed and applied to the global in year unsupported borrowing / spend, rather than breaking this calculation down to spend on individual assets and their respective lives. The assumed life will be based on the historic weighted average life of all assets included in the Option 3 calculation for 2009-10 to 2014-15;
- in order to allow increased flexibility to cope with future austerity, whenever resources are available and allow; additional voluntary set aside may also be made. Conversely, any advance provision from previous years may if needed be utilised to reduce the current year's MRP requirement (i.e. that which would otherwise be set aside). The level of each year's voluntary set aside, or reversal, will be delegated to the Section 151 Officer (or the Deputy Section 151 Officer), based on what is considered prudent and affordable for both existing resources and future forecasts; and,
- there is no requirement to provide minimum revenue provision in relation to the Housing Revenue Account.

Additionally, the Council is recommended to approve the following arrangements which are modified from the previous year:

- for equity investments in the Council's subsidiary companies the MRP policy will be on an asset life basis over a period of 20 years; and,
- for capital expenditure in respect of Long-Term Capital Debtors, where principal is repaid over the term of the loan (such as the loans to Northumbria Healthcare NHS Foundation Trust), the MRP is as follows:
 - for commercial loans – where loan repayments are received in year then the loan repayments will be used in lieu of MRP and applied to write down the CFR. In years where no loan repayment is received, even if a loan repayment is anticipated, then MRP will be provided over a prudent period;
 - for service loans – where loan repayments are received in year then the loan repayments will be used in lieu of MRP and applied to write down the CFR. In years where no loan repayment is received, then MRP will not be provided until

the loan repayment is received, at which point the repayment will be applied to write down the CFR. The Council can however choose to provide MRP if it considers this to be a more prudent approach; and

- for commercial and service loans – where an actual or expected credit loss has been recognised then the MRP amount in the year will be equal to the amount of the credit loss. This amount can be reduced by any historic MRP made with respect to that loan.

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Treasury Management Strategy Statement 2024-25

1. INTRODUCTION

1.1. Background

This Treasury Management Strategy Statement details the expected activities of the Treasury Management function for the financial year 2024-25. Its production and submission to full Council is a requirement of the CIPFA Code of Practice on Treasury Management.

Part of the Treasury Management operation is to ensure that cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low/medium risk counterparties or instruments commensurate with the Council's risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the Treasury Management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council; essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the Treasury Management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue expenditure or for larger capital projects. The financial cost of these activities - i.e. the balance between the interest cost of debt and the investment income arising from cash deposits - has a significant impact on the overall revenue budget. In addition, since cash balances are mostly generated from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will result in a loss to the General Fund Balance.

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

CIPFA defines Treasury Management as:

“The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.2. Statutory and Regulatory Requirements

The Local Government Act 2003 (the Act) and supporting Regulations requires the Council to 'have regard to' the Chartered Institute of Public Finance and Accountancy's

(CIPFA) Prudential Code 2021, and the CIPFA Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes 2021.

The code defines the manner in which capital spending plans are to be considered and approved. They require the Council to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. In conjunction with this, they also require the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy, as required by the (revised) Investment Guidance issued by the former Ministry of Housing, Communities and Local Government (MHCLG) which came into effect 1 April 2018.

With effect from 2019-20 there was a requirement that the report included a Capital Strategy, to provide a longer-term focus to the capital plans, and an extension of the meaning of 'investments' to include both financial and non-financial investments or commercial activity undertaken under the Localism Act 2011. The Capital Strategy is reported to County Council for approval with the annual budget report and Medium-Term Financial Plan in February each year.

Treasury Management investments represent the placement of cash in relation to the s12 Local Government Act 2003 Act investment powers: namely residual cash resulting from the authority's day to day activities.

Service delivery or non-treasury investments tend to relate to s1 expenditure powers under the Act and in the Council's case relate to policy type investments, whereby capital or revenue cash is advanced for a specific Council objective. This may be an advance to a third party for economic regeneration, or to enable care facilities etc.

This report deals solely with financial investments. Non-financial investments, which from the Council's perspective relate to the loans provided to third parties, are covered in the Capital Strategy report. However, section 5.8 does provide a summary of the Council's "service delivery investments" or non- treasury managements investments.

1.3. Basis and Content of Treasury Management Strategy for 2024-25

The proposed strategy for 2024-25 in respect of the following aspects of the Treasury Management function is based upon officers' views on interest rates, supplemented by leading market forecasts provided by the Council's treasury advisors, Link Asset Services. The strategy covers:

- Current portfolio position;
- Economic outlook and prospects for interest rates;
- Borrowing Strategy for 2024-25;
- Annual Investment Strategy for 2024-25;
- Housing Revenue Account (HRA) treasury costs;
- Treasury Management limits and Prudential Indicators;
- Minimum Revenue Provision Policy Statement;

- Policy on use of external service providers; and,
- Implementation of the Treasury Management Strategy, scheme of delegation, reporting and training requirements.

1.4. Balanced Budget Requirement

It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, revised under Section 31 of the Localism Bill 2011, for the Council to produce a balanced budget. In particular, Section 31 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This means that the impact of increases in capital expenditure, such as interest charges associated with any new borrowing, and any increases in running costs from these capital projects, must be limited to a level which is affordable within the projected income of the Council for the foreseeable future.

The Council also has a statutory duty under S.3 of the Local Government Act 2003, and supporting regulations, to determine and keep under review how much it can afford to borrow. The amount so determined is termed the “Affordable Borrowing Limit”. The Council must have regard to the Prudential Code when setting its Affordable Borrowing Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits.

The Council acknowledges that effective Treasury Management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principle of achieving best value in Treasury Management within the context of effective risk management, and to employing suitable performance measurement techniques, for example comparison with other members of the CIPFA and Link benchmarking clubs.

2. THE PORTFOLIO POSITION AT 30 NOVEMBER 2023

2.1. Current Borrowing

The Council’s borrowing at 30 November 2023 is shown below:

	General Fund £m	HRA £m	Total Principal 30 Nov 2023 £m	Weighted Average Rate %
Public Works Loan Board Loans	408.522	39.704	448.226	2.65
LOBOs	131.500	21.000	152.500	3.89
Market / Local Authority (>1 year)*	71.000	8.100	79.100	3.79
Salix	0.025	-	0.025	-
Short Term loans* (<1 year)	40.000	-	40.000	4.00
TOTAL EXTERNAL BORROWING	651.047	68.804	719.851	3.10

* Note: above figures are based on the term of loans at their inception

Total external borrowing has decreased by £25.527 million from £745.378 million at the start of year to £719.851 million at 30 November 2023. Following further repayments of £90.025 million and £182.000 million new borrowing scheduled to take place between December 2023 and March 2024, the year-end figure is expected to be around £811.826 million.

2.2. Current Investments

The table below summarises the investment position at 30 November 2023:

	Total Principal 30 Nov 2023 £m	Weighted Average Rate %
Money Market Funds and Call Accounts	88.550	5.34
Fixed Term Investments – Short Term (<1 year)*	16.000	5.54
Fixed Term Investments – Long Term (>1 year)*	-	-
TOTAL EXTERNAL INVESTMENTS	104.550	5.37

* Note: above figures are based on the term of investments at their inception

3. FORECAST FOR INTEREST RATES AND ECONOMIC OUTLOOK

The Council has appointed Link Asset Services (Link) as its treasury advisor and part of its service is to assist the Council to formulate a view on interest rates. The following table gives Link’s central view of rates for 2024-25 (at 7 November 2023). A longer view and more detailed forecast are included at Annex 1.

	Quarter 1 (Q/E Jun 2024)	Quarter 2 (Q/E Sep 2024)	Quarter 3 (Q/E Dec 2024)	Quarter 4 (Q/E Mar 2025)
Bank Rate	5.25	5.00	4.50	4.00
5-year PWLB	4.80	4.70	4.40	4.20
10-year PWLB	4.80	4.70	4.40	4.20
25-year PWLB	5.10	4.90	4.70	4.50
50-year PWLB	4.90	4.70	4.50	4.30

3.1. Economic Outlook (early December 2023)

During the first half of 2023-24 the Bank Rate rose from 4.25% to 5.25% due to persistent inflation. CPI inflation fell from 8.70% in April to 6.70% in September, however the bank rate remained at 5.25%. The Bank of England is concerned about inflation and needs to see further evidence that inflation is coming down. According to Link’s central forecast the bank rate will fall 0.25 basis points in September 2024 to 5.00% and will subsequently continue to fall until December 2025 where it will remain constant at 3.00%. A rebound in services inflation, another surge in wage growth or a further leap in oil prices could result in a further increase in the bank rate.

The Bank of England is forecasting that inflation will continue to fall quite sharply over the next year. CPI inflation has already dropped from an average of 6.70% in September 2023 to 4.60% in October 2023. According to the Bank of England's Monetary Policy (published in November 2023) CPI inflation will decrease to 3.75% by June 2024.

One of the biggest concerns for the Bank of England with regard to inflation is wage growth. The UK wage growth remains much faster than in the US and in the Euro-zone. The regular annual average total pay growth in June to August 2023 for the private sector was 7.10% and for the public sector was 12.50%. The public sector pay growth is affected by the NHS and Civil Service one-off non-consolidated payments made in June, July and August 2023.

However, the tightness of the labour market continued to ease, with a decline in the number of job vacancies from 1.017 million in July 2023 to 0.989 million in August. That is the first time it has fallen below 1 million since July 2021. The job vacancy rate was at 3.00% in July 2023 and is likely to have fallen to 2.90% in August. The job vacancy rate is getting closer to 2.50%, which would be consistent with slower wage growth. The cooling in the labour market conditions has not fed through to an easing in wage growth yet but the Bank of England's prediction was for private sector wage growth to fall from 7.10% in August 2023 to 6.90% in September 2023.

Link have predicted that as the drag from higher interest rates intensifies over the next six months, the economy will continue to lose momentum and fall into a mild recession. 0.00% real GDP growth was registered in Q3 September 2023 and Link anticipate a contraction to follow in the next couple of quarters.

The Bank of England anticipate GDP growth to remain broadly flat with calendar-year GDP growth expected to be marginally positive in 2024. The calendar-year GDP growth is expected to increase by 0.25% in 2025 and 0.75% in 2026.

3.2. Forecast for Treasury / Gilt Yields and PWLB Rates

Public Works Loans Board (PWLB) 5 to 50 years Certainty Rates are, generally, in the range of 4.27% to 5.45%. The medium to longer part of the yield curve is currently inverted (yields are lower at the longer end of the yield curve compared to the short to medium end).

In September 2023 the medium to longer term PWLB rates peaked. This was due to continuing high UK inflation, concerns that gilt issuance may be too much for the market to absorb comfortably, and unfavourable movements in US Treasuries.

3.3. Significant Risks to the Forecasts

Downside Risks

- Labour and supply shortages prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, could keep gilt yields high for longer).
- The Bank of England has increased the Bank Rate too fast and too far over recent months, and subsequently brings about a deeper and longer UK recession.

- UK / EU trade arrangements – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.
- Geopolitical risks, for example in Ukraine/Russia, China/Taiwan/US, Iran, North Korea and Middle Eastern countries, which could lead to increasing safe-haven flows.

Upside Risks

- Despite the recent tightening to 5.25% the Bank of England proves too timid in its pace and strength of increases in Bank Rate, and therefore allows inflationary pressures to remain elevated for a longer period within the UK economy, which then necessitates the Bank Rate staying higher for longer than currently projected.
- The pound weakens because of a lack of confidence in the UK Government's pre-election fiscal policies, resulting in investors pricing in a risk premium for holding UK sovereign debt.
- Longer-term UK treasury yields rise strongly if inflation remains more stubborn there than the market currently anticipates, consequently pulling gilt yields up higher.
- Projected gilt issuance, inclusive of natural maturities and quantitative tightening, could be too much for the market to comfortably digest without higher yields compensating.

3.4. The Balance of Risks to the UK

The overall balance of risks to economic growth in the UK is to the downside.

4. THE BORROWING STRATEGY 2024-25

4.1. Introduction

The Council borrows to fund the Capital Programme, including loans to third parties for service / policy reasons (such as those to Advance Northumberland and Northumbria Healthcare NHS Foundation Trust etc.). The Council's capital expenditure plans are therefore the key driver of treasury management activity.

The output of capital expenditure plans is reflected in the Prudential Indicators, as set out in Appendix 16.

4.2. Borrowing Need – Capital Financing Requirement

The Council's long-term borrowing requirement is measured by the Capital Financing Requirement ("CFR"). The CFR represents total historic outstanding capital expenditure which has not yet been paid for from either revenue or cash-backed capital resources (such as grants and capital receipts). The CFR is repaid over time by an annual charge to revenue, known as the Minimum Revenue Provision (MRP). This charge, which is equivalent to depreciation, effectively spreads the cost of debt associated with capital expenditure over the useful economic life of the underlying assets.

At the same time the Council has significant levels of ‘cash-backed’ balances that are available for investment. Accordingly, the capital financing requirement (or borrowing requirement) need not always be met or funded externally from physical loans: At least in the short term, investment balances can be ‘used’ in lieu of borrowing externally; by withdrawing investments (in turn foregoing investment income) and instead using the cash to fund part of the borrowing requirement. This is often referred to as ‘internal’ or ‘under’ borrowing. Such an approach also has the added benefit of reducing ‘counterparty’ credit risk in terms of investments; because it reduces the need to place investments with external institutions.

The following tables summarise the forecast CFR movements for the next three financial years (based on the latest capital expenditure plans) along with the anticipated external borrowing over this period; assuming a significant degree of internal borrowing as proposed below:

CFR Forecast (exc. PFI)	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
Opening CFR (exc. PFI)	1,081.950	1,172.616	1,229.559	1,249.187
Increase/ (Decrease) in CFR (exc. PFI)	90.666	56.943	19.628	(17.456)
Closing CFR (exc. PFI) [Need to Borrow]	1,172.616	1,229.559	1,249.187	1,231.731
External Borrowing Forecast (exc. PFI)				
Opening External Borrowing (exc. PFI)	811.826	969.524	1,053.468	1,092.407
Increase / (Decrease) in External Borrowing (exc. PFI)	157.698	83.944	38.939	(20.058)
Closing External Borrowing (exc. PFI)	969.524	1,053.468	1,092.407	1,072.349
Under / (Over) Borrowing	203.092	176,091	156.780	159.382

4.3. Proposed Borrowing Strategy

Given the current volatility in financial markets and the elevated interest rates that are forecast over the next year or two, it is proposed to maximise the use of internal / under borrowing (see paragraph 4.2) and keep any external borrowing to a minimum.

As identified in the table at 4.2, by the end of 2024-25, 17.32% (£203.092 million) of the Council’s borrowing requirement is proposed to be covered by internal borrowing. The effective cost of this ‘borrowing’ is the foregone investment income. For 2024-25 this is estimated at 4.70% or around £11.121 million (based on the average mid-year internal borrowing position). Taking into consideration the forecast average cost for new external borrowing (i.e. average interest rate on actual loans) for 2024-25 of 4.72%, this equates to a notional saving of 0.02% or around £0.047 million (or alternatively the notional cost of externalisation).

Maintaining an under-borrowing position will minimise short term net revenue costs, but it is important to point out that this element of the borrowing requirement is subject to

interest rate movements and therefore not without risk. Clearly if investment returns were to increase, or the borrowing had to instead be externalised (and funded by actual loans), the costs associated with this would increase accordingly. In order to identify and quantify this risk a local indicator is included in the Council's Prudential Indicators (see Appendix 16), identifying the level of internal borrowing and the impact of interest rate movements on this proportion of the borrowing requirement.

Despite utilising investments balances to support the borrowing need, as identified above a significant amount of external borrowing will still be required during 2024-25 (estimated at around £300.000 million, after taking into consideration maturing loans of £142.302 million) and going forward to fund the proposed Capital Programme.

Considering that interest rates are anticipated to remain high over the next year or two before gradually easing back to more normal levels, and the risks within the economic forecast, it is envisaged better value will generally be obtained at the shorter end of the interest rate curve. The external borrowing requirement is therefore expected to be met primarily from shorter term / temporary borrowing (up to two years); although medium to longer term borrowing may also be considered to provide a degree of longer-term certainty, if for example there was a sudden dip in rates.

The Section 151 Officer will continue to monitor the interest rate market and scrutinise all lending opportunities to ensure borrowing is taken at the most advantageous time and limit the risk of exposure to increased borrowing costs in the future.

In line with the scheme of delegation set out in the Treasury Management Practices (TMP's, section 10), The Section 151 Officer will continue to approve all borrowing.

4.4. Policy on Borrowing in Advance of Need

While not expected to happen due to the internal/under borrowing policy, the Council does have flexibility to borrow funds this year for use in future years. Where there is a clear business case for doing so, borrowing may be undertaken to fund the approved Capital Programme or to fund future debt maturities. The Section 151 Officer may do this under delegated powers where, for instance, a sharp rise in interest rates is expected, and so borrowing early at fixed interest rates will be economically beneficial. Risks associated with any advance borrowing activity will be subject to appraisal in advance and subsequent reporting through the mid-year or annual reporting mechanism.

4.5. Debt Rescheduling

As short-term borrowing rates are forecast to be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment and in particular the premiums incurred.

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings,

- helping to fulfil the treasury strategy; and,
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

The Council will monitor the situation and seek advice from Link Asset Services before any rescheduling of debt. All rescheduling will be reported to the Council as part of the in-year treasury management updates.

4.6. UK Municipal Bond Agency and European Investment Bank

The UK Municipal Bond Agency may be in a position to offer loans to local authorities, perhaps at rates lower than those offered by the PWLB. Consideration may therefore be given to making use of this new source of borrowing as and when appropriate.

Consideration will also be given to borrowing from the European Investment Bank (EIB), where rates can be forward fixed, if this represents better value of money.

4.7. Compliance with Prudential Code – Borrowing

The Prudential Code 2021 specifies that it is not prudent for local authorities to make any investment or spending decision that will increase the Capital Financing Requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the authority and where any financial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose.

The Section 151 Officer confirms that any new borrowing directly and primarily in relation to the functions of the Council, and no borrowing will be taken to invest primarily for financial return.

5. ANNUAL INVESTMENT STRATEGY 2024-25

5.1. Introduction – Investment Policy

The Council has significant levels of ‘cash-backed’ balances that are available for investment, in the form of General Fund and HRA balances, and the numerous earmarked reserves and provisions.

5.2. Investment Returns Expectations

As outlined in section 3 above and Annex 1, investment returns are expected to decrease in 2024-25. Link Asset Services first forecast a decrease in Bank Rate in September 2024. However, stubborn inflation may result in the Bank Rate remaining higher for longer or potentially further increases which will keep investment returns high.

Against this background, Link Asset Services suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

	2024-25	2025-26	2026-27	2027-28
Budgeted Rate	4.70%	3.20%	3.00%	3.25%

5.3. Investment Strategy

As proposed in section 4 above, it is expected that during 2024-25 a significant proportion of available investment balances will be used as 'internal borrowing' to support the financing of the CFR. As a result, external investments will be limited and may decrease further during the year.

All remaining funds will be invested in-line with the following Investment Policy, which has regard to the former MHCLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code").

Investments will be made whilst considering the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate reducing by September 2024 so an agile investment strategy would be appropriate to optimise returns.

Accordingly, while most cash balances are required in order to manage cash flow volatility; where surplus cash sums can be identified, longer term investments will be considered where there is value.

The overall aim of the Investment Strategy is to provide security of capital and minimise risk while ensuring the Council has sufficient liquidity.

The Council will also aim to achieve the optimum return on its investments commensurate with desired levels of security and liquidity. The risk appetite of the Council is low/medium, therefore specified and unspecified investments (see below) will be considered. However, security and liquidity will continue to take precedence over yield. All investments will be placed only with organisations which meet the criteria and will always be scrutinised and approved in line with approved Treasury Management Practices (Annex 3).

5.4. Investment Objectives

The general policy objective for this Council is the prudent investment of its surplus cash balances, which includes monies borrowed for the purpose of expenditure in the reasonably near future (i.e. over the four-year medium term planning cycle). The Council's investment priorities are:

- the security of capital,
- the liquidity of its investments; and,
- the achievement of optimum yield.

Security and liquidity of principal have always been the priority and will continue to be so. In CIPFA's view "The priority is to protect capital rather than maximise return. However, the avoidance of all risk is neither appropriate nor possible and a balance must be struck with a keen responsibility for public money." In times of budget constraints, making the Council's funds work and generating increased returns is

becoming increasingly important. CIPFA encourages local authorities to look carefully at their Counterparty Lists to ensure return on investments is achieved.

CIPFA recommends that “Responsibility for local authorities investment decisions lies and must continue to lie with the local authorities themselves”. The best authorities:

- explicitly balance risk and reward,
- review and scrutinise policies and procedures regularly,
- have well trained staff and engaged elected members; and,
- use a wide variety of information.

The Credit and Counterparty Criteria List (Annex 2), which now includes the North East Mayoral Combined Authority, offers diverse counterparties and takes into account country, sector and group limits.

This list clearly sets out the minimum acceptable credit criteria for organisations with which the Council will place funds.

All investments will be placed only with organisations which meet the criteria and will always be scrutinised and approved in line with approved Treasury Management Practices (Annex 3).

The borrowing of monies purely to invest or lend-on and make a return is unlawful and this Council will not engage in such activity.

5.5. Security of Capital and Creditworthiness (Credit and Counterparty Policy)

In accordance with the above guidance from the former MHCLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria when determining which organisations it can place investments with. The criteria are set out in Credit and Counterparty Policy which is attached at Annex 2.

The Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty policy and limits reflect a prudent attitude towards organisations with which funds may be deposited.

The Council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from Fitch and Moody's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies,
- CDS* spreads to give early warning of likely changes in credit ratings; and,
- sovereign ratings to select counterparties from only the most creditworthy countries.

*Credit default swaps (CDS) are a type of insurance against default risk by a particular company/financial institution. In the event of a default, the buyer receives the face value of the bond or loan from the insurer.

The Council is alerted daily of changes to ratings of both agencies. If a downgrade results in the counterparty no longer meeting the Council's minimum criteria, no new investment will be made. Consideration will also be given to whether or not existing investments will be withdrawn, which is dependent on whether the bank concerned is agreeable.

As with previous practice, ratings and the use of this external service will not be the sole determinant of the quality of an institution. It is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. In addition, the Council will also use market data and market information, information on government support for banks and the credit ratings of that government support.

The assessment will also take account of information that reflects the opinion of the markets. Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

5.6. Types of Investments the Council May Use

The Council may use various financial instruments for the prudent management of its treasury balances (as listed in the Credit and Counterparty Policy in Annex 2).

The Credit and Counterparty Policy does not identify individual counterparty names in order to ensure that the Section 151 Officer has the flexibility to place investments with the most suitable organisations, which meet the agreed criteria, in a timely manner.

Treasury staff investigate various products and instruments as they become available to see if they meet the Council's investment priorities and criteria list.

In line with the former MHCLG Guidance, the Credit and Counterparty Policy categorises investments instruments between 'Specified' and 'Non-Specified' investments:

Specified Investments offer high security and high liquidity. All such investments are:

- in pounds sterling;
- due to be repaid within 12 months or which may be required to be repaid within 12 months;
- not capital expenditure;
- made with high credit quality organisations, (for the purpose of this strategy high credit ratings are "A-" and above for long term and "F2/P-2" and above for short term investments); or,
- made with the United Kingdom Government or local authority (including the North East Combined Authority, North of Tyne Combined Authority, and North East Mayoral Combined Authority once incorporated in May 2024), parish council or community council.

Non-Specified Investments are those which do not meet the criteria for specified investments and give greater potential risk. The former MHCLG does not discourage the use of non-specified investments but states that there is a need for these to be dealt with in more detail.

As in previous years, it is anticipated that the majority of investments will be specified but it is proposed to maintain a maximum of 25.00% of total Council investments being held in non-specified investments at any one time during the year. This is primarily to allow the use of large, non-rated, building societies as well investments beyond one year with other local authorities.

Investments will only be placed with organisations which meet the criteria set out in the approved Credit and Counterparty Policy. Individual investments or aggregate of investments to one organisation should comply with the monetary limits set out in Credit and Counterparty Criteria List.

Nationalised/part-nationalised banks in the UK have credit ratings which do not comply with the credit criteria used by the Council. However, due to significant Government ownership the Council feels more comfortable applying higher limits for investments.

Investments are to be arranged in line with Treasury Management Practices (Annex 3) and all investments with new counterparties must be approved by the Section 151 Officer or the Deputy Section 151 Officer or in their absence the Finance Managers. There is currently no proposed change to this practice.

5.7. Forecast Investment Balances and Liquidity

Based on current reserves and balances forecast and allowing for the proposed strategy of using some of the investable balances as 'internal borrowing' to support the financing of the CFR (see Section 4), it is anticipated that in 2024-25 the Council's external investment balances will fluctuate throughout the year within a range between £34.733 million and £84.829 million.

To ensure liquidity a minimum of 20.00% of overall investments, or £5.000 million, whichever is lower, will be held in liquid accounts. For cash flow generated balances, the Council will seek to utilise its money market funds, call accounts and short-dated deposits (overnight to six months).

As investment rates are forecast to remain below borrowing rates, and there is a requirement for liquid funds to support the under-borrowing position, it is envisaged the Council will generally avoid locking into longer term deals. However, if exceptionally attractive rates are available then they will be considered. Close contact will be maintained with the money market to ascertain the most favourable interest rates on offer to achieve best value from the return on surplus monies available in line with the Counterparty Policy in Annex 2.

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates.

5.8. Service Delivery / Non-Treasury Management Investments Defined as Capital Expenditure

In addition to the above standard treasury management activity, the Council also receives interest from two other 'service delivery' / 'non-treasury' activities; namely the investment shares NIAL Holdings (Newcastle Airport) [valued at £13.490 million as 31 March 2023], Advance Northumberland [£4.338 million], Northumberland Enterprise Holdings Ltd [£0.300 million], and the loans to Newcastle Airport, Northumbria Healthcare NHS Foundation Trust, Advance Northumberland and other organisations.

These non-core treasury activities are deemed by Statutory Regulations as capital expenditure and are provided to support Council service objectives and corporate priorities. They are not made or regarded as part of the 'core' treasury management activity - i.e. the investment of surplus cash flow balances, as made under the power to invest inferred by s12 of the Local Government Act 2003. As a result, these activities were previously outside of the scope of the Investment Strategy.

CIPFA's Treasury Management Code's definition of 'Investments' covers all the financial assets of the organisation, as well as other non-financial assets that the organisation holds primarily for financial returns, such as commercial property portfolios. Similarly, the former MHCLG's investment guidance recommends that these non-financial or non-core investments should be included within the Annual Investment Strategy.

Whilst it is entirely appropriate to highlight the scope of these activities, there is a view amongst some practitioners that it may be misleading to refer to items of expenditure in the context of an investment strategy, and that a more suitable mechanism to explain and cover these activities would be within the newly re-introduced Capital Strategy.

Due to their nature, it is difficult to assess and consider non-financial or non-core investments in the context of liquidity and security, which arguably does not apply to these activities, at least not in the same way as it does for standard cash investments. Beyond the terms of the underlying agreement, loans to third parties are not liquid and have no need to be. The expenditure is incurred in the support of service objectives and funded from capital resources, which is different to the requirements and policies surrounding management of the Council's investments and cash flows. Similarly, whilst the return of the funds advanced is key, security for third party loans may need to be considered differently to the credit ratings modelling approach utilised for core-treasury investments.

For these reasons, the Council's policy on non-financial or non-core investments, specifically the loans to third parties, is covered separately within the Capital Strategy document which is considered and approved by Council at its budget setting meeting in February and is attached at Appendix 13 for information.

Appendix 18

A summary of value of loans to third parties and the interest expected to be received is shown below:

Borrower	Estimated Balance at 1 Apr 2024 £m	Weighted Average Interest Rate	Forecast Interest Income 2024-25* £m
Active Northumberland	0.087	3.25%	0.002
Advance Northumberland Group*	279.682	5.17%	14.340
Alexa's Animal Charity	0.108	2.40%	0.003
Alnwick Juniors	0.139	0.00%	-
Alnwick Youth Hostel	0.079	2.10%	0.002
Arts Groups (The Maltings, Alnwick Playhouse)	0.014	3.87%	0.001
Calvert Trust	0.079	2.10%	0.002
Cramlington Town Council	0.282	4.00%	0.011
Haltwhistle Pool	0.031	2.10%	0.001
Newcastle Airport	11.916	8.60%	1.027
Newcastle City Council	0.155	5.00%	0.008
North East Local Enterprise Partnership	10.507	2.29%	0.437
Northumberland Aged Miners	1.326	3.50%	0.046
Northumberland College	5.605	2.28%	0.250
Northumberland Community Bank	0.100	3.55%	0.004
Northumbria Healthcare NHS Foundation Trust	84.520	3.57%	3.685
Other Parish/Town Councils and Housing Associations	0.068	16.50%	0.008
Total	394.698	4.13%	19.827

*Note: the above includes forecast advances to be made.

The Medium-Term Capital Programme for 2024-25 to 2027-28 includes a provision of £52.000 million for further loans to Advance Northumberland and other third parties, plus an additional £1.335 million for loans to the North East Local Enterprise Partnership in respect of Enterprise Zone investments (which will ultimately be repaid by future business rate income).

Whilst the income from these advances is significant, the intention is largely only to cover the associated underlying borrowing costs to the Council. The loans are considered and approved to support the Council's service and policy objectives not to generate a financial return for the Council.

5.9. Provision for Credit Related Losses

If any of the Council's investments appear at risk of loss due to default (i.e. a credit-related loss, and not one resulting from a fall in price due to movements in interest rates) the Council will make revenue provision of an appropriate amount.

6. HOUSING REVENUE ACCOUNT (HRA) TREASURY MANAGEMENT COSTS

6.1. Overview

Following implementation of the HRA self-financing reforms in April 2012, a separate pool of specific loans is now maintained for the HRA. The interest costs associated with these loans are charged direct to the HRA. This arguably negates the need for the former HRA Item 8 charge, which allocated a share of the Authority's overall borrowing costs to the HRA.

For the most part, the HRA will aim to ensure that new loans are taken out (or repaid) to match any anticipated movement in its borrowing requirement - known as the HRA Capital Financing Requirement (HRA CFR). There will however be instances during the year when the balance of the HRA loan pool - i.e. actual external borrowing charged to the HRA does not equate exactly to the HRA CFR. In such circumstances the HRA is borrowing from (or lending to) the General Fund and an additional charge (or credit) is necessary in order to reflect the notional cost of this imbalance. The Council's proposed policy for this arrangement is as follows, the policy remains unchanged from the previous year:

6.2. Policy for HRA Under and Over Borrowing

HRA Under-Borrowing

Where the weighted average balance of the HRA (external) loans pool is less than the weighted average HRA CFR for the same period, notional interest will be charged to the HRA at the average rate of interest for 30-year PWLB borrowing for the period.

HRA Over-Borrowing

Where the weighted average balance of the HRA (external) loans pool is greater than the weighted average HRA CFR for the same period, notional interest will be paid to the HRA at the average three-month SONIA (Sterling Overnight Index Average) rate for the period.

6.3. Other Treasury Management Charges to HRA

As under the former Item 8 arrangements, the HRA will continue to receive interest (or investment income) on its weighted average balances for the year, based on the Council's overall average investment rate.

The HRA will also continue to be charged a proportion of the authority's overall debt management expenses (based on the CFR proportions), as well its share of any historic premiums or discounts associated with the premature repayment of borrowing. Any future/new premiums or discounts will be met fully by the relevant fund of the underlying loan – i.e. premiums or discounts related to loans within the HRA loan pool will be charged fully to the HRA, and vice versa.

7. PRUDENTIAL INDICATORS and TREASURY LIMITS 2024-25 to 2027-28

The Council's capital expenditure plans are the key driver for treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members to overview and confirm capital expenditure plans.

Councils are required to approve a set of Prudential Indicators for the new financial year and adhere to these indicators during the course of that year. The indicators are to be set on a rolling basis, for the forthcoming financial year and three successive financial years. Prudential Indicators for 2024-25 to 2027-28 are set out in Appendix 16.

8. THE ANNUAL MINIMUM REVENUE PROVISION POLICY STATEMENT

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision (MRP)), although it is also allowed to make additional voluntary payments if required.

Former MHCLG Regulations have been issued which requires Full Council to approve an MRP policy in advance of each year. A variety of options are provided to councils, with an overarching requirement there is a prudent provision.

Former MHCLG revised their MRP guidance in 2018. However, none of the amendments impact on the Council's current or proposed policy.

The 2024-25 policy has been updated from the policy in 2023-24. The changes surround the Long-Term Capital Debtors policy and include a new policy for equity investments. These changes have been implemented due to changes in the Minimum Revenue Provision Statutory Guidance. These changes are currently under consultation and are expected to be implemented from 1 April 2024. These changes will have a minimal impact on the MRP value that is calculated due to the Council already providing prudent MRP on maturity loans and the fact that all of the Long-Term Capital Debtors being for service reasons. Further details are provided below:

- for commercial loans where loan repayments are received in year then the loan repayments will be used in lieu of MRP and applied to write down the CFR. In years where no loan repayment is received, even if a loan repayment is anticipated, the MRP will be provided over a prudent period.
- for service loans where loan repayments are received in year then the loan repayments will be used in lieu of MRP and applied to write down the CFR. In years where no loan repayment is received, then MRP will not be provided until the loan repayment is received, at which point the repayment will be applied to write down the CFR. The Council can however choose to provide MRP if it considers this to be a more prudent approach.
- for commercial and service loans – where an actual or expected credit loss has been recognised then the MRP amount in the year will be equal to the amount of the credit loss. This amount can be reduced by any historic MRP made with respect to that loan.

- for equity investments in the Council's subsidiary companies the MRP policy will be on an asset life basis over a period of 20 years.

The Council is recommended to approve the Annual Minimum Revenue Provision Policy Statement including Additional Voluntary Provision as detailed within Appendix 17.

9. POLICY ON USE OF EXTERNAL SERVICE PROVIDERS

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of its external service providers. All decisions will be undertaken with regard to all available information, including, but not solely, the Council's treasury advisers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of the appointment and the methods by which their value will be assessed are properly agreed and documented, and subject to regular review.

The Council uses Link Asset Services Ltd as its treasury management consultant. The company provides a range of services which include:

- technical support on treasury matters, capital finance issues and templates of Member reports;
- economic and interest rate analysis;
- debt services which include advice on the timing of borrowing;
- debt rescheduling advice surrounding the existing portfolio;
- generic investment advice on interest rates, timing and investment instruments;
- Online up to date credit ratings; and,
- Member and Officer training.

10. IMPLEMENTATION OF THE TREASURY MANAGEMENT STRATEGY, SCHEME OF DELEGATION, TRAINING AND REPORTING REQUIREMENTS

10.1. Implementation of the Treasury Management Strategy

The continued implementation of the above strategy and procedures is the responsibility of the Section 151 Officer, who is authorised to arrange the necessary borrowings within the limits set out in the Prudential Indicators, and necessary investments as set out in the investment strategy.

Northumberland County Council delegates responsibility for the implementation and regular monitoring of its Treasury Management Policies and Practices to Cabinet.

The Council nominates Audit Committee to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies.

There are no proposed changes to this methodology.

10.2. Treasury Management Practices (TMPs)

Treasury Management Practices (Annex 3) set out the manner in which the Council will seek to achieve the Treasury Management Policies and Objectives. The Council has adopted the recommended form of words defining the Council's Treasury Management Practices (TMPs), in compliance with CIPFA's Treasury Management in the Public Services: Code of Practice and the Prudential Code for Capital Finance in Local Authorities. These set out the specific details of the systems to be employed and the records to be maintained.

These practices are as follows:

TMP1	Risk Management
TMP2	Best value and performance measurement
TMP3	Decision-making and analysis
TMP4	Approved instruments, methods and techniques
TMP5	Organisation, clarity and segregation of responsibilities, and dealing arrangements
TMP6	Reporting requirements and management information
TMP7	Budgeting, accounting and audit arrangements
TMP8	Cash and cash flow management
TMP9	Money Laundering
TMP10	Training and qualifications
TMP11	Use of external service providers; and,
TMP12	Corporate Governance.

The following minor changes have been made to the 2024-25 practices:

- Inflation and interest rate references (TMP1, para 1.5.1).
- Updated the settlement transmission procedures to include the automated workflow (TMP5, para 5.11)

10.3. Responsible Officers

Daily treasury management activities will be undertaken by a Senior Accountant within the Corporate Finance team, as set out in TMP5. If they are absent a Principal Accountant within the Corporate Finance team will undertake these activities.

The three annual Treasury Management reports submitted to Audit Committee, and then Council, and quarterly updates submitted to Cabinet, will be produced by the Technical Accountant.

The Finance Manager will ensure all treasury management activities are made in accordance with agreed policies and practices.

10.4. Training

The CIPFA Code requires the responsible officer to ensure that Members with responsibility for treasury management receive adequate training in treasury management. This especially applies to Members responsible for scrutiny. Members received training in June 2022 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed. Each officer concerned will receive appropriate training and guidance on their duties and the constraints within which they operate.

10.5. Reports and Monitoring

To ensure that those with ultimate responsibility for the Treasury Management function appreciate fully the implications of Treasury Management Policies and Activities, and that those implementing policies and executing transactions have properly fulfilled their responsibilities, reports need to be submitted to full Council which need to be reviewed by Cabinet.

The adequacy of the strategy statement will be monitored and reports requesting amendments to the statement will be produced when changes are thought to be necessary. The changes will be made in consultation with the Cabinet Portfolio holder for Corporate Services, whose role relates to the strategy and associated risks. Any strategy changes will be reported to the Audit Committee.

The Council is required to receive and approve three main reports each year, which incorporate a variety of policies, estimates and actuals. The following reports are required to be adequately scrutinised by Audit Committee before being recommended to the Council:

Treasury Management Strategy Statement

The first, and most important report covers:

- the capital plans (including prudential indicators),
- a Minimum Revenue Provision Policy (how residual capital expenditure is charged to revenue over time),
- the Treasury Management Strategy (how the investments and borrowings are to be organised) including treasury indicators; and,
- an investment strategy (the parameters on how investments are to be managed).

A Mid-Year Treasury Management Report

This will update members with the progress of the capital position, reporting on and amending prudential indicators as necessary, and whether the treasury activity is meeting the strategy or whether any policies require revision.

An Annual Treasury Report

This provides details of prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Quarterly Reports

Quarterly reports on the performance of the Council's treasury management activity including forward looking Prudential Indicators are provided to Cabinet as part of the revenue and capital budget monitoring.

It is proposed that the Council follow reporting arrangements in accordance with the requirements of the revised Treasury Management Code of Practice.

Area of Responsibility	Council/ Committee/ Officer	Frequency
Scrutiny of treasury management strategy	Audit Committee	Annually before the start of the year
Treasury Management Strategy / Annual Investment Strategy / MRP policy and Treasury Management Practices	Cabinet / Full Council	Annually before the start of the year
Annual Treasury Outturn Report	Audit Committee / Full Council	Annually by 31 July to Audit Committee and 30 September to Full Council
Treasury Management Budget Monitoring Reports	Incorporated within the Budget Monitoring report and reported separately to Cabinet	Quarterly
Mid-Year Review Report	Audit Committee / Full Council	Annually by 30 November to Audit Committee and 31 January to Full Council
Updates or revisions to Treasury Management Strategy / Annual Investment Strategy / MRP policy	Audit Committee / Cabinet / Full Council	Ad- hoc

The policies and strategies set out in this document will ensure that the management and administration of treasury management will be robust, rigorous, disciplined and help minimise risk.

The procedures for monitoring treasury management activities through audit, scrutiny and inspection will be applied with an openness of access to information and provide well-defined arrangements for review and implementation of changes.

Background Papers:

CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance notes 2021.

CIPFA Prudential Code for Capital Finance in Local Authorities 2021.

Guidance on Local Government Investments The Local Government Act 2003,

Local Authorities (Capital Finance and Accounting) Regulations 2012 (S.I.2012/265)

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ECONOMIC FORECAST - NOVEMBER 2023

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LINK ASSET SERVICES	End Q3 2023	End Q1 2024	End Q2 2024	End Q3 2024	End Q4 2024	End Q1 2025	End Q2 2025	End Q3 2025	End Q4 2025	End Q1 2026	End Q2 2026	End Q3 2026	End Q4 2026
Bank Rate	5.25%	5.25%	5.25%	5.00%	4.50%	4.00%	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%
3 ave earnings	5.30%	5.30%	5.30%	5.00%	4.50%	4.00%	3.50%	3.30%	3.00%	3.00%	3.00%	3.00%	3.00%
6 ave earnings	5.60%	5.50%	5.40%	5.10%	4.60%	4.10%	3.60%	3.40%	3.10%	3.10%	3.10%	3.10%	3.10%
12 ave earnings	5.80%	5.70%	5.50%	5.20%	4.70%	4.20%	3.70%	3.50%	3.30%	3.30%	3.30%	3.30%	3.30%
5 year PWLB	5.00%	4.90%	4.80%	4.70%	4.40%	4.20%	4.00%	3.80%	3.70%	3.60%	3.50%	3.50%	3.50%
10 year PWLB	5.10%	5.00%	4.80%	4.70%	4.40%	4.20%	4.00%	3.80%	3.70%	3.70%	3.60%	3.60%	3.60%
25 year PWLB	5.50%	5.30%	5.10%	4.90%	4.70%	4.50%	4.30%	4.20%	4.10%	4.10%	4.00%	4.00%	4.00%
50 year PWLB	5.30%	5.10%	4.90%	4.70%	4.50%	4.30%	4.10%	4.00%	3.90%	3.90%	3.80%	3.80%	3.80%

CREDIT AND COUNTERPARTY CRITERIA POLICY

The Council recognises the need for security of principal to be of paramount importance. In recognition of the need to minimise risks associated with its treasury management activities, credit rating criteria, as outlined below will be used to select counterparties with whom the Council will place funds. Treasury management staff will analyse all counterparties prior to investing funds.

Specified Investments

Type of Organisation	Minimum Credit Rating Criteria		Max Amount of Principal	Max Period
	Fitch	Moody		
UK Local Authorities (Including the North East Combined Authority, North of Tyne Combined Authority and North East Mayoral Combined Authority)	N/A	N/A	Unlimited	15 years (with annual calls)
DMO	N/A	N/A	Unlimited	6 months
UK Government Gilts, Bonds and Treasury Bills	N/A	N/A	Unlimited	12 months
Semi-nationalised banks	N/A	N/A	£35m per bank £70m per banking group	12 months
Money Market Funds: Public Debt Constant Net Asset Value ("CNAV") MMFs and Low Volatility NVA ("LVNAV") MMFs	AAA	Aaa	£25m per fund (£150m in total)	Instant Access
Deposits and Certificates of Deposit with approved eligible financial institutions which meet the following criteria				
Very High Grade U.K. Clearing Banks / Building Societies	ST: F1+ LT: AA-	ST: P-1 LT: Aa3	£25m £50m per banking group	12 months
High Upper Medium Grade U.K. Clearing Banks/ Building Societies	ST: F1 LT: A-	ST: P-1 LT: A3	£15m £30m per banking group	12 months
High Grade Foreign Banks – minimum sovereign rating of AA	ST: F1 LT: A-	ST: P-1 LT: A3	£10m Country limit £30m	6 months

Non-Specified Investments

No more than 25.00% of the total investment portfolio will be placed in non-specified investments.

Type of Organisation	Minimum Credit Rating Criteria		Max Amount of Principal	Max Period
	Fitch	Moody		
UK Local Authorities (Including the North East Combined Authority, North of Tyne Combined Authority and North East Mayoral Combined Authority)	N/A	N/A	Unlimited	15 Years
UK Government Gilts, Bonds and Treasury Bills	N/A	N/A	Unlimited	15 Years
Enhanced Cash Funds (Variable net asset value)	AAA	Aaa	£15m per fund (£60m in total)	30 (1) days notice
Deposits or Corporate Bonds with institutions which meet the rating criteria.	ST: F1 LT: A-	ST: P-1 LT: A3	£10m per institution	5 Years
Deposits or Corporate Bonds with institutions which meet the rating criteria.	ST: F2 LT: A-	ST: P-2 LT: A3	£5m per institution	12 months
Good, Medium grade, moderate credit risk	ST: F2 LT: BBB	ST: P-2 LT: Baa1	£10m per banking group	6 months
Building Societies which have assets in excess of £10 billion	N/A	N/A	£12m per Building Society	12 months
Building Societies which have assets in excess of £5 billion	N/A	N/A	£10m per Building Society	6 months
Building Societies which have assets in excess of £1 billion	N/A	N/A	£5m per Building Society	3 months

Ratings determine limits except for nationalised, semi-nationalised and local authorities.

Unrated subsidiaries can be used providing there is an unconditional guarantee from a rated parent.

Rating Symbols

Gradations of creditworthiness are indicated by rating symbols, with each symbol representing a group in which the credit characteristics are broadly the same.

Moody - The Moody's rating scale runs from a high of Aaa to a low of C and comprises of 21 notches. It is divided into two sections: investment grade and speculative grade. The lowest investment grade rating is Baa3. The highest speculative grade rating is Ba1.

Fitch - The Fitch rating scale runs from a high of AAA to a low of D and comprises of 21 notches. It is divided into two sections: investment grade and speculative grade. The lowest investment grade rating is BBB. The highest speculative grade rating is BB. Thus, the use of credit ratings defines their function: "investment grade" ratings

Annex 2

(international long-term 'AAA' - 'BBB' categories; short-term 'F1+' - 'F3') indicate a relatively low probability of default, while those in the "speculative" or "non-investment grade" categories (international long-term 'BB' - 'D'; short-term 'B' - 'D') may signal a higher probability of default or that a default has already occurred.

Fitch Rating	Moody Rating	Risk
Long term ratings (maturities of one year or greater)		
Investment Grade		
AAA	Aaa	Highest rating, representing lowest level of credit risk
AA+, AA, AA	Aa1, Aa2, Aa3	Very High grade, very low credit risk
A+, A, A-	A1, A2, A3	High (Fitch) Upper medium grade (Moody's), low credit risk
BBB	Baa1, Baa2, Baa3	Good, Medium grade, moderate credit risk
Speculative Grade		
BB+, BB, BB-	Ba1, Ba2, Ba3	Speculative elements, vulnerable to default
B+, B, B-	B1, B2, B3	Subject to high credit risk
CCC, CC+, CC, CC-	Caa1, Caa2, Caa3	Poor standing very high credit risk
DDD	Ca	Highly speculative, or near default
D+, D	C	Lowest rating, typically in default, little prospect for recovery of principal or interest
Short term ratings (maturities of less than one year)		
F1+	Prime-1 (P-1)	Superior ability to repay ST debt
F2	Prime-2 (P-2)	Strong ability to repay ST debt
F3	Prime-3 (P-3)	Acceptable ability to repay ST debt
B-D	Not Prime	Poor, risk of default

TREASURY MANAGEMENT PRACTICES – SCHEDULES

This section contains the schedules which set out the details of how the Treasury Management Practices (TMPs) are put into effect by the Council.

The former Ministry of Housing, Communities and Local Government (MHCLG) issued Investment Guidance in 2010, and this forms the structure of the Council's strategy. These guidelines do not apply to either trust funds or pension funds which are under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently and ensure that priority is given to security and liquidity before yield. In order to facilitate this objective, the guidance requires this Council to have regard to the CIPFA publication "Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes". This Council adopted the Code on 10 February 2010 and will apply its principles to all investment activity. In accordance with the Code, the Section 151 Officer has produced its treasury management practices (TMPs).

1. TMP1 RISK MANAGEMENT

1.1. CREDIT AND COUNTERPARTY RISK MANAGEMENT

The Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with which funds may be deposited, and will limit its investment activities to the instruments, methods and techniques will be limited to those set out in TMP4 Approved investments, methods and techniques and listed in the schedule. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

Details of policy on which counterparties the Council will lend is appended to the Annual Treasury Management Policy and Strategy Statement.

The Council recognises that Environmental, Social and Governance (ESG) issues, such as climate change, can have significant future investment implications. The Council is keen to be a responsible investor and where possible will consider ESG risks as part of its investment process.

1.2. LIQUIDITY

1.2.1. Amounts of Approved Minimum Cash Balances and Short-Term Investments

The Treasury Management section shall seek to keep to a minimum the balance in the Council's main bank accounts at the close of each working day, in order to minimise the amount of bank overdraft interest payable and maximise the amount of credit interest receivable. Borrowing or lending shall be arranged in order to achieve this aim.

1.2.2. Standby Facilities

The Council has several instant access Money Market Funds and call accounts, where monies can be invested or withdrawn as required on the same day.

1.2.3. Bank Arrangements

The balance held in Barclays can be up to the limit stipulated in the Credit and Counterparty Criteria list. A transfer called a 'sweep' can be made between the Barclays main bank account and a Barclays interest bearing account. The overdraft limit is £0.500 million and interest is charged at 1.50% over Bank Rate. An unauthorised overdraft (above the £0.500 million limit) will be charged at 3.00% over Bank Rate. The overdraft is assessed on a group basis for the Council's accounts.

1.3. INTEREST RATE

1.3.1. Details of Approved Interest Rate Exposure Limits

Please refer to Prudential Indicators Appendix 16.

1.3.2. Trigger Points and Other Guidelines for Managing Changes to Interest Rate Levels

Please refer to the annual Treasury Strategy which will outline views for the year.

1.3.3. Minimum/Maximum Proportions of Variable Rate Debt/Interest

The maximum proportion of interest on borrowing which is subject to variable rate interest permissible is 50.00%.

The minimum proportion of interest on borrowing which is subject to variable rate interest permissible is 0.00%.

1.3.4. Minimum/Maximum Proportions of Fixed Rate Debt/Interest

The minimum proportion of interest on borrowing which is subject to fixed rate interest permissible is 50.00%.

The maximum proportion of interest on borrowing which is subject to fixed rate interest permissible is 100.00%.

1.3.5. Policies Concerning the Use of Financial Derivatives and Other Instruments for Interest Rate Management

- a) **Forward dealing (agreeing to invest money at a future date):**
Consideration will be given to arranging forward deals, dependent upon market conditions. Any hedging tools such as derivatives are only used for the management of risk and the prudent management of financial affairs. The policy for the use of derivatives is clearly detailed in the annual strategy. All forward dealing should have the approval of either the Section 151 Officer, Deputy Section 151 Officer, or the Head of Corporate Finance.

- b) **Callable deposits:** Callable deposits are permitted subject to approval from the Section 151 Officer.
- c) **LOBOs (borrowing under lender's option/borrower's option):** The use of LOBOs is considered as part of the borrowing strategy. Short-term borrowing and investment are authorised by the Section 151 Officer, Deputy Section 151 Officer, or, in their absence, the Head of Corporate Finance, or a Finance Manager. Any money borrowed for periods in excess of one year must be approved by the Section 151 Officer, the Deputy Section 151 Officer, or Head of Corporate Finance.

1.4. EXCHANGE RATE

1.4.1. Approved Criteria for Managing Changes in Exchange Rate Levels

Exchange rate risk will mainly arise from the receipt of income or the incurring of expenditure in a currency other than sterling. Northumberland County Council rarely deals with foreign currency so an exposure to exchange rate risk will be extremely minimal.

On rare occasions where investments are not made in sterling, advice on the risk to exchange rate fluctuations will be sought from the Council's bankers and other professionals as necessary.

Where there is a contractual obligation to receive income or make a payment in a currency other than sterling at a date in the future, forward foreign exchange transactions will be considered, with professional advice. The unexpected receipt of foreign currency income will be converted to sterling at the earliest opportunity, unless the Council has a contractual obligation to make a payment in the same currency at a date in the future. In this instance, the currency will be held on deposit to meet this expenditure commitment.

1.5. INFLATION

1.5.1. Details of Approved Inflation Exposure Limits for Cash Investments/Debt

There is significant uncertainty with economic forecasts. Short term investment rates are expected to remain around Bank Rate, at around 5.30% to 4.00% for most of 2024-25. Inflation is currently at around 6.70% and is expected to fall to around 2.00% by the end of 2025.

The key consideration is that investments reap the highest real rate of return, with debt costing the lowest real cost, consistent with other risks mentioned within this section.

1.5.2. Approved Criteria for Managing Changes in Inflation Levels

Inflation both current and projected will form part of the debt and investment decision making criteria within both the strategy and operational considerations.

1.6. CREDIT AND COUNTERPARTY POLICIES

1.6.1. Criteria to be Used for Creating/Managing Approved Counterparty Lists/Limits

- a) Suitable criteria for assessing and monitoring the credit risk of investment counterparties will be formulated and a lending list comprising time, type, sector and specific counterparty limits will be constructed.
- b) Treasury management staff will decide which counterparties to use in line with the strategy on criteria for selection of counterparties. Changes to the Credit and Counterparty Criteria List will be included in the annual report, mid-year report, or where necessary an ad hoc report to Council.
- c) Credit ratings will be used as supplied from the following credit rating agencies:
 - Fitch Ratings;
 - Moody's Investors Services.
- d) Treasury Management Advisors provide a weekly update of all ratings relevant to the Council, as well as any changes to individual counterparty credit ratings. This information is accessible online via Link Asset Service's website - Passport.
- e) No lending is allowed without prior approval.
- f) Subsidiaries that do not have a credit rating in their own right may be used if they are guaranteed by a highly rated parent company.
- g) The maximum value for any one investment transaction will be £35.000 million.
- h) Investment in the building society sector should be limited to 30.00% of the average annual investment balances.

1.6.2. Approved Methodology for Changing Limits and Adding/Removing Counterparties

Credit ratings for individual counterparties can change at any time. The Section 151 Officer is responsible for applying the credit rating criteria detailed in the Treasury Management Strategy Statement for selecting approved counterparties.

The Section 151 Officer will also adjust lending limits and periods when there is a change in the credit ratings of individual counterparties or in banking structures e.g., on mergers or takeovers in accordance with the criteria set out in the Treasury Management Strategy Statement. This is delegated on a daily basis to staff in the treasury management function.

1.7. REFINANCING

1.7.1. Debt/Other Capital Financing Maturity Profiling, Policies and Practices

Any debt rescheduling is likely to take place when the difference between the refinancing rate and the redemption rate is most advantageous and the situation will be continually monitored in order to take advantage of any perceived anomalies in the yield curve. The reasons for any rescheduling to take place will include:

- a) the generation of cash savings at minimum risk;
- b) to reduce the average interest rate;
- c) to enhance the balance of the long-term portfolio (amend the maturity profile and /or the balance of volatility); and,
- d) to reduce the risk associated with the investment of surplus funds.

The Section 151 Officer has delegated authority to reschedule current long-term debt and to arrange the necessary borrowings within the following remit:

- a) the maximum amount of outstanding borrowing shall be as stated in the prudential indicators;
- b) within that sum the maximum amount of short-term borrowing is 25.00%; and,
- c) the limit on the proportion of borrowings on which interest is payable at variable rates is 50.00%.

The Council will seek to limit refinancing exposure by ensuring that no more than 25.00% of the loan portfolio matures in any one year unless there are financial benefits to the Council of arranging debt where maturities will be higher than 25% in on year. For instance, the interest rates are currently at the highest peak and are forecast to fall within the next year, therefore all borrowing is recommended to be taken on a short-term basis.

1.7.2. Projected Capital Investment Requirements

As part of the annual budget setting process a plan for capital expenditure for the Council is produced. The capital plan will be used to determine the borrowing requirements, and prepare the associated revenue budget requirements, which include interest and principal repayments (namely, the Minimum Revenue Provision or MRP).

1.7.3. Policy Concerning Limits on Revenue Consequences of Capital Financing

The Prudential Code supports local authorities in determining their Capital Programmes, within the clear framework that the plans are affordable, prudent and sustainable. To demonstrate that local authorities fulfil these criteria the Code sets out indicators that must be used.

A number of these Prudential Indicators are relevant to setting an integrated Treasury Management Strategy. The indicators are set on a rolling basis, for the forthcoming financial year and two successive financial years. Please refer to the Prudential Indicators contained within Appendix 16.

1.8. LEGAL AND REGULATORY

1.8.1. References to Relevant Statutes and Regulations

The treasury management activities of the Council shall comply fully with legal statute and the regulations of the Council. These are:

- a) CIPFA's Treasury Management Code of Practice (revised 2009, 2011, 2017 and 2021);
- b) The Prudential Code for Capital Finance in Local Authorities 2003 (revised 2009, 2011 2017 and 2021);
- c) CIPFA Guide for Chief Financial Officers on Treasury Management in Local Authorities;
- d) CIPFA Standard of Professional Practice on Treasury Management;
- e) Local Government Act 2003 (revised 2010);
- f) The Non-Investment Products Code (formerly known as The London Code of Conduct) for principals and broking firms in the wholesale markets;
- g) Council's Constitution relating to Contracts;
- h) Council's Finance and Contract Rules;
- i) Council's Scheme of Delegations; and,
- j) The Bribery Act 2010.

1.8.2. Procedures for Evidencing the Organisation's Powers/Authorities to Counterparties

The Council will prepare, adopt, and maintain, as the cornerstone for effective treasury management:

- a) A Treasury Management Strategy Statement, stating the overriding principles and objectives of its treasury management activities; and,
- b) The Annual Investment Strategy.

1.8.3. Required Information from Counterparties Concerning their Powers/Authorities

Lending shall only be made to counterparties which meet the criteria set out in the Credit and Counterparty Criteria List.

Northumberland County Council holds letters verifying that the approved brokers are regulated by the Financial Services Authority under the provisions of the

Financial Services and Markets Act 2000, under which Local Authorities are classified as market counterparties.

Building Societies are members of Building Society Association and are governed by the Building Society Act 1986.

Banks are regulated by the Financial Conduct Authority under the provisions of the Financial Services and Markets Act 2000.

1.8.4. Statement on the Organisation's Political Legislative or Regulatory Risks

The Council recognises that future political, legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the authority.

1.9. FRAUD, ERROR AND CORRUPTION, AND CONTINGENCY MANAGEMENT

1.9.1. Details of Systems and Procedures to be Followed, Including Internet Services

a) Authority:

- Loan procedures are defined in the Council's Financial Regulations.
- The Scheme of Delegation to Officers sets out the appropriate delegated levels. All loans and investments, including PWLB, are negotiated by authorised persons within the Corporate Finance team.

b) Occurrence:

- Detailed register of loans and investments is maintained on Excel spreadsheets in the Corporate Finance section. This is reconciled to the ledger balance.
- Adequate and effective cash flow forecasting records are maintained to support the decision to lend, invest or borrow.
- Written confirmation is received from the lending, investment or borrowing institution.
- All transactions placed through the brokers are confirmed by a broker note, showing details of the loan arranged.

c) Completeness:

- The loans register spreadsheet is updated to record all lending and borrowing. This includes the date of the transaction, interest rates etc.

d) Measurement:

- The calculation of repayment of principal and interest notified by the lender or borrower is checked for accuracy against the amount calculated by the senior accountant responsible for Treasury Management.

- A senior accountant calculates periodic interest payments of loans. This is used to check the amount paid to these lenders.
- e) Timeliness:
- The Treasury Management spreadsheet prompts the treasury management officer that money borrowed or invested is due to be repaid.
- f) Regularity:
- Investments and loans are only made to institutions which meet the Credit and Counterparty Criteria List.
 - All loans and investments raised, and repayments made go directly to and from the Council's bank account.
 - Authorisation limits are set for every institution by the Credit and Counterparty Criteria List. Brokers have a list of named officials authorised to perform investment transactions.
 - There is adequate insurance cover for employees involved in loans management and accounting.
 - There is a separation of duties in the Section between the authorisation of transactions and their execution.
 - The bank reconciliation is carried out monthly from the bank statement to the financial ledger by a senior accountant and checked by a Finance Manager.
- g) Security:
- Barclays Net can only be accessed by users using their individual security card and PIN through a card reader.
 - Payments are checked and authorised by an agreed bank signatory. The list of signatories having previously been agreed with the current provider of the banking services.
- h) Substantiation:
- A monthly reconciliation is carried out matching transactions from the treasury management spreadsheets to the financial ledger codes.

1.9.2. Emergency and Contingency Planning Arrangements

Barclays Net online can be accessed on a number of PCs and mobile devices which have the necessary software installed. All spreadsheets are held on the shared drive and therefore can be accessed by other PCs if necessary. If Barclays Net cannot be accessed cash balances can be obtained from Barclays Bank via e-mail. CHAPs payments, which are normally input directly into Barclays Net by the income section, emailed or delivered to the bank for processing.

1.9.3. Insurance Details

The Council has 'Fidelity' insurance cover with Zurich Municipal. This covers the loss of cash by fraud or dishonesty of employees. The excess for Fidelity guarantee is £5,000. The Council also has a 'Professional Indemnity' insurance policy with Zurich Municipal which covers loss to the Council from the actions and advice of its officers which are negligent and without due care. This cover is limited to £5.000 million (named departments) for any one event with an excess of £25,000 for any one event with the exception of legal services where the limit is £1,000,000 with an excess of £1,000 for any one event.

The Council also has 'Business Interruption' cover as part of its property insurance with Zurich Municipal.

1.10. MARKET VALUE OF INVESTMENTS

1.10.1 Details of Approved Procedures and Limits for Controlling Exposure to Investments Whose Capital Value may Fluctuate (Gilts, CDS etc.)

In order to minimise the risk of fluctuations in the capital value of investments, capital preservation is set as the primary objective.

2. TMP 2 BEST VALUE AND PERFORMANCE MEASUREMENTS

2.1. METHODOLOGY TO BE APPLIED FOR EVALUATING THE IMPACT OF TREASURY MANAGEMENT DECISIONS

Northumberland County Council is a member of the Link Asset Services benchmarking club. Comparisons will be made with a number of similar authorities. The Council's treasury management consultant will carry out a regular health check of the treasury management function.

2.2. POLICY CONCERNING METHODS FOR TESTING BEST VALUE IN TREASURY MANAGEMENT

2.2.1. Frequency and Processes for Tendering

Tenders are normally awarded on a five-yearly basis. The process for advertising and awarding contracts will be in line with the Council's Financial Regulations.

2.2.2. Banking Services

Banking services will be tendered for every five years to ensure that the level of service and prices reflect value for money.

2.2.3. Money-Broking Services

The Council will use money broking services in order to make deposits or to borrow and will establish charges for all services and consider the quality of services prior to using them. The current approved brokers are listed in 11.1.2.

2.2.4. Advisers' Services

This Council's policy is to appoint professional treasury management advisors.

2.2.5. Policy on External Managers (Excluding Superannuation Funds)

The Council's current policy is not to use an external investment fund manager to manage a proportion of surplus cash. This will be kept under review.

2.3. METHODS TO BE EMPLOYED FOR MEASURING THE PERFORMANCE OF THE ORGANISATION'S TREASURY MANAGEMENT ACTIVITIES

Performance is measured against Annual Treasury Management Strategy Statement targets:

- a) Compliance with CIPFA Code of Treasury Practice.
- b) Expenses contained within approved budget.
- c) Review of benchmarking club data.

2.4. BENCHMARKS AND CALCULATION METHODOLOGY

2.4.1. Debt Management

- a) Average rate on all external debt.
- b) Average period to maturity of external debt.
- c) Average rate on external debt borrowed in previous financial year.

2.4.2. Investment

The performance of in-house investment earnings will be measured against 7-day SONIA (Sterling Overnight Index Average). Performance will also be measured against other local authority funds with a similar benchmark.

3. TMP3 DECISION-MAKING AND ANALYSIS

3.1. FUNDING, BORROWING, LENDING, AND NEW INSTRUMENTS / TECHNIQUES:

3.1.1. Records to be Kept

- a) All loan transactions are recorded in a spreadsheet.
- b) Daily cash projections.
- c) Telephone/e-mail rates.
- d) Dealing slips for all money market transactions – including rate changes.
- e) PWLB loan schedules.
- f) Temporary loan receipts.
- g) Brokers confirmations for deposits/investments.

3.1.2. Processes to be Pursued

- a) Cash flow analysis.
- b) Maturity analysis.
- c) Ledger reconciliations
- d) Review of borrowing requirement.
- e) Comparison with prudential indicators.
- f) Monitoring of projected loan charges and interest and expenses costs.
- g) Review of opportunities for debt rescheduling.

3.1.3. In Respect of Every Decision Made the Organisation Will:

- a) above all be clear about the nature and extent of the risks to which the organisation may become exposed;
- b) ensure that decisions are in accordance with the approved Treasury Management Strategy;
- c) be certain about the legality of the decision reached and the nature of the transaction, and that all authorisations to proceed have been obtained;
- d) be content that the documentation is adequate both to deliver the organisation's objectives and protect the organisation's interests, and to deliver good housekeeping;
- e) ensure that third parties are judged satisfactory in the context of the organisation's creditworthiness policies, and that limits have not been exceeded; and,
- f) be content that the terms of any transactions have been fully checked against the market and have been found to be competitive.

3.1.4. In Respect of Borrowing and Other Funding Decisions, the Organisation Will:

- a) evaluate the economic and market factors that might influence the manner and timing of any decision to fund;
- b) consider the merits and demerits of alternative forms of funding, including funding from revenue, leasing and private partnerships;
- c) consider the alternative interest rate bases available, the most appropriate periods to fund, and repayment profiles to use; and,
- d) consider the on-going revenue liabilities created, and the implications for the Council's future plans and budgets.

3.1.5. In Respect of Investment Decisions, the Organisation Will:

- a) consider the optimum period, in the light of cash flow availability and prevailing market conditions; and,
- b) consider the alternative investment products and techniques available, especially the implications of using any which may expose the organisation to changes in the value of its capital.

4. TMP4 APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

4.1. APPROVED ACTIVITIES OF THE TREASURY MANAGEMENT OPERATION

- a) Borrowing.
- b) Lending.
- c) Debt repayment and rescheduling.
- d) Consideration, approval and use of new financial instruments and treasury management techniques.
- e) Managing the underlying risk associated with the Council's capital financing and surplus funds activities.
- f) Managing cash flow.
- g) Banking activities.

4.2. APPROVED INSTRUMENTS FOR INVESTMENTS

All investments will be made following the Approved Credit and Counterparty Criteria List.

Investments can be made through one of the following:

- a) the Council's bankers;
- b) the Fisglobal Portal or other online portals;
- c) direct with banks and financial institutions; and,
- d) one of the Council's approved brokers shown in TMP 11.

All cash investments should be arranged by telephone call or e-mail to the above organisations and the borrower concerned will confirm each transaction. An authorised CHAPS payment form is then input into the Bank's electronic system by the Cashiers section and confirmation given that the transaction has been completed.

Derivative instruments. If the Council intends to use these instruments for the management of risk, these will be limited to those set out in its Annual Treasury Management Strategy, and the Council will seek proper advice and consider that advice when entering into arrangements to use such products to ensure that it fully understands those products.

4.3. APPROVED BORROWING TECHNIQUES

- a) Market loans including LOBOs
- b) PWLB
- c) Local authorities

4.4. APPROVED METHODS AND SOURCES OF RAISING CAPITAL FINANCE

Finance will only be raised in accordance with the Local Government and Housing Act 1989, and within this limit the Council has a number of approved methods and sources of raising capital finance. These are:

On Balance Sheet	Fixed	Variable
PWLB	*	*
EIB	*	*
Market (long-term)	*	*
Market (temporary)	*	*
Market (LOBOs)	*	*
Stock issues	*	*
Local temporary	*	*
Local Bonds	*	
Overdraft		*
Negotiable Bonds	*	*
Internal (capital receipts & revenue balances)	*	*
Commercial Paper		
Medium Term Notes	*	
Leasing (not operating leases)	*	*

Other Methods of Financing

- Government and EC Capital Grants
- Lottery monies
- PFI/PPP
- Operating leases

All forms of funding will be considered dependent on the prevailing economic climate, regulations and local considerations. The Section 151 Officer has delegated powers in accordance with Financial Regulations, and the Scheme of Delegation to Officers Policy; and the Treasury Management Strategy to take the most appropriate form of borrowing from the approved sources.

5. TMP5 ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES, AND DEALING ARRANGEMENTS

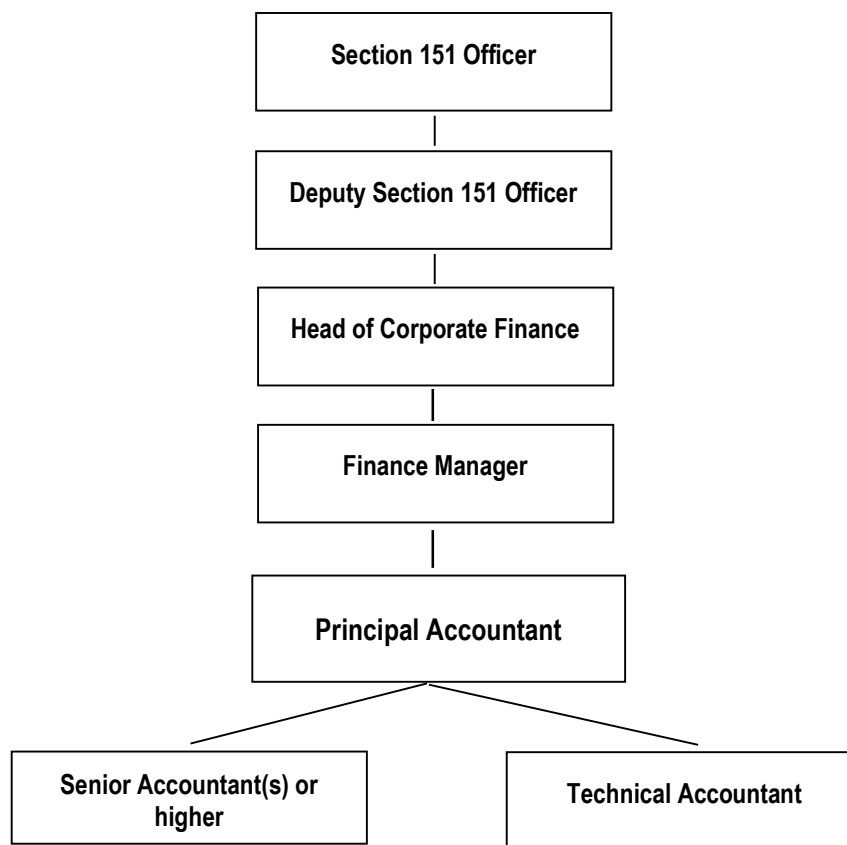
5.1. LIMITS TO RESPONSIBILITIES/DISCRETION AT COMMITTEE/POLICY BOARD LEVELS

- a) Full Council will receive and approve reports on treasury management policies, practices and activities, the annual treasury management strategy and annual report on debt rescheduling.
- b) The Section 151 Officer will be responsible for amendments to the organisation's adopted clauses, treasury management strategy statement and treasury management practices. A formal report will be put to Council to approve any formal amendments.
- c) The Section 151 Officer will approve the segregation of responsibilities.
- d) The Section 151 Officer will receive and review external audit reports and make recommendations to the Audit Committee.
- e) Approving the selection of external service providers and terms of appointment will be decided by the Section 151 Officer in accordance with Financial Regulations.

5.2. PRINCIPLES AND PRACTICES CONCERNING SEGREGATION OF DUTIES

- a) The Section 151 Officer will authorise all new long-term borrowing.
- b) Transactions relating to pre-existing agreements are delegated to the senior accountant responsible for treasury management.
- c) Short-term borrowing and investment are authorised by the Section 151 Officer, Deputy Section 151 Officer, Head of Corporate Finance, or, in their absence, a Finance Manager.

5.3. TREASURY MANAGEMENT ORGANISATION CHART



5.4. STATEMENT OF DUTIES/RESPONSIBILITIES FOR EACH TREASURY POST

5.4.1. Cabinet Member for Corporate Services

- a) The Cabinet Member for Corporate Services has primary political responsibility for Treasury Management strategy and will be regularly briefed on Treasury Management performance and proposed policy changes by the Section 151 Officer.
- b) The Cabinet Member for Corporate Services has the right to recommend to the Section 151 Officer that a particular transaction should go to the Risk Appraisal Panel.
- c) The Cabinet Member for Corporate Services may attend Audit Committee.

5.4.2. Section 151 Officer

The Section 151 Officer will:

- a) recommend clauses, treasury management strategy / practices for approval reviewing the same on a regular basis and monitoring compliance;
- b) prepare treasury management strategy reports as required;
- c) prepare budgets and budget variations in accordance with Financial Regulations and guidance;

- d) review the performance of the treasury management function and promote best value reviews;
- e) ensure the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- f) ensure the adequacy of internal audit, and liaison with external audit;
- g) appoint external service providers in accordance with the Council's Financial Regulations;
- h) ensure preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe;
- i) ensure the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- j) ensure that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority;
- k) ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- l) ensure the proportionality of all investments, so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources;
- m) ensure that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities;
- n) provide members with a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees, as appropriate;
- o) ensure that members are adequately informed and understand the risk exposure taken on by an authority;
- p) ensure that the authority has adequate expertise, either in house or externally provided, to carry out the above;
- q) produce Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following:
 - (i) risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
 - (ii) performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;

- (iii) decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;
 - (iv) reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken; and,
 - (v) training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.
- r) have delegated power through this policy to take the most appropriate form of borrowing from the approved sources, and to make the most appropriate form of investments in approved instruments;
 - s) may delegate the power to borrow and invest to appropriate members of Corporate Finance staff as follows; the Deputy Section 151 Officer, Head of Corporate Finance, and Finance Managers. All transactions must be authorised by a named officer above;
 - t) ensure that the Strategy is adhered to, and if not will bring the matter to the attention of elected Members as soon as is possible;
 - u) prior to entering into any capital financing, lending or investment transaction, be responsible to ensure that the proposed transaction does not breach any statute, external regulation or the Council's Financial Regulations; and,
 - v) be responsible to ensure that the Council complies with the requirements of The Non-Investment Products Code for principals and broking firms in the wholesale markets.

5.4.3. Senior Accountants Responsible for Treasury Management

The responsibilities of this post will be:

- a) monitoring performance and market conditions on a day-to-day basis;
- b) recommend investments and borrowing transactions;
- c) execution of transactions;
- d) adherence to agreed policies and practices on a day-to-day basis;
- e) maintaining relationships with third parties and external service providers; and,
- f) identifying and recommending opportunities for improved practices.

5.4.4. Technical Accountant

The responsibilities of this post will be:

- a) review and recommend investments and borrowing transactions;

- b) maintaining relationships with third parties and external service providers;
- c) identifying and recommending opportunities for improved practices; and,
- d) produce the annual Treasury Management Strategy, Capital Strategy, Outturn, Mid-year review and Quarterly update reports.

5.4.5. Finance Manager

The responsibilities of this post will be:

- a) line management of the Principal Accountant overseeing the Treasury Management function on a day-to-day basis;
- b) review and recommend investments and borrowing transactions;
- c) authorise CHAPS payments;
- d) adherence to agreed policies and practices on a day-to-day basis;
- e) maintaining relationships with third parties and external service providers;
- f) monitoring performance on a day-to-day basis;
- g) identifying and recommending opportunities for improved practices;
- h) reviewing the annual Treasury Management Strategy, Capital Strategy, Outturn and Mid-year review reports; and,
- i) authorise short term investments in the absence of the Section 151 officer, Deputy Section 151 officer, or Head of Corporate Finance.

5.4.6. Principal Accountant

The responsibilities of this post will be:

- a) line management of the Technical Accountant and Senior Accountant(s) responsible for treasury management;
- b) review and recommend investments and borrowing transactions;
- c) maintaining relationships with third parties and external service providers;
- d) identifying and recommending opportunities for improved practices; and,
- e) reviewing the annual Treasury Management Strategy, Capital Strategy, Outturn and Mid-year review reports

5.4.7. Chief Legal Officer (in the Role of the Monitoring Officer)

The responsibilities of this post will be:

- a) to ensure compliance by the Section 151 Officer with the Treasury Management Strategy statement and treasury management practices and that these practices comply with the law;

- b) to be satisfied that any proposal to vary treasury strategy or practice complies with law or any code of practice; and,
- c) to provide advice to the Section 151 Officer when advice is sought.

5.4.8. Internal Audit

The responsibilities of Internal Audit will be:

- a) to review compliance with approved policy and procedures;
- b) to review division of duties and operational practice;
- c) to assess value for money from treasury activities; and,
- d) to undertake probity audit of treasury function.

5.5. ABSENCE COVER ARRANGEMENTS

In the absence of the Senior Accountant(s) responsible for treasury management, another suitably qualified accountant in the Corporate Finance section with treasury management training / experience will perform the daily cash flow tasks.

5.6. DEALING LIMITS

Persons authorised to deal are identified at 5.4. above and dealing limits are as the Scheme of Delegation for Officers.

5.7. LIST OF APPROVED BROKERS

A list of approved brokers is maintained and is shown in TMP11.

5.8. POLICY ON BROKERS' SERVICES

It is the Council's policy to divide business between brokers.

5.9. POLICY ON TAPING OF CONVERSATIONS

It is not Council policy to tape brokers' conversations.

5.10. DIRECT DEALING PRACTICES

The Council deals direct if appropriate contacts are established, and if it is advantageous to the Council.

5.11. SETTLEMENT TRANSMISSION PROCEDURES

For Daily cashflow Money Market Fund investment transactions, there is an automated workflow in place, whereby once the daily cashflow is approved by a Finance Manager, a CHAPS form is automatically generated for approval by that Finance Manager. Once approved the form is automatically updated with the approvers name and date stamped. The form is then automatically sent to Cashiers for processing through the Barclays on-line banking system. For all other transactions a CHAPs form is completed and approved by an agreed bank

signatory. The transfer is then emailed to and processed by Cashiers, through the Barclays on-line banking system. Chaps are to be completed by 3.30pm on the same day.

5.12. DOCUMENTATION REQUIREMENTS

For each deal undertaken, details of dealer, amount, period, counterparty, interest rate, dealing date, payment date, broker, and credit ratings should be recorded. This should be reviewed and authorised in writing or e-mail by either the Section 151 Officer, the Deputy Section 151 Officer, Head of Corporate Finance or a Finance Manager.

6. TMP6 REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

6.1. ANNUAL REPORTING REQUIREMENTS BEFORE THE START OF THE YEAR

- a) The Treasury Management Strategy statement and practices sets out the specific expected treasury activities for the forthcoming financial year. This strategy will be submitted to the Council for approval before the commencement of each financial year.
- b) The Council must approve the Prudential Indicators.
- c) The Council must approve the Minimum Revenue Provision Policy.

6.2. REPORTING REQUIREMENTS DURING THE YEAR

- a) A mid-year review of the strategy statement.
- b) Quarterly updates to Cabinet as part of the standard revenue and capital budget monitoring process.
- b) Any variations to the agreed Treasury Management policies and practices will be reported to the Council at the earliest practicable meeting.

6.3. ANNUAL REPORTING REQUIREMENT AFTER THE YEAR END

An annual report will be presented to the Council at the earliest practicable meeting after the end of the financial year, but in any case, by the end of September. This report will include the following:

- a) transactions executed and their revenue effects;
- b) report on risk implications of decisions taken and transactions executed;
- c) monitoring of compliance with approved policy, practices and statutory/regulatory requirements;
- d) performance report; and,
- e) report on compliance with CIPFA Code recommendations.

7. TMP7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

7.1. STATUTORY/REGULATORY REQUIREMENTS

The accounts are drawn up in accordance with the Code of Practice on Local Authority Accounting in England and Wales that is recognised by statute as representing proper accounting practices.

7.2. ACCOUNTING PRACTICES AND STANDARDS

Due regard is given to the Statements of Recommended Practice and Accounting Standards as they apply to Local Authorities in England and Wales. The Council adopts in full the principles set out in CIPFA's 'Code of Best Practice and Guide for Treasury Management in the Public Services' (the 'CIPFA Code and Guide'), together with those of its specific recommendations that are relevant to this organisation's treasury management activities.

7.3. SAMPLE BUDGETS / ACCOUNTS

The Technical Accountant responsible for treasury management will prepare an annual budget for the treasury management function, which will bring together all the costs involved in running the function, together with associated income.

7.4. LIST OF INFORMATION REQUIREMENTS OF EXTERNAL AUDITORS

- a) Reconciliation of loans, investments, interest, premiums and discounts to financial ledger.
- b) Confirmation of loans and investments balances.
- c) Maturity analysis of loans outstanding.
- d) Annual Treasury Report.
- e) Calculation of Revenue Interest.
- f) Analysis of accrued interest.

8. TMP8 CASH AND CASH FLOW MANAGEMENT

8.1. ARRANGEMENTS FOR PREPARING/SUBMITTING CASH FLOW STATEMENTS

Cash flow projections are prepared annually, monthly and daily. The annual and monthly cash flow projections are prepared from the previous year's daily cash flow records, adjusted for known changes in levels of income and expenditure and changes in payments and receipts dates.

8.2. LISTING OF SOURCES OF INFORMATION

Estimated cash flow details are compiled using:

- a) schedule of Payment of Revenue Support Grant and National Non-domestic rates; Department for Levelling Up, Housing and Communities income;
- b) schedule of Payment of the Dedicated Schools Grant from the Department for Education (DFE);
- c) revenue payments dates and amounts;
- d) notifications from the Corporate Finance Team of any significant grants expected during the year;
- e) schedule of payroll payment dates supplied by the Payroll section with an estimated amount based on the previous year's payments;
- f) loan repayments spreadsheet; and,
- g) an estimated figure for creditor payments, based on previous patterns of expenditure. More accurate figures can be obtained two days before payment based on the Creditor BACs figure.

8.3. BANK STATEMENT PROCEDURES

Payments by CHAPs, Direct Debit, standing order and imprest accounts are input by Accounts Payable directly to e-business rather than by journal which gives greater transparency and segregation of duties.

8.4. PAYMENT SCHEDULING AND AGREED TERMS OF TRADE WITH CREDITORS

The Council's policy is to pay creditors within 30 days of the invoice date, and this effectively schedules the payments.

8.5. ARRANGEMENTS FOR MONITORING DEBTORS / CREDITORS LEVELS

- a) The Accounts Receivable section provides monthly statistics of outstanding debtors to Directors who take appropriate action regarding the outstanding debt.
- b) The Accounts Payable section provides monthly statistics of invoice performance to Directors who take appropriate action.

8.6. PROCEDURES FOR BANKING OF FUNDS

All money received by an officer on behalf of the Council will without unreasonable delay be paid into the Council's bank accounts. No deductions may be made from such money save to the extent that the Section 151 Officer may specifically authorise.

9. TMP9 MONEY LAUNDERING

9.1. PROCEDURES FOR ESTABLISHING IDENTITY / AUTHENTICITY OF LENDERS

The Council does not usually accept loans from individuals. All material loans are obtained from the PWLB, other local authorities or from authorised institutions under the Banking Act 1987: the Financial Conduct Authority (FCA) is responsible for maintaining a register of authorised institutions. This register can be accessed through their website on www.fca.gov.uk.

9.2. METHODOLOGIES FOR IDENTIFYING SOURCES OF DEPOSITS

In the course of its Treasury activities, the Council will only lend money to, or invest with, those counterparties that are on its approved lending list.

10. TMP10 TRAINING AND QUALIFICATIONS

10.1. STAFF QUALIFICATIONS

The daily treasury management function will be performed by a qualified accountant or a senior accountant (unqualified) holding a Certificate in International Treasury Management Public Finance, under the supervision of a qualified accountant.

10.2. STAFF TRAINING

New staff will receive in-house on the job training before they commence their duties. Existing staff will attend treasury management seminars, at least annually, to keep up to date with changes in regulations and current practices. Additional staff training needs will be identified as part of the training needs analysis undertaken during Staff Appraisals.

10.3. THE SECTION 151 OFFICER

The Section 151 Officer is committed to professional responsibilities through both personal compliance and by ensuring that relevant staff are appropriately trained.

10.4. MEMBER TRAINING

All members should have an appropriate level of training within a year of taking office. Members of the Audit Committee received training in June 2022, and further training will be delivered when required. This will be carried out in-house in conjunction with the Council's treasury management advisors.

11. TMP11 USE OF EXTERNAL SERVICE PROVIDERS

11.1. DETAILS OF CONTRACTS WITH SERVICE PROVIDERS, INCLUDING BANKERS, BROKERS, CONSULTANTS, ADVISERS

11.1.1. Banking Services

- i) Name of supplier of service is Barclays Bank plc. The address is:
E7 Ground Floor
Turing House
Radbroke Hall
Knutsford
WA16 9EU
- ii) The contract was awarded in November 2022 and is for 5 years.
- iii) Cost of service is variable depending on schedule of tariffs and volumes

11.1.2. Money-Broking and Custodian services

Name of supplier of service:

- i) Sterling International Brokers Ltd
10 Chiswell Street
London, EC1Y 4UQ
- ii) ICAP Europe Ltd
2 Broadgate,
London, EC2M 7UR
- iii) Tullet Prebon (UK) Limited
155 Bishopsgate,
London, EC2N 3DA
- iv) Tradition (UK) Ltd
Beaufort House,
15 St Botolph Street,
London, EC3A 7QX
- v) King and Shaxson Ltd
Candlewick
120 Cannon Street
London, EC4N 6AS

- vi) Barclays Bank PLC
Barclays Stockbrokers,
Tay House,
300 Bath Street,
Glasgow, G2 4LH.
- vii) Link Asset Services
65 Gresham Street
London, EC2V 7NQ
- viii) BGC Brokers L.P.
One Churchill Place
London, E14 5RD
- ix) Imperial Treasury Services Ltd
5 Port Hill
Hertford, SG14 1PJ
- x) Munix Ltd
9 Ainslie Place
Edinburgh, EH3 6AS
- xi) RP Martin Ltd
1 Snowden St,
London, EC2A 2DQ

11.1.3. Consultants'/Advisers' Services

Treasury Consultancy Services

- i) Name of supplier of service is
Link Asset Services
65 Gresham Street
London
EC2V 7NQ
Website: www.linkassetsservices.com

The current contract is for 3 years and expires October 2024. The Council has the option to extend beyond this up to a maximum of two years.

11.1.4. External Fund Managers

None at present.

Other professional services may be employed on short term contracts as and when required.

11.2. PROCEDURES AND FREQUENCY FOR TENDERING SERVICES

Tenders are normally awarded on a five-yearly basis. The process for advertising and awarding contracts will be in line with the Financial Regulations See TMP2.

12. TMP12 CORPORATE GOVERNANCE

12.1. LIST OF DOCUMENTS TO BE MADE AVAILABLE FOR PUBLIC INSPECTION

Annual Statement of Accounts

Annual Budget

Treasury Management Strategy Statement

Annual Treasury Report

Treasury Management Mid-Year Report



Northumberland County Council

CABINET

13 February 2024

REVENUES AND BENEFITS POLICIES 2024-25

Report of Councillor(s) Councillor Richard Wearmouth, Deputy Leader and Portfolio Holder for Corporate Services.

Responsible Officer(s): Jan Willis, Executive Director Transformation and Resources

1. **Link to Key Priorities of the Corporate Plan**

This report links to all three key priorities of the corporate plan. Achieving value for money, tackling inequalities and driving economic growth.

2. **Purpose of report**

The purpose of this report is to update Members on the policies governing the administration of Revenues and Benefits and seek approval for the updates and amendments highlighted.

3. **Recommendations**

3.1 Cabinet to recommend to County Council to:

- **Approve the Revenues and Benefits Policies attached as Appendix 1 to Appendix 6.**
- **Approve implementing the 100% Empty Homes Premium after one year from 1 April 2024**
- **Make a determination to implement a 100% premium for second homes to increase the council tax charge to 200% from 1 April 2025.**

4. **Forward plan date and reason for urgency if applicable**

09 January 2024.

5. Background

- 5.1 The Revenues and Benefits service has a suite of policies that govern the collection and enforcement administration of council tax, business rates, housing benefit and sundry debt income.
- 5.2 Some of the policies are regularly amended due to changing legislation, introduction of new legislation, relief schemes or the grating of additional discretions.
- 5.3 Sections 79 and 80 of The Levelling-Up and Regeneration Act 2023 relates to council tax and gives the Council additional discretion on the levels of council tax that billing authorities can charge on some classes of dwellings as detailed below.
- 5.4 Empty Homes Premium – the Levelling -Up and Regeneration Act 2023 gives discretion to allow the Council to implement an empty homes premium of 100% after one year instead of the current two.
- 5.5 Second Homes – currently second homes are charged 100% council tax. The Levelling-Up and Regeneration Act 2023 will allow the Council to charge up to an additional 100% on second homes. The definition of a second home under council tax legislation is a property where there is no resident of the dwelling and where it is substantially furnished.
- 5.6 Any decision made to implement an extra charge on second homes, needs to be made by way of a determination at least one year before the beginning of the financial year to which it relates (by 31 March 2024).
- 5.7 A summary of each revenues and benefits policy is provided below for information, and where there are proposed changes, details of the changes are highlighted.

Caravans and Chalets Policy (see Appendix 1)

This policy is in respect of caravans/chalets on commercially rated sites that are occupied as a sole or main residence for council tax purposes. Council tax is reduced by any business rates payable by the taxpayer on receipt of an itemised invoice. A Class G exemption (occupation prohibited by law) will be granted for a period when the site has to close due to planning/licensing restrictions.

There are no proposed amendments to this policy.

Council Tax Discount Policy (see Appendix 2)

This policy sets out the treatment of local discretionary discounts, empty property (including empty home premiums of 100%, 200% and 300%), uninhabitable property, second homes for council tax and care leavers.

The policy also includes the Government's COVID Hardship Fund payments for previous years.

The policy has been updated for 2024-25 as detailed below:

- A paragraph has been added detailing the legislation allowing an empty homes premium to be charged after one year to vacant properties.

- The new Empty Homes Premium has been added to the table of empty homes premium effective dates.
- A new council tax support hardship fund has been added for 2024-25. This fund will provide a payment of up to £100 to reduce the council tax liability for all working age and pensionable age council tax support claimants.
- The council tax discount for 2023-24 has been removed from the policy. This was for 2023-24 only and represented a reduction in council tax liability of £17.21 for households not in receipt of council tax support and who had their main residence in a property in Northumberland on 1 April 2023.
- The delegated decision on individual local discretionary discounts has been amended. From 1 April 2024 up to £5,000 will be delegated to the Senior Revenues Manager, between £5,001 and £10,000 will be delegated to the Senior Revenues Manager in conjunction with the Head of Transactional Services and over £10,001 will be delegated to the Director of Finance and Procurement (Deputy Section 151 Officer).

Corporate Debt Policy (See Appendix 3)

This policy details the Council's coordinated approach to the billing, collection and recovery of monies due to the Council for council tax; business rates; rent, housing benefit/council tax benefit and support overpayments, sundry debt for council services and overpaid salaries and wages. The policy consists of a number of separate annexes:

Annex 1	Council Tax and NNDR Recovery Policy – sets out the recovery action taken to recover unpaid liabilities. Minor wording amendments have been made to this annex.
Annex 2	Council Tax and NNDR Court Costs and Fees Policy – provides a uniform scale of costs at each recovery stage. No amendment has been made to this annex;
Annex 3	Housing and Council Tax Benefit/Support Overpayments Policy – sets out the policy for the administration and recovery of overpayments. No amendment has been made to this annex;
Annex 4	Methods of Payment Policy – sets out the range of payment methods available to customers. Minor amendments have been made to this annex;
Annex 5	Write Off Policy – sets out the framework for writing off debts. No amendment has been made to this annex;
Annex 6	Sundry Debt Policy – covering the recovery all collectable sundry debt. Minor wording amendments have been made to this annex;
Annex 7	Statutory and Chargeable Debt Policy – sets out the approach to debt arising from the Council carrying out its statutory duties/enforcement functions. No amendment has been made to this annex;

- Annex 8 **Overpaid Salaries and Wages Policy** - sets out the approach to the recovery of salary overpayments. No amendment has been made to this annex.
- Annex 9 **Bankruptcy Policy** - ensures that the Council's use of bankruptcy is consistent and complies with the relevant legislation and best practice. No amendment has been made to this annex;
- Annex 10 **Enforcement Agent Code of Practice for Council Tax and NNDR** – sets out the way that internal enforcement agents or external enforcement agent companies collecting local taxation debts on behalf of the Council will conduct themselves. Minor wording amendments have been made to this annex;
- Annex 11 **Housing Income Management Policy** – sets out the policy for the prevention of housing arrears, the rent arrears escalation procedure, recovery of former tenant arrears and write offs. Minor wording changes have been made to this annex;

The following minor amendments have been made to this policy:

Annex 1 – Council Tax and NNDR Recovery Policy - in point 6 of the annex an addition has been made to show that enforcement agents must be accredited by the Enforcement Conduct Board.

Annex 4 - Methods of Payment Policy – in paragraph 4, the ability to pay at Council customer service/information centres has been removed from the annex.

Annex 6 - Sundry Debt Policy - Paragraph 12.4 has been reworded to show that failure to provide the necessary information may result in the debt being written off rather than will result in.

Annex 10 – Enforcement Agent Code of Practice for Council Tax and National Non-Domestic Rates – Under the paragraph titled Professional standards a sentence has been added to state that any enforcement agent engaged by the Council must be accredited by the Enforcement Conduct Board.

These minor amendments do not make any changes to the actual policy intentions.

Discretionary Housing Payment Policy (See Appendix 4)

This policy sets out the Council's approach to operating its Discretionary Housing Payment scheme. The primary aims of the policy are to prevent homelessness, to alleviate housing need, and to ensure that Northumberland residents have fair and equal access to all services and monies to which they may be entitled by virtue of their situation.

Paragraph 42 of the policy has been amended to reflect a new job title.

Rate Relief Policy (See Appendix 5)

This policy applies to National, Non-Domestic Rates (Business Rates) and provides the framework under which mandatory and discretionary relief will be administered.

Rate Relief can be either mandatory, discretionary or both and is granted in accordance with the Local Government and Rating Act 1997 and the Local Government Finance Acts 1988 and 2012 (as amended).

The policy relates to awards concerning:

- Rural Rate Relief
- Charities and Not for Profit Organisations
- Hardship Relief
- Section 44A (relief on the grounds of part occupation)
- Supporting Small Business
- Business Rates Revaluation Relief
- Pub Relief:
- Newspaper Relief
- Retail Discount Scheme 2019-20
- Extension of the Nursery Discount Scheme for 2021-22
- Expanded Retail Discount Scheme 2020-21
- Nursery Relief Scheme 2020-21
- Extension of Expanded Retail Discount Scheme for 2021-22
- Extension of Expanded Retail Discount Scheme for 2021/22
- Public Lavatories Rate Relief
- Retail, Hospitality and Leisure Business Rate Relief Scheme for 2022-23
- Local Discretionary Discounts.
- Transitional Relief Scheme for 2023 Revaluation
- Extension of Retail, Hospitality and Leisure Business Rate Relief Scheme for 2022-23
- Supporting Small Business Relief

The policy has been amended and updated to reflect the following:

- Retail, Hospitality and Leisure Discount 2023-24 and extended 2024-25
- Improvement Relief from 2024-25
- Amendment to Rural Rate Relief to confirm this is now 100% mandatory following the implementation of the Non-Domestic Rating Act 2023.
- In paragraph 26 the links to the corporate priorities have been amended to reflect the new Corporate Plan.
- Under the heading Rate Relief Decisions and Appeals (paragraphs 107- 109) the job titles of the delegated decisions have been altered to reflect new job titles.

Under this policy the Chief Executive has delegated powers to implement new relief schemes introduced by Government in line with the required legislation and timetable. This policy will then be updated at the next annual review.

War Pensions and Armed Forces Compensation Disregard Policy (See Appendix 6)

The Housing Benefit Regulations 2006 make provision for the first £10.00 of income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme to be disregarded in any benefit assessment. The cost of this disregard is fully reimbursed to the Council.

The Social Security Administration Act 1992 gives the Council discretion to disregard any amount it chooses in addition to the statutory provision.

The policy has been in place since 2009-10 and the Council has taken advantage of this provision and fully disregarded income claimants receive from the War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Schemes when assessing entitlement to Housing Benefit/Council Tax Support.

There are no proposed amendments to this policy.

6. Options open to the Council and reasons for the recommendations

- Approve the Revenues and Benefits Policies attached as Appendix 1 to Appendix 6.
- Approve implementing the 100% Empty Homes Premium after one year from 1 April 2024
- Make a determination to implement a 100% premium for second homes to increase the council tax charge to 200% from 1 April 2025.

7. Implications

Policy	The following policies have been amended: Council Tax Discount Policy Corporate Debt Policy Discretionary Housing Payment Policy Rate Relief Policy
Finance and value for money	The policies included in the report cover those in the Revenues and Benefits service that impact on the management of income and the support available for businesses and residents. The policies have an impact on the income contained within the 2024/25.
Legal	Revenues and Benefits policies are subject to the relevant legislation and statutory instruments. The policy updates highlighted in this report are in line with those legislative requirements
Procurement	No implications
Human resources	No implications
Property	No implications
Equalities Act: is a full impact assessment required and attached?	No - no equalities issues identified EIA has not been carried out as the policy updates for the Rate Relief policy are introduced nationally by the Government. The hardship scheme introduced by the Council Tax Discount

	policy is in relation to surplus funds from 2023/24 hardship fund.
Risk assessment	No implications
Crime and disorder	No implications
Customer considerations	The policy updates apply to businesses and residents of the County based upon an eligibility requirement for the particular schemes.
Carbon reduction	There are no carbon reduction implications as a result of this report.
Health and wellbeing	No implications.
Wards	All wards are affected by these policies .

8. **Background papers**

County Council Report – 22 February 2023
County Council Minutes – 22 February 2023

9. **Links to other key reports already published**

Not applicable

10. **Author and Contact Details**

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Northumberland County Council

Revenues and Benefits Service

Caravans / Chalets Council Tax Policy

Introduction

1. This Policy is in respect of caravans / chalets on commercially rated sites that are occupied as a sole or main residence.
2. A caravan / chalet on a commercially rated site can only be brought into council tax if it is occupied as someone's sole or main residence.
3. Information comes from various sources e.g. the individuals themselves, the Planning Department and anonymous information. Site managers are generally uncooperative when enquiries are made with them.
4. The Valuation Office Agency (VOA) will not reduce the rateable value of a commercially rated site because one pitch is de-minimus.

Policy Aims

5. There are consistent guidelines and procedures to follow.
6. To continue with policies at the former District / Borough Councils in Northumberland.
7. To ensure that caravan and chalet owners and occupiers are not taxed twice.

Policy

8. Whenever the Council receives information that a caravan / chalet on a commercially rated site is occupied as a sole or main residence it is reported to the VO to bring it into council tax.
9. Where an individual has signed an agreement with the site owner that they will not occupy a caravan / chalet as their sole or main residence, and it subsequently becomes evident that that is the case, the caravan / chalet will be brought into council tax.
10. The council tax is reduced by any business rates payable by the taxpayer on receipt of an itemised invoice.
11. A Class G exemption (occupation prohibited by law) will be granted for a period when the site has to close due to planning/licensing restrictions.



Northumberland County Council

Revenues and Benefits Service

Council Tax Discounts Policy

Information

Section 13A of the Local Government Finance Act 1992 (LGFA 1992) (as amended) gives powers to enable billing authorities to reduce the amount of council tax liability, including reducing the amount to nil, for any individual taxpayer or group of taxpayers.

The Local Government Act 2012 (LGFA 2012) under Section 10 substitutes a new section 13A (1)(a) that provides that a person's liability for council tax is to be reduced in accordance with the Council's own council tax reduction scheme.

Section 13A (1)(c) is a re-instatement of the previous arrangements where discretion can be exercised in particular cases or by determining a class of cases and can reduce the council tax liability to nil.

Section 10 - Council Tax Support

Section 10 of the LGFA 2012 amends 13A (1)(a) of the LGFA 1992 and provides that a person's liability for council tax is to be reduced in accordance with the Council's council tax reduction scheme. The council tax support scheme for 2013/14 for the Council will be administered in line with the Government's prescribed requirements in **Statutory Instrument 2885/2012 The Council Tax Reduction Scheme (Prescribed Requirements) (England)**, and, **2886/2012 The Council Tax Reduction Schemes (Default Scheme)(England) Regulations 2012**. For 2014/15 onwards the Council Tax Support Scheme will be adopted annually in line with the consultation requirements prescribed.

Section 11 - Power to determine further discounts for certain dwellings

Section 11A of LGFA 2012 amends 11A of the LGFA 1992 and provides for the Council to determine its own discount for unoccupied and unfurnished property.

Statutory instrument 2965/2012 The Council Tax (Exempt Dwellings) (England) (Amendment) Order 2012 removes the existing exemption for Class A and Class C so that from 1/4/13 they are no longer exempt from council tax:

Class A covered a 12 month period for a vacant property undergoing major repair work, or undergoing structural alteration, or having undergone either if less than 6 months had elapsed since the work was substantially completed.

Class C covered vacant property for a 6 month period or less.

Section 12 – Power to set higher amount for long-term empty property

Section 12 of LGFA 2012 amends 11B of the LGFA 1992 and provides that the billing authority can charge council tax liability up to 150% for property that has been empty and substantially unfurnished for more than 2 years by introducing an Empty Homes Premium (EHP). This section also allows the Secretary of State to make provision for exceptions by prescribing classes of property, taking into account the physical characteristics and circumstances and the circumstances of any person liable, where the Council will not be able to charge additional council tax.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 received Royal Assent on 1 November 2018. The Act gave local authorities discretionary powers to:

- From 1 April 2019 - increase the EHP to a maximum of 100% for dwellings that have been unoccupied and unfurnished for two years or more.

- From 1 April 2020 - increase the EHP to a maximum of 200% for dwellings that have been unoccupied and unfurnished for five years or more.
- From 1 April 2021 - increase the EHP to a maximum of 300% for dwellings that have been unoccupied and unfurnished for ten years or more.

Statutory instrument 2964/2012 The Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 provide that a billing authority may determine that the council tax discounts applicable where there is no resident of the dwelling can be replaced by a lower discount or no discount at all from 1/4/13.

Second Homes

Second homes are defined as properties that are unoccupied and furnished. There are 2 classes:

Class A – second homes where occupancy is restricted by a planning condition preventing occupancy period of at least 28 days.

Class B - second homes where occupancy is not restricted by a planning condition preventing occupancy for a continuous period of at least 28 days.

From 1/4/13 billing authorities can reduce or end the existing discount.

Empty Property

Statutory instrument 2964/2012 provides that the Council can decide what percentage of council tax to charge in relation to these 2 classes of dwelling instead of the exemption up to the full amount:

Class C - dwellings which are unoccupied and substantially unfurnished.

Class D - dwellings that are unoccupied and substantially unfurnished and are undergoing, or have undergone within the last six months, major repairs but they will only fall into this class for a maximum period of 12 months.

Empty Homes Premium

Section 12 of LGFA 2012 amends 11B of the LGFA 1992 and provides that the billing authority can charge council tax liability up to 150% for property that has been empty and substantially unfurnished for more than 2 years.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 received Royal Assent on 1 November 2018. The Act gave local authorities discretionary powers to:

- From 1 April 2019 - increase the EHP to a maximum of 100% for dwellings that have been unoccupied and unfurnished for two years or more.
- From 1 April 2020 - increase the EHP to a maximum of 200% for dwellings that have been unoccupied and unfurnished for five years or more.
- From 1 April 2021 - increase the EHP to a maximum of 300% for dwellings that have been unoccupied and unfurnished for ten years or more.

Statutory instrument 2964/2012 provides that Billing Authorities will not be able to charge the empty homes premium in the following circumstances:

Class E – where the dwelling would be the sole or main residence of a person but which is empty whilst that person resides in accommodation provided by the Ministry of Defence by reason of their employment (i.e. service personnel posted away from home)

Class F – where dwellings form an annexes in a property which are being used as part of the main residence.

Section 79 of the Levelling-up and Regeneration Act 2023 amends section 11B of the Local Government Act 1992 (higher amount for long-term empty dwellings: England) and provides that the billing authority can charge an empty homes premium after a property has been vacant for 1 year with effect from 1 April 2024. Section 80 of the Levelling-up and Regeneration Act 2023 allows the billing authority to charge up to 100% extra on second homes (dwellings occupied periodically). A billing authority's first determination under this section must be made at least one year before the beginning of the financial year to which it relates

War Widows

The Council Tax Benefit Regulations 2006 make provision for the first £10.00 of income for War Widows (Widowers)/War Disablement Scheme and Armed Forces Compensation Scheme to be disregarded in any council tax benefit assessment. Under the regulations Billing Authorities have discretion to fully disregard the remainder and current Council Policy is to disregard the remainder in full.

Under statutory Instrument **2886/2012 The Council Tax Reduction Schemes (Default Scheme)(England) Regulations 2012** the same provision for the first £10.00 to be disregarded for War Widows (Widowers)/War Disablement Scheme and Armed Forces Compensation Scheme under council tax support, however, there is no discretion to disregard the remainder.

Policy

The Council Tax Support Scheme for 2013/14 shall be in line with the requirements and provisions contained in Statutory Instrument's 2885 and 2886 of 2012. The Council Tax Support Scheme for 2014/15 onwards will be adopted annually in line with the consultation requirements prescribed.

The discretionary discount for all second homes is removed completely to nil in line with statutory instrument 2964/2012.

The discount for all Class C vacant properties is set to nil in line with statutory instrument 2964/2012 (this refers to property that would previously have fallen into the exemption Class C).

The discount for all Class D vacant properties is set to 100% for a maximum period of 12 months where the qualifying criteria for property undergoing, or, requiring major works/structural alterations is met in order to make the property habitable in line with statutory instrument 2964/2012.

An Empty Homes Premium equivalent to 150% of relevant council tax liability is charged in respect of empty and substantially unfurnished property subject to the restrictions in 2964/2012 under Class E and Class F applies from 1 April 2013 to 31 March 2020.

From 1 April 2020:

An Empty Homes Premium equivalent to 200% of council tax liability is charged to properties which have been empty and substantially unfurnished between 2 and 5 years.

From 1 April 2020, an Empty Homes Premium equivalent to 300% of council tax liability is charged to properties which have been empty and substantially unfurnished for 5 years or more.

From 1 April 2021, an Empty Homes Premium equivalent to 400% of council tax liability is charged to properties which have been empty and substantially unfurnished for 10 years or more.

From 1 April 2024, an Empty Homes Premium equivalent to 100% of council tax liability is charged to properties which have been empty and substantially unfurnished for 1 year or more.

Income from War Widows (Widowers)/War Disablement Scheme and Armed Forces Compensation Scheme in excess of the mandatory £10.00 will be disregarded from the assessment of income in line with Section 13A (1)(c)

Section 13A (1)(c) Policy

Under Section 13A (1)(c) of the Local Government Finance Act 2012 the Council can reduce the amount of council tax payable. This discretion can be exercised in particular cases or by determining a class of cases and can reduce the council tax liability to nil.

1. War Widows

Under this power all income from War Widows (Widowers)/War Disablement Scheme and Armed Forces Compensation Scheme in excess of the £10.00 will be disregarded from the assessment of income in line with former arrangements. The cost of granting this class of local discount will fall upon the Council.

2. Care Leavers

Under this power a council tax discount of up to 100% will be granted for care leavers residing in Northumberland up to their 21st birthday. The discount will apply from 1 April 2018 onwards and will be granted after all other discounts, exemptions and council tax support has been awarded. Where the care leaver has shared liability the discount for council tax will be awarded to cover their share of the liability.

For care leavers aged 21 and over each application will be considered on its merits.

Applications will need to be in writing setting out the reasons why relief is required. It is expected that taxpayers will have exhausted all other options before making an application.

COVID-19 hardship fund 2020-21

As part of its response to COVID-19, the Government announced in the Budget on 11 March 2020 that it would provide local authorities in England with £500m of new grant funding to support economically vulnerable people and households in their local area. The Council received £3.382 million.

The expectation was that the majority of the hardship fund will be used to provide council tax relief, alongside existing local council tax support schemes. The Government recognised that COVID-19 is likely to cause fluctuations in household incomes and recognises that, as a result, some individuals may struggle to meet council tax payments. Councils will already have established their local council tax support schemes for 2020-21.

The Government's expectation was that Councils will primarily use their grant allocation to reduce the council tax liability of individuals in their area. This would be done under their discretionary powers contained under S13A (1)(c) of the Local Government Finance Act 1992.

For the 2020/21 financial year this fund was used to reduce the liability for all working age council tax support claimants up to a maximum of £150.

COVID-19 hardship fund 2021-22

The Government announced further funding for the 2021-22 financial year. The Council received £4.578 million from the Local Council Tax Support grant for 2021-22. This funding will be used to reduce the liability for all working age council tax support claimants up to a maximum of £300.

COVID-19 hardship fund 2022-23

From the surplus of funding received in 2020-21 and 2021-22 financial years the Council will use the remaining funds to reduce the council tax liability for all working age council tax support claimants for the 2022-23 financial year up to a maximum of £200.

Council Tax Support Fund for 2023-24

On the 19th December 2022, the Government announced additional funding for local authorities to support the most vulnerable households in England. The funding is for councils to deliver additional support to the 3,8 million households already receiving council tax support, whilst also providing councils with the resources and flexibility to determine the local approaches to support other vulnerable households in their area. The Council's allocation is £654,441.

The expectation is that councils should use the majority of the funding allocations to reduce bills for current working age, and, pension age local Council Tax Support claimants by up to £25. Councils can use their remaining allocation as they see fit to support vulnerable households with council tax bills.

Council Tax Support Hardship Fund 2023-24

From the surplus of funding received for the Council Tax Support Fund for 2023-24 (above) and from its own funds the Council will provide a Council Tax Support Hardship Fund payment of up to £175 to reduce the council tax liability for all working age and pensionable age council tax support claimants.

Council Tax Support Hardship Fund 2024-25

From its own funds the Council will provide a Council Tax Support Hardship Fund payment of up to £100 to reduce the council tax liability for all working age and pensionable age council tax support claimants.

Decisions and Appeals

The decision to adopt any further classes of dwellings is delegated to the Executive Director – Transformation and Resources in conjunction with the Portfolio Holder.

Decisions on individual applications for a discount under Section 13A (1)(c) to reduce council tax liability is delegated based on value to the following officers:

Up to £5,000 – Senior Revenues Manager

Between £5,001 and £10,000 – Senior Revenues Manager and Head of Transactional Services.

Over £10,001 – Director of Finance and Procurement (Deputy Section 151 Officer).

Notification of a decision will be made by letter as soon as possible after the application has been considered.

Appeals against the Council's decisions will be considered upon receipt of a written request by the Executive Director – Transformation and Resources.

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Northumberland
County Council

Corporate Debt Recovery Policy

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1. Introduction

This document details the Council's policies on the billing, collection and recovery of monies due to the Council.

Sums due to the Council can be a mixture of statutory and non-statutory charges. The methods for billing and recovery of the statutory debts are tightly prescribed by statute. Our recovery practices must take account of this diversity.

This Policy sets out the general principles to be applied in relation to debt management across all services provided by the Council.

The management of income is a key business area for the Council. The Council collects income from many streams; some of this activity is governed by legislation while others by sound principles of financial management. The key to economic, efficient and effective income management is the creation and maintenance of a clear framework that sets out the approach, principles and strategy within which all activities will be conducted.

It is essential that all monies due are collected effectively by the Council, and that debt owed to the Council is kept to a minimum. This is because the Council has both a legal duty and a responsibility to its citizens to ensure that income due is paid promptly. The Council may charge late-payment interest on debts or seek interest during recovery processes where it is lawful and appropriate to do so.

Effective income management processes are critical to the delivery of overall Council service objectives. A more efficient income management process contributes to the availability of resources for wider or deeper service provision. Every pound of income that is not collected or takes extra effort to collect leads to one or two potential outcomes namely:

- A resource is needed to be taken from the overall service budget to compensate for the cost of collection or non-collection
- Extra income will need to be found to compensate for the extra cost of collection or non-collection.

2. Aims

The aims of the corporate debt policy are to:

- Facilitate a coordinated approach to managing multiple debts owed to the Council.
- Identify, where appropriate, support which may be required to those owing money to the Council, and ensure circumstances are taken into consideration.
- Apply best practice to debt collection.

3. Scope of the Policy

This policy applies to the collection of:

- Council Tax
- Non-Domestic Rates (Business Rates / NNDR)
- Housing Benefit and Council Tax Benefit/Support Overpayments
- Sundry Debt (Council Services)
- Overpaid salaries and wages
- Housing Income

There are specific rules and regulations which govern the recovery and collection of these debts, and are set out in the respective Annexes.

4. Policies common to all types of debt

Every demand for money will be correctly addressed to the person who is liable to pay it. The name on the demand will be that of a person or body possessing “legal personality”.

Demands will, wherever possible, be issued as soon as practicable and, if possible, on the day of production.

The Council will attempt at all times to use the most appropriate and effective method of debt recovery in order to maximise income.

The Council will encourage the most cost effective payment methods with the emphasis being on unmediated electronic means where possible. “Unmediated”, in the context of electronic payment methods means a method of payment that requires no human intervention by Officers of the Council to achieve its crediting to the account in question.

Equality and diversity considerations will be taken into account in accordance with the Council’s Equal Opportunities Policy. Specifically staff seeking to recover debts will have regard to ensuring information is accessible through translations, larger print versions or sign language, as appropriate, to the needs of the debtor.

Where the potential for a statutory benefit or discount exists in relation to the debt, efforts will be made to make the debtor aware of such opportunities and they will be assisted and encouraged to apply for these.

All notices issued by the Council will comply with the corporate style guidance and be readily identifiable as being from the Council.

Where either national or local performance indicators exist the Council will strive for top quartile performance and will publish its actual performance against these targets annually. Progress reports will be made available at regular intervals during the year to the Executive Management Team and Corporate Services and Economic Growth Overview and Scrutiny Committee.

The Council welcomes the involvement of welfare agencies where authorised by the debtor in connection with debts due to the Council, and recognises the benefits that these organisations can offer both the debtor and the Council in prioritising repayments to creditors and in maximising income available to the debtor.

The Council supports the provision of advice from external agencies and will work in conjunction with them. These include Age UK, Citizens Advice Bureau (CAB) and Shelter.

The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 came into force on 4 May 2021. The Council will ensure that recovery of qualifying debts is suspended for the relevant moratorium period as set out in the regulations and, where appropriate, will engage with a debtor’s debt advice provider regarding a moratorium debt or a debt solution in respect of the debtor.

In cases of multiple debts there must be close liaison between services. Multiple debts are where a debtor has significant debts in more than one service area, e.g. NNDR, council tax benefit/support and housing benefit overpayment. Such cases can present problems in determining the relative priority of the individual debts for both the individual concerned and the Officers preparing settlement.

In such cases Officers are expected to liaise and agree an appropriate means of coordinated recovery, which reflects these policy aspirations together with the need to balance repayment profiles across all debts due to the Council.

Cross service communication may arise on an ad-hoc basis where appropriate cases present themselves.

The Council recognises that prompt recovery action is key in managing its debt and maximising income. The Council therefore aims to:

- Regularly monitor the level and age of debt.
- Set clear targets for the recovery of debt.
- Have clear written recovery procedures.
- Set priorities for specific areas of debt and assess recovery methods to ensure maximum recovery.
- Regularly review irrecoverable debts for write-off.

All sundry debt accounts that are written off will initially be written off as a charge against the income code against which they are raised. At the year-end an adjustment will be made if any of the debt was already provided for as doubtful in the bad debt provision.

Where an external agency is procured to assist with the delivery of a service the flow of information between the Council and the agency must be in a secure electronic format.

Where legislation permits, the Council will seek to take control of goods and recover from the debtor any and all costs/fees that are legitimately due from the debtor to the Council or its agents. Only in exceptional cases, where it would not be in the public interest to pursue costs/fees, will they be waived.

5. Principles of Recovery

The Council will follow the principles outlined below.

- Our action will be **proportionate**
- Our approach will be **consistent**
- Our actions will be **transparent**

Additionally our intention will be to be firm and fair, and our manner will be courteous.

Proportionality – Proportionality allows for a balance to be struck between the potential loss of income to the Council and the costs of compliance.

Consistency – Consistency means taking a similar approach in similar circumstances to achieve similar ends. The Council's aim is to achieve consistency in:

- The advice the Council gives.
- The use of its powers.
- The recovery procedures used.

The Council recognises that consistency does not mean simple uniformity. Officers need to take account of many variables such as:

- The social circumstances of the debtor.
- The debtor's payment history.
- The debtor's ability to pay.

Transparency – Transparency is important in maintaining public confidence. It means helping people to understand what is expected of them and what they should expect

from the Council. It also means explaining clearly the reasons for taking any recovery action.

Transparency is a key part of the Council Officer's role. If action is required, the reasons why must be clearly explained and time scales must be clearly stated. A distinction must be made between advice and legal requirements.

Communications should be in plain English, and large print with Braille or translated versions will be made available to customers upon request.

With the exception of Council Tax and NNDR, an opportunity must be given to discuss what is required to comply with the law before formal recovery action is taken. A written explanation must be given of any rights of appeal against formal recovery action either before or at the time the action is taken.

6. Hierarchy of Debt

Some customers will owe more than one debt to the Council, and may be on a low income or experiencing financial hardship. In such cases it needs to be clear which debts the Council considers a priority.

Priority will be given to debts where non-payment could lead to loss of the customer's home or imprisonment. These relate to Council Tax and Business Rates, which are most commonly enforced through the courts as per statutory requirements.

Other debts owed to the Council may, depending on the circumstances, be considered to be of lower priority.

7. Methods of Payment

The Council's preferred method of payment is Direct Debit. However, this does not prohibit accepting payment by other methods. Apart from Direct Debit, the Council accepts a range of payment types as appropriate to the debt type and size.

These include cash, cheque, credit and debit cards, standing orders and other electronic banking methods, such as online internet banking and touch tone telephone payments. See Annex 4 Methods of Payment Policy.

8. Write Offs

The Council recognises that where a debt is irrecoverable, prompt and regular write off of such debts is good practice. See Annex 5 Write Off Policy.

The Council will seek to minimise the cost of write-offs to the local Council Tax payers by taking all necessary action to recover what is due. All debts will be subject to the full collection, recovery and legal procedures as outlined in this policy. See Annex 1 Council Tax and NNDR Recovery Policy; Annex 3 Housing Benefit and Council Tax Benefit/Support Overpayment Policy, Annex 6 Sundry Debt Policy and Annex 11 Housing Income Management Policy.

Write off is only appropriate where:-

- the demand or invoice has been raised correctly and is due and owing; and
- there is a justified reason why the debt should not be pursued. See Annex 5 Write Off Policy.

Justified reasons

It is not possible to list every scenario which could make a debt suitable for write off. However, the following factors could be appropriate depending on the circumstances.

The advice of the Corporate Debt Team should be sought in determining whether a debt is suitable for write off. Some of the justified reasons are included below:

- The customer is insolvent and the Insolvency Practitioner has confirmed there is no dividend payable; these matters should be referred to the Corporate Debt Team as soon as an insolvency notification is received;
- The customer cannot be traced. The Corporate Debt Team should be consulted before applying for write off, as they have search engines and other methods to locate the absconded customer;
- The debt is uneconomical to pursue, or to pursue further. This may be based on more than one factor, such as the amount of the debt, the financial position of the customer and the cost of administrative and Officer time in pursuing the debt. If the debt is over £50 the Service should consult the Corporate Debt Team to determine whether the debt is economically viable to pursue;
- Administrative errors or loss of documentation. When a debt is referred to the Corporate Debt Team, under the Civil Procedure Rules, the Council is required to set out in detail the basis of the claim and enclose documentary evidence to back up the claim. If there is a lack of evidence it may not be possible to pursue the matter. The Service may wish to consult Legal Services on the position before referring the debt for write off;
- The debt is a contractual debt over 6 years old. Under the Limitation Act 1980, it is not possible to issue court proceedings in a contractual matter which is over 6 years old; however there are exemptions to this rule and the Services should consult Legal Services where they believe the debt is no longer enforceable by virtue of the Limitation Act 1980.
- The Magistrates' Court has refused a committal application and remitted the debt.
- The Council has evidence to confirm the claimant is suffering a severe physical or mental illness, which renders recovery action inappropriate.
- The customer has died and there are no or insufficient funds in the estate to settle the debt

Please note Services will be required to confirm they have followed the normal debt recovery procedures before referring the debt for write off, and where the procedures are not followed an explanation will need to be provided.

Where debts have been referred to the Corporate Debt Team and it becomes impossible to recover the balance, the Corporate Debt Team will provide a memorandum to the instructing Service explaining the reasons why it is considered appropriate to write off the balance. The Corporate Debt Team can only recommend or agree to write off. It is the responsibility of the Chief Officer of each Service to complete the write off form and submit the request to the Corporate Debt Team in accordance with the procedures identified in this guidance note. All relevant correspondence relating to the debt must accompany the write off form.

Irrecoverable debts will be referred to the relevant Officer(s) or Committee, designated under the Council's Finance and Contract Rules at a pre-agreed frequency and in a pre-agreed format.

The limitations for writing off irrecoverable debts are those contained within the Council's Finance and Contract Rules.

The appropriate policy on the write off of a debt is detailed in the Annexes attached.

Annex 1

Council Tax and NNDR Recovery Policy

Introduction

1. Council tax is a tax levied on all eligible domestic dwellings. Non-domestic rates are a tax levied on eligible business properties. The amount of council tax levied is dependent on the council tax band that the property falls into and the amount of tax to be raised. The amount of non-domestic rates is dependent on the rateable value of the property and the nationally set rating multiplier.
2. The full rate of tax is liable to be paid unless the property, owner or occupier is eligible for a reduction or exemption. The main reasons for reductions include empty property discounts, Council Tax/benefit/support for residents on low income, disregards, single occupancy discounts and charitable relief.
3. Council tax and non-domestic rates are payable in line with a statutory instalment scheme or by agreement. There is a legal duty placed on the Council and its Officers to collect outstanding debts in accordance with the Council Tax (Administration and Enforcement) Regulations 1992 and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (as amended).

Policy Aims

4. The Recovery policy will ensure that:
 - The Council will bill, collect and recover all debts in an economic, effective and efficient manner in accordance with legislation and best practice.
 - All taxpayers and ratepayers are treated fairly and objectively.
 - Action taken will be fair and open, no-one will receive less favourable treatment because of their race, nationality, colour, ethnic or national origin, religious belief, gender, marital status, sexual orientation, age or disability.

Policy

5. The Council will bill, collect and recover all debts in an economic, effective and efficient manner in accordance with legislation and best practice.
 - Demand notices and adjustment notices will be issued in accordance with regulations.
 - A recovery timetable will be drawn up before the beginning of each financial year.
 - Reminders and final notices will be issued 14 days after an instalment has fallen due.
 - A summons to the Magistrates' Court may be issued if full payment has not been made in accordance with the previously issued notice.
 - If settlement is still not made an application will be made to the Magistrates to grant a Liability Order.
6. Following the grant of a Liability Order the debtor will be given an opportunity to make a suitable payment arrangement. Should the debtor not make or keep to a payment arrangement the following recovery action(s) can be taken. The recovery action(s) will be dependent on the circumstances of each individual case.
 - i. **Attachment of Earnings**
Deductions are made from the debtor's earnings at a rate determined by legislation.
 - ii. **Deductions from Income Support, Job Seeker's Allowance, Employment Support Allowance, Pension Credit or Universal Credit**
Deductions are made from the debtor's benefits at a rate determined by legislation.
 - iii. **Taking Control of Goods – use of Enforcement Agents**

Enforcement Agents employed or engaged by the Council must be accredited by the Enforcement Conduct Board and will be required to comply with the Enforcement Agent Code of Practice, Service Level Agreement(s) and the Tribunals, Courts and Enforcement Act 2007 and any other prevailing legislation at all times.

iv. **Bankruptcy/Liquidation**

If sufficient assets exist to meet the outstanding debt the Council can petition for Bankruptcy/Liquidation.

v. **Charging Orders**

An order placed on the debtor's property to secure the debt. County Courts are empowered to order the sale of the dwelling if the debtor does not pay.

vi. **Committal**

The Council can make an application to the Magistrates' Court to instigate action that could ultimately result in the debtor being sent to prison for non-payment.

vii. **Attachment of Allowances**

Deductions are made from Elected Members' Allowances.

The Council reserves the right to pursue the most appropriate of the above recovery methods depending on the specific personal and financial circumstances of the debtor.

7. A separate detailed recovery procedure document exists which can be viewed as a background paper to this policy document.
8. The Write Off and Costs Policies are attached as separate documents.

Annex 2

Council Tax and NNDR Court Costs and Fees Policy

Introduction

1. Considerable costs are incurred to recover sums due from defaulting council taxpayers and non-domestic ratepayers. The Council Tax (Administration and Enforcement) Regulations 1992 (as amended) and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (as amended) empower the Council to recover reasonable costs from defaulters with the approval of the Courts.

Policy Aims

2. To provide a uniform scale of costs applicable at each recovery stage.
3. To ensure that the level of costs is reasonable.

Policy

4. The following scale of costs is applicable with effect from 1st April 2017.

Liability Orders and Committal Proceedings

Recovery Stage	Council Costs £	Court Costs £	Cost to Debtor £	Collectable £
Court Summons	49.50	0.50	50.00	49.50
Liability Order	50.00	Nil	50.00	50.00
Committal Summons/Warrant of Commitment	60.00	245.00	305.00	60.00
Warrant backed by bail	70.00	75.00	145.00	70.00
Warrant not backed by bail	70.00	75.00	145.00	70.00

NOTE: Arrest warrants executed by the Council's agents will be subject to a charge to the Council at different rates, depending on the agent's scale of charges and the location where the warrant is executed. Typical fees are:

Executing a warrant backed by bail	£125.00 + VAT
Executing a warrant not backed by bail	£175.00 + VAT

There may be instances where more than one warrant is required. This will affect the balance shown as collectable.

Bankruptcy/Winding-up Proceedings

The petitioning creditor's costs associated with bankruptcy/winding-up proceedings are:

Fixed Costs (in accordance with the statutory scale of fees and charges currently in force).

£280.00/£280.00	Court Fee – payable on filing of petition (non-refundable)
£1,500.00/£2,600.00	Official Receiver's Deposit - payable on filing of petition (£1,450.00/£2,550.00 is refundable if a petition is withdrawn or dismissed)

Typical Variable Costs (to be claimed in the bankruptcy/winding-up proceedings)

£225.00	Expense in relation to preparation and service of Statutory Demand and preparation of Certificate of Service.
£350.00	Expense in relation to preparation and filing of Petition and Statement of Truth.
£180.00	Expense in relation to the Personal Service of the Petition.
£115.00	Expense in relation to preparation and filing of Certificate of Service.
£325.00	Expense in relation to preparation of papers for and attendance at Petition Hearing.
Variable	Actual costs incurred for additional matters e.g. Legal opinion, additional legal representation, attendance at additional hearings etc.

All costs may be claimed in the bankruptcy/winding-up.

Charging Orders

Fixed Costs associated with Charging Orders are levied in accordance with the statutory scale of fees and charges currently in force. They are currently:

£110.00	Application Fee
£20.00	Online Land Registry Registration Fee
£4.00	Cost of Office Copy of Land Registry Entry
£110.00	Fixed costs that may be awarded by the Court

All costs are included in the Final Charging Order.

5. Council costs will be reviewed annually in line with budget setting. The Council has no discretion in the level of Court costs which are governed by legislation.

Annex 3

Housing Benefit and Council Tax Benefit/Support Overpayment Recovery Policy

Introduction

1. Overpayments of Housing Benefit and Council Tax Benefit/Support are established through a change in benefit entitlement. They are described as an amount of benefit that has been awarded but to which there is no entitlement under the regulations.
2. Accurate and prompt identification of overpayments is important to ensure that the incorrect payment of benefit is discontinued and to maximise the chances of successful recovery.
3. The Council recognises that to ensure there is minimal loss to public funds firm but fair action must be undertaken in the administration of Housing Benefit and Council Tax Benefit/Support overpayments.
4. Proactive action in the recovery of overpayments has a deterrent effect. However, the Council has a responsibility to act in accordance with all relevant legislation and regulations.
5. In all cases due regard will be given to the health and individual circumstances of the claimant to avoid causing unnecessary hardship.

Policy Aims

6. The policy will reflect best practice in the procedure for dealing with the administration and recovery of Housing Benefit and Council Tax Benefit/Support overpayments.
7. The policy will be flexible in its approach to the recovery of overpayments with each case treated on its own merits. The Council recognises that a policy which, for example, requires recovery in all cases or recovery is always made from specific categories of claimants is unlawful.
8. The policy has regard to the rights of individuals and the obligations of the Council under the provision of the Human Rights Act 1998.
9. The Council will:
 - take steps to minimise and prevent overpayments from occurring
 - identify the overpayment promptly
 - stop the overpayment from continuing
 - classify the overpayment correctly
 - determine if the overpayment is recoverable and if recoverable
 - determine from whom to recover
 - determine the most appropriate method of recovery
 - notify the claimant and other affected persons of the decision
 - implement effective financial control of the recovery process

The Policy

10. The policy will be applied in all cases where an overpayment of benefit has occurred, that is, any amount of Housing Benefit or Council Tax Benefit/Support which has been paid but to which there was no entitlement whether on initial decision or on a subsequent revised or superseded decision.

11. In most cases overpayments can arise as a consequence of:
 - payments made in advance
 - late disclosure of a change in circumstances
 - errors made by the claimant when completing an application form or review form
 - claimant error
 - official errors made by the Council or the Department for Work and Pensions
 - deliberate fraud
12. Official error overpayments are only recoverable if the claimant or the person from whom recovery of the overpayment is sought could reasonably have known that an overpayment was occurring at the time the overpayment occurred.

Prevention of Overpayments

13. Overpayments are often difficult and time consuming to administer. They can cause difficulties for claimants and their families as they try to manage on limited incomes. They are to be avoided where possible. This will be achieved by:
 - telling claimants how to avoid overpayments, with letters, in leaflets and during verbal communications
 - encouraging claimants to maintain contact with us
 - processing information quickly and accurately to minimise overpayments
 - offsetting any new or underlying entitlement

Identifying Overpayments

14. The Council will endeavour to act on any information received in relation to a claimant's change in circumstances within seven days of having received sufficient information to identify that an overpayment has or will be occurring.
15. This action will in the first instance include the suspension of further ongoing payments of incorrect benefit.
16. The Council will endeavour to identify any change in circumstances that would result in an overpayment still outstanding after seven days by:
 - undertaking a check of the Department for Work and Pensions records held on the Customer Information System (CIS) to identify whether entitlement to Income Support, Jobseeker's Allowance (Income Based) has ceased and if this information is not readily available on CIS by the sending of a benefits enquiry information letter
 - referring potential fraudulent overpayments to the Benefit Fraud team
 - ensuring that any post relating to the change in circumstances is collated and acted upon

Classification of Overpayments

17. The correct classification of overpayments is essential as, depending on the type of overpayment, the authority will receive a percentage of the overpayment back from the government by way of subsidy. A summary of the types of overpayments and percentage of subsidy allowed is shown at the end of this policy.
18. All overpayments must be correctly classified by an Officer of the Council who has had training to a sufficient standard to allow them to make decisions, which ensure the correct application of the law in the decision making process.
19. All Officers with responsibility for classifying an overpayment must record both the classification and their reasons for it on the benefit file.

Calculation of Overpayments

20. Where an overpayment has occurred the Council must invite claimants to provide sufficient information for any underlying entitlement to benefit for the overpayment period to be assessed.
21. The full amount of the overpayment should be recovered unless the health or financial circumstances of the person from whom recovery is being sought suggest a lesser amount would be appropriate.
22. In all cases the overpayment should be recovered as quickly as possible and normally no later than six years from the date recovery action is commenced.

Notification Letters

23. All notification letters must be dated and issued to all affected persons within fourteen days of the Council having made the decision.
24. The notification must include the reasons for the decision, the right to request a further statement and the time limit for doing so and the claimants appeal rights and the time limit for doing so.
25. Copies of the notification letter must be able to be reproduced in the event of an appeal, complaint or proceedings taken against the Council.

Decisions on Recoverability

26. In all cases where an overpayment has arisen the Council should consider whether an official error has caused or contributed towards the overpayment.
27. Where the Council has identified an overpayment, which was caused or contributed to by an official error, it should decide whether recovery of the overpayment is appropriate under the guidance issued by the Department for Work and Pensions.

Who Should the Overpayment be Recovered From

28. Before recovery action begins consideration will be given as to whom is the most appropriate person to recover the overpayment from. This may in certain cases mean that further information is required from the affected parties.
29. Recovery should then be made from the most appropriate persons who may be:
 - the claimant
 - the person to whom the payment of benefit was made
 - the person who misrepresented or failed to disclose the material fact
 - the partner of the claimant if the partner was living with the claimant at the time of the overpayment and at the time the decision to recover was made
30. In all cases where the overpayment was the result of proven fraud the overpayment should, in the first instance, be sought to be recovered from the person who misrepresented or failed to disclose a material fact.

Recovery of Overpayments

31. In all cases where recovery of an overpayment is sought the Council will have regard to its statutory duty to protect the loss from public funds but in doing so will have regard to:
 - the length of time the recovery of the overpayment may take
 - the effect of recovery on the affected person
 - the ability of the affected person to repay the debt

32. The Council may consider the method of recovery of an overpayment at any time for the purpose of effectiveness and efficiency in financial control.
33. Only if it becomes clear after all attempts at recovering the overpayment have become exhausted and there is no hope of recovery, or there are extenuating circumstances, shall the debt be recommended for write-off. In all cases, the Council's Finance and Contract Rules shall be adhered to.
34. Recovery should be suspended if a claimant appeals a decision until the appeal has been resolved.

Methods of Recovery

35. Overpayments of recoverable Council Tax Benefit/Support will result in an adjustment being made to the claimant's council tax account for the appropriate year. An amended bill will be issued and any unpaid monies will be subject to recovery action under the council tax regulations.
36. The most appropriate method of recovery for Housing Benefit Overpayments should be considered in all cases, including:
 - on-going deductions from further payments of Housing Benefit
 - deductions from other Department for Works and Pensions benefits
 - benefit debtor invoices
 - Direct Earnings Attachments
 - debits to the rent account where it is in credit
 - recovery from landlord
 - referral to an external debt collection agency (after all the above avenues of recovery are considered or exhausted)
 - applying to the County Court for a County Court Judgement (after all avenues of recovery are considered or exhausted). With a County Court Judgement (CCJ) further recovery actions can be taken, e.g. instructing enforcement agents or attaching the debtor's earnings.
37. In cases where an invoice has been issued a period of at least one calendar month should have elapsed before recovery action begins. This will allow time for the claimant to re-apply for benefit, which may identify an underlying entitlement to Benefit from which deductions may be taken to recover the overpayment, or for the claimant to register any appeal.
38. In cases where recovery from on-going benefit is sought the standard maximum rate of deduction as laid down by regulation should be applied unless the health or financial circumstances of the claimant suggest a more appropriate rate should be used. In all cases however a minimum amount of fifty pence per week Housing Benefit must remain in payment.
39. Recovery will be stopped when a bankruptcy order is made and the relevant debt will be included in the Council's claim in the bankruptcy. Where the overpayment is a result of fraud then recovery action may be resumed following discharge from bankruptcy.
40. Where the claimant is deceased an invoice will be sent to their executors or representatives to seek recovery from their estate.

Monitoring and Reporting Mechanisms

41. Monitoring of overpayments will be carried out in conjunction with the Council's Corporate Performance Management System.

Write Offs

42. Recovery of overpayments will be carried out as diligently as possible. However, if it becomes clear that there is no hope of recovery, or that there are extenuating circumstances the debt will be recommended for write off in accordance with the Write Off Policy. In all cases the Council's Finance and Contract Rules will be adhered to.

Additional Information

- Housing and Council Tax Benefit/Support Overpayment Classification Types
- Extract on Overpayments from 2007/08 DWP Subsidy Claim
- LA Error Subsidy Calculation (all authorities) 2007/08

Housing Benefit/Council Tax Support Overpayment Classification Types

Type of Overpayment	Description	Subsidy Payable
Local Authority Error	Local Authority (LA) error overpayments are those caused by a mistake, by an act or omission, by a LA when the claimant did not contribute to the mistake. These can result from incorrect information being extracted from a benefit claim, error in data input which result in the incorrect assessment of benefit or failure to act/act promptly on a notification of change in circumstances.	Subject to thresholds. The lower threshold is 0.48% of the total expenditure attracting full subsidy; the upper threshold is 0.54%. 100% subsidy will be payable if the level of error does not exceed the lower threshold. If LA error overpayments are greater than the lower threshold but do not exceed the upper threshold, then 40% subsidy is paid on the total LA error overpayments. If LA error overpayments exceed their upper threshold LA s receive nil subsidy on their LA error overpayments.
Claimant Error	An overpayment caused by the claimant or person acting on the claimants behalf or any person the benefit is paid to, failing to provide information in accordance with Housing and Council Tax Benefit/Support regulations and has not been defined as fraudulent.	40%
Fraud	An overpayment occurring as a result of a payment of HB or CTB arising from a breach of section 111A or 112 of SSAA1992 or a person knowingly failing to report a relevant change of circumstances with intent to obtain or retain HB or CTB either for themselves or someone else.	40%
DWP Errors (Departmental Official Errors)	An overpayment arising from a mistake, whether in the form of an act or omission made by an officer of the DWP, HMRC or a person acting for them.	Nil If recovered 100% if not recovered
Technical HRA	An overpayment when a rent rebate is credited in advance of entitlement for a particular period, where a change of circumstances or a recoverable overpayment causes that entitlement to be removed or reduced.	Nil

Annex 4

Methods of Payment Policy

Introduction

1. A number of payment methods are available to customers to pay the Council. To operate efficiently the Council needs to provide the same facilities to all residents and businesses.
2. The Council is committed to offer increased access to services and as such must offer different payment methods, but must do so consistently giving heed to the need to minimize the cost of collection.

Policy Aims

3. The Policy aims to:
 - Improve customer services through the range of payment methods.
 - Allow customers to make payments outside of office hours.
 - Standardise payment methods.
 - Enable efficiency savings through rationalisation.

Policy

4. The following methods of payment are offered/accepted (the list is not exhaustive):
 - Direct Debit (the preferred method)
 - Cash
 - Cheque/Postal Order
 - Debit card
 - Credit Card
 - Standing Order
 - BACS/CHAPS
 - Via the Internet or Touchtone telephone using a debit or credit card.
 - Using a bar-coded bill / invoice at any Post Office or Paypoint outlet
5. For sundry debts, a direct debit should, wherever possible, be set up for the customer in advance of an invoice being raised.
6. Barcodes should be provided wherever possible on bills and invoices.
7. A de-minimis level will not apply for payments made by debit or credit card.
8. No extra fee will be charged to those customers paying by debit or credit card (the cost of this will be monitored and reviewed annually).
9. Instalment dates for council tax and non-domestic rates are as follows:
 - Direct Debit: 1st, 15th or 28th of the month commencing in April of any financial year. Customers can opt to pay in up to 10 or 12 instalments.
 - Non Direct Debit: 1st of the month commencing in April of any financial year in up to 12 instalments.

Annex 5

Write-Off Policy

Introduction

1. The Policy is in respect of council tax, non-domestic rates, housing benefit and council tax benefit/support overpayments, sundry debts and housing income.
2. An integral part of debt recovery is the effective management of irrecoverable debts to ensure that resources are applied efficiently to the collection of monies outstanding which can reasonably be expected to be collected.
3. It is good practice to identify and write off irrecoverable debts. This enables the Council to use resources to their maximum benefit.

Policy Aims

4. There are consistent guidelines and procedures to follow.
5. Provide a framework to write off debts once every possible recovery process has been exhausted.
6. Strike a balance between protecting the Council's financial position and making sure anti-poverty issues are addressed.
7. Write offs are carried out in accordance with the Council's Finance and Contract Rules in force at that time.

Policy

8. Debts will normally only be considered for write off where the account is "closed" (i.e. no recurring debt). Only in exceptional circumstances will amounts on "live" (i.e. on-going accruing debt) accounts be considered. Such cases must demonstrate that further recovery action will not achieve collection of the debt.
9. The effectiveness of the Policy will be measured against the Council's Performance Framework.
10. It is not possible to list every scenario which could make a debt suitable for write off. However, Appendix A shows the main reasons why debts become irrecoverable.
11. Advice should be sought from the Corporate Debt Team in determining whether the debt is suitable for write off.
12. The Council will record all write off decisions.

Appendix A

Reasons for Write Off

Absconded / No Trace	All reasonable attempts to find the debtor have failed.
Deceased	Insufficient or no funds in the Deceased's estate to pay the amount outstanding.
Debt "out of time"/ too old to recover	Debts over 6 years old where a liability order has not been granted (for council tax and NNDR), or no contact has been made and no payments have been received (in accordance with the Limitation Act 1980 (as amended) for Sundry Debt. However for certain Sundry Debts there may be exemptions to this rule and the Service should consult Legal Services where they believe the debt is no longer enforceable by virtue of the Limitation Act 1980.
Uneconomical to pursue / pursue further	When all recovery processes have been tried or considered, or the cost of proceeding would be prohibitive.
Hardship	Each case taken on its merits.
Debt remitted by the Court	Magistrates have remitted the debt.
Bankrupt	The debtor is declared bankrupt and sums due as at the date of bankruptcy cannot be recovered.
Debt Relief Order (DRO)	The debt is included in a Debt Relief Order and cannot be recovered.
Company in Liquidation / Wound up / Dissolved / Struck off	The debtor is a Limited Company. The Company no longer exists as a legal entity and there is no means of recovering the debt.
Company in Administration	The company is being administered on behalf of its creditors and the Administrators have no legal responsibility for the accrued debts of the company.
Company Voluntary Arrangement (CVA)	The Company has entered into a voluntary arrangement with its creditors through an insolvency practitioner.
Individual Voluntary Arrangement (IVA)	The debtor has entered into an arrangement with creditors through an insolvency practitioner.
Non-recoverable housing benefit overpayment	Housing benefit has been overpaid but is not recoverable under the Housing Benefit Regulations 2006, 100(2) or the Housing Benefit (Persons who have reached the qualifying age for state pension credit) Regulations 2006, 81(2).

Annex 6

Sundry Debt Policy

1. Policy

- 1.1 This Policy shall be known as 'The Sundry Debt Policy' and covers the collection of customer accounts due to Northumberland County Council.
- 1.2 It is the Council's policy to recover all collectable debt owed to it and with this overall objective in mind this policy aims to:
- Maximise the collection of the Council's income
 - Reduce the time taken to raise invoices to within 10 days of the provision of service(s)
 - Reduce the time taken to collect charges
 - Reduce the level of debt owed to the Council and its provision for bad debts
 - Reduce the incidence of debt that cannot be collected
 - Focus the attention and improve education of Services to raise awareness of the importance of prompt debt recovery
 - Tackle any non-payment culture amongst customers.
- 1.3 This Policy supports these aims by:
- Promoting ownership of debts by service providers
 - Ensuring that, where possible, payment up front is received
 - Ensuring whenever possible that collection of the fee or charge involved takes place prior to the service being provided so that credit is only given when essential to do so
 - Promoting a system of credit control
 - Ensuring invoicing procedures are carried out on an accurate and timely basis
 - Requiring that evidence to support the invoice exists in the form of an official purchase order or other written agreement
 - Encouraging debtors to pay promptly,
 - Making collection and recovery activity more efficient by prioritising collection of larger debts
 - Creation of a corporate framework to enable efficient and effective income management
- 1.4 The Policy aim is to achieve the following rates of collection in terms of both numbers and value of invoices:
- 90% of invoiced debt to be collected within 35 days of the invoice being issued
 - 95% of invoiced debt to be collected within 60 days of the invoice being issued
 - The respective Service Manager will review each year the targets above.
 - The Council will publicise the fact that it has this policy and that it intends to pursue and enforce the collection and recovery of all debts owed to it.

2. Key Principles of Fees and Charges

- 2.1 The fee or charge imposed by the Council must be fair in relation to the goods and/or services provided and consistent with other Local Authorities.

- 2.2 The charge must reflect the principles outlined in the appropriate charging policy and in the Council's Finance and Contract Rules.
- 2.3 The charge must, depending on legislation, always cover the cost of providing goods or service and the costs of collection, unless the Council has taken a policy decision to subsidise the service.
- 2.4 The charge should wherever possible be obtained in advance of the goods and/or services being provided.
- 2.5 The charge must be collectable i.e. sound supporting documentation must be available with timely access.
- 2.6 Fees and charges must be reviewed at least annually as part of the budget setting process.
- 2.7 There must be a clear and prompt billing and collection process.
- 2.8 There must be a clear and consistent council-wide approach to the giving of credit and the collection of debt that is led by this policy.
- 2.9 The debt will remain the responsibility of the Service in which it was raised and that Service will remain responsible for pursuing overdue debts. Where the Service is unable to secure payment then the Corporate Debt Recovery Team will escalate recovery action.

3. Responsibilities

- 3.1 Directors and Heads of Service must ensure that:
 - The Corporate Debt Recovery Policy is adhered to
 - The key principles of fees and charges are adhered to
 - The parts of this policy that apply to their Service areas are correctly followed
 - Specific attention is paid to prohibit the poor practise of raising large value invoices at the financial year end
 - They proactively support the achievement of corporate targets for debt collection
 - Budget Managers are fully aware of their responsibilities
 - Relevant systems and procedures are in place
 - Officers involved in the debt collection process are appropriately trained and are aware of their responsibility
- 3.2 Internal Audit will provide assurance that this Policy is adhered to and is effective.

4. Validation

- 4.1 The Service responsible for raising the invoice must ensure that the evidence of the service provided is fully validated and that the invoice is accurate and contains sufficient detail for both billing and recovery purposes.
- 4.2 The Corporate Debt Team will validate customer name and address details prior to invoices being raised, to reduce errors and avoid duplication. It is the responsibility of the originating Service to ensure that the correct billing details are collected. If incorrect details are entered for validation the request will be referred back to the originator and deleted from the system until correct details are supplied.

5. Invoicing

5.1 Services are responsible for the raising of invoices in respect of the goods and/or services they supply on credit. They must ensure that an invoice pro-forma is fully completed. All fields must be completed in full, including:

- Customer's full name(s)
- Customer's full address(es), including postcode(s)
- Customer's contact telephone number(s)
- Customer's email address
- Date of supply
- Purchase order number (where applicable)
- Full description of the service/goods provided
- Amount due
- VAT amount - see note 1 below
- Total due
- Financial code
- Originating Service
- Certification

This applies not only to their service but also when they are acting as an agent for another Group. In this latter case they should advise the relevant budget holder of the charge raised.

Note 1 Current rates of VAT are standard, reduced and zero. In addition some goods and services are exempt from VAT or out of scope. Officers should refer to the VAT manual on the intranet when deciding on the correct VAT treatment.

5.2 All invoices must be raised to a correctly named legal entity. In the event of non-payment, legal action cannot be taken against a non-legal entity. Legal entities are:

- Individuals
- Sole Traders
- Partnerships
- Limited companies
- Charities limited by guarantee
- Clubs run by a committee
- Trustees
- Executors or Personal Representatives

Further information and rules to follow are detailed in Appendix 6a

5.3 Unless agreed otherwise by the Corporate Debt Team, an invoice must be raised within 10 working days of the goods and/or services being supplied. The Corporate Debt Team will monitor performance against this target.

5.4 An invoice should not be raised:

- For less than £50.00. For fees and charges less than £50.00 payment must be made prior to the goods or services being provided. However, this excludes legal charges (e.g. ground rent) and arrangements already in place.
 - Where the charge is not known in advance
 - If a purchase order or written agreement has not been received
 - When it cannot be proven that the goods and/or services have been supplied
 - When the amount due has previously been paid
 - Where an invoice for the same goods or service has already been raised.
 - To artificially enhance income targets.
- 5.5 All services must keep a copy of the invoice pro-forma, together with any supporting information, for a period of six years plus the current year.
- 5.6 Invoices will be sent to customers by email where possible.

6. Payment Methods

- 6.1 Invoices may be paid by any of the methods set out in Annex 4 - Methods of Payment Policy.

7. Credit Limits

- 7.1 For goods and/or services to be supplied and costing over £5,000 and where a payment up front cannot be obtained, a credit check must be run on all customers except those in the public sector. The Service must contact the Corporate Debt Team to carry this out.
- 7.2 Where possible, systems should be checked prior to the provision of a service.
- 7.3 Credit/Service provision must not be given to customers who previously have been consistently late payers or have not paid at all. Only the respective Head of Service can approve credit facilities where a customer has previous history of non-payment or late payment and such approval must be given in writing and retained until outstanding balances are paid in full.
- 7.4 Preferential credit limits must not be agreed for any customer.

8. Payment Terms

- 8.1 The Council will collect monies owing to it fully and promptly.
- 8.2 Payment terms may only be considered where the customer is not able to settle the debt in full in one payment. On receipt of an invoice a customer can request to make arrangements to clear the amount outstanding by way of weekly, fortnightly or monthly instalments. Payment should be made by direct debit wherever possible.
- 8.3 All requests from customers to enter into arrangements for payment must be referred to the Corporate Debt Team regardless of the amount. The Corporate Debt Team will set up and monitor all payment arrangements.

- 8.4 The Corporate Debt Team will withdraw payment terms if a debtor fails to honour the agreement entered into.
- 8.5 Where invoices are raised payment becomes due after 30 days (unless agreed otherwise).

9. Accounting Arrangements

- 9.1 Services will receive the credit when an invoice is raised.
- 9.2 Any third party fees or charges associated with recovering a debt will be charged to the Service.
- 9.3 Where debts cannot be recovered, the original credit will be debited from the Service budget by way of a write off; all write offs must be signed off in accordance with the Council's Finance and Contract Rules.
- 9.4 Refunds of any overpayments will be processed by the Corporate Debt Team via a Debit Memo only where there are no other debts owed to the Council by that customer. Should a customer have an outstanding debt then any overpayment will be off set after the customer has been informed. Credits of less than £1.00 will not be refunded.
- 9.5 Direct debit administration is carried out by the Corporate Debt Team. All rejections and cancellations are carried out by the Corporate Debt Team who will arrange to notify the Income Management Team and the appropriate individual Services.

10. Recovery

- 10.1 A reminder will be sent for all invoices unpaid usually after 1 day past the due date, i.e. day 33 after the invoice is raised.
- 10.2 If an invoice is unpaid after a minimum of 6 days past its due date (i.e. 36 days after the invoice is raised) a telephone reminder is made to the debtor by the Corporate Debt Team to recover the amount due.
- 10.3 If after a further 10 days the invoice is unpaid, a pre legal letter (letter before action) will be issued, and a request for the supporting information for legal action may be sent to the Service.
- 10.4 After a further 7 days if the invoice is still unpaid, the Corporate Debt Team may commence legal action.

Stage*	When	How
Reminder notice	33 days from date of invoice	Generated by the debtors system
Telephone reminder	36 days from date of invoice	List generated by the debtors system
Letter before action	46 days from date of invoice	Generated by the debtors system
Request for supporting information for legal action	On decision to take Court action	Manually generated Email to Service requesting proof of debt in 7 days

Legal action	On receipt of full documentation from Service	Legal action taken to recover debt
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Note* these tasks will be performed by the Corporate Debt Team.

- 10.5 At any time after the issue of a reminder notice the Corporate Debt Team may refer the debt to a debt collection agency or, in the case of outstanding commercial rents where the debtor is still in occupation, the Corporate Debt Team may refer the debt to an enforcement agent to follow the Commercial Rent Arrears Recovery process (CRAR) as set out in the Taking Control of Goods Regulations 2013. Once a case has been referred to a debt collection agency or enforcement agent any payment arrangement the debtor enters into must be made directly with that agency unless the Corporate Debt Team agrees otherwise.
- 10.6 The Corporate Debt Team must attempt to trace any debtors who have absconded or use external agents to do so. Where an external agent is used, charges will apply to the originating Service for this work.
- 10.7 Recovery action may be halted at any part of the process if the debtor enters into suitable payment terms with the Corporate Debt Team to clear the debt by instalments within a reasonable timeframe.
- 10.8 Recovery action may be halted at any part of the process if the originating Service decides not to allow recovery for the good of the service. When this happens the originating Service must bear the cost. The Corporate Debt Team will arrange to raise a credit note to cancel the charge and will also recharge the Service for any fees and costs already incurred.
- 10.9 In cases of non-payment for on-going services withdrawal of non-statutory services must be initiated no later than the pre-legal letter stage (46 days) to prompt payment.
- 10.10 No further requests for goods or services should be actioned until outstanding debts are paid in full. Services must check the debtors system to confirm this.

11. Queries and Disputes

- 11.1 If a charge is disputed the Service must notify the Corporate Debt Team immediately to prevent the recovery process continuing. All disputes must be resolved by the Service within 90 days of the invoice being raised and the Corporate Debt Team notified of the outcome.
- 11.2 Where disputes are not resolved within this timeframe the Corporate Debt Team will raise a credit note to remove the debt from the system and notify the Service when this happens. The Service is then responsible for the re-raising of the invoice once the dispute is resolved, if appropriate.

12. Legal action

- 12.1 Where a debt collection agency or enforcement agent fails to collect the amount due or where a decision is made to pursue the debt in the County Court:

- 12.2 Single or multiple recoverable debts up to £5,000 will be considered for action through the County Court by the Corporate Debt Team, but only if the originating service can provide the necessary supporting documentation.
- 12.3 All recoverable debts over £5,000 will be considered for County Court action by the Corporate Debt Team, but only if the originating service can provide the necessary supporting documentation.
- 12.4 Failure to provide the necessary supporting documentation may result in the debt being written off, and may result in the loss of income to the originating Service.
- 12.5 Where necessary, legal advice and representation will be sought by the Corporate Debt Team.

13. Credit Notes

- 13.1 There is a clear distinction between raising a credit note and writing off a debt.
- 13.2 A credit note to cancel or reduce a debt must only be issued to:
 - Correct a factual inaccuracy
 - Correct an administrative error
 - Cancel an invoice where a dispute has not been resolved in the specified time.
 - Adjust the amount of debt due
- 13.3 Where a credit note is submitted to correct a factual error the credit note will not be processed until the correct details are supplied for resubmission. Both actions will be carried out simultaneously to ensure prompt and accurate processing with a clear audit trail.
- 13.4 Credit note requests raised by Services must be made on the correct credit memo with a full written explanation of why a credit note is applicable. Credit notes will be reviewed during the Audit process to ensure that they are completed in accordance with this policy.

14. Write Offs

- 14.1 A review will be undertaken to assess the recoverability of debt outstanding at the year-end. The following factors will be considered in the review:
 - The type of debt;
 - How long it has been unpaid; and
 - The history of the debt since it was raised.

Where these factors suggest that the debt may not be recovered, a provision will be raised against the balance and a charge will be made against the service to more accurately reflect the financial position of the Council. In the event that the income is collected at a future date, an adjustment will be made to the service to reflect the recovery.

- 14.2 Write offs will be charged to individual service budgets.

- 14.3 Delegations and limits regarding write offs can be found in the Finance and Contract Rules which form part of the Council's Constitution.
- 14.4 A debt write off must not be used to by-pass the normal debt recovery procedure and therefore there will be internal monitoring of the revised policy to ensure write off is being used correctly.
- 14.5 Write offs can only proceed after consultation with the Corporate Debt Team.
- 14.6 A Write-Off Request Form must be completed for each write off explaining the reasons for the decision for write off and confirming that the debt recovery procedures have been followed
- The original Write Off Request form should be sent to the Corporate Debt Team who will suppress debt recovery in relation to the invoice to which the write off relates.
 - When a write off is approved the form will be signed and returned to the Corporate Debt Team to update the Sundry Debt system.
 - The Corporate Debt Team or any delegated officer who may authorise write-offs in accordance with the Council's Finance and Contract Rules may request further information from the originating Service to determine whether the debt is enforceable.
 - If the Corporate Debt Team or any delegated officer who may authorise write-offs in accordance with the Council's Finance and Contract Rules believes the justification for write off does not comply with the guidance procedures or an invalid reason is given, the form will be returned to the Service for reconsideration or amendment.
 - A centralised record of all write offs will be kept by the Corporate Debt Team to be accessible for monitoring purposes.

15. Monitoring

- 15.1 Information and reports will be used to monitor performance against targets and timescales set. Regular reports will be issued to each Service for them to review their outstanding debts.
- 15.2 The Corporate Debt Team is authorised to:
- Carry out the central monitoring of this policy,
 - Agree amendments to the policy for operational, efficiency and effectiveness purposes,
 - Report to the Chief Executive any major issues arising from the above.

16. Review

- 16.1 This Policy will be reviewed annually but may be amended at any time to incorporate new procedures, practices or legislative requirements.

Raising of Debtor Accounts to Legal Entities

All invoices must be raised to a correctly named legal entity. In the event of non-payment, legal action cannot be taken against a non-legal entity. Legal entities are:

1. Individuals
2. Sole Traders

3. Partnerships
4. Limited companies
5. Charities limited by guarantee
6. Clubs run by a committee
7. Trustees
8. Executors or Personal Representatives

All invoices must state the full correct postal address, including postcode.

Rules to follow:

1. Individuals - This is usually someone living at a residential address. When a request is received for a service, the person's full name (title, forename(s) and surname) must be obtained and stated. Initials are not sufficient. If the request is on behalf of more than one person then the full name of each person must be obtained and stated. The full correct postal address, including postcode, must be stated.
2. Sole Traders – Where an individual is trading in his or her own name the full name of the individual as well as the business name must be obtained e.g. Mr John Smith, trading as Fast Removals. Evidence of the name of the business could be in the form of a request for services on a business letterhead. The individual's full postal address must also be requested.
3. Partnerships - 'LLP' must be added where applicable, otherwise the full names of one, two or more partners must be stated, followed by 'trading as' (as above). If LLP is applicable the full correct business address, including postcode, must be stated, otherwise the full correct postal address(es), including postcode of the partner(s) should be stated.
4. Limited Companies - the name must include 'Ltd' or 'Plc'. Invoices can be addressed to either the current registered office or to a place of business of the company. Evidence of their Limited Company Status and registered office must be obtained by requiring confirmation of the service request on their official letterhead. Further confirmation can be obtained from <https://www.gov.uk/get-information-about-a-company>
5. Charities limited by guarantee – companies which are charitable and also limited by guarantee can be exempted from using the term 'Ltd' so, for example: "Oxfam" is a correct name. Evidence of their charitable status must be obtained by requiring confirmation of the service request on their official letterhead. Further confirmation can be obtained from <http://apps.charitycommission.gov.uk/showcharity/registerofcharities/RegisterHomePage.aspx>
6. Clubs run by a committee – the full name(s) and address(es) of the treasurer and / or the secretary, or the trustees must be stated.
7. Trustees – the full name(s) and address(es) of the trustee(s) and the full name of the trust must be stated.
8. Executors or Personal Representatives – must be addressed e.g. 'Mr Peter Smith, Executor of James Brown Deceased or 'Personal representatives of James Brown Deceased. The full postal address(es) of the executors/personal representatives must be stated.

Annex 7

**Statutory and Chargeable Debt
Policy**

1. Policy

This policy covers debt arising from the council carrying out its statutory duties and/or enforcement functions. A variety of legislation covers this debt and a number of examples are given below;

- Building Act 1984 – taking action to prevent injury or damage to property as a result of a dangerous structure
- Housing Act 2004 – works in default to remove hazards from rented accommodation.
- Water Industries Act 1991 testing of private water supplies.
- Highways Act, 1980 - Carrying out emergency repairs to the highway following an accident

Note: the above is illustrative and is not an exhaustive list.

2. Fees and charges for this debt

The nature of this debt generally requires invoicing to take place after the works have been carried out and frequently against those that dispute the debt. Thus, it does not often fit with the standard invoicing and sundry debt recovery approach.

Different approaches need to be considered to both secure the debt and if required, recover it.

3. Enforcement

In terms of enforcement, it is not always clear who is the responsible or liable person. Different legislation can identify different people, such as the person responsible for an issue, or the owner of the premises. People's circumstances will be different and their circumstances may change during a case; it is sensible therefore to take a flexible approach and keep available a range of options for recovering a debt.

Options available to recover debt include the use of debt collection agents and also Court proceedings to obtain a judgment for the debt. Once a Court judgment is obtained, there are a number of ways this may be enforced, including:

Attachment of Earnings

Deductions are made from the judgment debtor's wages at a rate determined by legislation.

Deductions from Income Support, Job Seeker's Allowance and Employment Support Allowance

Deductions are made from the judgment debtor's benefits at a rate determined by legislation.

Use of Enforcement Agent

Charging Orders

This is a Court order which secures the debt against the judgment debtor's property. A charging order may then be enforced by seeking an order for sale of the property.

Third Party Debt Orders

A Court order against a third party, often (but not necessarily) the judgment debtor's bank or building society, requiring them to pay the judgment debt out of the judgment debtor's funds.

Insolvency

Insolvency proceedings may be commenced against the judgment debtor providing the requirements of prevailing insolvency legislation are met.

An order to obtain information may be sought from the Court which requires a judgment debtor to attend Court and provide information to a Judge or Court officer about their means and any assets they hold. This may be of assistance in determining how to recover a judgment debt.

Where Court proceedings and other enforcement options are pursued, the Council will seek to recover the costs of the Court / enforcement action against the debtor.

Enforced Sale

In some cases there will not be any need to secure a Court Judgment to enforce a debt. Statutory and chargeable debts may often be secured against a property as a financial charge in the Council's Local Land Charges register. Some debts may be registered as charges with the Land Registry. In some cases, where legislation provides that the debts are charges on "all estates and interests" in a property, the charges will have priority over all existing charges, including mortgages and other loans secured against the property. The authority may also serve a formal demand on the debtor, which allows the authority to enforce the registered charge and act as mortgagee in possession of the property. The property may then be sold, usually at public auction with the proceeds used to pay off debts on a priority basis. It should also be noted that enforced sale of properties can bring wider benefits to individuals and the community by improving the condition of a property and bringing an empty property back into use. This is often used as an enforcement tool in Private Sector Housing and neighbourhood renewal strategies.

Annex 8

Overpaid Salaries and Wages Policy

1. Summary

- 1.1 Northumberland County Council is required to ensure that employees are paid correctly at all times. If an overpayment of salary or any other payment of public funds occurs for any reason, the Council will recover the overpayment from the employee. Similarly the Council will take steps to correct any underpayment of salary or any other payment to which an employee is entitled.
- 1.2 If it is considered that an overpayment has been brought about fraudulently, then the matter will be reported to the Council's Corporate Fraud Team and an investigation carried out under the Council's Counter Fraud Policy.

2. Scope of Policy

- 2.1 This procedure applies to all employees of the Council.

3. Background

- 3.1 The purpose of this document is to ensure that there is a consistent approach to the recovery of salary overpayments throughout the Council.
- 3.2 Overpayments are additional and unnecessary charges against service budgets which may never be recovered.

4. Introduction

- 4.1 This document explains the process in use when a member of staff receives an incorrect payment in their salary.
- 4.2 This document applies to all employees on a permanent or fixed term contract with Northumberland County Council. This document also applies to those staff employed on a casual basis

5. Definitions

- 5.1 There are several ways in which a member of staff can be incorrectly paid including, and not restricted to:
 - An overpayment of salary
 - An underpayment of salary
 - Payment of incorrect travel or non-travel expenses
 - Duplication of a payment
 - Deduction made in error
- 5.2 The definition of an underpayment is where an employee is paid an amount less than their contractual entitlement. Likely causes of an underpayment include but are not restricted to:
 - A variation form being submitted after the Payroll deadline
 - A late change of notification
 - Incorrect salary banding
- 5.3 The definition of an overpayment is where a current member of staff or someone who has left employment is paid an amount in excess of

contractual entitlement. Likely causes of an overpayment derive from a Service error and include but are not restricted to:

- A termination form not being completed, received or implemented on time
- Late or no notification of sickness absence
- Staff not returning from maternity leave
- An error being made
- A late change notification
- Incorrect salary banding

6. Identification of payment errors

6.1 Payment errors can be identified in several ways:

- A member of Payroll identifies that an error has occurred
- The employee upon receipt of payment
- The budget manager
- An audit review

6.2 When an error in payment has been identified, action must be taken as quickly as possible to rectify the error

7. Responsibilities of Payroll

7.1 It is the responsibility of Payroll to:

- Identify payment errors and advise the employee in a timely manner (normally immediately)
- Confirm in writing the overpayment.
- Ensure the Payroll Administrator contacts the appropriate line manager to advise of any overpayment situation that occurs

8. Responsibilities of line managers

8.1 It is the responsibility of Line Managers to ensure that

- Paperwork relating to changes in pay or termination etc. is submitted to Payroll in a timely manner
- When an error in payment is identified the member of staff concerned is supported and appropriate action taken to resolve the situation
- Review on a regular basis all salaries charged to their cost centre

9. Responsibilities of employees

9.1 **It is the responsibility of individual employees to**

- Ensure that they understand their salary as agreed contractually
- Raise any anomalies with their pay in a timely manner with their immediate line manager and contact Payroll.

10. Payroll's process for overpayments

10.1 For employees, the Payroll process is

- All payroll queries must be logged with the relevant Payroll Administrator

- The information provided will be used to support the monthly Workforce Committee and Payroll Management Team meetings.
- 10.2 The exact nature of the payment error will be investigated by a Payroll Administrator who will calculate the amount of the payment error.
 - 10.3 Once the amount has been verified as correct the employee will be notified in writing. This will include an explanation as to how the error occurred and will request consent from the employee to recover the overpayment from salary deduction.
 - 10.4 Current employees will have overpayments recovered from their gross pay. The repayment period will normally be equal to the period over which the overpayment occurred and remaining balance will be recovered from their final pay.
 - 10.5 In cases where the period of overpayment is longer and therefore greater, the Payroll Manager can agree a suitable repayment period.
 - 10.6 Decisions regarding the duration of this extended period for repayment of an overpayment will take into consideration a number of factors. Issues such as the amount of overpayment, personal circumstances which could lead to undue financial hardship, duration of contract (if not permanent) proximity to retirement, redundancy or maternity leave are all factors which will be considered and form part of the decision making process.
 - 10.7 A full investigation would be required if for example there has been an over/underpayment over a long period of time, where there is concern that fraudulent activity may have taken place or where there is a significant over or under payment. The Corporate Fraud Manager will be notified in such cases.
 - 10.8 Internal audit will be notified of any suspected fraud and also where systems improvements are recommended to avoid any repetition.

11. Leavers

- 11.1 Where an overpayment has occurred, and an employee leaves, during or before the start of an agreed repayment period, the balance of the overpayment will be taken from their final salary. If the overpayment is greater than the final salary or notification of leaving is received after the final salary has been paid, the repayment process for ex-employees will be used.
- 11.2 Where an underpayment has occurred and an employee leaves, full payment will be made in their final salary

12. Ex-employees

- 12.1 When a payment error is identified for an employee who has already left the organisation, the gross and net figure of the overpayment will be calculated. Payroll will write to the individual detailing the circumstances

surrounding the error and request a payment to be made for the outstanding balance.

- 12.2 If the former employee is unable to repay the overpayment in full then a subsequent invoice will be raised by the Accounts Receivable Team.
- 12.3 Once an agreement to repay by instalments has been made between the former employee and the Accounts Receivable Team and subsequently stops, the normal escalation process will be followed.
- 12.4 Overpayments will be processed through the payroll once a former employee has been advised of the error unless they left in a previous tax year. In this case Payroll will correct by a manual adjustment and inform HM Revenue & Customs accordingly.

13. Reporting

- 13.1 Payroll will maintain a spreadsheet detailing all payment errors. This will include details of the resolution period, last payroll action taken and the reason for the payment error.

14. Complaints

- 14.1 Any complaints regarding the processing of a payment error can be made by writing to:

Payroll Manager
Northumberland County Council
County Hall
Morpeth
Northumberland
NE61 2EF

Email: payroll@northumberland.gov.uk

Annex 9

Bankruptcy and Liquidation Policy

Purpose of document

This policy covers debts owed to the Council. Those debts include council tax, non-domestic rates, sundry debts and housing benefit overpayments. The Council is committed to using the most effective recovery methods available to it, and this policy will ensure that the Council's use of bankruptcy or winding-up proceedings is consistent and complies with the relevant legislation and best practice.

Legislation and Prerequisites to Bankruptcy

The Council Tax (Administration and Enforcement) Regulations 1992 and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 allow for council tax and non-domestic rate debts of over £5,000, that are the subject of liability orders, to be taken forward for bankruptcy proceedings in accordance with the provisions of the Insolvency Act 1986.

For sundry debts and housing benefit overpayments bankruptcy proceedings may be taken against debtors who owe in excess of £5,000 where a County Court Judgement has been granted in respect of the debt.

The consequences can be severe and can involve the loss of the debtor's home or business, and considerable legal and Trustee's costs can be incurred. The level of costs will reflect the complexity of the matters involved, and the extent to which the debtor co-operates with the Trustee who is administering the bankruptcy estate.

Bankruptcy action usually takes place in the debtor's local County Court with bankruptcy jurisdiction unless the debtor resides in London, in which case the action takes place in the High Court or the Central London County Court.

Administration

The Corporate Debt Team will manage the administration of bankruptcy cases and proceedings. Assistance may be sought from Legal Services.

When Bankruptcy Action may be taken

The Recovery Section may consider using insolvency proceedings in the following circumstances (the list is not exhaustive):

- Where the debt exceeds £5,000 and the debtor appears to have sufficient assets or equity to ensure the debt is recoverable by the Official Receiver or the Trustee in Bankruptcy.
- Where the debtor is not making regular and mutually agreed payments that are sufficient to clear accruing debt and arrears within a reasonable and acceptable timescale.
- Where other methods of recovery are considered inappropriate or have failed and bankruptcy action appears to be a fair and proportionate course of action to recover from a particular debtor.
- Where the debt has arisen as a result of fraud.
- Where bankruptcy action may elicit payment from specific groups of debtors, for example company directors, those for whom a bankruptcy order may affect their employment, professional status or ability to practice, self-employed people and those people needing finance.

Recording Information and Decisions

A Bankruptcy Checklist and log of events will be maintained throughout the process to ensure that bankruptcy remains the most appropriate course of action.

Decision Making (1)

Prior to commencing bankruptcy proceedings enquiries will be made of the Revenues and Benefits Sections' computerised systems to:

- i) Establish a debt history and whether any previous debts have been collected within a reasonable period by other means.
- ii) Ensure that all known benefits, discounts and exemptions have been granted based on the information held.
- iii) Based on information held, establish whether the debtor may be vulnerable or unable to deal with their day to day financial matters.

Where the debtor resides in Northumberland contact will also be made with Adult Social Care to ascertain if the debtor is known to them and therefore may be vulnerable. If the debtor is currently receiving any Adult Social Care services (or has previously received Adult Social Care services) Adult Social Care will be requested to provide the contact details for their Key Worker. Further enquiries will be made with the Key Worker, if their details are provided, to establish if the debtor may be vulnerable by way of, for example, age, mental illness, serious learning difficulties or where it is known that they are unable to deal with their affairs. Should it be apparent that the debtor has such difficulties then consideration will be given to whether the help of other agencies should be sought, and to the appropriateness of pursuing an alternative course of action.

Decision Making (2)

If records held and enquiries with Adult Social Care do not indicate that the debtor may be vulnerable then enquiries will be made with a credit reference agency and the Land Registry to establish information about the debtor's financial standing and ownership of property.

Decision Making (3)

In order to assist with the decision as to the appropriateness of bankruptcy the Council will follow The Pre-Action Protocol for Debt Claims that came into force on 1 October 2017. The aims of the Pre-Action Protocol are to:

- a) encourage early engagement and communication between the parties;
- b) enable the parties to resolve the matter without the need to start court proceedings;
- c) encourage the parties to act in a reasonable and proportionate manner in all dealings with one another;
- d) support the efficient management of proceedings that cannot be avoided.

Where payment in full cannot be made, financial information and a proposal for repayment will be requested. If payment in full is not made but financial information is provided it may result in either acceptance of a proposal for repayment, an alternative course of action being taken, or pursuing bankruptcy proceedings. The reasons for the decision will be recorded.

In the event that a response from the debtor establishes that the debtor may be vulnerable then details of the perceived vulnerability will be recorded. Further enquiries will be made to check that council tax benefit/support, discounts and exemptions have been applied for, for possible referral to other agencies, and to determine an appropriate method of recovery. The debtor will be notified in writing of any decisions taken.

Decision Making (4)

Where a decision is taken to commence bankruptcy proceedings a letter will be sent to the debtor setting out the decision, warning them again of the consequences and high costs of bankruptcy, advising them to seek independent advice, and warning them of the intention to issue a Statutory Demand after 14 days unless the debt is paid in full.

The Council may take a decision to issue proceedings immediately if it becomes known that a debtor may dispose of assets to prevent a debt being recovered.

Statutory Demand

A Statutory Demand is a formal demand for payment issued by the creditor to the debtor, and service of the Statutory Demand upon the debtor is the first formal stage in bankruptcy proceedings.

Guidance on service requirements are set out in the Insolvency Proceedings Court Practice Direction. In addition to the requirements of the Practice Direction, a letter will be issued with the Statutory Demand setting out the intentions of the Council and what the debtor needs to do to comply with it.

The debtor has the opportunity to contact the Council at this stage and, depending on information supplied, it may still be possible to consider a short term repayment arrangement or alternative recovery action. The debtor also has the right to apply to the County Court to have the Statutory Demand set aside.

Bankruptcy Petition

The Council may present a Creditor's Bankruptcy Petition to the County Court within four months of the date of service of the Statutory Demand if the debtor has not complied with it, or if alternative arrangements cannot be agreed following service of the Statutory Demand. Prior to presentation of the Petition further enquiries will be made with Adult Social Care to establish whether the debtor has become known to them during the process, in which case the action will be reconsidered. The Council is required to serve the Petition upon the debtor and guidance for service requirements are set out in the Insolvency Proceedings Court Practice Direction.

At this stage the debtor is required to pay the debt in full before the hearing of the Petition at Court otherwise the Court will be asked to make a Bankruptcy Order. However, the Council will not object to a short adjournment of the proceedings if the debtor provides the Court with evidence that they will be able to pay in full within a very short period.

If, between the Petition being presented to the Court and the hearing of the Petition, it becomes known that the debtor does not have the capacity to deal with the matter, then full consideration will be given to seeking an adjournment of the proceedings to enable both the debtor and the Council to obtain further advice.

Legislation and Prerequisites to Winding-Up Proceedings

The Council Tax (Administration and Enforcement) Regulations 1992 and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 allow for council tax and non-domestic rate debts of over £750, that are the subject of liability orders, to be taken forward for winding-up proceedings in accordance with the provisions of the Insolvency Act 1986.

For sundry debts and housing benefit overpayments winding-up proceedings may be taken against limited companies who owe in excess of £750 where a County Court Judgement has been granted in respect of the debt.

The consequences can be severe and can involve the closure of the company, and considerable legal and Liquidator's costs can be incurred. The level of costs will reflect the complexity of the matters involved, and the extent to which the debtor co-operates with the Liquidator who is administering the affairs of the company.

Winding-up petitions are usually heard in the High Court or the Central London County Court.

Winding-up proceedings will usually only be started against companies that appear to have sufficient assets to be realised for the benefit of creditors or, in cases where companies appear to have insufficient assets to be realised for the benefit of creditors, it would be in the public interest to stop the company trading and accruing further debts that would have to be borne by the County's taxpayers.

The Council may take a decision to issue proceedings immediately if it becomes known that a debtor may dispose of assets to prevent a debt being recovered.

Trustees in Bankruptcy/Liquidators

When a Bankruptcy or winding-up Order is made the Official Receiver is immediately appointed Trustee in Bankruptcy/Liquidator. In the event of there being realisable assets in the bankruptcy estate or liquidation then it is likely that an Insolvency Practitioner will be appointed Trustee in Bankruptcy/Liquidator to deal with the matter.

When the Council is the petitioning creditor in a bankruptcy or winding-up proceedings we will usually nominate a Trustee in Bankruptcy/Liquidator who is local and easily accessible by the debtor. The appointment of a local and easily accessible Trustee/Liquidator will enable Officers to attend meetings of creditors when necessary.

However, the ultimate decision to appoint the Trustee in Bankruptcy/Liquidator is not that of the Council.

Annex 10

Enforcement Agent Code of Practice for Council Tax and National Non-Domestic Rates

Introduction

This code of practice outlines the way that internal enforcement agents or external enforcement agent companies collecting local taxation debts on behalf of Northumberland County Council should conduct themselves. It includes:

- The professional standards they must adhere to;
- The procedures they must follow;
- Guidance on how quickly the money should be repaid; and
- When it is inappropriate to take action.

Professional standards

The Council and the enforcement agent company will ensure that all enforcement agents, employees, contractors and agents have an appropriate knowledge and understanding of all relevant legislation, case law and powers, and at all times act in accordance with them. Any enforcement agent company engaged by the Council must be accredited by the Enforcement Conduct Board. The enforcement agent must comply with the principles of the General Data Protection Regulations and any other relevant legislation.

Enforcement agents and employees, contractors and agents of the enforcement agent firm must be aware that they represent the Council in their dealings with debtors. They should at all times act lawfully and in accordance with the provisions of prevailing local taxation legislation. They must also act in a responsible, professional and courteous manner and be aware that their behaviour, appearance and attitude have a great influence on the success of the debt recovery process.

External enforcement agent firms must at all times:

- Hold up to date professional indemnity insurance, ensuring the fullest indemnity against legal proceedings resulting in compensation awards due to illegal or irregular actions. Details of such insurance must be provided to the Council on request.
- Maintain a separate client bank account for monies received from debtors, evidence of which must be supplied to the Council on demand.

The enforcement agent must be firm but polite and courteous at all times when dealing with the public. They must avoid being provoked by vexatious debtors. In the event of a breach of the peace occurring as a result of an enforcement agent's visit, the Council must be debriefed of the circumstances as soon as practicable.

At all times, enforcement agents must carry:

- Their Enforcement Agent's General Certificate issued by the County Court, which must be shown when visiting a property to take control of goods.
- Written authorisation of the Council to be shown on request

The enforcement agent must at all times make clear to the debtor the purpose of their visit and the fact that they are acting on behalf of, and, as agent of the Council. For Council Tax matters visits to residential addresses must be made after 6am and before 9pm, with no visits on Sundays or bank holidays unless specifically agreed in writing in advance. Visits for Non-Domestic Rate matters may be made to business premises at any time during their hours of opening.

The enforcement agent must hand to the debtor or leave on the premises documentation detailing costs incurred, the legislation relating to taking control of goods and any relevant guidance notes.

Taking Control of Goods

This means entering a debtor's property and listing goods belonging to the debtor, or listing goods belonging to the debtor found on a public highway, that may be removed and sold at auction with the proceeds being paid towards the amount owed to the Council and costs incurred by the enforcement agent. Only an enforcement agent properly vetted and trained by the authorised company and who is certificated by the County Court may take control of goods in respect of liability orders on behalf of the Council.

Upon receipt of any instruction to take control of goods, the enforcement agent company shall ensure that a visit is made to take control of goods only after any pre-agreed letter and telephony strategy has been unsuccessful. Where more than one liability order is held for a debtor, the enforcement agent, where practicable, will attend the property for all liability orders at the same time, with only one enforcement fee being charged. Visits to debtors' premises must be made on different days and at different times of the day.

Arrangements to pay the debt

If, on attendance, contact is made with the debtor, the enforcement agent should attempt to recover the amount in full immediately. If full payment cannot be made immediately, the debtor should be given the opportunity to enter into a Controlled Goods Agreement. A Controlled Goods Agreement allows the debtor to keep the listed goods on their premises provided a suitable payment arrangement is agreed with the enforcement agent and is adhered to. The enforcement agent must explain to the debtor the terms of the Controlled Goods Agreement and the consequences of payment default, and leave a copy of the Agreement with them. There must be no administration fees for entering into a payment arrangement.

Enquiries should also be made about possible eligibility for reliefs, discounts, exemptions or Council Tax Support and details of debtors who may potentially be eligible for any reduction must be passed to the Council. Information regarding employment or benefit status should also be obtained and passed to the Council.

Council Tax payment arrangements can be made at the Enforcement Agent's discretion over a period of up to 6 months, or to clear the debt within the financial year, whichever occurs sooner. The repayment period may be extended up to a maximum of 40 weeks if the debtor's circumstances warrant this, and an income and expenditure statement supports it. If an offer for payment extends beyond 40 weeks, and the Enforcement Agent either considers it inappropriate to remove goods or there are exceptional circumstances, the Enforcement Agent must refer the case back to the Council to re-check the records for benefit or discount entitlement etc., and to consider alternative enforcement action before an extended arrangement can be agreed.

Non-Domestic Rate payment arrangements can be made at the enforcement Agent's discretion over a period of up to 3 months. If an offer for payment extends beyond 3 months the Enforcement Agent must refer the case back to the Council to re-check the records before an extended arrangement can be agreed.

When the Enforcement Agent should consider taking no action

The enforcement agent should at all times use their professional judgement to refer a case back to the Council if they consider that, due to the personal circumstances of

the debtor, **it would or may be inappropriate to take control of goods or continue with the case.** In particular, where the debtor:

1. Appears to be severely mentally impaired or suffering severe mental confusion.
2. Has young children and severe social deprivation is evident (Council Tax only).
3. Disputes liability or claims to have paid, has applied for Council Tax Support, a discount or any other relief not yet granted.
4. Is heavily pregnant and there are no other adults in the household (Council Tax only).
5. Is in mourning due to recent bereavement of a close family member (within 1 month of death).
6. Is having difficulty communicating due to profound deafness, blindness or language difficulties. In these cases arrangements must be made for provision of the appropriate support in terms of a signer or translation services etc.
7. Is currently unemployed and provides proof that they are in receipt of Income Support or Job Seeker's Allowance (Income Based), and details are obtained of the debtor's National Insurance number (Council Tax only).
8. Has severe long term sickness or illness, or is terminally ill.
9. States that they have raised their case with their local councillor or Member of Parliament.
10. Appears to be vulnerable in any other way.

The enforcement agent must also take no action if it appears that no responsible adult is present at the debtor's address. If an adult is present, the enforcement agent must attempt to establish their identity. If the debtor is unavailable the enforcement agent must ascertain when they will be available. No reference should be made to the nature or purpose of their visit. The enforcement agent must be aware of the sensitive and confidential nature of this work and should take care to ensure that information regarding the debtor's circumstances is not passed on to, or discussed with, a third party except those specified in the Taking Control of Goods Regulations. If children are present at the time of the visit the debtor should be encouraged to ask them to leave the room while the matter is dealt with. Any documents left at the premises when the debtor is not present must be left in a sealed plain envelope, clearly addressed to the debtor and marked strictly private and confidential.

Removing goods from a debtor's premises

Before attending to remove goods, the enforcement agent must give notice to the debtor in accordance with the Taking Control of Goods Regulations and highlight the costs of removing the goods. However, if there are circumstances that indicate that by telling the debtor it may compromise the ability to remove goods (for example if a company is about to go into liquidation, or the debtor is about to abscond) then an application must be made to the Court for permission to attend without giving the required notice. Such a decision and the reasons for the decision must be recorded and the Council notified.

Enforcement agents must not attend a Company Director's personal address when the liability order is not in his specific name, unless that address is the registered office or the trading address of the company.

In the event of the need to remove a debtor's goods, the enforcement agent should obtain the express permission of the Council before doing so unless this happens outside of normal working hours (8.30am to 5.00pm) in which case the enforcement

agent may conduct the removal if appropriate to do so, or unless it is believed the debtor will attempt to remove goods themselves to prevent the action continuing..

For Council Tax debts, certain goods are protected under the Taking Control of Goods Regulations 2013, and must not be removed for sale by the enforcement agent. Only goods belonging to the debtor or a co-owner may be seized. Goods subject to hire purchase cannot be removed.

The enforcement agent should not remove goods for sale unless it is anticipated that the sum realised will be sufficient to settle a reasonable proportion of the debt and the costs. However, in some cases e.g. Non-Domestic Rates, the enforcement agent may still remove goods if it is anticipated that the debtor may be about to enter into an insolvency procedure.

Costs charged to the debtor should be strictly in accordance with the provisions of the Taking Control of Goods (Fees) Regulations 2014.

Any goods removed must be transported and stored securely with due care and attention and the appropriate insurance cover must be in place.

The debtor must be notified of the place to which the goods have been removed to. If the debt is paid in full between the removal and the sale of the goods the goods should be made available for collection by the debtor.

When the debtor's goods are removed and sold at public auction, the Council and the debtor must be provided with a full statement which:

- lists the goods sold;
- lists the amount realised;
- lists the costs incurred; and
- details the amount subsequently outstanding or overpaid as appropriate.

Where the enforcement agent is unsuccessful

At least 3 unsuccessful visits must be made to the debtor's address before the case is returned to the Council as unpaid. The visits must be made on different days and at different times and at least one of these visits should be made to the debtor's address outside normal office hours. Documents other than prescribed documents issued to debtors must be agreed with the Council and be in plain English. Documentation must be left at the property at each visit giving details of the date and time of the visit, the debt and charges to date and the name and contact details for the enforcement agent. Any documents left at the premises when the debtor is not present must be left in a sealed plain envelope, clearly addressed to the debtor and marked 'strictly private and confidential'.

Where the enforcement agent is unsuccessful in their attempts to obtain payment or take control of goods and the liability order is to be returned to the Council, they must submit a report clearly showing that the person attending to take control of goods was unable (for whatever reason) to find any or sufficient goods of the debtor to take control of. The report must also give full details of the actions taken by the enforcement agent together with any details ascertained concerning the financial or personal circumstances of the debtor.

Where the debtor has left the property

If the debtor is no longer resident, the enforcement agent should make appropriate, discreet enquiries to ascertain the debtor's date of leaving and new address as well as details of any new occupier. This information must be referred back to the Council. The enforcement agent may visit and take control of goods at the debtor's new address.

Reporting requirements

Payments and payment schedules must be submitted to the Council at a pre-agreed frequency on the agreed day(s). The enforcement agent company must account for all monies received and provide a proper system for dealing with unpaid cheques and recalled credit/debit card payments.

Monthly statistical reports in the agreed format must be submitted to the Council.

Monthly reports must be submitted to the Council for those cases that are still outstanding after six months.

Responsibility

The Corporate Debt Team will be responsible for the operation and monitoring of this Code of Practice and for resolving any complaints from the debtor.

Complaints

Any complaints received will be dealt with in accordance with the Council's Corporate Complaints Procedure.

When a formal complaint is made about the actions of an enforcement agent company the Council will instruct the enforcement agent company to suspend the action for an initial period of 21 days.

The Council will instruct the enforcement agent company to provide a written case report and other relevant information within 5 working days.

A written response will be issued to the complainant in accordance with the time requirements set out in Stage 1 of the Council's Corporate Complaints Procedure.

Should the complainant remain dissatisfied with the findings of the investigation then they have the right to have the complaint escalated to Stage 2 of the Council's Corporate Complaints Procedure.

Should the complainant still remain unhappy with the response they receive they have the right to contact the Local Government Ombudsman.

The enforcement agent company will maintain an internal complaints procedure overseen by a senior member of staff.

Where the enforcement agent company receives a formal complaint about the actions of their company or one of their staff they must also suspend action to allow an investigation to be conducted in accordance with their complaints procedure. A copy of the complaint and the outcome of any investigation must be provided to the Council electronically within 14 days of receipt of the complaint.

Review

This Code of Conduct will be reviewed annually but may be amended at any time to incorporate new procedures, practices or legislative requirements. External enforcement agent companies will be consulted about any proposed changes.

Citizens Advice have been consulted in the drafting of this policy and will be notified of any amendments as and when they occur.

Annex 11

HOUSING INCOME MANAGEMENT POLICY

Part 1 – Current Rent Arrears

Supporting Information

The collection of rent is vital to enable Northumberland County Council to provide services to all tenants.

As such we offer a firm but fair approach to rent arrears recovery. It is the tenant's responsibility to ensure that they pay their rent weekly, when due and not allow any arrears to accrue.

Emphasis should be made at the sign up stage of the importance of paying rent every week or monthly in advance. Advice should be given on payment options, Housing Benefit, Universal Credit and Council Tax forms should be completed. If it is felt that the tenant may require additional support in order to maintain their tenancy the Allocations Officer should refer to the Housing Benefit officer, Citizens Advice, Gov.Uk for Universal Credit Enquiries or other relevant support agencies.

Universal Credit

Northumberland County Council has seen the introduction of Full Service Universal Credit (UC) for working age claimants from December 2018. This change has been reflected within the arrears Policy. Support has been put in place to assist UC applicants with their claims if required and in addition to this the rent arrears escalation procedure has been extended for all UC claimants.

Prevention of Arrears

Early intervention and personal contact are essential to prevent arrears from spiralling out of control.

Home visits, telephone calls and agreements

The object of the above is to maximise recovery of monies owed to Northumberland County Council, to understand the reasons why the arrears have accrued and to offer as much help to the tenant as possible.

- Obtain income and expenditure details to ascertain if there could be any possible benefit entitlements, issues with debt or budgeting and to make referrals for money advice.
- Try to make an agreement with the tenant to pay off arrears, be realistic about what the tenant may be able to pay; tenants themselves may make unaffordable offers.
 - In full.
 - To pay the arrears by affordable and realistic instalments in addition to current rent
 - To make up missed payments.
 - Complete direct debit/standing order mandates.

- If they owe minimum of 4 weeks gross rent consider direct payments or Alternative Payment Arrangement for Universal Credit Claimants (APA).
- Confirm agreements in writing to the tenants
- Out of hours visits and calls should be considered where it has not been possible to contact the tenant during office hours. These should be authorised by the Housing Manager in advance and the lone working procedure should be carried out. It is essential that personal contact is made with the tenant prior to the Notice Seeking Possession (NOSP) and Notice of Possession Proceedings (NOPP) being served.
- All agreements made should be recorded.
- It is important that refusals to provide any details such as income and expenditure are also recorded
- When writing to joint tenants ensure that you write separately to each named tenant.
- Set out clearly in correspondence any time limits with which the tenant should comply.

It is important that the system is updated with every type of action taken.

ARREARS GUIDELINES

Assistance to Sustain Tenancies

Alongside the recovery of any debts owing to Northumberland County Council it is very important that we assist the tenant to sustain their tenancy. Eviction should only be considered as a last resort and we should ensure that, as a minimum, we offer the following assistance.

- Housing Benefit referrals including discretionary housing payment
- CAB referrals
- Other agencies which may be able to assist if tenant deemed to be vulnerable i.e. Age UK, Silx, Voices, BRIC etc.
- Offer repayment agreements which the tenant can maintain
- Inform of Direct Debit and Standing Order Options
- Money Advice and budgeting
- Support with Universal Credit Applications

Vulnerable Tenants

Northumberland County Council will have tenants who may have special requirements, are vulnerable or both and as such are at greater risk of losing their tenancy. Vulnerable tenants include:-

- Under 18 years of age or young people under 21 leaving care
- Elderly person aged 70 or over

- Mental Health conditions
- Substance Abuse
- Living with chronic long term illnesses
- Severe physical disability
- Illiteracy
- First Language is not English
- Rehoused from Supported Accommodation
- Domestic violence

In these cases these accounts will be flagged as at risk and the arrears will be monitored and progressed by the Housing Officer.

Direct Payments

Where a tenant is in receipt of Income Support, Income Based Job Seekers Allowance or Income Related Employment and Support Allowance, Universal Credit and has over 4 weeks gross rent arrears, then a direct deduction from their benefit should be requested from the DWP. (See letter DPR).

When Direct Payments commence or cease the officer will update the NPS system with the relevant information.

RENT ARREARS ESCALATION PROCEDURE

Arrears action should commence when a weekly payer has missed one payment or a monthly payer is one week late. Not taking into account benefits paying in arrears.

The following is the basic procedure to be followed in the recovery of rent arrears; however this process can be extended or reduced depending on the individual's circumstances and the level of arrears.

Extended:

These may arise because:-

- The tenant is in hospital
- There are mental health issues or the tenant is unable to understand their responsibilities
- Delays in claims for benefit being processed
- Recent bereavement
- Recent unemployment
- Recent matrimonial difficulties.
- The tenant is awaiting Universal Credit Payment.

Static Balances

Where there is a consistent low level static balance on an account send letter SB1 to the tenant, to attempt to arrange a repayment plan to clear the arrears. Should this fail, consider action 1 below.

Should an account reach the stage of NOSP then this may be served if the balance is over £25 and the arrears procedure has been followed.

Insufficient Payments

Where it appears that the tenant is making insufficient payments to cover rent and arrears a visit should be made to make them aware of this. Alternatively a letter should be issued.

Rent Arrears Procedure

1st Action – Automated SL01/IL01 letter is issued.

2nd Action - Contact the tenant by phone. If the tenant is present ascertain the reasons for the non-payment e.g. hospitalisation of tenant, mental illness, or the inability of the tenant to understand their responsibility for paying rent and make arrangements with them to repay the outstanding amount due. Advise the tenant of all payment options available and identify the most appropriate option for the tenant's circumstances, encourage Direct Debit or Standing Orders.

Check if there are any Housing Benefit or Universal Credit delays or if the tenant is in severe financial difficulties. Check if there is a recent bereavement, unemployment or matrimonial problems. Enquire if the tenant requires money advice. If there are any Housing Benefit issues the tenant should be advised to make contact with the Housing Benefit section, or in the case of Universal Credit the Department of Work and Pensions.

The system should be updated following the visit and notes added.

This procedure should be followed at each subsequent visit.

3rd Action - next missed payment, arrears rising – Automated SL02/ Officer decision to send IL02 letter

4th Action – next missed payment, arrears rising – visit with letter SL03/IL03 (Notice Warning Letter)

4th Action - Next missed payment, arrears rising – Consider issuing Notice of Seeking Possession (NOSP) or Notice of Possession Proceedings (NOPP). Letter SLO4/IL04 to be sent with NOSP/NOPP. **Remember: when writing to joint tenants ensure that you write separately to each named tenant.**

Upon service of a NOPP to an introductory tenant, the tenant has the right to request a review of Council's decision to seek possession of their home within 14 days. (See legal process for Introductory Tenants).

Check management notices to see if the case is an active Anti Social Behaviour (ASB) case, speak with ASB officer.

Visit with NOSP/NOPP and if contact made explain seriousness of situation and try to make agreement with the tenant for them to reduce/clear arrears. Update system, and file NOSP/NOPP.

If any agreement is reached at this stage with regard to reduction/clearing arrears write to the tenant(s) to confirm that agreement. Proceedings should not be commenced if the tenant(s) continues to comply with that arrangement. If the tenant ceases to comply with such arrangement you should warn the tenant of the intention to bring proceedings and give the tenant clear time limits within which to comply.

Consider alternative dispute resolution.

NOTE – If no agreement can be reached no legal action can be sought until the 28 day Notice period has expired. However the arrears recovery procedure should still continue during this period if no arrangement or contact had been made with the tenant.

NOTE – If customer is in receipt of Universal Credit option to apply for Alternative Payment Arrangement (APA)

NOTE – Where 12 months have elapsed since service of the NOSP but the tenant remains in arrears at a level where possession may not have been considered appropriate, speak with the Area Housing Manager to consider whether service of a new NOSP may be necessary together with letter AR4B.

The NOSP is valid for a period of 12 months and will remain valid even if the tenant clears the arrears.

5th Action – Next missed payment, arrears rising – Visit and reiterate legal situation.

6th Action - Letter SL06/IL06 (Court Warning Letter)

7th Action

Consider application to Court for possession. The following application process must be carried out at this stage:-

Income Manager authorises application for Court.

- Officer completes court application on line to HM Court Service which generates a Court Hearing Date and time ([https://www.possessionclaim.gov.uk/pcol/.](https://www.possessionclaim.gov.uk/pcol/))
- Officer informs tenant of this. Letter AR7/ITAR7 – ENSURE THAT THE TENANT IS ADVISED IN WRITING OF THE DATE AND TIME OF THE HEARING AND ADVISED TO ATTEND COURT ON THAT DATE.
- ENSURE THAT AT LEAST 10 DAYS PRIOR TO THE COURT HEARING DATE A RENT STATEMENT AND DETAILS OF OUR KNOWLEDGE OF THE TENANT'S HOUSING BENEFIT ENTITLEMENT ARE SENT TO THE TENANT(S)

- Officer to advise tenant that it is still not too late to come to an arrangement regarding payment and discuss with tenant advantages of clearing account prior to the court hearing. If the tenant complies with an arrangement for payment of the current rent and a reasonable amount towards the arrears we should agree to postpone court proceedings so long as the tenant keeps to such an agreement. However if the tenant ceases to comply we should warn the tenant of the intention to restore the proceedings and give the tenant clear time limits within which to comply.
- Discuss with tenant the consequences of possession and the need to discuss case with Homeless Persons Officer.
- Inform tenant that account must be cleared to prevent possession being granted at Court.
- On the hearing date the officer who is attending on behalf of Northumberland County Council will ensure that all the following documentation is available:-

Copy of the Notice, together with proof of service
 Copy of the application for possession and particulars of claim
 Current arrears figure
 Rent statement (last 104 weeks).
 Copy of Diary Notes

Court Hearing

The Court may make one of the following judgments:-

Introductory Tenants

The Judge will usually grant possession within 14 days but the Judge has discretion to order possession for a date up to six weeks (42 days). Ensure that the Judge records the decision as a mandatory outright possession

Secure

The judge has discretion and can make the following Judgements:-

Outright Possession (Absolute) (OPO) (IOP0) -The date specified for possession should usually be within 14 days but the Judge has discretion to order possession for a date up to six weeks (42 days)
 Suspended Possession Order (SPO)
 Proceedings adjourned generally with liberty to restore (ADJT)
 Proceedings Adjourned new date (ADJ)
 Proceedings dismissed.

Send appropriate Court Judgement letter to tenant following hearing to advise tenant of the outcome

If the Tenant clears the arrears shortly before the hearing you can still ask the Judge to make an Order for payment of the costs.

Post Court Action

Officer to check the Judgment details are correct. IF AN INTRODUCTORY TENANT, CHECK THAT THE ORDER SPECIFIES THAT IT HAS BEEN MADE ON MANDATORY GROUNDS.

If an outright order for possession has been made, diary the matter until the expiry of the date for possession referred to in the Order e.g. 14, 28 days, then consider an application for warrant.

If a warrant is applied for a visit to the property must be made prior to it being executed.

If a suspended possession order is made and the Order is not being complied with:-

1st Action – next missed payment, arrears rising – visit with CODL letter (breach of Court Order). Explain to the tenant that eviction is likely if rent arrears are not reduced in line with the Order and any missed payments are not made up.

2nd Action - next missed payment, arrears rising – visit with letter FWAL to invite the tenant to come into office to discuss the situation at which time the eviction process will be outlined and the tenant will be given one final opportunity to make up payments and avoid this.

Process for applying to Court for Eviction

Eviction application should be made to court using relevant internet address (<https://www.possessionclaim.gov.uk/pcol/>)

Keep monitoring account and update if necessary,

Court advises tenant and Northumberland County Council of date and time of eviction.

Contact Homelessness Team (AE3). Email Homeless team to advise of the eviction of the tenant.

If tenant is able to clear arrears and court costs in full, the eviction should be cancelled and the court, bailiff and joiner advised accordingly.

Applications to Suspend Possession

Introductory tenants cannot apply to suspend the date for possession beyond 6 weeks from the date of the original possession hearing. If application to suspend is listed in such a case draw the Judge's attention to the fact that this is a mandatory ground and there is no legal basis to suspend the warrant.

Secure tenants

When the tenant receives notification of the eviction date they can lodge an application to suspend the warrant to the Court. If this happens Northumberland County Council will be informed of the time and date of the hearing and must attend.

The eviction cannot proceed until after the court has heard the tenant's application and made a decision.

If the Judge accepts the tenant's application and grants the suspension (CODL) then the warrant will be suspended usually on terms. If the tenant breaches the terms of this order then a visit should be made to make them aware that the matter could be referred back to court, after which the process then reverts back to post court action, action 3.

Variation of Court Order

At any time after a Court Judgment has been made, either party has the opportunity to apply to the Court to amend the terms of the Order.

Eviction

- Two officers to attend with a joiner to change the locks and secure the property when the Bailiff has gained possession.
- If there is a possibility of violence of any kind, the police should be requested to be in attendance.
- Officers should catalogue and photograph any possessions left by tenant INVENTORY FORM.
- Arrangements should be made to allow the tenant an accompanied visit at a pre-arranged date and time to collect the remainder of their belongings.
- If no arrangements have been made with the outgoing tenant for this, then the officer will arrange the removal/storage of the possessions after 7 days.
- A Notice in accordance with S41 Local Government Miscellaneous Provisions Act may need to be served for any goods left at the property (SEC41). Whilst these ought to be prepared by Housing staff, these must be signed by NCC legal before serving.

COURT COSTS

Supporting Information

When an existing tenant has cleared all outstanding rent arrears on the account and the court costs remain, technically they are still in default of the Court Order and possession can still be sought, provided that the Court have ordered that the costs be included as part of the arrears.

Recovery of Court Costs

All rent arrears should be cleared before any action is taken to recover court costs

- 1st Action – Letter CL01 will be sent to the tenant outlining amount due.
2nd Action – Letter CL02 will be sent to the tenant.

If no attempt has been made to clear these costs these remain on the account as part of the original Court Order.

Part 2 – FORMER TENANT ARREARS

Supporting Information

It is essential that the recovery of Former Tenant Debt is pursued in order to maximise the revenue for Northumberland County Council.

Former Tenancy arrears are debts accrued when a tenant fails to clear all Income Management accounts prior to the termination of their tenancy.

Recovery of Former Tenants Arrears

Upon the termination of a tenancy the officer must ensure that the final outstanding debt is correct, that there are no allowances due to be credited, and that there are no further outstanding amounts to be debited to this account, e.g. Rechargeable repairs, garage arrears, court costs, garden tidy ups etc.

Any account with a credit balance of £20 or more will have the credit refunded to the former tenant.

Check system for any relevant information e.g. tenant deceased.

Arrears and credits under £20 will not be pursued or refunded and will be recommended for write off unless they can be transferred to a current NCC rent account.

If no agreement has been made with the ex-tenant to clear the debt and a forwarding address is known the following action will commence.

1st Action – send Letter FTL1 – detailing amount outstanding to forwarding address.

If no forwarding address available investigations to locate whereabouts of tenant should be carried out. This will involve checking the Housing File for contact telephone numbers for relatives and next of kin and using Call Search 360.

If unable to trace the Former Tenant the account should be updated accordingly.

2nd Action – If no response from known address send letter FTL2 – advising that debt still outstanding and that former tenant must contact to make agreement to clear debt.

3rd Action – Home visit where possible or telephone contact.

When contact is made with a tenant the officer should assess the income of the tenant(s) and non-dependents and their ability to pay the arrears. Once this is done

an agreement should be made with the tenants to clear the arrears in full or to make affordable and realistic instalments.

It may be possible at this visit that the officer can assess whether the tenant has the means to keep to this agreement and any further action will be successful

The Officer will update the system with details of the repayment agreement and any observations.

4th Action – If no repayments made send letter FTL3 informing that due to non-payment the debt will be passed to (a) a Debt collection agency (b) Court action will be sought which may include an application for an attachment of earnings from salary.

Court Action

Northumberland County Council can seek a County Court Judgement against the former tenant for any outstanding arrears or other amounts owing. This action can be a drawn out process and by no means guarantees that the debt will be paid. As court costs to issue a money claim have to be paid up front by the Council this action should only be taken where there is a realistic prospect that the debt will be repaid and after authorisation by the Housing Operations Manager.

Debt Collection Agency

A debt collection agency will pursue the debt on behalf of Northumberland County Council

Officer to refer the case to approved Debt Collection Agency. (Asupp12).

Periodically Agency will forward a summary of all monies received and the officer will update the Former Tenant Account appropriately.

If no monies are recovered by the Debt Agency then the Former Arrears Officer prepares a list of write offs for authorisation by Housing Operations Manager

Attachment of Earnings

In certain circumstances NCC can ask an employer to repay the debt owed, in instalments from any salary due to the Former Tenant. This can only be requested following a court order judgement and unless there is a court order against the former tenant, proceedings have to be instigated in order to follow this process.

Former Tenant arrears added to a Current Tenancy

Supporting information

If a current tenancy has been found to have former tenancy arrears from another NCC Property, these Former Tenant Arrears can be added to the Income Management Account as a sundry debt.

The tenant should be informed that they must make arrangements to clear this debt. However tenants must first clear any current arrears on their accounts and once this has been done, an agreement is made to continue to pay extra weekly rent in order to clear the former debt.

WRITE OFFS

All cases for submission for write off must be actioned in line with the Corporate Write off Policy. In all cases the Council's Contract and Finance Rules will be adhered to.

Rechargeable Repairs

Repairing minor plaster cracks
Internal decoration
TV Aerial's (except communal aerials)
Loose screws on cupboards, windows, doors or gate furniture
Washing machine installation
Curtain Rails
Gaining entry to the property
External door locks
Additional House keys
Reglazing windows
Shower curtains and poles
Laminate flooring
Loose floor coverings and carpets
Bolts and locks to outhouses or garden gates
Plugs and fuses for electrical appliances
Light bulbs, fluorescent tubes and starters
Batteries for smoke detectors
Clothes posts
Security Chains
Door Bells
Blocked Gullies
Sink and Bath plugs and chains
Toilet seats
Coat rails or hooks



Northumberland County Council

Revenues and Benefits Service

Discretionary Housing Payments Policy

Introduction

1. The Discretionary Financial Assistance Regulations 2001 (SI 2001 No.1167) gives powers to local authorities to award Discretionary Housing Payments (DHP) to provide financial assistance to benefit customers where it appears that they need help with their housing costs.
2. Housing costs are not defined in the regulations but in general housing costs means rental liability; however, housing costs can be interpreted more widely to include:
 - rent in advance
 - deposits
 - other lump sum costs associated with a housing need such as removal costs.
3. DHP are not payments of benefit and if made will be in addition to Housing Benefit awards. The legislation gives a very broad discretion but decisions must always be made fairly, reasonably and consistently.
4. The general features of the scheme are:
 - the amount the Council can pay out is cash limited by the Government,
 - the scheme is purely discretionary; a customer does not have a statutory right to a payment,
 - It is for the Council to determine how the scheme operates.

Policy Aims

5. The function of the policy is to specify how the Council will operate the DHP scheme and to illustrate some of the factors that will be considered when deciding if a payment can be made.
6. The primary aims of the policy are to prevent homelessness, to alleviate housing need, and to ensure that Northumberland residents have fair and equal access to all services and monies to which they may be entitled by virtue of their situation.
7. The Council is committed to working with the local voluntary sector, social landlords and other interested parties to maximise entitlement to benefit and this will be reflected in the administration of the DHP scheme.
8. The Council will consider making a DHP to customers who meet the qualifying criteria as specified in this policy. They will also treat all applications on their own individual merits and will seek through the operation of this policy to help:
 - alleviate poverty,
 - encourage and sustain Northumberland's residents in employment,
 - safeguard Northumberland residents in their homes,

- provide temporary support for those who are trying to help themselves,
- provide a temporary solution to enable people to make choices regarding their living accommodation,
- support the vulnerable in the local community,
- promote stability in the private rented sector,
- help customers through personal crises and difficult times

Responding to Welfare Reform.

9. This policy also sets out the Council's policy in using DHP to help those suffering severe hardship due to the Government's welfare reforms. These include changes made to Local Housing Allowances, reductions in Housing Benefit entitlement due to the introduction of size criteria in the social rented sector and the introduction of the Benefit Cap which, in the first instance, will see Housing Benefit reduced for most families where total benefits exceed £423.46 per week.
10. The Government funding for Discretionary Housing Payments will not compensate for the loss of benefit income to tenants in Northumberland. It recognises the government's intention for tenants to have to make hard choices and that Discretionary Hardship Payments will not be a substitute for these hard choices.

Social Sector Size Criteria

11. The Government has provided additional DHP funding relating to Social Sector Size Criteria aimed at supporting households with disabilities living in properties adapted for disability and foster carers with more than one additional room.
12. These are not the only groups who will need to be supported. Separated and divorced parents with child access arrangements will need additional support as well as tenants faced with exceptional hardship. It will not be possible to protect all tenants in these groups within the Government's funding contribution and additional considerations will need to be taken into account.

Benefit Cap

13. The Benefit Cap will impact mainly on families and is not expected to affect single people in Northumberland. The number of families affected is relatively small but the impact for many of the families is expected to be significant. The majority of the families affected will live in private rented accommodation but a number are renting in the social rented sector.
14. The Benefit Cap does not apply to families where the claimant is working for 24 hours a week or more. The longer-term aim is to help families make the move into work. In the meantime, support will be targeted to those families where:
 - financial support is required to facilitate a move to more affordable accommodation; or

- the shortfall in rent is too great to cover from other household income;
- alternative more affordable accommodation is not appropriate;
- a lower rent cannot be negotiated; and
- there is a real risk of the family becoming homeless.

Local Housing Allowance

15. The Local Housing Allowance changes, which affect only tenants in the private-rented sector, have been in force since April 2011. However, tenants already getting benefit at the time the changes came in received transitional protection for a while. The impact of the changes is dependent on:
- whether rents are reduced to reflect the new LHA rates; and
 - the levels at which Local Housing Allowances are set by the Valuation Office
16. In the first instance landlords should be encouraged to reduce rents in exchange for direct payments of Housing Benefit. Where this is not appropriate, Discretionary Housing Payments support will be targeted to those private sector tenants where:
- It is unlikely there would be alternative more affordable accommodation;
 - The tenant is subject to the Shared Accommodation Rate but requires an additional room under child access arrangements; or
 - There are exceptional circumstances that mean it is not appropriate for the tenant to move to more affordable accommodation.
17. Discretionary Housing Payments will not normally be made to tenants entering into a new tenancy. Local Housing Allowance rates are made public and most landlords are aware of the rates for the types of accommodation they provide. An exception to this will be where a tenant has had to move quickly, perhaps because they are fleeing domestic violence or there is another compelling reason.

Policy

18. The Council considers the DHP scheme should be seen primarily as a short-term emergency fund. The Council recognises the restrictions on DHP contained in the Regulations and will not seek to make a payment in circumstances where there can be no eligibility. In particular, there shall be no award of DHP unless the customer has some entitlement to Housing Benefit.

Making an Application

19. An application for DHP can be made in writing, by telephone, email or in person. A customer can make an application on his or her own behalf, and the Council will also accept an application from a customer's relative, friend, legal or personal representative.

20. The Council shall take reasonable steps to verify that any such representative has the customer's authority to act on their behalf with the Council on benefit matters.
21. Supporting information may also be supplied as well as representations from any organisation representing or acting on behalf of the claimant.
22. The Council may request information and evidence in support of a DHP application. Any request will be made in writing. The customer will have one month to comply with the request, or such longer time as is reasonable.

What may be considered?

23. In deciding whether to make a DHP the Council may take into account any or all of the following:
 - the shortfall between Housing Benefit / Universal Credit with housing costs and the customers actual liability,
 - any steps taken by the customer to reduce their rental liability,
 - the circumstances surrounding the customers move,
 - the financial and medical circumstances (including ill health and disabilities) of the customer, their partner and any dependents or other occupiers of the customers home,
 - the income and expenditure of the customer, their partner and any dependents or other occupants of the customers home, including income disregarded by the Housing Benefit Regulations 2006 and Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006
 - any savings or capital that might be held by the customer or their family,
 - the level of indebtedness of the customer and their family,
 - the discriminatory impact of any legislative or other circumstances – for example, the lower rates of benefit available to persons aged under 35,
 - the exceptional nature of the customer and their family's circumstances,
 - the amount available in the DHP budget at the time of the application,
 - the possible impact on priority homeless accommodation;
 - any other special circumstances brought to the attention of the Council
24. Where a DHP is made this does not guarantee a further payment will be made at a later date even if the customers circumstances remain the same.

Making a decision:

25. The Council will decide what amount, if any, to pay based on all of the circumstances. This can be any amount within the limits prescribed by the Discretionary Financial Assistance Regulations 2001.

26. The start date of a DHP will usually be:
- the Monday after the Council receives the application, or
 - the date entitlement to Housing Benefit started, or
 - the Monday after a relevant change of circumstances giving rise to the need for a DHP
- whichever is the most appropriate.
27. A DHP will not be paid for any period for which there is no entitlement to either Housing Benefit under the statutory scheme.
28. The length of a DHP award shall depend on the individual circumstances of the case. Any award shall be subject to review, which can be undertaken during or at the end of the period for which the DHP is paid.
29. On review, the Council may authorise an extension of any DHP, either at the same or a different weekly rate.
30. The Council will consider any reasonable request for backdating a DHP but such consideration will usually be limited to the current financial year.
31. The Council will aim to make a decision on all DHP within ten working days from the receipt of all relevant information.

Payment & Administration

32. DHP will be administered by the Revenues and Benefits Team and usually paid together with Housing Benefit.
33. The Council will decide upon the most appropriate person to pay and the method and timing of payments based on the particular circumstances of the case.

Notification

34. The Council will notify the customer of the outcome of their application in writing in every case. The decision notice will include:
- the weekly amount, the period of the award, how, when and to whom payment will be made,
 - if unsuccessful, a brief explanation of why DHP was refused,
 - the requirement to report any relevant change,
 - the opportunity to seek a review.

Changes in Circumstance

35. The Council may need to revise an award where the customer's circumstances have materially changed.

What Discretionary Housing Payments cannot cover

36. Ineligible charges: service charges that are not eligible for HB cannot be covered by a DHP. These are as specified in Schedule 1 to the Housing Benefit Regulations 2006 and Schedule 1 to the Housing Benefit (Persons

who have attained the qualifying age for state pension credit) Regulations 2006. Nor can DHPs cover charges for water, sewerage, and environmental services – as defined and calculated under the HB provisions.

37. Increases in rent due to outstanding rent arrears: Regulation 11(3) of the Housing Benefit Regulations 2006 and Regulation 11(2) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 refer. This refers to those cases where a customer's rent is increased on account of outstanding arrears which are owed by the customer in respect of their current or former property.
38. Sanctions and reductions in benefit: DHPs cannot meet these because to do so would undermine the effectiveness of the sanctions or reduction in benefit. These are
 - any reduction in Income Support (IS) or income-based Jobseeker's Allowance (JSA(IB)) due to a Reduced Benefit Direction (RBD) for failure to comply with the Child Support Agency in arranging maintenance. The RBD is a reduction in benefit of 40% of the personal allowance and only applies to IS or JSA(IB)
 - any reduction in benefit as a result of non-attendance at a work-focused interview. This applies both where the person's HB/CTS is reduced and when any other benefit that the person is receiving, such as IS is subject to a sanction
 - any reduction or loss of benefit due to a JSA employment sanction. JSA is not payable for the period of sanction if they have contributed towards their unemployed status, for example, by leaving employment voluntarily or failing to attend a prescribed training scheme. In such cases, it may be possible for a reduced rate of JSA to be paid under the JSA hardship provisions
 - any reduction in benefit due to a JSA sanction for 16/17 year olds – for certain young people who receive JSA under a Severe Hardship Direction. JSA is not payable for the period of the sanction if they have contributed towards their unemployed status, for example, by leaving unemployment voluntarily or failing to attend a prescribed training scheme,
 - or any restriction in benefit due to a breach of a community service order
39. Benefit suspensions: HB can be suspended either because there is a general doubt about entitlement or because a customer has failed to supply information pertinent to their claim. In such cases, it would not be permissible to pay DHPs instead. One of the intentions of the suspension provisions is to act as a lever to ensure that the customer takes the necessary steps to provide the authority with the necessary information/evidence - paying DHPs could reduce the effectiveness of this lever.

40. Rent, when the person is getting council tax support but not HB or help with housing costs in UC: in other words, when a person is only getting local council tax support, you should not take into account any financial assistance that they may require with their council tax, when considering the award of a DHP.
41. Shortfalls caused by HB overpayment recovery: when recovery of an HB overpayment is taking place, such shortfalls should not be considered for a DHP.

Appeals

42. As DHP are not payments of Housing Benefit they are not subject to the statutory appeals procedure which governs those benefits. Any request for a review of a DHP decision will be dealt with in the following way:
 - A customer (or their appointee or agent) who disagrees with a DHP decision may seek a review by writing to the Senior Benefits Manager giving their reasons for the disagreement. The Senior Benefits Manager will consider the issues in dispute and will either confirm or revise the original decision. Senior Benefits Manager's decision will be notified in writing to the customer together with the reasons for that decision. This decision will be the final decision of the Council.

Overpayments

43. The Council will seek to recover any DHP found to be overpaid. Normally, this will involve issuing an invoice to the customer or the person to whom the award was paid. Under no circumstances will recovery be made from any amounts of Housing Benefit due to the customer (except if the customer requests this method of recovery).

Fraud

44. The Council is committed to the fight against fraud in all its forms. A claimant who tries to fraudulently claim a DHP by falsely declaring their circumstances or providing a false statement or evidence in support of their application may have committed an offence. Where it is alleged, or the Council suspects, that such a fraud may have been committed, the matter will be investigated. If fraud is found to have occurred, the DHP shall be recovered and the Council shall consider whether to impose any formal sanctions.

Publicity

45. The Council will publicise the DHP scheme. Leaflets are available and information regarding the scheme is on the Council website.

The Council shall make its publicity material available to partner organisations such as Citizens Advice, social landlords and relevant

community groups, with a view to enabling them to disseminate information on the availability of DHPs to their members, clients or customers. The Council will on request make such information available in large print, Braille, or audio format or in languages other than English.

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Northumberland County Council

Revenues and Benefits Service Rate Relief Policy

Introduction

1. This policy applies to National, Non-Domestic Rates (Business Rates) and provides the framework under which applications for rate relief will be considered.
2. Rate Relief can be either mandatory, discretionary or both and is granted in accordance with the Local Government and Rating Act 1997 and the Local Government Finance Acts 1988 and 2012 (as amended).
3. The policy specifies the factors that will be considered when deciding if an award can be made. Each case will be treated strictly on its merits and all customers will be treated equally and fairly.

Policy Aims

5. The aim of this policy is to ensure consistent and transparent decision making in relation to the discretionary elements of Rate Relief. The policy is intended to provide evidence that the interests of the council tax payer in granting rate relief are well served.
6. Awards should be consistent with wider Council and community objectives and provide greatest support to those organisations with closest alignment with those objectives.
7. This policy applies agreed criteria through a combination of some set awards for certain categories of organisation and a scoring matrix to determine the level of award for others.

Policy

8. The policy relates to awards concerning:
 - Rural Rate Relief
 - Charities and Not for Profit Organisations
 - Hardship Relief
 - Section 44A (relief on the grounds of part occupation)
 - Supporting Small Business Relief
 - Business Rates Revaluation Relief Scheme
 - Pub Relief Scheme
 - Newspaper Relief
 - Retail Discount Scheme 2019/20
 - Expanded Retail Discount Scheme 2020/21
 - Nursery Discount Scheme 2020/21
 - Local Discretionary Discount
 - Retail, Hospitality and Leisure Discount
 - Improvement Relief

Overview – Discretionary Rate Relief

9. The Council is empowered to offer a range of discretionary reliefs against national, non-domestic (business) rates. The cost of granting relief is borne both by Central Government and the Council and is determined by the type of relief as follows:

Relief Type	Cost to Council	Cost to Govt.
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Rural	50%	50%
Charities – 20% top up to mandatory relief	50%	50%
Not for profit organisations and sports clubs	50%	50%
Hardship	50%	50%
Section 44A Partly Occupied Property	50%	50%
Supporting Small Business Relief	0%	100%
Pub relief	0%	100%
Business Rates Revaluation Relief Scheme	0%	100% up to the funding limit
Newspaper Relief	0%	100%
Retail Discount Scheme	0%	100%
Local Discretionary Discount	50%	50%
Expanded Retail Discount Scheme	0%	100%
Nursery Discount Scheme	0%	100%

Where relief is granted under Section 47 of the 1988 Act (Discretionary Relief) to organisations that are situated in an area designated as an Enterprise Zone 100% of the cost of relief will be funded by the Government.

10. The legislation that provides these reliefs allows the Council broad opportunity to exercise its discretion in how much to grant and under what circumstances. This discretion is welcomed but presents its own problems in that ratepayers and the general public need to be assured that decisions are taken equitably and openly and that Council money is directed appropriately.
11. To be effective the policy should ensure the greatest community gain from the finite funds the Council has available. The criteria should enable the Council to:
 - direct funds in accordance with the Council and community priorities;
 - allow transparent and consistent decision making;
 - assist businesses/organisations by making clear the criteria that they will be judged against, allowing them to adjust their business or organisational objectives to fit with the aims of the council, should they so wish; and
 - provide some protection against dispute
12. The criteria should be reviewed at such time that there is any substantial change in direction for the Council's Corporate Plan.
13. Eligibility for any relief and the relief itself will be assessed and calculated on a daily basis.
14. In each case the applicant ratepayer will be expected to provide financial and other details in support of their application without which the application will be refused.

Rural Rate Relief

15. The Local Government and Rating Act 1997 (as amended) provides for relief to qualifying rural business properties. The relief is provided under two broad categories:

- **mandatory relief** - 50% for qualifying rural businesses – sole general store, post office, petrol filling station, public house or any food shop
- **discretionary relief** – up to 100% for other rural business or as a top up to mandatory relief.

Note: From 1 April 2017 mandatory rural rate relief will be doubled to 100%. The Government intends to change the relevant primary legislation but expects Councils to use discretionary powers to increase relief to 100% from 1 April 2017.

Note:The Non-Domestic Rating Act 2023 has now been given Royal Assent and has altered the legislation so that with effect from 1 April 2024 Rural Rate Relief will be 100% mandatory.

- The legislation provides the basic tests for the discretionary relief, though it falls to individual local authorities to establish more detailed awarding criteria should they wish to.
- The legislation currently provides for the discretionary relief to be granted where:
 - The property falls within an identified rural area. To define this area the Council is required to establish and maintain a Rural Settlement List;
 - For applications of relief as a top up to mandatory the rateable value of the post office, general store and food store must be £8,500 or less. For the Public House and Petrol Filling Station the rateable value must be £12,500 or less;
 - For any other business the rateable value is not more than the specified threshold - currently £16,500 for discretionary relief only applications;
 - The property is not a qualifying general store, post office, petrol filling station, public house etc (these qualify for mandatory relief and can apply for a discretionary top-up);
 - The property benefits the local community; and
 - It is reasonable to award relief having reference to the council tax payers that part-fund the scheme.
- Whilst many of these criteria are easily tested the degree of community benefit is subjective. Without judging criteria any decisions may be viewed as arbitrary and become subject to dispute. By specifying the criteria, the Council can direct financial support in a way that meets the objectives of the Corporate Strategy and provides some measure of community benefit and reassurance that the interests of the council tax payer are met.
- The criteria will enable decisions to be based on the relative worth of a small range of key community benefits.
- The key criteria, based on community benefits and linking to the Council's priorities and objectives, are:

Community Benefit	Reason for including	Corporate Plan Principles
Scarcity of service/business provision	Recognise limitations of access to sparse local services	How, Enjoying, Connecting, Learning and Thriving values

Community Benefit	Reason for including	Corporate Plan Principles
Employment	Providing employment opportunities	Connecting, Learning and Thriving values
Additional community services	Business extends beyond its core activity to support communities	How, Living, Enjoying, Connecting, Learning and Thriving values
Business aimed at serving local community – within County and up to 5 miles beyond boundary	Helps maintain viability of communities and assists community cohesion whilst recognising that some communities extend beyond the County boundary	How, Living, Enjoying, Connecting, Learning and Thriving values
Business aimed at tourism and culture	Links to tourism led regeneration and supporting cultural heritage	How, Living, Enjoying, Connecting, Learning and Thriving values
Provides visitor accommodation	Encourages provision of overnight visitor accommodation and supports tourism led regeneration	How, Living, Enjoying, Connecting, Learning and Thriving values
Supports healthy/active lifestyles	Encourage healthy activity either by local people or visitors	Living, Enjoying, , Learning and Thriving values
Provides services to other local business or promotes local produce/products	Supports other local business – strengthens local economy	How, Living, Enjoying, Connecting, Learning and Thriving values
Provides essential basic community need	Support basic needs of settlement - nursery, dentist, newsagent, hairdresser, repairing garage	Living, Enjoying, Connecting, Learning and Thriving values

21. Discretionary relief up to a maximum of 100% of the 50% rates liability will be awarded where the ratepayer is in receipt of mandatory rural relief. Any other rural business not in receipt of rural mandatory relief will be considered for relief up to a maximum of 100% of the rates liability.
22. Each case will require an application form to be completed.

Charities and Not For Profit Organisations

23. The Local Government Finance Act 1988 (as amended) provides for relief to charities under Section 43 and not for profit organisations under Section 47. The relief is provided under two broad categories:
 - **mandatory relief** - 80% for qualifying charitable organisations and community amateur sports clubs
 - **discretionary relief** – up to 100% for not for profit organisations including a top up to mandatory relief. To be eligible for consideration the ratepayer

must be a non profit making body and the property used for charitable, philanthropic or religious purposes, or concerned with education, social welfare, science, literature or fine arts, or used wholly or mainly for recreation by a not for profit club or society.

24. The legislation provides basic qualifying criteria. The Council is free to determine the basis for any award itself.

Criteria for Charities and Not For Profit Organisations

25. The criteria shown below and expanded on in annex 1 and 2 are to be applied to all applications that are not automatic awards (see paragraph 27 to 32).

General criteria

26. The following criteria are to be used to determine applications. The criteria are based on establishing community value of the organisation and demonstrating consistency with Corporate Plan priorities 2023-26 of achieving value for money, tackling inequalities and driving economic growth.
27. Applications are considered by scoring against the following criteria. Appendices 1 and 2 show the weighted scoring and award levels based on that scoring.

Community Benefit	Reason for including
Majority of users/membership from within County or surrounding area (5 miles of boundary)	Target support for local communities but recognise that some communities extend beyond the County boundary
Openness of use/membership	Whilst some limitations may be legitimate, through sporting ability perhaps, broad access should be provided
Encouraging users/membership from particular groups	Provide directed support to the disadvantaged or those requiring greater assistance to access opportunities
Reasonable membership fees	Fees not at a restrictive level
Facilities used by the community/other organisations	Rate relief would provide wider benefits
Affiliation to local or national representative bodies	Demonstrates the standing of the organisation
Education, training, coaching provided	Encourages personal development and increased employment/health prospects
The organisation attracts grant aid or raises income through fund raising	Be consistent and complementary in support of organisation
The service supports or assists in the provision of a service to help the Council to achieve its objectives?	Meets legitimate community need and frees the resources of other organisations. This may be were the need is new and has been identified as a community priority.

Automatic Awards

28. The Council has identified certain types of organisation that make a significant contribution to the County and its residents. In addition to the mandatory relief to which they are entitled and in recognition of the contribution that these organisations make, a 20% top-up of discretionary rate relief will be awarded

in all cases. In order to ease the administration of these types of applications the qualifying criteria will be accepted as being met unless the following apply:

- a. The majority of users that benefit are not Northumberland residents
- b. There is a restricted access to the service or facility
- c. The fees/costs or membership are excessive or restricted.

In such cases a reduction in relief of 5% will be made for each element.

The organisations that will receive automatic relief are:

- Village Halls / Community Centres
- Scouts / Guides / Youth Clubs
- Leisure Centres

These organisations will be identified from their applications and supporting information.

29. Village Halls / Community Centres

Village Halls and Community Centres are an important asset within local communities and especially to the rural communities of Northumberland. Supporting these organisations, supports the Council's Corporate Strategy in promoting sustainable communities.

30. Scout/Guide/Youth Groups

These types of organisations provide a valuable framework of education and activities in order to engage the young people of the County to participate in positive activities, which develop their social skills, interests and talents. This supports the Council's objectives.

31. Leisure Centres

Leisure Centres are an essential part of the community and support the council's corporate objectives by offering affordable access to activities to improve the health of the residents of Northumberland.

32. All other applications for discretionary relief will be scored in accordance with the Council's rate relief criteria in annex 1 and 2.

33. Certain organisations or types of property may meet the essential criteria in order to be able to apply for relief, however, they either do not support the objectives of the Council or it is not in the interest of council tax payers to grant the relief. Applications from the following organisations will, therefore, not be supported in an application to receive top up discretionary relief:

- Schools, Learning Partnerships, Academies or similar. These organisations are centrally funded through the direct schools grant (these organisations will still be eligible to receive 80% mandatory relief).
- Community Asset Transfer arrangements after 1/4/12 (these organisations will still be eligible to receive 80% mandatory relief). This refers to the transfer of a service or a function that was previously provided by the Council and transferred to a charitable organisation. The Chief Executive

shall have the power to waive this decision, in conjunction with the Portfolio Holder for Corporate Services, where the transfer under the Community Asset Transfer arrangements is seen to positively assist the County Council in achieving its objectives in a more cost-effective way and not to do so could cause unnecessary financial hardship to the community organisation.

- Housing Associations (these organisations will still be eligible to receive 80% mandatory relief). This exclusion applies to administrative offices but does not include applications in respect of community-based projects.

Specific situations

34. It is possible for the nature of the organisation to be at conflict with agreed community and Council objectives, for example, equalities and diversity, health inequalities and/or value for money for the local council tax payer. These conflicts require additional criteria to assist decision-making in specific situations.
35. **Existence of a bar** - A significant feature that should be taken into account in determining any relief is the existence of a bar and the significance of that bar against any other activity of the organisation. It could be viewed as inequitable to the council tax payer to support organisations whose dominant activity is the operation of a bar. Such support would not be consistent with promoting the Health & Wellbeing priority objective.
36. The initial test for the ratepayer, when applying for relief, is to establish the dominant objective of the organisation. For example, the dominant purpose may be to run a bar and premises for meeting purposes, such as a club or institute. Or the operation of a sports club with a bar may be ancillary in purpose to the furtherance of sporting activity.
37. No relief will be granted where the dominant objective of the organisation is the operation of a bar and associated activity.
38. **Charity shops** - Charity shops qualify for 80% relief and are able to apply for a 20% discretionary top up. Charity shops are a feature of most high streets and provide much needed opportunity for income generation for charitable organisations both of a national and local nature and provide a resource for those on low incomes.
39. Charity shops are increasingly competing with the high street at large and an increase in their number may affect the viability of the high street.
40. In accordance with this policy the 20% top up is not awarded for charity shops, with the exception of those shops that are occupied by 'local' charitable organisations in which case the 20% top up is awarded. The following definition of 'local' was agreed by the Executive:

"a charity established for purposes which are directed wholly or mainly to the benefit of residents and users in Northumberland (whether stated in the trusts of the charity or implicit in its purposes)".
41. **Interest groups** - The central premise of rate relief is the value that is achieved for the council tax payer in making such an award. This premise infers local benefit at local cost.

42. Demonstrating local value can be a challenge where the organisation is based locally but has wider interests; regionally or nationally perhaps. Whilst there is value in having the organisation within the County it may be seen as inequitable for the local council tax payer to bear the cost.
43. These organisations can be seen as being the following:
- **Administrative base** – degree of local benefit will depend on geographic area of interest and will range from substantial to minimal benefit. These could be a local trust who seeks to improve the local quality of life down to purely administrative offices for a national organisation.
 - **Advocacy organisations** – these groups provide a “voice” on issues affecting a broad range of people across the area in which they operate. They may not provide any specific or direct benefit to the people of Northumberland – their presence in the area is coincidental to their objectives and as such are less supportable in terms of rate relief and the costs that have to be borne by local people
 - **Support organisations** – these groups may be focused on specific issues, disability or health conditions across a wide geographic area but they provide tangible and direct benefits to local people. Their position within the County provides local people with greater opportunity than if the organisation were elsewhere and financial support is easier to justify.
44. The support provided to these organisations should be based on the degree of contribution to the County and its communities in accordance with the decision matrix at annex 1.
45. Any non-profit making organisation applying for discretionary rate relief (excluding a top up to mandatory relief) will be encouraged to apply for Small Business Rate Relief to reduce the potential cost of discretionary relief to the Council.
46. The legislation requires that a period of one years notice is give to ratepayers where a decision is made to vary the relief awarded where the variation results in the rates liability increasing.

The Localism Act 2011

47. Clause 69 of the Localism Act 2011 amends Section 47 of the Local Government Finance Act 1988 to allow the Council to reduce the business rates of any local ratepayer (not just those that can be eligible for discretionary relief) by way of a local discount. The cost of funding any local discount that is granted will be met by way of a 50/50 split with Central Government.
48. Applications will need to be in writing and consideration will be given on a case by case basis in light of the guidance supplied and the full circumstances of each case.

Hardship Relief

49. Section 49 of the Local Government Finance Act 1988 allows the Council to reduce or remit business rates for any ratepayer that is suffering, or would suffer, hardship without the relief. In granting such relief the Council must consider if it is reasonable to do so, and be in the best interests of the council tax payer.

50. Considering applications on the basis of “reasonableness” and “the best interests of the council tax payer” are again subjective and open to suggestions of arbitrary decision making.
51. The guidance provided by the then Office of the Deputy Prime Minister requires that the Council does not adopt a blanket approach and should decide each case on its merits. However, within this guidance, rules can be adopted to direct local decision making.
52. To take account of the wider interests of the council tax payer it is appropriate to base decisions on the contribution of the business to the aims of the Council. In addition the likely sustainability of the business should be considered as it will rarely be in the best interests of the council tax payer to support a failing business in the longer term, particularly if that business makes little contribution to the local economy.
53. Rate relief has a role in regeneration by supporting business within the delivery themes of the Council’s Corporate Plan. Applied too late, not at all, or with too strict a view of hardship, is likely to have an adverse impact on business survival rates and give poor value for the local tax payer. If relief is applied at the right time, for the business, the return on investment may be shown in the resurgence of the business and job creation or maintenance.
54. Hardship relief is intended as a short to medium term measure to allow a business to develop, recover or manage a decline.
55. The criteria for determining the community worth of the business should be assessed against evidence of the existence of hardship and the likely future of the business.
56. The following information will be sought to judge hardship and future business prospects:

Factor	Evidence (not exhaustive)	Judgement criteria
Existence of hardship	Accounts or other financial statements	Would the payment of rates cause hardship? Does the business have the funds to pay the rates bill? Is the situation caused by a temporary cash flow problem?
Period of decline/hardship	Accounts or other financial statements	Relief is aimed at the short/medium term
Reasons for current position	Statement on application	Was this caused by the ratepayers own improvidence, through external events, business set-up or some other reason? Does the ratepayer understand the cause of the position?
Actions taken by ratepayer to develop business, halt, reverse or manage decline	Statement on application	Is the ratepayer taking appropriate action? Is there a recovery plan in place? Is there a significant effect on local employment opportunities?

Factor	Evidence (not exhaustive)	Judgement criteria
Expected period support required for	Statement on application	Is there an understanding of the future need for support? Is the need for support in the short/mid term only?
Expected outcome	Statement on application	What are the prospects of the business in the short to medium term? Is the business likely to survive if support is given? What are the benefits for the community?
External funding or support available and applied for	Support of Business Link, bank etc	Has the ratepayer sought and applied for help and funding elsewhere? What help and funding has been received?
General trading history	Accounts or other financial statements	Is there a history of adverse trading or of a temporary decline?
Ratepayers history of business success or failure	Statement on application, rating records	Is the ratepayer repeating previous failures?
Is this the sole business of the ratepayer?	Statement on application, rating records	Are other parts of the ratepayers business interests capable of providing supporting?

57. Awards of relief will be made subject to regular reviews that fit the circumstances of the business.

Partly Occupied Property

58. Section 44A of the Local Government Finance Act 1988 (as amended) provides the Council a discretion to grant relief where it appears that part of a property is unoccupied and will remain so for a 'short time only'.
59. It is not intended that Section 44A be used where part of a property is temporarily not used or its use is temporarily reduced. Instead, Section 44A is aimed at situations where there are practical difficulties in occupying or vacating a property in one operation perhaps because new accommodation to which the ratepayer is moving is not fully ready for occupation and it is phased in over a number of weeks or months. Similarly, where a building or buildings become temporarily redundant it might be reasonable to grant relief for the unoccupied part.
60. Where it is proposed that Section 44A discretion is granted an apportionment of the Rateable Value of the occupied and unoccupied parts of the property will be sought from the Valuation Office.
61. Each application will be looked at on its own merit.

62. The cost of funding Section 44A relief will be met by way of a 50/50 split between Central Government and the Council.

Newspaper Relief

63. A £1,500 discount is available for office space occupied by local newspapers, up to a maximum of one discount per local newspaper title, and per hereditament and subject to state aid limits.
64. The relief is available from 1st April 2017. It was originally for 2017/18 and 2018/19, but has been extended to 2024/25.
65. The relief is granted under Section 47 of the Local Government Finance Act 1988. The Council will be compensated for the cost of the relief.

Supporting Small Business Relief – 2017 Revaluation

66. This relief was introduced in the 2017 Spring Budget to assist ratepayers who were losing some or all of their small business rate relief or rural rate relief as a result of the change to their rateable value at the 2017 revaluation. The relief applies for the 2017 rating list.
67. To support those ratepayers the supporting small business relief will ensure that the increase per year in the amount payable is limited to the greater of:
- A cash value of £600 per year (£50 per month), or,
 - The matching cap on increases for small properties in the transitional relief scheme
68. The relief is granted under Section 47 of the Local Government Finance Act 1988. The Council will be compensated for the cost of the relief by way of a Section 31 grant from Government.

Business Rates Revaluation Relief Scheme

69. In the Spring Budget on 8 March 2017 the Government announced the establishment of a £300 million discretionary fund over four years from 2017-18 to support those businesses that were facing the steepest increases in their business rates bills as a result of the 2017 revaluation.
70. The Government's intention is that each Council will be given a share of the funding to provide their own support to their local businesses by developing their own discretionary relief scheme to deliver targeted support to business ratepayers.
71. The level of funding for Northumberland County Council was confirmed at:

£000

2017-18	963
2018-19	468
2019-20	193
2020-21	28

72. The Government expects the Council to deliver this through the use of discretionary relief powers under Section 47 of the Local Government Finance Act 1988.
73. A copy of the scheme that was approved at County Council on 1 November 2017 is attached at Annex 3.

Retail Discount Scheme 2019/20

74. The Government announced in the Autumn Budget on 29 October 2018 that there would be a Retail Discount Scheme for occupied retail properties with a rateable value of less than £51,000 in each of the financial years 2019/20 to 2020/21. The value of the discount will be one third of the bill after mandatory reliefs and other discretionary reliefs funded by Section 31 grants have been awarded. This was amended by Government at the 2020 Budget as part of measures to assist businesses with the COVID-19 pandemic. The discount for 2020/21 was increased to 100% with and the scheme was expanded for the financial year 2020/21 (see Expanded Retail Discount Scheme below).
75. Retail Discount is granted under Section 47 of the Local Government Finance Act 1988 and is subject to State Aid De Minimis Regulations. The Council will be compensated for the cost of the relief by way of a Section 31 grant from the Government.

Nursery Discount 2020/21 & 2021/22

76. As an extraordinary response to the coronavirus, the Government announced a business rates Nursery Discount on 18 March 2020. This relief will apply to hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage and which are subject to business rates in the year 2020/21. There will be no rateable value limit on the relief. This is a measure for the 2020/21 financial year only.
77. The Government is not changing the legislation relating to the reliefs available to properties. Instead, the Government will, in line with the eligibility criteria reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief.
78. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to

grant relief under section 47 subject to State Aid limits. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003).

79. Relief will be awarded to hereditaments occupied by providers on the Ofsted's Early Years Register and that are wholly or mainly used for the provision of the Early Years Foundation Stage. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation.
80. As announced at the Budget on 3 March 2021 by the Chancellor, the government will continue to provide eligible nursery properties in England with 100% business rates relief from 1 April 2021 to 30 June 2021. This will be followed by 66% business rates relief for the period from 1 July 2021 to 31 March 2022, capped at £105,000 per business for other eligible properties.

Expanded Retail Discount Scheme 2020/21

81. The Government announced in the Budget on 29 October 2018 that it would provide a Business Rates Retail Discount, to apply in the years 2019/20 and 2020/21. In response to the coronavirus pandemic, in the Budget on 11 March the Government announced that it would increase the discount to 100% and extend it to include the leisure and hospitality sectors. Following the announcement on 23 March 2020 of further measures to limit the spread of coronavirus, the Government confirmed that some of the exclusions for this relief have been removed, so that retail, leisure, and hospitality properties that will have had to close as a result of the restriction measures will now be eligible for the relief. This relief will apply to occupied retail, leisure and hospitality properties in the year 2020/21. There will be no rateable value limit on the relief. Annex 4 below lists the types of properties eligible for this relief.
82. As this is a measure for 2020/21 only, the Government is not changing the legislation relating to the reliefs available to properties. Instead, the Government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47 subject to State Aid limits. Central government will fully reimburse local authorities for the local share of the discretionary relief using a grant under section 31 of the Local Government Act 2003).

Expanded Retail Discount Scheme 2021/22

83. On 3 March 2021 the government confirmed that the Expanded Retail Discount would continue to apply in 2021/22 at 100% for three months, from 1 April 2021 to 30 June 2021, and at 66% for the remaining period, from 1 July 2021 to 31 March 2022.

84. The government confirmed that there would be no cash cap on the relief received for the period from 1 April 2021 to 30 June 2021. From 1 July 2021, relief will be capped at £105,000 per business, or £2 million per business where the business is in occupation of a property that was required, or would have been required, to close, based on the law and guidance applicable on 5 January 2021. Annex 4 below sets out the types of properties eligible for this relief.

Retail, Hospitality and Leisure Business Rates Relief scheme 2022/23

85. At the Budget on 27 October the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality and leisure properties worth almost £1.7 billion in 2022/23.
86. The 2022/23 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 50% relief, up to a cash cap limit of £110,000 per business.
87. As this is a temporary measure for 2022/23 only, the government is not changing the legislation relating to the reliefs available to properties. Instead, the Government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47. Annex 4 below sets out the types of properties eligible for this relief.

Public Lavatories

88. In 2021 the Non-Domestic Rating (Public Lavatories) Bill came into force which gives public lavatories 100% relief from business rates, it applies retrospectively from 1 April 2020.
89. The relief will not apply to toilets of a larger unit of rateable property (a hereditament”), for example, toilets in public libraries. It amends Part 3 of the Local Government Finance Act 1988 to ensure that, in relation to an eligible hereditament which consists wholly or mainly of a public lavatory, the chargeable amount will be zero. This provides, in effect, a 100% mandatory relief for eligible public lavatories in England and Wales.
90. The relief will be applied automatically to the business rates account.

Transitional Relief Scheme 2023/24

91. Transitional relief limits how much a ratepayers business rate bill can change each year as a result of a business rates revaluation. The next revaluation will come into effect on 1 April 2023.
92. The Government has introduced a Transitional Relief Scheme for the 2023 Revaluation that will come into force on 1 April 2023.

For ratepayers whose bills increase as a result of the 2023 Revaluation the following table shows the maximum increases

Rateable value	2023 to 2024	2024 to 2025	2025 to 2026
Up to £20,000 (£28,000 in London)	5%	10% plus inflation	25% plus inflation
£20,001 (£28,001 in London) to £100,000	15%	25% plus inflation	40% plus inflation
Over £100,000	30%	40% plus inflation	55% plus inflation

For ratepayers whose bills decrease as a result of the 2023 Revaluation that decrease will not be phased in and will be passed on in full

Retail, Hospitality and Leisure Business Rates Relief scheme 2023/24

93. At the Budget on 17 November the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality and leisure properties for 2023/24
94. The 2023/24 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.
95. As this is a temporary measure for 2023/24, the government is not changing the legislation relating to the reliefs available to properties. Instead, the government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47. Annex 4 below sets out the types of properties eligible for this relief.

Supporting Small Business Relief - 2023 Revaluation

96. At the 2022 Autumn Statement the Chancellor announced that the 2023 Supporting Small Business (SSB) scheme will cap bill increases at £600 per year for any business losing eligibility for some or all Small Business Rate Relief or Rural Rate Relief at the 2023 revaluation. SSB was first introduced at the 2017 revaluation to support ratepayers facing bill increases greater than the Transitional Relief caps due to loss of Small Business Rate Relief or Rural Rate Relief.

97. For the period 2023/24 to 2025/26, the government will, in line with the eligibility criteria set out in the guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant 2023 Supporting Small Business relief.
98. To support those ratepayers the supporting small business relief will ensure that the increase per year in the amount payable is limited to the greater of:
 - A cash value of £600 per year (£50 per month), or,
 - The matching cap on increases for small properties in the transitional relief scheme
99. The relief is granted under Section 47 of the Local Government Finance Act 1988. The Council will be compensated for the cost of the relief by way of a Section 31 grant from Government.

Retail, Hospitality and Leisure Business Rates Relief scheme 2024/25

100. In the Autumn statement on 22 November the Chancellor announced the extension of the rates relief scheme for retail, hospitality and leisure properties for 2024/25
101. The 2024/25 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.
102. As this is a temporary extension for 2024/25, the government is not changing the legislation relating to the reliefs available to properties. Instead, the government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47. Annex 4 below sets out the types of properties eligible for this relief.

Improvement Relief 2024/25

103. The Government has announced a new relief to support investment in property improvements. The measure will be introduced in 2024, and will be reviewed in 2028 (end date is 2029)
104. To receive the improvement relief, ratepayers will need to demonstrate that their property meets 2 conditions:
 - (a) the VOA must be satisfied that the improvements meet the definition of qualifying works - the 'qualifying works' condition, and

(b) the relevant local billing authority must be satisfied that in the period since the qualifying works commenced the property has remained occupied and that the ratepayer has not changed – the ‘occupation’ condition.

105. Once the VOA is satisfied that the qualifying works condition has been met then it will issue a certificate of the increase in rateable value which is attributable to any works falling within the meaning of qualifying works. Northumberland County Council will then apply the relief using the certificate but only if the occupation condition has been met.

106. This relief will have the result of ratepayers who have undertaken qualifying works not seeing an increase in their bill for 12 months.

Rate Relief Decisions and Appeals

107. Rate relief decisions, with the exception of Hardship, Section 44a and Local Discretionary Discounts are delegated to the Revenues Section. Where the cost to the Council of granting relief is between £50,000 and £100,000 decisions are delegated to the Director of Finance and Procurement and the Executive Director – Transformation and Resources. Costs in excess of £100,000 are delegated to the Chief Executive.

108. Rate relief decisions for Hardship, Section 44a and Local Discretionary Discounts are delegated to the Senior Revenues Manager and the Head of Transactional Services. Where the cost to the Council of granting relief is between £50,000 and £100,000 decisions are delegated to the Senior Revenues Manager and the Director of Finance and Procurement. Costs in excess of £100,000 are delegated to the Chief Executive.

109. Requests for a review of a decision will be delegated to the Director of Finance and Procurement and the Executive Director – Transformation and Resources unless the original decision has been made by those officers whereby the Chief Executive will undertake the review. If the review relates to a case determined by the Chief Executive the relevant Portfolio Holder will carry out the review.

110. For 20% top up to mandatory relief and not for profit organisations and sports clubs notice will be served on the ratepayer at the time of the award decision limiting discretionary awards to 24 months. The duration of hardship relief and Section 44a awards will be in accordance with the individual circumstances of the application. For all other relief types the duration of the award will be in line with Government guidance.

111. Where the Government announce a new business rates scheme after this policy has been annually reviewed the Chief Executive will have delegated

powers in order to implement the scheme in line with the required legislation and timetable. This policy will then be updated at the next annual review.

Criteria Scoring

Charitable Organisations				
Not Supported	5%	10%	15%	20%
0 - 20	25	30	35	40

Non-Profit Making Organisations				
Not Supported	25%	50%	75%	100%
0 - 20	25	30	35	40

Annex 2

Discretionary Rate Relief - charities and not for profit organisations

	<30%	30-50%	50-70%	70%	
1 Do the majority of members / users come from the County or surrounding area? (5 mile outside boundary)	-10	3	6	10	<input type="text"/>
2 Is the organisation open to all members of the community?	Restricted	Limited Restriction	Open to all		<input type="text"/>
3 Does the organisation encourage membership / users from a particular group? (Ethnic Minorities, Disabled, Young Persons, OAP's, Working Parents)	0 No	5 Some	10 Actively		<input type="text"/>
4 Are the fees/costs reasonable for the service or facilities provided, which support accessibility and encourage participation / use?	0 No	5 Yes	10		<input type="text"/>
5 Is the building used by the organisation available to the community and other organisations?	0 No	10 Some Use	Substantial		<input type="text"/>
6 Is the organisation affiliated to a local or national representative body?	0 No	3 Yes	10		<input type="text"/>
7 Does the organisation provide education, training or coaching for its users/members?	0 None	10 Limited	Substantial		<input type="text"/>
8 Does the organisation attract grant aiding or generate income through fund raising activities or self help?	0 No	3 Yes	10		<input type="text"/>
9 Does the service support or assist in the provision of a service to help the Council to achieve its objectives?	0 No	10 Yes			<input type="text"/>
	0	20			<input type="text"/>
				Total	<input type="text"/>

Criteria Scoring and Relief Percentages for Non-Profit Making Organisations

Not Supported										Supported				
Nil					25%			50%		75%			100%	
5	10	15	20	25	30	35	40	45	50	55	60	65	66+	

Criteria Scoring and Relief Percentages for Charitable Organisations - 20% top up

Not Supported										Supported			
Nil					5%		10%			15%		20%	
5	10	15	20	25	30	35	40	45	50	55	60	65	66+



Northumberland
County Council

Revenues and Benefits Service

Business Rates Revaluation Relief Scheme

Introduction

1. In the Spring Budget on 8 March 2017 the Government announced the establishment of a £300 million discretionary fund over four years from 2017-18 to support those businesses that were facing the steepest increases in their business rates bills as a result of the 2017 revaluation.
2. The Government's intention is that each Council will be given a share of the funding to provide their own support to their local businesses by developing their own discretionary relief scheme to deliver targeted support to business ratepayers.
3. The level of funding for Northumberland County Council was confirmed at:

	£000
2017-18	963
2018-19	468
2019-20	193
2020-21	28

4. The Government expects the Council to deliver this through the use of discretionary relief powers under Section 47 of the Local Government Finance Act 1988.
5. The Council will be compensated through a Section 31 grant for the cost to the Council of granting the relief up to the levels set out in paragraph 3 above.
6. There is a requirement to consult with major preceptors before a scheme is adopted.

Scheme Aims

7. The aim of this scheme is to ensure that support is provided to those businesses that are facing the steepest increases in their business rates bills as a result of the 2017 revaluation.
8. Support will be targeted at small and medium sized businesses adversely affected by the 2017 revaluation.
9. The Council is committed to ensuring the discretionary fund will be maximised in each financial year but not exceeded.
10. To support ratepayers facing an increase in business rates by limiting the impact of the revaluation.
11. To support businesses in a fair and proportionate manner in line with Government's intentions.
12. Relief will be applied to empty property as this will be an incentive to new businesses to take on empty properties.

Scheme Rules & Eligibility Criteria

13. A property qualifies if:
 - There was an entry in the Valuation List for the property on 31 March 2017 and 1 April 2017.
 - There has been an increase in the rate liability as a result of the 2017 revaluation exceeding £300.
 - The Rateable Value of the property is less than 200,000 as at 1 April 2017.
14. Revaluation Relief will be applied to occupied and empty properties.
15. Revaluation Relief will be applied against the net rates bill after all other reliefs.
16. Eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.
17. New ratepayers of qualifying properties after 1 April 2017 will benefit from the relief and it will be applied pro rata.
18. The amount of relief awarded will reduce and be apportioned where a ratepayer vacates the property during the year.
19. The amount of relief awarded will reduce and be apportioned where a ratepayer qualifies for any other relief during the year.
20. Where the rateable value of the property is reduced by the Valuation Office Agency the relief will be reduced or removed where the scheme rules and eligibility criteria are no longer met.
21. Where the rateable value of a property is increased with an effective date of after 1 April 2017 (by the Valuation Office Agency), the increase in rateable value will not qualify for additional relief under this scheme.
22. Revaluation Relief will be awarded as follows:

2017-18	relief provided to cap the increase in business rates as a result of the 2017 revaluation at £300 for all qualifying businesses*
2018-19	50% of the relief entitlement in Year 1 of the scheme*
2019-20	20% of the relief entitlement in Year 1 of the scheme*
2020-21	3% of the relief entitlement in Year 1 of the scheme*

* subject to annual review

Exclusions

Revaluation Relief will not be granted to the following:

23. Occupied or empty properties where the ratepayer is a multinational or national chain companies (including parent companies). The definition of multinational and national chain companies (including parent companies) is 'any company who owns a number of properties and/or businesses spread across various locations nationwide or world-wide'.

24. In accordance with Section 47 of the Local Government Finance Act 1988 certain properties are excluded from discretionary business rates relief. These are properties that are occupied in full, or part, by the billing authority or a precepting authority.
25. Properties owned or occupied by ratepayers who receive funding from central government.
26. New properties, newly constituted property and split or merged property.
27. Businesses who receive full Small Business Rates Relief for the property are not included in the scheme as they have no rates liability.
28. Periods of occupation for known rates avoidance schemes.

Awards of Revaluation Relief

29. Relief will be awarded automatically for qualifying properties and there will be no application process. A signed declaration will be required to confirm that state aid limits have not been exceeded (see 32 below).

Notice Periods

30. A termination notice will be served on the ratepayer at the time of the award decision initially limiting the award to 31 March 2019. This is in line with the requirements of the Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059).
31. Termination dates for years 3 and 4 of the scheme will be 31 March 2020 and 31 March 2021 respectively.

State Aid

32. The awarding of discretionary relief under this scheme will be subject to state aid to the European Union State Aid de-minimis limits and therefore a declaration of previous state aid received will be required to be completed.

Appeals

33. Requests for a review of a decision will be delegated to the Section 151 Officer and the Revenues & Benefits Manager.

Review

34. The scheme will be subject to a review as required.

Annex 4 – Qualifying properties for the purposes of the Expanded Retail Discount Scheme for 2020/21, 2021/22 and Retail, Hospitality and Leisure Business Rates Relief scheme 2022/23 and 2023/24

Properties that will benefit from the relief will be occupied hereditaments that are wholly or mainly being used:

- a. as shops, restaurants, cafes, drinking establishments, cinemas and live music venues,
- b. for assembly and leisure; or
- c. as hotels, guest & boarding premises and self-catering accommodation.

It is considered that shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:

i. Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/caravan show rooms
- Second-hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire
- Employment agencies
- Estate agents and letting agents
- Betting shops

iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops

- Coffee shops
- Pubs
- Bars

iv. Hereditaments which are being used as cinemas

v. Hereditaments that are being used as live music venues:

- Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience.

It is considered assembly and leisure to mean:

i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities).

- Sports grounds and clubs
- Museums and art galleries
- Nightclubs
- Sport and leisure facilities
- Stately homes and historic houses
- Theatres
- Tourist attractions
- Gyms
- Wellness centres, spas, massage parlours
- Casinos, gambling clubs and bingo halls

ii. Hereditaments that are being used for the assembly of visiting members of the public.

- Public halls
- Clubhouses, clubs and institutions

It is considered hotels, guest & boarding premises and self-catering accommodation to mean:

i. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:

- Hotels, Guest and Boarding Houses
- Holiday homes
- Caravan parks and sites

To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief. For the avoidance of doubt, hereditaments which have closed temporarily due to the government's advice on COVID19 will be treated as occupied for the purposes of this relief.

The list set out above is not intended to be exhaustive and there may be properties that are not listed but are broadly similar in nature to those above and may be considered separately.

The list below sets out the types of uses that the Council does **not** consider to be an eligible property use for the purpose of this relief.

i. Hereditaments that are being used for the provision of the following services to visiting members of the public

- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/financial advisers)
- Post office sorting offices

ii. Hereditaments that are not reasonably accessible to visiting members of the public.



Northumberland

County Council

REVENUES AND BENEFIT SERVICE

HOUSING BENEFIT

WAR PENSION AND ARMED FORCES COMPENSATION DISREGARD POLICY

Introduction

1. The Housing Benefit Regulations 2006 make provision for the first £10.00 of income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme to be disregarded in any benefit assessment. The cost of this disregard is fully reimbursed to the Council.
2. The Social Security Administration Act 1992 gives the Council discretion to disregard any amount it chooses in addition to the statutory provision. Since 2009/10 the Council has taken advantage of this provision and fully disregarded income claimants receive from the War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Schemes.

Policy Aims

3. The policy aims to:
 - Ensure income from the schemes is treated consistently when assessing entitlement to housing benefit;
 - Ensure that everyone gets fair treatment and equal opportunity;
 - Promote a transparent and simple process that is easily understood; and
 - Provide staff with guidance for making reasonable, fair and consistent decisions.

Policy

4. The Council will fully disregard income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme when assessing entitlement to Housing Benefit.



Northumberland County Council

Cabinet

Tuesday, 13 February 2024

Corporate Fraud Policies for 2024-25

Report of Councillor(s) Councillor Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Resources

Responsible Officer(s): Jan Willis, Executive Director for Resources & Transformation (S151)

1. **Link to Key Priorities of the Corporate Plan**

The work of the Corporate Fraud Team and counter-fraud activity contributes to the achievement of all priorities in the Council's Corporate Plan. In particular it supports the "Achieving Value for Money" priority of the Corporate Plan 2023-26.

2. **Purpose of report**

The purpose of the report is to provide an update on the County Council's policies in relation to Corporate Fraud activity and seek approval for updated policies.

3. **Recommendations**

- 3.1 Cabinet to recommend to County Council to approve the updated Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy, attached as Appendix 1 and Appendix 2 to this report.

4. **Forward plan date and reason for urgency if applicable**

16 January 2024

5. **Background**

- 5.1 The Council has policies in place which are used by the Corporate Fraud Team in their day to day work. These policies reflect mandatory requirements and any relevant legislation governing the work of the Corporate Fraud Team.

- 5.2 The policies are regularly reviewed and any updates and amendments are approved in conjunction with the approval of the Budget and Medium Term Financial Plan report considered by the County Council each February.
- 5.3 The following policies have been amended ahead of the 2024-25 financial year:
- Anti-Money Laundering Policy (see Appendix 1)
 - Counter Fraud Policy and Bribery and Corruption Policy (incorporated into a new Anti-Fraud, Bribery and Corruption Policy) (see Appendix 2)
- 5.4 The Anti Money Laundering Policy sets out the obligations that impact on certain areas of local authority business and require local authorities to establish internal procedures to help prevent the use of their services for money laundering. This policy has been updated to reflect organisational changes and amendments to legislation and external bodies.
- 5.5 The new Anti-Fraud, Bribery and Corruption Policy incorporates the previous Counter Fraud Policy and Bribery and Corruption Policy into one comprehensive policy document. The new Policy applies to all of the Council's activities and sets out the Council's commitment to the prevention, detection and investigation of internal and external fraud and by working in partnership with other agencies to reduce the incidence of crime and theft against the Council. The amended policy provides a framework to enable employee and elected members to understand arrangements enabling compliance and the reporting and investigation process.
- 5.6 Reports have been updated to reflect latest best practice and guidance.

6. Options open to the Council and reasons for the recommendations

- 6.1 The following decision options are available for consideration by Cabinet:

Option 1

Cabinet agrees to recommend to County Council to approve the updated Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy, attached as appendices to this report.

Option 2

Cabinet does not agree to recommend to County Council to approve the updated Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy, attached as appendices to this report.

Option 1 is the recommended option. The Council's policies have been updated to reflect changes within the organisation and reflect current best practice and guidance.

7. Implications

Policy	The report details amendments made to the County Council's policies covering the work of the Corporate Fraud Team. Policies amended are: <ul style="list-style-type: none">• Anti-Money Laundering Policy
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	<ul style="list-style-type: none"> • Anti-Fraud, Bribery and Corruption Policy (formerly Counter Fraud Policy and Bribery and Corruption Policy).
Finance and value for money	The County Council's policies covering suspected fraud, corruption and theft help to prevent and identify financial losses incurred by the Council and assist in the process of seeking recovery of such sums.
Legal	The County Council has a legal responsibility under the Accounts and Audit Regulations 2015, to ensure that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective, and includes effective arrangements for the management of risk. As part of discharging this responsibility, the County Council has a responsibility to embed effective standards for countering fraud, corruption and bribery into the organisation. This supports good governance and demonstrates effective financial stewardship and strong public financial management.
Procurement	None.
Human resources	None.
Property	None.
The Equalities Act: is a full impact assessment required and attached?	No - no equalities issues identified Equality Impact Assessment not required.
Risk assessment	Work undertaken covered by the policies in this report reduces the risk of financial loss and adverse publicity to the County Council through fraud.
Crime and disorder	Work undertaken covered by the policies in this report reduces the potential opportunities for fraud and corruption within the County Council's activities.
Customer considerations	None.
Carbon reduction	None.
Health and wellbeing	None.

Wards	(All Wards);
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8. Background papers

Not applicable.

9. Links to other key reports already published

Approval of Revenues and Benefits Policies for 2023-24, Report to Cabinet 14 February 2023.

10. Author and Contact Details

Kevin McDonald, Head of Internal Audit and Risk Management (Chief Internal Auditor)

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Northumberland
County Council

Corporate Fraud Team

Anti-Money Laundering Policy

Introduction	1
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Report of suspected money laundering	Appendix 1
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1 Introduction

- 1.1 Northumberland County Council is committed to the highest levels of compliance, and probity. This policy clearly outlines the duties and responsibilities of all Council employees, volunteers, elected members and contractors working for and on behalf of the Council.
- 1.2 Legislation places obligations on certain areas of local authority business which require local authorities to establish internal procedures to prevent the use of their services for money laundering.
- 1.3 The legislation in respect of Money Laundering is set out in the following:
- Proceeds of Crime Act 2002 as amended by the Crime and Courts Act 2013 and the Serious Crime Act 2015;
 - The Money Laundering Regulations 2007;
 - The Terrorism Act 2000 as amended by the Anti-Terrorism, Crime and Security Act 2001, the Terrorism Act 2006 and the Terrorism Act 2000 and Proceeds of Crime Act 2002 (Amendment) Regulations 2007
 - Serious Organised Crime and Police Act 2005

2 Scope of the Policy

- 2.1 This Policy applies to all employees of the Council and aims to maintain the high standards of conduct which currently exist within the Council by preventing criminal activity through money laundering.
- 2.2 The Policy sets out the procedures which must be followed (for example the reporting of suspicions of money laundering activity) to enable the Council to comply with its legal obligations.
- 2.3 The guidance outlined in this policy will protect both employees and the Council and minimise the risk of breaches of legislation.

3 What is Money Laundering?

- 3.1 Under the Proceeds of Crime Act 2002, money laundering means:
 - concealing, disguising, converting, transferring criminal property or removing it from the UK (section 327 of the Act);
 - entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person (section 328);
 - acquiring, using or possessing criminal property (section 329); or
 - failing to disclose suspected money laundering.
- 3.2 The legislation covers the proceeds of all crimes, regardless of the level and is not limited to just organised crimes.
- 3.3 Whilst the risk of contravening the legislation is low, it is important that employees are familiar with their legal responsibilities. Should any suspicion of money laundering activity arise, an employee is required to make an 'authorised disclosure' to an approved person. For Northumberland County Council the approved person is the Money Laundering Reporting Officer ("MLRO").

4 What are the Obligations on the Council?

- 4.1 Organisations conducting "relevant business" must:
 - appoint a MLRO to receive disclosures from employees of money laundering activity (their own or anyone else's);
 - implement a procedure to enable the reporting of suspicions of money laundering;
 - maintain client identification procedures in certain circumstances; and
 - maintain record keeping procedures.

5 The Money Laundering Reporting Officer

- 5.1 The Officer nominated to receive disclosures about money laundering activity within the Council is:

Section 151 Officer
Northumberland County Council
County Hall
Northumberland
NE61 2EF

- 5.2 In the absence of the Section 151 Officer, the Deputy Section 151 Officer is authorised to deputise for her and can be contacted at County Hall at the above address.

6 Disclosure Procedure

Reporting to the Money Laundering Reporting Officer

- 6.1 Where you know or suspect that money laundering activity is taking/has taken place, or become concerned that your involvement in a matter may amount to a prohibited act under sections 327 – 329 of the Act, you must disclose this as soon as practicable to the MLRO. The disclosure should be within “hours” of the information coming to your attention, not weeks or months later.

YOU MAY BE LIABLE TO PROSECUTION IF YOU DO NOT REPORT YOUR SUSPICIONS.

- 6.2 Your disclosure should be made to the MLRO using the pro-forma report attached at Appendix 1. The report must include as much detail as possible, for example:
- Full details of the people involved (including yourself, if relevant), e.g. name, date of birth, address, company names, directorships, phone numbers, etc.
 - Full details of the nature of their/your involvement - If you are concerned that your involvement in the transaction would amount to a prohibited act under sections 327 – 329 of the Act, then your report must include all relevant details, as you will need consent from the National Crime Agency (“NCA”), via the MLRO, to take any further part in the transaction - this is the case even if the client gives instructions for the matter to proceed before such consent is given. You should therefore make it clear in the report if such consent is required and clarify whether there are any deadlines for giving such consent e.g. a completion date or court deadline;
 - The types of money laundering activity involved - if possible, cite the section number(s) under which the report is being made e.g. a principal money laundering offence under section 327 – 329 of the Act, or general reporting requirement under section 330 of the Act, or both;
 - The dates of such activities, including whether the transactions have happened, are on-going or are imminent;
 - Where they took place;
 - How they were undertaken;
 - The (likely) amount of money/assets involved;

- Why, exactly, you are suspicious – the MLRO will require full reasons along with any other available information to enable her to make a sound judgement as to whether there are reasonable grounds for knowledge or suspicion of money laundering and to enable her to prepare her report to the NCA, where appropriate. You should also enclose copies of any relevant supporting documentation.
- 6.3 Once you have reported the matter to the MLRO you must follow any directions she may give you. You must NOT make any further enquiries into the matter yourself; any necessary investigation will be undertaken by the NCA. Simply report your suspicions to the MLRO who will refer the matter on to the NCA if appropriate. All employees will be required to co-operate with the MLRO and the authorities during any subsequent money laundering investigation.
- 6.4 Similarly, at no time and under no circumstances should you voice any suspicions to the person(s) whom you suspect of money laundering, even if the NCA has given consent to a particular transaction proceeding, without the specific consent of the MLRO; otherwise, you may commit a criminal offence of “tipping off”.
- 6.5 Do not, therefore, make any reference on a client file to a report having been made to the MLRO – should the client exercise their right to see the file, then such a note will obviously tip them off to the report having been made and may render you liable to prosecution. The MLRO will keep the appropriate records in a confidential manner.

Consideration of the disclosure by the MLRO

- 6.6 Upon receipt of a disclosure report, the MLRO will note the date of receipt on her section of the report and acknowledge receipt of it. She should also advise you of the timescale within which she expects to respond to you.
- 6.7 The MLRO will consider the report and any other available internal information she thinks relevant e.g.:
- reviewing other transaction patterns and volumes;
 - the length of any business relationship involved;
 - the number of any one-off transactions and linked one-off transactions;
 - any identification evidence held and undertake such other reasonable inquiries she thinks appropriate in order to ensure that all available information is taken into account in deciding whether a report to the NCA is required (such enquiries being made in such a way as to avoid any appearance of tipping off those involved). The MLRO may also need to discuss the report with you.
- 6.8 Once the MLRO has evaluated the disclosure report and any other relevant information, she must make a timely determination as to whether:
- there is actual or suspected money laundering taking place; or
 - there are reasonable grounds to know or suspect that is the case; and

- whether she needs to seek consent from the NCA for a particular transaction to proceed.
- 6.9 Where the MLRO does so conclude, then she must disclose the matter as soon as practicable to the NCA on their standard report form and in the prescribed manner, unless she has a reasonable excuse for non-disclosure to the NCA (for example, if you are a lawyer and you wish to claim legal professional privilege for not disclosing the information).
- 6.10 Where the MLRO suspects money laundering but has a reasonable excuse for nondisclosure, then she must note the report accordingly; she can then immediately give her consent for any ongoing or imminent transactions to proceed.
- 6.11 In cases where legal professional privilege may apply, the MLRO must liaise with the legal adviser to decide whether there is a reasonable excuse for not reporting the matter to the NCA.
- 6.12 Where consent is required from the NCA for a transaction to proceed, then the transaction(s) in question must not be undertaken or completed until the NCA has specifically given consent, or there is deemed consent through the expiration of the relevant time limits without objection from the NCA.
- 6.13 Where the MLRO concludes that there are no reasonable grounds to suspect money laundering then she shall mark the report accordingly and give her consent for any ongoing or imminent transaction(s) to proceed.
- 6.14 All disclosure reports referred to the MLRO and reports made by her to the NCA must be retained by the MLRO in a confidential file kept for that purpose, for a minimum of five years.
- 6.15 The MLRO commits a criminal offence if she knows or suspects, or has reasonable grounds to do so, through a disclosure being made to her, that another person is engaged in money laundering, and she does not disclose this as soon as practicable to the NCA.
- 6.16 Further information on how to make a report to the NCA is available from [Contact us - National Crime Agency](#)

7 Client Identification Procedure

- 7.1 Where the Council is carrying out relevant business (accountancy, audit and certain legal services) and:
 - a. forms an ongoing business relationship with a client; or
 - b. undertakes a one-off transaction involving payment by or to the client of 15,000 Euro (approximately £13,000) or more;
 - c. undertakes a series of linked one-off transactions involving total payment by or to the client(s) of 15,000 Euro (approximately £13,000) or more; or

d. it is known or suspected that a one-off transaction (or a series of them) involves money laundering then this Client Identification Procedure must be followed before any business is undertaken for that client. Please note that unlike the reporting procedure, the client identification procedure is restricted to those operating relevant business, i.e., Financial Services and Legal Services.

7.2 In the above circumstances, employees in the relevant unit of the Council must obtain satisfactory evidence of the identity of the prospective client, as soon as practicable after instructions are received (unless evidence of the client has already been obtained). This applies to existing clients, as well as new ones.

7.3 Once instructions to provide relevant business have been received, and it has been established that any of paragraphs 7.1 (a) to (d) apply, evidence of identity should be obtained as follows.

Internal clients:

7.4 Appropriate evidence of identity for Council divisions will be signed, written instructions on Council headed notepaper or an email on the internal email system at the outset of a particular matter. Such correspondence should then be placed on the Council's client file along with a prominent note explaining which correspondence constitutes the evidence and where it is located.

External Clients:

7.5 For external clients of the Council, appropriate evidence of identity will be written instructions on the organisation's official letterhead at the outset of the matter or an email from the organisation's e-communication system. Such correspondence should then be placed on the Council's client file along with a prominent note explaining which correspondence constitutes the evidence and where it is located.

7.6 With instructions from new clients, or further instructions from a client not well known to you, you may wish to seek additional evidence of the identity of key individuals in the organisation and of the organisation itself.

7.7 Check the organisations website to confirm the business address, companies house to confirm directors, address nature of business and their status. You may be able to visit their business address and meet key contacts in person.

7.8 In all cases, the evidence should be retained for at least five years from the end of the business relationship or one-off transaction(s).

7.9 If satisfactory evidence of identity is not obtained at the outset of the matter then the business relationship or one-off transaction(s) cannot proceed any further.

8 Record Keeping Procedures

8.1 Each section of the Council conducting relevant business must maintain records of:

- client identification evidence obtained; and;
- details of all relevant business transactions carried out for clients for at least five years.

This is so that they may be used as evidence in any subsequent investigation by the authorities into money laundering.

8.2 The precise nature of the records is not prescribed by law however they must be capable of providing an audit trail during any subsequent investigation, for example distinguishing the client and the relevant transaction and recording in what form any funds were received or paid. In practice, the divisions of the Council will be routinely making records of work carried out for, or by, clients in the course of normal business and these should suffice in this regard.

9 Conclusion

9.1 The legislative requirements concerning anti-money laundering procedures are lengthy and complex. This Policy has been written so as to enable the Council to meet the legal requirements in a way which is proportionate to the very low risk to the Council of contravening the legislation.

9.2 Should you have any concerns whatsoever regarding any transactions then you should contact the MLRO.

10 Linked Policies

10.1 This Policy should be read in conjunction with the Anti-Fraud, Bribery and Corruption Policy developed by the Corporate Fraud Team.

10.2 The County Council also has a Raising Concerns at Work Policy which is maintained by HR in conjunction with the Monitoring Officer.

10.3 For further information on any of these policies or for advice on any potential fraud related concerns please contact:

Amy Hodgson, Corporate Fraud Manager
Telephone: 01670 624272
Email: amy.hodgson@northumberland.gov.uk

11 Further information

11.1 Further information can be obtained from the Corporate Fraud Manager, MLRO or from one of the following websites -

- <https://www.nationalcrimeagency.gov.uk/what-we-do/crime-threats/money-laundering-and-illicit-finance>
- <https://www.lawsociety.org.uk/topics/anti-money-laundering>
- <https://www.lawsociety.org.uk/topics/anti-money-laundering/money-laundering-warning-signs>
- <https://www.cps.gov.uk/legal-guidance/money-laundering-offences>
- <https://www.gov.uk/guidance/money-laundering-regulations-your-responsibilities>

APPENDIX 1 – Report of Suspected Money Laundering

PRIVATE AND CONFIDENTIAL

Report to Money Laundering Reporting Officer, re money laundering activity

To: Section 151 Officer

Northumberland County Council - Money Laundering Reporting Officer

From:
[insert name of employee]

Division:..... Ext/Tel No:.....
[insert post, title and section]

DETAILS OF SUSPECTED OFFENCE

Name(s) and address(es) of person(s) involved: [if a company/public body please include details of nature of business]
Nature, value and timing of activity involved: [Please include full details e.g. what, when, where, how. Continue on a separate sheet if necessary]
Nature of suspicions regarding such activity: [Please continue on a separate sheet if necessary]

Has any investigation been undertaken (as far as you are aware)? Yes / No
If yes, please include details below:

Have you discussed your suspicions with anyone else? Yes / No
If yes, please specify below, explaining why such discussion was necessary:

Have you consulted any supervisory body guidance re money laundering? (e.g. the Law Society) Yes / No
If yes, please specify below:

Do you feel you have a reasonable excuse for not disclosing the matter to the NCA?
(are you a lawyer and wish to claim legal professional privilege?) Yes / No
If yes, please set out full details below:

Are you involved in a transaction which might be a prohibited act under sections 327- 329 of the Act which requires appropriate consent from the NCA? Yes / No
If yes, please enclose details in the box below:

Please set out below any other information you feel is relevant:
(Continue on a separate sheet if necessary)

Signed:.....

Dated:.....

Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described. To do so may constitute a tipping off offence, which carries a maximum penalty of 5 years' imprisonment.

THE FOLLOWING PART OF THIS FORM IS FOR COMPLETION BY THE MONEY LAUNDERING REPORTING OFFICER

Date report received:

Date receipt of report acknowledged:

CONSIDERATION OF DISCLOSURE:

Action plan:

OUTCOME OF CONSIDERATION OF DISCLOSURE:

Are there reasonable grounds for suspecting money laundering activity?

If there are reasonable grounds for suspicion, will a report be made to the NCA?
[Please delete as appropriate] **Yes / No**

If yes -

1. Confirm date of report to NCA:

2. Details of liaison with the NCA regarding the report:

3. Notice Period: to

4. Moratorium Period: to

5. Is consent required from the NCA to any on-going or imminent transactions which would otherwise be prohibited acts? **Yes / No**

6. If yes, please confirm full details:

7. Date consent received from NCA:

8. Date consent given by you to employee:

If there are reasonable grounds to suspect money laundering, but you do not intend to report the matter to the NCA, please set out below the reason(s) for non-disclosure:

Date consent given by you to employee for any prohibited act transactions to proceed:

Other relevant information:

Signed:

Dated:

THIS REPORT TO BE RETAINED FOR AT LEAST FIVE YEARS

APPENDIX 2 - Guidance Notes

Possible signs of money laundering

It is impossible to give a definitive list of ways in which to spot money laundering or how to decide whether to make a report to the MLRO. The following are types of risk factors which may, either alone or cumulatively with other factors, suggest the possibility of money laundering activity:

General

- A new client;
- A secretive client: e.g., refuses to provide requested information without a reasonable explanation;
- Concerns about the honesty, integrity, identity or location of a client;
- Illogical third party transactions: unnecessary routing or receipt of funds from third parties or through third party accounts;
- Involvement of an unconnected third party without logical reason or explanation;
- Payment of a substantial sum in cash (over £10,000);
- Overpayments by a client;
- Absence of an obvious legitimate source of the funds;
- Movement of funds overseas, particularly to a higher risk country or tax haven;
- Where, without reasonable explanation, the size, nature and frequency of transactions or instructions (or the size, location or type of a client) is out of line with normal expectations;
- A transaction without obvious legitimate purpose or which appears uneconomic, inefficient or irrational;
- The cancellation or reversal of an earlier transaction;
- Requests for release of client account details other than in the normal course of business;
- Companies and trusts: extensive use of corporate structures and trusts in circumstances where the client's needs are inconsistent with the use of such structures;

- Poor business records or internal accounting controls;
- A previous transaction for the same client which has been, or should have been, reported to the MLRO;

Property Matters

- Unusual property investment transactions if there is no apparent investment purpose or rationale;
- Instructions to receive and pay out money where there is no linked substantive property transaction involved (surrogate banking);
- Re property transactions, funds received for deposits or prior to completion from an unexpected source or where instructions are given for settlement funds to be paid to an unexpected destination;

Facts which tend to suggest that something odd is happening may be sufficient for a reasonable suspicion of money laundering to arise. In short, the money laundering offences apply to your own actions and to matters in which you become involved.

If you become aware that your involvement in a matter may amount to money laundering then you must discuss it with the MLRO and not take any further action until you have received, through the MLRO, the consent of the National Crime Agency (“NCA”). The failure to report money laundering obligations, referred to below, relate also to your knowledge or suspicions of others, through your work.

CONCLUSION

Given the nature of what the Council does and who it can provide services for, instances of suspected money laundering are unlikely to arise very often, if at all; however, we must be mindful of the legislative requirements, as failure to comply with them may render individuals liable to prosecution.

Please take prompt and proper action if you have any suspicions and feel free to consult the MLRO at any time should you be concerned regarding a matter.



Northumberland
County Council

Corporate Fraud Team

Anti-Fraud, Bribery and Corruption Policy

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1 Introduction

- 1.1 Northumberland County Council is a major provider of services to the community, and as such the Council's elected members and employees have a responsibility to ensure the highest standards of probity are maintained.
- 1.2 Under the provisions of the Local Government Act 1972 (s.151) the Council has a statutory responsibility to protect and ensure the proper administration of public funds.
- 1.3 Northumberland County Council is committed to sound corporate governance and has demonstrated this by adopting a Code of Corporate Governance in accordance with National and Professional Standards. This requires the Council to define the standards of personal behaviour and conduct that members and staff and those involved in service delivery are expected to display.
- 1.4 An integral element of this approach is the Council's determination to prevent, pursue and protect against fraud, bribery and corruption, whether it is attempted from within or outside the Council, with a zero-tolerance policy.
- 1.5 It is important to emphasise that the County Council has traditionally had a good record with respect to probity and the instances of detected fraud, bribery and corruption within its activities have been relatively few.
- 1.6 In administering its responsibilities, the Council is committed to the highest ethical standards. It expects all its elected members and employees to lead by example in ensuring adherence to rules, procedures and recommended practices whilst maintaining conduct of the highest standards such that public confidence in their integrity is maintained.

- 1.7 The Council also expects that individuals and organisations that it encounters will act towards the Council with integrity and without thought or actions involving fraud, bribery or corruption.
- 1.8 Elected members and employees should be aware that fraud, bribery and corruption will not be tolerated under any circumstances. If they become aware of any malpractice or wrongdoing and they unreasonably fail to take appropriate action to eliminate that activity, then they themselves become implicated in such acts.
- 1.9 If any individual has any information regarding malpractice or wrongdoing in the County Council this should be brought to the immediate attention of their Line Manager.
- 1.10 If a member of staff raises a concern regarding financial malpractice, then the details must be passed immediately to the Corporate Fraud Manager for consideration of appropriate action. Managers should only establish the basic facts of the suspicion and should not attempt to carry out any investigation themselves.

2 Policy Aims & Objectives

- 2.1 This Policy is relevant to the priorities in the Corporate Plan 2023-26 and links to the corporate priority of 'Achieving Value for Money'. The Corporate Fraud Team contributes to the objective by being committed to the prevention, detection and investigation of internal and external fraud and by working in partnership with other organisations reducing the incidence of crime and theft against the Council.
- 2.2 The Corporate Fraud Team will ensure they promptly notify the Head of Internal Audit and Risk Management of all suspected or detected fraud, bribery, corruption or impropriety.
- 2.3 Under the Council's Constitution and the Finance and Contract Rules, the Section 151 Officer has responsibility for the development and maintenance of an anti-fraud and anti-corruption strategy, this includes measures to reduce the risk of money laundering.
- 2.4 This policy provides a framework to enable employees and elected members to understand and implement arrangements enabling compliance. In conjunction with related policies referred to below it will enable employees and elected members to identify and report a potential breach.
- 2.5 We require all employees, including temporary agency staff, all contractors and their employees working on behalf of the County Council, and all elected members to:
- Always act honestly and with integrity and to safeguard the Council's resources for which they are responsible
 - comply with the spirit and the letter, of the laws and regulations in respect of the lawful and responsible conduct of activities.
- 2.6 Northumberland County Council commits to:

- Setting out a clear anti-fraud, bribery and corruption policy, and keeping this up to date;
- Making all employees and members aware of their responsibilities to always adhere strictly to this policy;
- Encouraging its employees and members to be vigilant and to report any suspicions of fraud, bribery and corruption, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;
- Rigorously investigating instances of alleged fraud, bribery and corruption;
- Taking firm and vigorous action against any individual(s) involved in fraud, bribery and corruption.

3 Scope of this Policy

- 3.1 This policy applies to all the Council's activities. For partners, joint ventures and suppliers, we will seek to promote the adoption of policies consistent with this policy.
- 3.2 Within the Council the responsibility to control the risk of bribery occurring rests at all levels. It does not rest solely within assurance and audit functions, but in all services, business units, corporate functions and elected members exercising their Council functions.
- 3.3 This policy covers all employees at all levels and grades, including those permanently employed, temporary, agency staff, contractors, non-executives, agents, members (including independent members), volunteers and consultants.

4 Legal Definitions

Fraud

- 4.1 The Fraud Act 2006 describes fraud under the following three sections -

- Fraud by false representation
- Fraud by failing to disclose information
- Abuse of position

and occurs when a person dishonestly acts in a way with the intention of making a gain for themselves or another, or, with the intention to cause loss to another or expose another to a risk of loss.

- 4.2 The term fraud is often also used to describe such acts as deception, forgery, theft, misappropriation, false representation, concealment of material facts and collusion.

Bribery

- 4.3 Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage.
- 4.4 There are four main criminal offences created by the Bribery Act 2010:

- bribery of another person to induce or reward them to perform a function improperly;
- requesting or accepting a bribe as a reward for performing a function or action improperly;
- bribing a foreign official to gain a business advantage;
- corporate offence of failing to prevent bribery.

4.5 The last is a corporate offence of failure by a commercial organisation to prevent bribery intended to obtain or retain business, or an advantage in the conduct of business. An organisation will have a defence to this offence if it can show that it had in place adequate procedures designed to prevent bribery by or of persons associated with it.

Corruption

4.6 Corruption is defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) as ‘the offering, giving, soliciting or acceptance of and inducement or reward which may influence the action of any person’. Corruption will often include bribery, fraud, theft and/or money laundering.

4.7 Section 117 of the Local Government Act 1972, requires that all employees

- must disclose, in writing, any personal interest in contracts that have been, or are proposed to be, entered into by the Council
- must not accept any fee or reward other than their proper remuneration

4.8 In investigating reports, the Council’s Corporate Fraud Team will consider all relevant legislation. Below is a list of the more relevant legislation however this list is not exhaustive.

- Fraud Act 2006 - <https://www.legislation.gov.uk/ukpga/2006/35/contents>
- Theft Act 1968 - <https://www.legislation.gov.uk/ukpga/1968/60/contents>
- Forgery and Counterfeiting Act 1981 - <https://www.legislation.gov.uk/ukpga/1981/45>
- Protection from eviction Act 1977 - <https://www.legislation.gov.uk/ukpga/1977/43>
- Proceeds of Crime Act 2002 - <https://www.legislation.gov.uk/ukpga/2002/29/contents>
- Bribery Act 2010 - <https://www.legislation.gov.uk/ukpga/2010/23/contents>
- Local Government Act 1972 - <https://www.legislation.gov.uk/ukpga/1972/70/section/117>

5 ‘Acknowledge’

5.1 The Council acknowledges that, as with every organisation, there is a risk of fraud, bribery or corruption. It aims to understand and assess the risks, and to take appropriate action.

5.2 The Council is committed to tackling this risk and as such has a dedicated Corporate Fraud Team who are professionally trained and qualified. They work alongside the Internal Audit Team, under the supervision of the Council’s Head of Internal Audit & Risk Management (Chief Internal Auditor).

5.3 The Corporate Fraud Manager, and through this Counter Fraud Policy the Corporate Fraud Team, will:

- Provide an effective counter fraud service.
- Develop and implement measures to prevent and detect all forms of fraud, bribery and corruption against the Council.
- Develop a range of initiatives aimed at reducing and ultimately eliminating all forms of fraud and error as far as possible in Northumberland County Council through the building of effective controls into our working practices.
- Conduct high quality assessments with appropriate investigations when fraud is suspected to ensure that full compliance with legal requirements is met to enable prosecution where appropriate.
- Take action where appropriate in line with the Corporate Enforcement Policy and use all legal sanctions available for recovery of any losses through fraud, bribery and corruption.
- Provide all Corporate Fraud Team members with appropriate and regular training.
- Deter internal and external fraud by publicising the Council's anti-fraud measures, including details of how any type of suspected fraud may be reported and actively encouraging the public, employees and elected members to report such suspicions.
- Regularly publicise successful prosecutions and achieved savings identified.

6 'Prevent'

6.1 The Council recognises that prevention is the most cost-effective way to tackle any risk of fraud, bribery and corruption and therefore is key. However, resources are still essential to act against those who are determined to abuse our services.

6.2 All levels of the organisation should be committed to preventing fraud, bribery and corruption, and foster a culture within the organisation where it is never acceptable.

6.3 The Council has robust policies, processes and procedures in place which ensure effective controls are in place and ensure these are embedded and understood through communication, including mandatory training that is proportionate to the risks it faces.

6.4 An anti-fraud culture, supported by the awareness of staff across all services, and a zero-tolerance approach is necessary to deter fraud, bribery and corruption from being committed.

6.5 The Council participate in the National Fraud Initiative (NFI), a Cabinet Office, national programme of data matching. In addition, the Corporate Fraud Team will carry out targeted risk-based, pro-active data matching exercises in accordance with the General Data Protection Regulation.

6.6 The Council has disciplinary procedures for employees found to be in breach of the Code of Conduct. Where criminal activity is suspected this will be fully investigated by the Corporate Fraud Team and/or referred to the Police.

6.7 Elected members, employees and suppliers must not -

- give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given
- give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure
- accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them
- accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy
- engage in activity in breach of this policy.

6.8 The County Council policy in relation to gifts and hospitality is clearly outlined in the Employee Code of Conduct.

6.9 Under the Public Contracts Regulations 2006 a company is automatically and perpetually debarred from competing for public contracts where it is convicted of a corruption offence. The County Council extends such automatic barring to any organisations convicted of an offence under the Bribery Act 2010 or any similar offence of fraud or dishonesty which might bring the relationship with the Council into disrepute.

7. ‘Pursue’

7.1 It is the responsibility of all employees, elected members and the public to be aware of and report any suspicions of fraud, bribery and corruption so that appropriate action can be taken.

7.2 The Corporate Fraud Team have a number of reporting avenues, including -

- a dedicated email - fraudline@northumberland.gov.uk,
- reporting 24-hour hotline – 01670 624359,
- online link - <https://reportafraud.co.uk/NCC>.

A team of officers are also available to discuss any concerns.

7.3 The Corporate Fraud Team is developing a risk-based programme of data matching pro-active exercises to identify instances assessed as high risk of fraud.

7.4 Where an employee is involved in wrongdoing, they will be subject to disciplinary action in line with the relevant policies and procedures. Where appropriate there will also be a criminal investigation carried out by the Corporate Fraud Team and/or the Police.

- 7.5 The Council will consider and utilise all sanctions available as appropriate, including disciplinary, civil and criminal measures.
- 7.6 Every effort will be made to recover all financial loss to the Council resulting from fraud, bribery and corruption.
- 7.7 Corporate Fraud Investigators will be professionally accredited to gather evidence, interview witnesses and suspects and to investigate instances of fraud, bribery and corruption to a criminal standard. They will conduct all investigations undertaken in compliance with appropriate legislation and powers including -
- Human Rights Act 1998
 - Regulation of Investigators Powers Act 2000
 - The Criminal Procedure and Investigation Act 1996
 - The Data Protection Act 2018 & General Data Protection Regulation
 - Police and Criminal Evidence Act 1984
- 7.8 The Corporate Fraud Team will collaborate and work jointly with external organisations, under agreed data sharing arrangements, including
- Local Authorities,
 - The Department for Work and Pensions (DWP), Single Fraud Investigation Service (SFIS),
 - Police,
 - Registered Social Housing providers,
 - North East Tenancy Fraud Forum.
- 7.9 The Council's Communication Team will liaise with the press to publicise anti-fraud, bribery and corruptions initiatives undertaken by the Corporate Fraud Team.
- 7.10 Successful prosecutions will be publicised where appropriate.
- 7.11 The Corporate Fraud Team present interim and annual reports outlining their work and results to the Audit Committee.

8 Reporting

- 8.1 The Council has several avenues for the public to report concerns or suspicions anonymously, directly to the Corporate Fraud Team:
- email - fraudline@northumberland.gov.uk,
 - 24-hour telephone hotline – 01670 624359,
 - online link - <https://reportafraud.co.uk/NCC>.
- 8.2 Council employees can raise concerns via their manager, the above anonymous reporting lines or by contacting the Head of Internal Audit & Risk Management (Chief Internal Auditor) or a member of the Corporate Fraud Team directly to discuss their concerns.
- 8.3 The Council's Raising Concerns at Work Policy:

- Encourages employees to report suspected wrongdoing as soon as possible, with the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be protected wherever possible.
- Provides employees with guidance as to how to raise those concerns.
- Provides reassurance to employees that they are able to raise genuine concerns in good faith in the Public Interest without fear of reprisals, even if they turn out to be mistaken.

8.4 The reporting form and process is also included within the Council's Raising Concerns at Work Policy at Appendix 1 & 2, which directs any concerns relating to fraud, bribery or corruption to be raised with the Chief Internal Auditor or Fraud hotline (as at 8.1 above).

8.5 You should not make the suspect aware of any report being made as this may prejudice any investigation.

8.6 Any reports received relating to welfare benefits, including Housing Benefit, will be referred to SFIS in line with current investigation and Data Protection arrangements. A member of the Corporate Fraud Team will act as the Single Point of Contact (SPOC) for the transition of information between the organisations. Where appropriate the Council's Corporate Fraud Team will conduct joint investigations with SFIS investigators.

9 Linked Policies

9.1 This Policy should be read in conjunction with the Anti-Money Laundering Policy developed by the Corporate Fraud Team and the Council's Raising Concerns at Work Policy.

9.2 For further information on this policy or for advice on any potential fraud related concerns please contact:

Amy Hodgson, Corporate Fraud Manager

Telephone: 01670 624272

Email: amy.hodgson@northumberland.gov.uk

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Northumberland

County Council

Cabinet

Tuesday, 13 February 2024

Summary of New Capital Proposals considered by Officer Capital Strategy Group

Report of Councillor Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Resources

Responsible Officer: Jan Willis, Executive Director for Resources & Transformation (S151)

1. **Link to Key Priorities of the Corporate Plan**

The Council's Capital Programme is consistent with all of the priorities in the Corporate Plan 2023-2026, being 'Achieving Value for Money', 'Tackling Inequalities' and 'Driving Economic Growth'.

2. **Purpose of report**

This report summarises proposed amendments to the Capital Programme considered by the Capital Strategy Group.

3. **Recommendations**

3.1 Cabinet is recommended to:

3.2 **Energising Blyth Programme – Culture Hub and Market Place**

- a) Approve the amended budget, shown in table 6.16, for inclusion in the Capital Programme of £16.546 million including £6.135 million from the Energising Blyth Project Delivery Support budget which is included in the Medium-Term Financial Plan.
- b) Delegate authority to the Executive Director for Place and Regeneration to enter into the main construction contract relating to the project, subject to the appropriate procurement processes being followed.
- c) Subject to approval by North East Mayoral Combined Authority (NEMCA) of the £2.5m Business Case that this is added to the Culture Hub & Market Place budget

within the Medium-Term Financial Plan. Approve the associated financial profiles as set out in the report.

- d) Approve the transfer of funding of £0.388 million from the 2024-25 Climate Change Fund to the Culture Hub Project.

3.3 **Gilesgate Structural Works**

- a) Approve the spend of £0.100 million to undertake the structural works at 2 Gilesgate, Hexham. This spend will be funded from the Property Stewardship budget within the Capital Programme.
- b) Approve the amendment to the Capital Programme to reallocate the funding from the Property Stewardship budget to the 2 Gilesgate, Hexham project.

3.4 **Broadband Connectivity and Oracle Upgrade**

- a) Note the receipt of a Gainshare payment from BT of £3.707 million.
- b) Approve the payment of a portion of the Gainshare receipt of £1.723 million to BDUK as per the terms of the funding agreement. Approve the allocation of the remaining Gainshare receipt of £1.984 million to the Community Broadband project in the Capital Programme. The £1.984 million will be profiled with £0.044 million in 2023-24 and the remaining £1.940 million in 2024-25.
- c) Approve the spend of £0.088 million for the implementation of new functionality in the Oracle system. This will be funded as follows:
- A reallocation of £0.044 million from the Community Broadband project in 2023-24.
 - A reallocation of £0.042 million from the Microsoft 365 project in 2024-25.
 - A reallocation of £0.002 million from the Computer Hardware project in 2024-25.
- d) Approve the amendments to the capital programme as per the above.

4. **Forward plan date and reason for urgency if applicable**

The date this report was added to the forward plan was 8 January 2024.

5. **Background**

- 5.1 This paper summarises reports considered by the Officer Capital Strategy Group on the allocation of funding within the Medium-Term Financial Plan to specific projects. The amendments to the Programme were considered by the officer Capital Strategy Group (CSG) on 20 December 2023.

Summary of New Capital Proposals Considered by Officer Capital Strategy Group on 20 December 2023

6. Energising Blyth Programme – Culture Hub and Market Place

- 6.1 CSG was asked to consider an amendment to the Capital Programme as per table 6.16 for the Energising Blyth Programme Culture Hub and Market Place, along with a reallocation of £0.388 million from the Climate Change Capital fund.
- 6.2 The Council and its partners have been successful in attracting Future High Streets Fund, Town Deal and Levelling Up Deep Dive funding to transform Blyth town centre. This substantial funding will stimulate confidence and further investment, create new jobs, bolster economic growth and transform the town ensuring it realises its full potential. This significant programme of renewal is underpinned by creative engagement with the community of Blyth demonstrating demand and support for positive change.
- 6.3 The Culture Hub & Market Place is a key project in the £90m Energising Blyth Programme. The Council's Cabinet have:
- a) agreed NCC allocations for Future High Streets Fund (FHSF) projects on 9th June 2020.
 - b) at the meeting on 13th July 2021, agreed to establish the Energising Blyth Programme noting the identified funding allocations in the Medium-Term Financial Plan (MTFP) for the combined FHSF and Town Deal programme and agreed that individual project business cases will be approved by Cabinet.
 - c) at the meeting on 9th May 2023, approved the Outline Business Case for the Culture Hub & Market Place to enable the project to proceed to Full Business Case. Cabinet approved a revised budget in the Capital Programme of £14.706 million.
- 6.4 Following approval of the OBC in May 2023, approval via Delegated Decision was granted by the Executive Director of Transformation & Resources (S151 Officer) in consultation with the Portfolio Holder for Supporting Business & Opportunities to enter into a Pre-Service Contract Award (PCSA) with Kier Group. This included expenditure of £0.994 million ahead of Cabinet determination of the FBC, to allow enabling works to commence.
- 6.5 The enabling works package includes demolition of existing structures and street furniture, diversion of NWL sewer, uplifting of paving to enable construction of the new building with new drainage and services, and additional site investigation to investigate unknown ground conditions. In addition, there is significant pressure to spend FHSF grant by 31st March 2024 (awaiting approval of extension to 30th September 2024), therefore the early works have enabled a site presence during a Value Engineering process whilst maintaining momentum as the Yorkstone paving, which was removed in September 2023 by NCC Highways team for use on Bridge Street, another FHSF scheme adjacent to the Market Place. As a result of this paving uplift, permanent hoardings were required to professionally establish the site to minimise negative public relations and any potential Health & Safety risks.
- 6.6 The Council is the project lead, with overall responsibility for delivery of the Culture Hub and Market Place project. Advance Northumberland will provide technical project management support services, on behalf of the Council. The Council's Programme

Board and the Energising Blyth Town Deal Board will have overall responsibility for the Project. They will provide strategic decision-making and are the formal decision-making bodies for the project.

- 6.7 The Culture Hub Project Board involving representation from key teams within the Council, meet on a monthly basis. The Project Board have overall responsibility for managing the Culture Hub, including reviewing performance against key delivery milestones, spend and output targets, reviewing and updating the programme risk register, identifying any issues or areas of concern, and agreeing any corrective or remedial action to be undertaken. The Project Board will report to, and be accountable to the Councils' Programme Board, and the Town Deal Board.
- 6.8 The procurement process to appoint a contractor for the project is complete, with Kier Group being selected as the preferred contractor in July 2023 via a two-stage tender process. The Design Team will be novated to the main contractor during the detailed design and delivery phase following approval of the FBC and execution of the main contract between the Council and Kier Group.
- 6.9 Over the past 9 months a considerable amount of work has been undertaken to finalise the Business Case, including work with the preferred contractor and Design Team to finalise drawings, specifications and costs, completing a tender evaluation report and carrying out Value Engineering in order to minimise cost increases.
- 6.10 The overall cost of the project as reported at OBC and approved by Cabinet has increased from £14.706 million to £16.546 million, this is based on the selected contractor's (Kier Group) proposed contract sum and includes all works completed via the PCSA agreement.
- 6.11 The Full Business Case is being finalised and will be internally appraised, approval will be requested from Energising Blyth Programme Board. Early engagement with DLUHC has taken place and a Project Adjustment Request (PAR) will be submitted to DLUHC in January 2024 to reflect the changes to project costs.
- 6.12 The key milestones of the project are as follows:

Project milestone	Target date
OBC approved by Cabinet	May 2023
Preferred contractor selected	July 2023
Planning permission granted	July 2023
Enabling works	October 2023 – February 2024
Stage 4 Designs and Tender Report	December 2023
FBC complete	December 2023
Project Board Approval	January 2024
Programme Board Approval	January 2024
Cabinet Approval	February 2024
Construction starts on site	February 2024
Practical completion	August 2025
Handover	August 2025

- 6.13 The confirmed total cost of the project is £16.546 million. This is an increase of £1.840 million to the estimated pre-tendered costs approved by Cabinet at OBC. The breakdown of the costs is as follows:

Culture Hub & Market Place			
Item	OBC Budget approved by Cabinet £ million	FBC Revised Budget £ million	Change £ million
Capital			
Design Fees	1.005	0.846	(0.159)
PM Fees (Advance)	0.119	-	(0.119)
Stat Fees	0.073	0.073	-
Surveys	0.065	0.065	-
Pre-Construction Services Agreement	0.136	0.136	-
Building works and landscaping	12.419	14.906	2.487
Contingency	0.450	0.250	(0.200)
FF&E	0.050	-	(0.050)
Complimentary Projects	0.275	-	(0.275)
Sub Total	14.592	16.276	1.684
PM Fees (including AN PM Fees)	0.114	0.270	0.156
Total	14.706	16.546	1.840
Funded by			
Item	OBC funding approved by Cabinet £ million	FBC funding subject to Cabinet approval £ million	Change £ million
Future High Street Fund Grant	7.190	7.253	0.063
NCC Capital Allocation	7.402	6.135	(1.267)
NCC Climate Change Capital Fund	-	0.388	0.388
NEMCA	-	2.500	2.500
Sub Total Funding	14,592	16.276	1.684
FHSF Programme Management Fees (including AN PM Fees)	0.063	0.150	0.087
NCC Programme Management Fees (including AN PM Fees)	0.051	0.120	0.069
Total Funding	14.706	16.546	1.840

- 6.14 This report seeks to secure the additional capital funding by accepting an award of £2.500 million from NEMCA (grant application submitted with award expected in Q4 2023-24). This will reduce the approved £7.453 million (including PMO fees) NCC contribution to £6.643 million (inclusive of Climate Change Capital Fund contribution). The remaining £1.198 million will be transferred back to the Energising Blyth Project Delivery Support Budget which is already within the Medium-Term Financial Plan.

Should this be agreed, the full funding package will be in place to enable commencement of the main contract in February 2024 as planned.

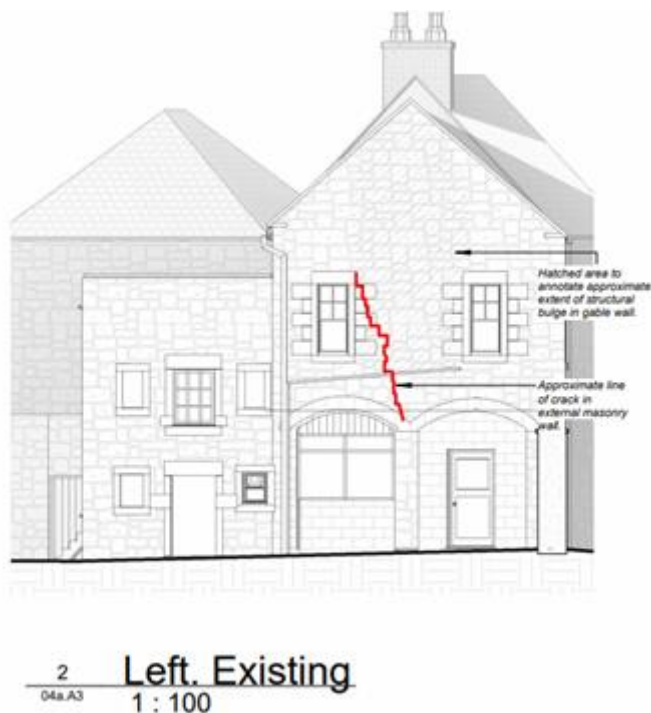
- 6.15 A comprehensive value engineering exercise undertaken over several months by Gleeds Consultants (Quantity Surveyor and Employers Agent) and has formed an integral part of the second stage tender process. This had the objective of moderating project costs as much as possible without compromising on project scope. This exercise has successfully identified a saving of £2.112 m. The tender report and cost plan will be reported to the Culture Workstream Project Board on 15th December 2023 and Energising Blyth Programme Board in January 2024 with a recommendation to approve the final contract sum.
- 6.16 The financial profile of anticipated spend and subsequent drawdown from the various funding sources is detailed below:

Expenditure	2021-22 £ million	2022-23 £ million	2023-24 £ million	2024-25 £ million	2025-26 £ million	2026-27 £ million	Total £ million
Design Fees	-	0.505	0.269	0.052	0.021	-	0.847
Stat Fees	-	0.032	0.035	0.004	0.002	-	0.073
Surveys	-	0.065	-	-	-	-	0.065
Pre-Construction Services Agreement	-	-	0.136	-	-	-	0.136
Building works and landscaping	-	-	0.994	11.514	1.976	0.421	14.905
Contingency	-	-	-	0.200	0.050	-	0.250
FF&E	-	-	-	-	-	-	-
Complementary Projects	-	-	-	-	-	-	-
Sub Total	-	0.602	1.434	11.770	2.049	0.421	16.276
PM Fees (including AN PM Fees)	0.010	0.091	0.141	0.028	-	-	0.270
Total	0.010	0.693	1.575	11.798	2.049	0.421	16.546
Income	2021-22 £ million	2022-23 £ million	2023-24 £ million	2024-25 £ million	2025-26 £ million	2026-27 £ million	Total £ million
FHSF	-	0.517	1.434	5.302	-	-	7.253
NCC	-	0.085	-	3.580	2.049	0.421	6.135
NCC Climate Change Team	-	-	-	0.388	-	-	0.388
NEMCA	-	-	-	2.500	-	-	2.500
Sub Total	-	0.602	1,434	11.770	2.049	0.421	16.276
FHSF Programme Management Fees (including AN PM Fees)	0.010	0.049	0.081	0.010	-	-	0.150
NCC Programme Management Fees (including AN PM Fees)	-	0.042	0.060	0.018	-	-	0.120
Total	0.010	0.693	1.575	11.798	2.049	0.421	16.546

- 6.17 The key risks relating to the project are as follows:
- a) Loss of external funding if the project is not completed; £7.253 million Future High Street funding needs to be defrayed by 30th September 2024 (pending approval of six-month extension from DLUHC) and £2.500 million NEMCA funding would also be lost.
 - b) A Project Adjustment Request (PAR) still needs to be submitted to DLUHC. Until the PAR is approved by DLUHC, the Council would be proceeding at risk. The PAR requirement has been discussed with DLUHC who receive regular updates. NCC have agreed with DLUHC that the PAR will be submitted In January 2024 along with an updated Delivery Plan. A previous PAR outlining pre-tender costs of £14.706 million has been verbally approved. An official announcement will not be made now in lieu of the additional PAR requirement.
 - c) Reputational risk to the Council if works on Blyth Market Place are paused or delayed between the enabling works completion and the start of the main contract. It will not be financially viable to remove hoardings and erect again a later date.
 - d) Should the FBC not be approved, the project will not progress, and any costs incurred would revert to revenue (£1.007 million up to 30th November 2023).
 - e) The contract sum submitted by the preferred contractor is held for 90 days. Any agreement after this date could be subject to an increase in price.
 - f) NEMCA £2.5 million funding is still to be confirmed. However, the project has been added to the NEMCA pipeline to receive funding which is due to be reported by the Investment Panel in January 2024 .
 - g) Should the NEMCA funding not be granted, there is sufficient capital remaining in the MTFP (Acquisitions and Project Delivery Support Budget) to cover the costs of the Project which will result in an increase in the NCC contribution by £2.5 million.
 - h) There is a risk to the critical path and Programme if the Council do not instruct piling and associated groundworks costs by 12th January 2024 or in advance of Cabinet approval. Works on site would pause for a significant period between completion of the enabling works and commencement of the main construction contract.

7. 2 Gilesgate Structural Works

- 7.1 CSG was asked to consider capital spend of £0.100 million to undertake the structural works at 2 Gilesgate Hexham. This spend will be funded from the existing Property Stewardship budget within the capital programme.
- 7.2 Following concerns raised over the gable end of 2 Gilesgate, an inspection of the gable end found there has been noticeable movement above the gable end windows and door.
- 7.3 The Structural Engineer advised that the outer leaf of the building fabric is pulling away from the internal leaf causing cracking and bulging on the gable end, this movement has also affected the roof line, along with persistence water ingress.



- 7.4 The area has been cordoned off as a precaution, however there are health and safety concerns over the integrity of the gable end and the requirement to undertaken urgent refurbishment works to external fabric of 2 Gilesgate.
- 7.5 2 Gilesgate is the adjacent property to Hexham House, located in Hexham town centre, Northumberland, the property is a Council owned asset.
- 7.6 The proposal is to undertake an external refurbishment scheme of the building fabric elements, which will see the gable end wall dropped and rebuilt, along with the following works:
- Replacement of the flat roof to rear of the property.
 - Replacement timber windows and doors
 - Major overhaul of the pitched roof.



- 7.7 Listed building consent has been applied and granted for the works proposed.
- 7.8 The future of the property is yet to be decided however a feasibility study has been undertaken to develop the building as an extension to the offering at Hexham House as a further holiday let.
- 7.9 The profile of the proposed capital spend is as follows:

LIFT REPLACEMENT CAPITAL COST	2023-24 £ million	2024-25 £ million	Total £ million
Schedule of works	0.020	0.052	0.072
Prelim costs	-	0.010	0.010
Contingency	-	0.010	0.010
Design Fees and Survey	0.005	0.003	0.008
Total Capital Cost	0.025	0.075	0.100
CAPITAL FINANCING	2023-24 £ million	2024-25 £ million	Total £ million
Other (<i>Property Stewardship Fund</i>)	0.025	0.075	0.100
Total Capital Financing	0.025	0.075	0.100

- 7.10 If the cost of the scheme overruns there is current availability in the Property Stewardship budget to cover the Structural Works, the project also has built in contingencies to cover any unforeseen items.
- 7.11 Works are planned to start on site once approval is received on 13 February 2024 with the works planned to commence on site end of March 2024 and complete early in the next financial year 2024-25.
- 7.12 The risks below should be considered if the scheme does not proceed:
- The gable end will continue to deteriorate and move, with a potential for collapse, which could endanger the public and/or staff in the area at the time.
 - There is potential that the adjoining building may also be structural effected by the movement which is privately owned.

- c) Currently the courtyard between Hexham House and Gilesgate is closed for H&S concerns, which is having an impact on the reputation of Hexham House as a holiday let and impacting how the cleaning and maintenance of the property is undertaken, along with manual handling concerns.
- d) It is in the best interest for NCC to works on securing the funding, to make safe and prolonging the life expectancy of this grade listed building.

8. Broadband Connectivity and Oracle Upgrade

Broadband Connectivity

- 8.1 CSG was asked to consider capital spend of £0.088 million (£0.044 million in 2023-24 and £0.044 million in 2024-25) to support the implementation of new functionality in the Oracle system. This would be funded by reallocations from other projects in the Capital Programme. CSG was also asked to consider a payment of £1.723 million to BDUK for a proportion of the gainshare payment as per the terms of the funding agreement.
- 8.2 Broadband connectivity received central government funding from BDUK, commercial funding from BT and a matched funding payment from the Council.
- 8.3 As part of the terms of the agreement, if take up of superfast broadband exceeded the contractual levels of 20% then BT would be asked to repay public funds. This payment is referred to as a 'gainshare' payment.
- 8.4 These funds were to be allocated back to both central government and the Council. The Council have achieved some of the highest take up rates in the UK and therefore are continuing to receive gainshare payments from BT in line with the contract terms.
- 8.5 The gainshare funding is a contractual payment which BT pays the Council due to over subsidy of public funds. This is a result of the high take up of superfast broadband. The public funding subsidy was based on 20% but BT has exceeded this in Northumberland with average take up being 75%. This is due to the local engagement and demand stimulation led by the iNorthumberland team.
- 8.6 The gainshare payment breakdown has been calculated as follows:

	Received from BT £ million	BDUK Amount (%) £ million	NCC Amount (%) £ million
Contract 1	(3.057)	1.410 (46.11%)	1.647 (53.89%)
Contract 2	(0.650)	0.313 (48.2%)	0.337 (51.8%)
Total	(3.707)	1.723	1.984

- 8.7 This gainshare funding allows the Council to support further connectivity across Northumberland as part of a Community Broadband Scheme. A 'top-up' scheme is being explored to enable residents and businesses to access additional funding to enable them to be connected to broadband when they live in a hard to connect area. Uses of this Community Broadband Scheme will be subject to further governance and cabinet approval.

- 8.8 Despite commercial rollout of broadband and grant funded schemes such as Superfast and Local Full Fibre Network, there are still premises in Northumberland that do not have access to suitable broadband connectivity. The Community Broadband scheme was set up to provide funding to help connect the hardest to reach properties. The Council will achieve this by providing a “top-up” voucher that is added to a BDUK Gigabit voucher. This will provide funding of up to £7,000 per property.
- 8.9 In December 2022 £1.500 million was transferred from the Gainshare Capital Scheme into the Community Broadband scheme to fund a voucher top-up fund. This was a scheme that would allow the Council to provide additional funding, on top of the national BDUK vouchers, to help provide broadband connectivity to harder to reach properties. The vouchers are issued to Suppliers with a proposed project that includes eligible properties.
- 8.10 BDUK paused the voucher scheme when they launched Project Gigabit. This is a national procurement that set out to accelerate rollout of broadband, by moving to larger scale procurements. The pause was to avoid vouchers being issued for premises that may have been connected via the larger procurements.
- 8.11 BDUK resumed vouchers in January 2024 with Gigabit voucher value of £4,500 for business and residential premises. The Council’s top-up value is proposed at £2,500 to provide a total of up to £7,000 funding per property.
- 8.12 Over 8,000 premises in Northumberland have been released on the “Go List” by BDUK. This list is used by suppliers to identify properties which are eligible for Gigabit vouchers. The list is not finalised so it is anticipated that numbers will increase. Of the 8,000 properties in Northumberland it is estimated that there are 1,738 premises eligible for top-up vouchers.
- 8.13 One supplier B4RN will use £0.250 million in top-up vouchers for the Barrasford project they are currently working on. A further £0.445 million has been requested for the Kirkwhelpington project which was recently approved. Suppliers are working with BDUK to agree further projects and this will include top-up vouchers. It is unknown what the final figure will be as the build detail is yet to be confirmed.

Oracle Upgrade

- 8.14 There is a statutory obligation to provide information to Teachers Pension. This is currently provided via Monthly Data Collection (MDC). Teachers' Pension implemented a requirement to move to a Monthly Contributions Reconciliation (MCR). This is an amalgamation of the Monthly Data Collection, Monthly Contributions Breakdown and Enrolment processes. This has been introduced to give greater assurance that the information submitted is accurate and helps to reduce the risk of variances between service and contributions. Originally the council was due to onboard with MCR April 2020. This was deferred due to multiple authorities not being able to provide the information from their current software.
- 8.15 The custom solution currently in place within Oracle relating to processing absences, leave and pensions will be out of support in August 24. No patches or fixes will be applied by the supplier after this date. Due to custom code, this is not something that can be effectively managed in house moving forward.
- 8.16 As a result, there is a risk that a failure within the unsupported solution could result in breakdown of current automation of absence across the board leading to manual completion of absence calculations and severely impact any payroll processes

relating to absences with a requirement to employ additional 1.5 FTE to complete manual work. Additionally, any errors linked to manual processing could lead to staff dissatisfaction and reputational impact.

- 8.17 This proposal is looking to remove this risk and effectively enable the payroll team to continue completion of their business-as-usual tasks though implementation of supported seeded functionality within Oracle. This proposal is also looking to introduce efficiencies linked with removal of manual workarounds for current and future requirements such as MCR which will also be derived from implementation of the recommended seeded functionality.
- 8.18 The total costs of the work are £0.088 million (excluding VAT). £0.044 million will be spent in 2023-24 and the remaining £0.044 million will be spent in 2024-25. In order to fund the capital spend the following reallocations are required:
- a) £0.044 million from the Community Broadband project in 2023-24.
 - b) £0.042 million from the Microsoft 365 project in 2024-25.
 - c) £0.002 million from the Computer Hardware project in 2024-25.

9. Implications

Policy	The schemes identified in the report support all of the priorities within the Corporate Plan 2023-26.
Finance and value for money	The report outlines proposed project allocations and amendments to the approved Capital programme 2023-24, 2024-25 and 2025-26. The financial implications of these proposals are outlined in the main body of the report. The projects and the proposals identified in the report will be funded from either external funding or existing funding in the Capital Programme.
Legal	The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 confirm that the matters within this report are not functions reserved to Full Council
Procurement	Procurement will follow the Council's standard procedures and financial rules. The Corporate Procurement team will be consulted as appropriate.
Human resources	Not applicable
Property	Not applicable
The Equalities Act: is a full impact assessment	No – Not required at this point EIA is not applicable to the subject of this report.

required and attached?	
Risk assessment	The risks associated with the proposals are regarded as acceptable, but these risks will continue to be reviewed up to and during implementation of the proposals.
Crime and disorder	There are no specific crime and disorder implications within this report.
Customer considerations	The proposals will carefully consider the impact upon both customers and residents of Northumberland.
Carbon reduction	Carbon Reduction measures have been considered within the proposals.
Health and wellbeing	The Council's Capital budget is founded on the principle of promotion inclusivity.
Wards	(All Wards);

10. Background papers

Not applicable

11. Links to other key reports already published

Not applicable

12. Author and Contact Details

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Email: Gemma.Simpson@northumberland.gov.uk

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Northumberland County Council

Cabinet

Tuesday, 13 February 2024

Adult Social Care: Extra Care and Supported Living Strategy

Report of Councillor(s): Councillor Wendy Pattison, Cabinet Member for Caring for Adults

Responsible Officer(s): Neil Bradley, Executive Director for Adults, Ageing & Wellbeing

1. Link to Key Priorities of the Corporate Plan

This report is relevant to the following priorities in the Council Corporate Plan 2023/26:

- “Tackling Inequalities - All Adults living well, regardless of age, background, illness or disability”; and
- “Tackling Inequalities - Residents have the building blocks of a good life”

The strategy targets adults with social care and support needs including people with disabilities, mental health conditions, medical conditions and carers. It aims to improve access to affordable, high quality and warm housing.

2. Purpose of report

To present the updated Extra Care and Supported Living Strategy (2024)

3. Recommendations

Cabinet is recommended to:

- 3.1 Endorse the Extra Care and Supported Living Strategy as the overarching strategy that will provide the context, vision and aspirations for delivery of projects in Northumberland.
- 3.2 Support opportunities which are consistent with the strategy including those that involve the use of Council land or buildings and planning decisions.

- 3.3 Note that some schemes can be developed without Council funding, whilst others may require support including capital funding and/or the use of Council land. Where Council capital funding is required for the viability of schemes, detailed business cases will be prepared.
- 3.4 Request the Executive Director for Adults, Ageing and Wellbeing to prepare a future report on the capital requirements of this programme once a number of submissions have been analysed.

4. Forward plan date and reason for urgency if applicable

Information about this report was published in the Forward Plan on 22 December 2023.

5. Background

- 5.1 This strategy is an updated version of the original published in 2018 which set out the Council's aspirations to develop extra care accommodation and supported living services for vulnerable residents in Northumberland. The strategy is aligned to relevant Council strategies including the Corporate Plan, the Housing Strategy, the Local Plan adopted in March 2022, and the Market Position Statement which identifies and sets out how the Council wants the care and support market to develop. This strategy acknowledges that people with 'lived experience' of a particular condition are often best placed to advise on what support and services will make a positive difference to their lives. Historically we have been able to achieve this through consultations about accommodation with the County's Ageing Well Partnership and groups like the Learning Disability Partnership Board and its locality groups. We are keen to involve people who use or may in the future use, specialist accommodation and care services at the earliest stages of service design, development and evaluation.
- 5.2 Northumberland County Council launched its first strategy to encourage the development of extra care and independent supported living services in Northumberland and there has been progress made with some developments, particularly for independent supported living facilities. The Council already had a track record of supporting this type of service and has worked to develop less institutional services since the early 2000's. The development of extra care services has been slower than the Council would have hoped because of the impact of the covid 19 pandemic, increased construction costs and the reduced availability of the specialist workforce required for the construction of extra care facilities. There are encouraging signs that this is now progressing including the recent planning approval for the development of an extra care facility in Morpeth.
- 5.3 The Council recognises that it may have to facilitate the development of new services, particularly where there is a financial shortfall which may require capital investment to enable the development to proceed. In other scenarios there may be difficulties in identifying appropriate land on which to develop services and it may be appropriate for Council owned land to be used to develop services and the strategy recognises the facilitating role that the Council has. The Council will consider the opportunity to develop and manage extra care and supported living through its own housing services and Advance before going out to the market, particularly on sites already owned by the Council or Advance.

- 5.4 The strategy proposes no single model for accommodation, either for older people or for other adults with support needs. Extra care is a concept that brings together high-quality accommodation, the right level of care at the right time for people who have their own front door. For older people, “extra care” schemes, with care staff available at all times is the preferred model, but consideration will be given on an individual basis to the location and needs of each local community where developments are planned. The strategy recommends that care services will, in most cases, be commissioned separately from accommodation, so that the Council can respond flexibly as the needs of people living in schemes change over time. Care services commissioned for independent living will be based on the needs of people living in the accommodation.
- 5.5 The strategy identifies the main towns and service centres in Northumberland as key locations to develop extra care services. It is anticipated that developments in these locations will complement existing services including traditional visit-based home care services which are more difficult to deliver in the rural parts of Northumberland. Extra care facilities that attract people from the more rural parts of Northumberland will make it easier to deliver home care services as it reduces the operational challenges in more rural areas, such as workforce, travel time and distances. In other parts of the County, opportunities to develop extra care accommodation will be explored when they arise, for instance as part of the Energising Blyth Project.

The need to develop accommodation

Accommodation for older people

- 5.6 Northumberland has an ageing population, and it is forecast that a third of the population (108,000) will be over the age of 65 by 2035. Not all older people will need support, but it is reasonable to assume that an increase in numbers will lead to more older people requiring support services, and housing and support solutions are needed to address this. The Council wants to increase the options available to older people in Northumberland who have care needs and increase the availability of extra care facilities as there are only three such schemes in the county.
- 5.7 While there are many sheltered housing schemes in Northumberland, the majority of these were developed three or four decades ago to standards which many older people no longer find satisfactory. The Council and other providers are currently reviewing their sheltered housing schemes and considering current demand and options for refurbishment. The strategy includes projections on population changes which will need to be revised over time as well as providing links to the various housing needs surveys that have been carried out in Northumberland.
- 5.8 There is a focus on ageing in society and its policy implications in the Chief Medical Officer's Annual Report 2023 which recommends actions to improve quality of life for older adults and prioritise areas with the fastest growth in older people. In his report Professor Chris Whitty raises his concern that the degree to which the population living in older age is concentrating geographically in England has not been recognised. The report describes that a significant proportion of people move out of cities and large towns before older age and into coastal, semi-rural or peripheral areas, where there are fewer services and transport links. Providing services and environments suitable for older adults in these areas is described as an “absolute priority” to maximise the period all older citizens have in independence. The report identifies that the provision of health and social care needs to be concentrated in these areas. Adults Services will be further considering the recommendations of the report in order to progress them with colleagues in other services such as Housing

and Planning. The report of the Director of Public Health in 2024 will also focus on ageing in society.

Accommodation for adults with care and support needs

- 5.9 Additional demand for accommodation with support is predicted from adults with social care needs and particularly adults with complex learning disabilities and/or autism. The strategy describes the need for additional accommodation and services for several groups including people transitioning from children to adult services, people living with ageing carers who are likely to require support in the future as well as people in existing services who could live more independently than they currently do.
- 5.10 The Council supports around 500 people with learning disabilities and mental health conditions in Independent Supported Living schemes which include both shared and individual self-contained accommodation. The strategy sets out plans to review some shared accommodation that appears to be no longer in demand and to encourage the market to focus on developing self-contained accommodation.

Key challenges that developments will help address

- 5.11 The adult social care sector is facing key challenges nationally and in Northumberland including a shortfall in the size of the workforce required to support the numbers of people who want to continue to live in their own homes. The size of the social care workforce and the geography of Northumberland mean that it is increasingly difficult to provide care and support to people living in dispersed rural communities. Extra care facilities will provide a single location to deliver social care services and reduce the amount of travel that care workers need to undertake and increase the amount of time they are available to deliver care. For this to work effectively developments must be attractive enough to encourage people who need support to move from more isolated areas into services. The needs of staff will be considered in the development of accommodation, and they will be attractive places in which to work as well as being attractive for the people who will live in them.
- 5.12 Extra care and supported living will be developed to modern standards and the design will aim to help people remain as independent as possible and reduce the need to draw on formal care and support services thereby helping to alleviate supply difficulties in social care. The Council and housing providers running services will encourage the involvement of local communities including the voluntary and community sectors to help people access preventative services and access informal support networks.

6. Options open to the Council and reasons for the recommendations

Housing for older people

- 6.1 The development of extra care schemes and other kinds of housing scheme specifically designed to provide attractive options which support older people to remain independent is not a statutory duty of the Council. The main source of capital funding for this objective that has currently been identified by the Council is the Disabled Facilities Capital Grant which the Council receives from the Government, which recent communications from the Department for Levelling Up, Housing and Communities have suggested is primarily intended to support local enhancements to the statutory Disabled Facilities Grant (DFG) scheme, which makes grants towards the costs of adaptations to people's existing housing. The conditions for this capital

grant do, however, permit its use to fund any adult social care capital expenditure and require decisions about its use to be agreed with the local NHS through the joint Better Care Fund plan.

- 6.2 It was reported to the Cabinet on 12 December that accumulated funding from this capital grant, which has not yet been allocated, will amount to approximately £8.5M by the end of this financial year. The Cabinet agreed to two specific changes to the Council's discretionary grant scheme for adaptations which will increase the costs charged to the capital grant, but deferred any decisions about broader changes to the discretionary grant scheme, to be made after a broader review of the options for changes to the DFG means test and considered alongside the case for continuing to set aside a significant proportion of this capital grant for other purposes including extra care and supported accommodation schemes. The primary alternative options available to the Council are therefore:
- a) Adopt the draft extra care strategy, noting that fulfilling its objectives is likely to require either the continuing availability of funding from the Disabled Facilities Capital Grant (DFG), whilst continuing to recognise that the that the money set aside for extra care and this programme does not affect mainstream DFG which would always be first call on the DFG grant allocation, or a separate new capital allocation by the Council;
 - b) Resolve that all or most of the funding from the Disabled Facilities Capital Grant should be used to support individuals to remain in their existing housing by expanding the financial support available to make adaptations;
 - c) Recommend to the Council a further allocation of capital funding to support a more ambitious programme of support for housing schemes which create attractive options for older people which support them to remain independent;
 - d) Seek to promote the development of new housing options for older people in main towns and service centres primarily through planning policies rather than by providing direct support for developments.
- 6.3 In the specific circumstances of Northumberland, the second of these options, while it has obvious attractions, would potentially mean investing in adaptations to housing of types, and in locations, where demographic changes may make it increasingly difficult to provide any care and support which people may subsequently need. It would also work against the objective of ensuring that older people have the option of making a positive choice to move to locations closer to community facilities and transport hubs. For these reasons, that option is not recommended, though the precise balance between funding adaptations and funding new housing options can be revisited over the coming year.
- 6.4 The Cabinet may wish to consider the third option in future, but given the current financial position of the Council, and the availability at present of a significant accumulated fund built up from the Capital Grant to provide any support required to enable new schemes to be developed in the immediate future, it is not recommended at present.
- 6.5 The Council's Local Plan adopted in March 2022 includes policies on housing for older people designed to encourage the development of extra care and supported housing schemes and other housing options in main towns and service centres. The option of further strengthening these policies could be considered when the Local Plan is next refreshed, and this could include more locationally specific guidance.

Other supported accommodation schemes

- 6.6 There are two alternative options for adults with a learning disability or autism or other specialist needs who require 24-hour support:
- a) Care home accommodation
 - b) Shared Lives arrangements, in which people live with families who receive payments to meet the costs and recognise the care and support that they are providing.
- 6.7 Care home accommodation is now generally regarded as an unacceptably institutional option for most people in these categories, and the use of institutional settings is strongly discouraged by national policy. This alternative is therefore not recommended.
- 6.8 Shared Lives arrangements are a highly positive alternative for some people, and as part of the Council's BEST programme work is under way to expand the Council's existing Shared Lives scheme. However, it currently seems unlikely that Shared Lives will be a suitable option for all of the people who are currently being placed in independent supported living schemes, some of whom have care needs which could not reasonably be accommodated in the setting of an ordinary household. The Shared Lives scheme is therefore not at present expected to remove the need for independent supported living schemes, though it may reduce the rate at which the need for these schemes has been growing.

7. Implications

Policy	The strategy is designed to promote the local and national priority of enabling people to live as independently as possible and reducing the use of institutional accommodation. It is consistent with the Tackling Inequalities priority of the Corporate Plan.
Finance and value for money	Some extra care developments for older people will require public funding, which could be via Section 106, adult capital funding, or NHS England's capital programme supporting Transforming Care. Where Council funding is required the appropriate approval process will be followed.
Legal	No immediate implications.
Procurement	Any procurement implications for schemes will be identified and considered individually for the course of detailed planning. Any development involving the use of Council land will be allocated via a formal tender.
Human resources	No direct implications for Council human resources.
Property	Opportunities linked to Council land holdings will be explored where relevant.

The Equalities Act: is a full impact assessment required and attached?	No - not required at this point Equality Act issues will be considered when assessing individual needs, where relevant.
Risk assessment	No risk assessment required.
Crime and disorder	No implications identified.
Customer considerations	The recommendations will improve the choice and availability of accommodation and services for adult social care service user groups.
Carbon reduction	No implications identified.
Health and wellbeing	Positive implications for health and wellbeing with improved accommodation and choices of services.
Wards	(All Wards);

8. Background papers

Chief Medical Officer's annual report 2023: Health in an ageing society (Department of Health and Social Care 10 November 2023) (Updated 16 November 2023) Available [here](#)

9. Links to other key reports already published

[Adaptations for Disabled People Cabinet 12 December 2023](#)

[Northumberland Local Plan \(March 2022\)](#) (paragraphs 7.63 to 7.71 and policy HOU 11)

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Adult Services Extra Care and Supported Living Strategy 2024



Northumberland
County Council

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1. Foreword

We all hope to enjoy good health with independence through childhood and as adults, however, life does not always work out that way and we may need support and care to live the best life we can. Northumberland has an ageing population with associated health and social care needs. It is also seeing an increase in the number of younger adults who need support in relation to mental health, learning disabilities, autism and physical needs.

Having regard to this growing pressure, Northumberland County Council is committed to ensuring that high quality accommodation with care and support is available for older and vulnerable people. This is both to meet current needs and to support the next generation of people who will need care and support where they choose to live. We want to deliver homes that make this possible and our ambition is to have as much high-quality accommodation with support as is needed to offer that choice. This document sets out the background that these housing pressures for vulnerable individuals is presenting to the Council and the direction of travel that we ideally want to head along to enable people to live the best lives they can.

Northumberland will need a variety of solutions due to the combination of geography, remarkably diverse population densities and demographic projections. There isn't a one size fits all answer to the issues that the County faces going forward.

Additionally, with increasing financial pressure and limited funding this presents a significant challenge to the Council, and we recognise that we cannot do this alone. Working with partners to deliver solutions is the way forward. We want to build upon existing partnerships and develop new relationships, providing support and information about needs, enabling partners to feel secure in plans that are in line with the Council's aspirations.



This document sets out what we want to achieve, and we are seeking partners who can help us realise this aim.

Neil Bradley
Executive Director – Adults, Ageing and Wellbeing

Preface

Northumberland is a beautiful, vibrant and thriving place to live. Northumberland County Council wants to ensure local peoples' voices are heard. This helps to build the very best of foundations for the future and will ensure our more vulnerable residents can enjoy what our county has to offer and are at the forefront and heart of everything we do.

County Councillor Wendy Pattison, Portfolio Holder for Caring for Adults



2. Introduction

This strategy is an updated version of the original published in 2018 which set out the Council's aspirations to develop extra care and independent supported living accommodation. This updated version reaffirms that commitment to Northumberland residents. There were some successes following the publication of the first strategy and particularly in relation to supported accommodation for people with learning disabilities and mental health conditions.

The development of extra care accommodation for older people has been slower in progress and achievement. Some schemes have moved into and through planning application stages, but this has not been on the scale of the Council's ambition, and this is yet to materialise into the start of works on site. A large sheltered accommodation development has been completed in the South East of Northumberland and the imminent start of specialist bungalows for people with dementia is a positive development, however, the pandemic has had a significant impact on the speed of progress of other potential schemes. Having regard to the impact of the pandemic on the construction and housing sectors, this is perhaps not surprising, and it is reassuring to see some progress now being made with interest from housing providers to progress new extra care developments.

The Council is in a strong position in terms of land that is potentially available for extra care developments across Northumberland and also has the potential to support some developments with capital input where these schemes would support strategic objectives in terms of scale, location and support model.

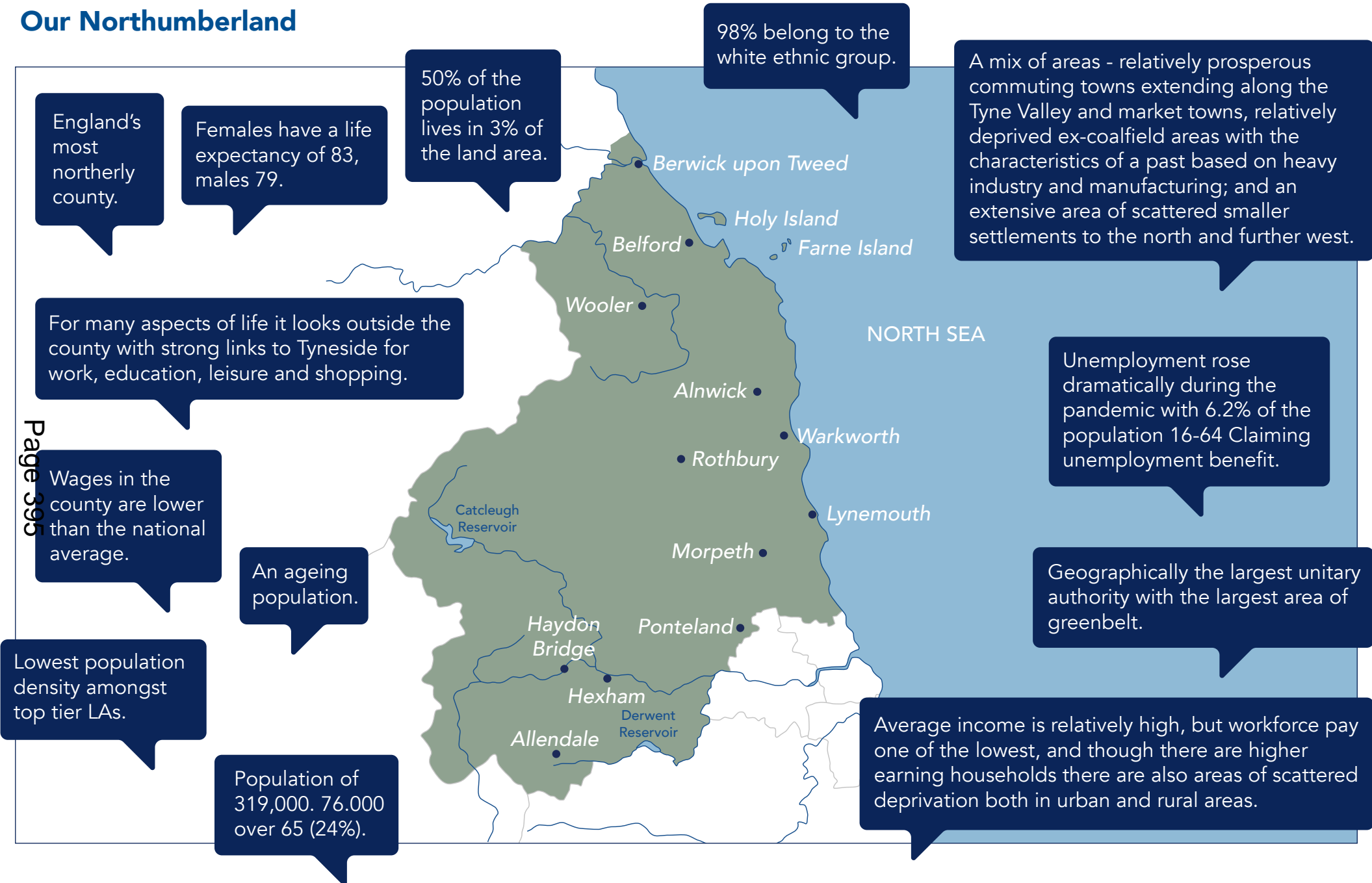
Developments will need to be in line with the Council's broader strategic objectives which are set out in its strategic plans. The [Council's Corporate Plan 2023-26](#) sets out what the Council will do,

working with partners and communities to deliver on our vision for all of Northumberland's residents in the coming years. This strategy can contribute to the three Corporate Priorities but most substantially to 'tackling inequalities' where we want to see all adults living well, regardless of age, background, illness or disability. It should also contribute in time to 'achieving value for money' by providing more cost effective and energy efficient solutions to new housing and care, and also to 'driving economic growth' by providing jobs through construction projects and the staff needed to provide support into the new services.

Any proposed extra care and supported accommodation developments will need to be consistent with this and the overarching Council strategy for housing which is set out in the [Local Plan](#). The [Market Position Statement](#) gives more detail on our demographics, demand, supply, and commissioning intentions for adult social care.

This strategy is an invitation for all parties to talk to us about their interest in supporting the Council to make significant changes and improvements to the accommodation offer for vulnerable adults in Northumberland.

Our Northumberland



3. Our objectives

In developing and implementing this strategy our objectives are to:

- Develop our understanding of accommodation needs and aspirations by working with partners and engaging with people who have lived experience.
- Deliver homes to meet the identified needs and increase choice.
- Find innovative ways to improve the wellbeing and social care needs of Northumberland residents.
- Use technology where appropriate to facilitate care and support.
- Offer a real alternative to residential and nursing care.
- Deliver value for money solutions.
- Take account of strategic challenges when developing accommodation including workforce and the geography of Northumberland.



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4. Scope

This strategy is targeted at the following groups within Northumberland's population:

- Older people.
- People with support needs including those with a learning disability, enduring mental health condition and autism.
- People with a physical disability and/or medical condition.
- Young people with health and social care needs transitioning into Adult Services.

Strategies to provide short-term residential rehabilitation services such as domestic violence refuges or temporary homeless accommodation are not within the scope of this strategy.



5. Strategic drivers - the national picture

This strategy is consistent with the direction outlined in Government policies, and this section outlines links to some of the key national strategies.

In December 2021 the Government published [People at the Heart of Care](#), setting out its vision for social care over the coming decade and this was updated in April 2023 with [Next Steps To Put People At The Heart Of Care](#) - A plan for adult social care system reform 2023 to 2024 and 2024 to 2025 financial years.

This focuses on a far-reaching reforms of the social care and health system and accommodation is a key component of the modernisation of services as demonstrated by additional Government investment in Disabled Facilities Grants. These grants aim to ensure people can be supported in their own homes as opposed to more formal care settings and will be used to progress the implementation of this strategy in Northumberland.

A new independently chaired Older People's Housing Taskforce will be established and jointly hosted across DHSC and DLUHC, with an aim to conclude and provide recommendations to Government on Retirement Housing (excluding care homes) by Spring 2024 with an overall emphasis on options for greater choice, quality and security of housing for older people.

In October 2020, the Government published [Supported housing: national statement of expectations](#) reaffirmed the role of supported accommodation in meeting needs and set out methods of delivering good quality provision.



[The Chief Medical Officers Annual Report](#) November 2023 recommends actions to improve quality of life for older adults and prioritise areas with the fastest growth in older people. In his report Professor Chris Whitty raises his concern that the degree to which the population living in older age is concentrating geographically in England has not been recognised. The report describes that the majority of people move out of cities and large towns before older age, and into coastal, semi-rural or peripheral areas, where there are fewer services and transport links. Providing services and environments suitable for older adults in these areas is described as an “absolute priority” to maximise the period all older citizens have in independence. The report identifies that the provision of health and social care needs to be concentrated in these areas.

5. Strategic drivers - the national picture



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Transforming care

The Transforming Care programme aims to improve the lives of children, young people and adults with a learning disability and/or autism and is particularly focused on people who display behaviours that challenge, including those with a mental health condition.

The 2017 NHS England publication '[Transforming Care](#)' sets out the three key aims of the programme:

- To improve quality of care for people with a learning disability and/or autism.
- To improve quality of life for people with a learning disability and/or autism.
- To enhance community capacity, thereby reducing inappropriate hospital admissions and length of stay.

This strategy is consistent with the transforming care agenda and supports the direction of travel in Northumberland to support people in their own homes as opposed to more institutional care settings.

[The national strategy for autistic children, young people and adults: 2021 to 2026](#) was updated in July 2021 and sets out the vision to make life fundamentally better for autistic people, their families and carers by 2026 with accommodation and people's place in their communities forming a key component of strategy.

6. What accommodation and support will we help to deliver?

Our aspiration is to develop accommodation that offers an integrated package which could consist of technology, disability-friendly design, but most importantly, care and support to enable people to continue to live as independently as possible in the community.

We want accommodation to be developed in line with the HAPPI principles wherever possible to be consistent with the aspirations of older people and industry experts who have developed the principles.

For the purposes of this strategy, “Accommodation with Support” is part of a continuum of care and support solutions, ranging from support within communities, care for people in their own home, and specific retirement accommodation with or without care.

Accommodation within the scope of this strategy includes a range of types which are often known by different names depending on the age and needs of people the scheme is designed for, examples are:

- Extra Care housing and communities
- Assisted Living
- Sheltered or very sheltered housing
- Independent Supported Living
- Community Wellbeing
- Integrated Retirement Communities

There is no ‘one size fits all’ and homes can be in many forms including blocks of apartments, bungalows, and individual houses. Over time descriptions and definitions change including the rebranding of some developments such as those originally known as “sheltered” or “very sheltered”, but we want developments to incorporate the following:

- Scope to offer a base for broader health and social care services.
- Commitment to offering facilities for the wider community and voluntary sector.
- The potential to provide a base to offer “extra care” into the surrounding community.

The term ‘extra care’ has become widely used and adopted as the generic term for purpose designed, self-contained, accommodation with care and support, with specific tenure rights primarily for older people. For the purpose of this strategy, we think of extra care as a concept and we are keen for it to be considered within specific locations and communities as a model of support, as well as the physical buildings. Within specific facilities there are often extensive communal areas including space to socialise, avoid isolation, promote health, wellbeing, and offer facilities to host external organisations and services. The intention is for residents to benefit from varying levels of care but in almost all cases we want support to be available 24/7 provided by an onsite care agency regulated by the Care Quality Commission (CQC).

Given the diverse nature of Northumberland we expect developments to reflect the needs of communities particularly in terms of the scale where those developments in rural areas are likely to be smaller than those in the larger towns.

6. What accommodation and support will we help to deliver?

Potential funding

Northumberland County Council will consider financial support to projects that meet the strategic objectives set out in this strategy. This may be via capital support and/or a form of rent guarantee in the event of the Council having nomination rights to accommodation, and to cover void risk. To be eligible for funding there will be a requirement that the project is in a location the Council considers strategically important, is judged to be the right size and scope, supports a service user group that is a priority to the Council, and that the landlord is registered with [The Regulator of Social Housing](#) as a Registered Housing Provider. Housing developers and Registered Providers should discuss potential financial support with council officers in the first instance.

As an alternative to capital funding the Council may offer land to be used for the development of extra care housing or other supported living. In these situations, the Council will use its procurement portal to advertise opportunities which are likely to be offered to Registered Housing Providers. Any organisation interested in these opportunities is encouraged to register on the Council's procurement portal which will be used to advertise potential developments and establish regular contact with the relevant Council officers.



7. Assessing need for accommodation and support in Northumberland

We expect that an organisation investing in accommodation in Northumberland will require assurance that there is demand for their planned development. NCC will assist where possible and share the information it holds. The following section summarises what is available to help investors understand the need in Northumberland. It should be considered alongside other information sources including data from the Northumberland Local Plan.

Whilst the data will show we have an increasingly ageing population, an increase in the number of young people with complex needs and people living longer, this does not necessarily lead to a direct correlation in demand for services. For example, despite an increasingly ageing population, there is no evidence of a growth in demand for places in older persons care homes. We therefore need to be objective in assessing the scale of need.

There are several sources of existing data that will help build a picture of need and demand for housing and care services in Northumberland including:

- Local housing needs studies carried out in Northumberland have identified housing stock shortages for people with learning disabilities, physical disability and/or illness, enduring mental health conditions and/or challenging and complex behaviours, leaving limited choice for independent living. Both the Strategic Housing Market Assessment (SHMA) and local housing needs studies can be found [here](#).

Local housing needs studies complement the SHMA by providing local evidence about affordable housing needs and the housing mix required in different parts of the county. They support the development and implementation of housing policies in the Northumberland Local Plan

and Neighbourhood Plans. Other independent studies are submitted in support of planning applications and other community-led housing initiatives. While the detailed data and findings in studies that were carried out more than five years ago may be regarded as being somewhat dated, they will still provide some useful information and context. Examples of recent housing needs studies and their headline findings are:

- Alnwick & Denwick Neighbourhood Plan by AECOM July 2022: 'In terms of the need for affordable specialist older persons housing, of 163 to 266 specialist accommodation units, there is a projected need for 59 to 76 affordable specialist accommodation units'.
- A housing needs study commissioned by Karbon Homes to support the need for Extra Care in Morpeth by Arc 4 January 2023 'There is overwhelming evidence of need for older person accommodation in Morpeth'.



7. Assessing need for accommodation and support in Northumberland

- Registered Provider (RP) partners have given a comprehensive overview of the demand for their sheltered and Extra Care housing. With a few exceptions the demand is 'high' or 'medium' and turnover is low. For example, in addition to people on the Homefinder register who may qualify, one provider of Extra Care accommodation in Alnwick had a waiting list of 45 people for their apartments as of September 2023.
- There are some schemes which experience low demand, and these are typically older and less well-located. We are actively looking at re-provision and alternative uses of these schemes, for example by capital investment to create 'step down' temporary/short stay accommodation for hospital discharge.

Homefinder is the Council's register of households applying for affordable rented homes and offers useful insight into the accommodation that becomes available and attracts the highest number of bids. Analysis of Homefinder information (April 2022-April 2023) provides an insight into the number of people looking for new more age-appropriate accommodation. For the age 55+ cohort it shows:

- 3,103 households registered on Homefinder of which 1,237 have been classed as in housing need. It should be noted that those classed as not in need may require alternative housing, for example households with assets over £100k (this limit is currently under review) who may not be able to afford an appropriate open market purchase. Of those on the register, 55% have actively bid for a new home.
- There is a strong preference order for age-appropriate property types with bungalows in high demand. There were 336 bungalows advertised attracting a total of 24,354 bids amounting to 72 households bidding for each one. There were 129 ground floor flats advertised attracting 6,134 bids advertised with 47 households bidding for each one.

- In contrast, there were 66 sheltered homes advertised attracting only 230 bids amounting to 3.5 households bidding for each one.
- The above figures are broken down by the Council's four delivery areas under [Demand and Supply in Northumberland](#).

In addition to the housing needs studies and data from existing Council sources, the following two tables use information taken from POPPI in 2022 and are included to illustrate to the scale of projected demographic changes in Northumberland which are likely to increase the need for accommodation designed to meet the anticipated growth in the number of people with dementia in Northumberland.

Population by age, Northumberland

Population aged 65 and over, projected to 2040

	2020	2025	2030	2035	2040
People aged 65-69	22,400	25,200	27,800	26,600	24,200
People aged 70-74	22,700	21,500	24,200	26,800	25,800
People aged 75-79	15,500	20,400	19,500	22,100	24,600
People aged 80-84	10,700	12,600	16,700	16,100	18,400
People aged 85-89	6,300	7,200	8,600	11,500	11,300
People aged 90 and over	3,500	3,900	4,500	5,500	7,400
Total	81,100	90,800	101,300	108,600	111,700

Figures may not sum due to rounding. Crown copyright 2020

7. Assessing need for accommodation and support in Northumberland

Dementia, Northumberland

Population aged 65 and over predicted to have dementia, by age and gender, projected to 2040

	2020	2025	2030	2035	2040
People aged 65-69 predicted to have dementia	371	417	461	441	401
People aged 70-74 predicted to have dementia	689	655	738	817	786
People aged 75-79 predicted to have dementia	926	1,220	1,166	1,317	1,468
People aged 80-84 predicted to have dementia	1,174	1,392	1,846	1,768	2,034
People aged 85-89 predicted to have dementia	1,140	1,301	1,543	2,063	2,007
People aged 90 and over predicted to have dementia	1,096	1,202	1,379	1,673	2,215
Total	5,396	6,188	7,133	8,079	8,911

Figures may not sum due to rounding. Crown copyright 2020

Supporting people living with Dementia is a key priority in Northumberland and wherever possible we want to support people to remain in their own homes, which will require an increase in the number of dementia friendly homes. In a 2019 study paper funded by the Alzheimer's society projections were produced using an updated version of a model developed by the Care Policy and Evaluation Centre (CPEC) at the London School of Economics. The study paper can be found [here](#). All projections show a significant growth in the number of people in Northumberland with a diagnosis of dementia and therefore any planned developments for older people in Northumberland must take account of this in their plans and designs.

There are existing plans for accommodation that will support people with dementia including planned developments at Blyth and Morpeth which include specialist provision. We aim to share knowledge, experience and learn from partners when developing in other locations.

Developing our understanding

We are keen to involve people who use or may in the future use, specialist accommodation and care services at the earliest stages of service design, development and evaluation. The Council acknowledges that people with 'lived experience' of a particular condition are often best placed to advise on what support and services will make a positive difference to their lives.

Historically we have been able to achieve this through consultations about accommodation with the County's Ageing Well Partnership and groups like the Learning Disability Partnership Board and its locality groups.



7. Assessing need for accommodation and support in Northumberland

We employ a wide range of methods to ensure we understand and learn from the experiences of the people we support. These include a network of user forums across the county, representation of service users and carers on strategic groups. We commission HealthWatch Northumberland as the independent consumer champion for health and social care in the county. Information gathered by HealthWatch Northumberland on issues from the public, both positive and negative feedback, is passed directly to services involved to support service improvement.

In 2012 our Ageing Well Partnership commissioned some housing research to find out what older people's priorities and aspirations were to meet their housing needs in the future. The key messages from the research were reinforced through a survey carried out at the Ageing Well Annual Conference in 2017. The research considered housing and its connection to the immediate neighbourhood and wider community using four key themes:

- Housing suitability
- Accessibility
- Affordability
- Community connectedness

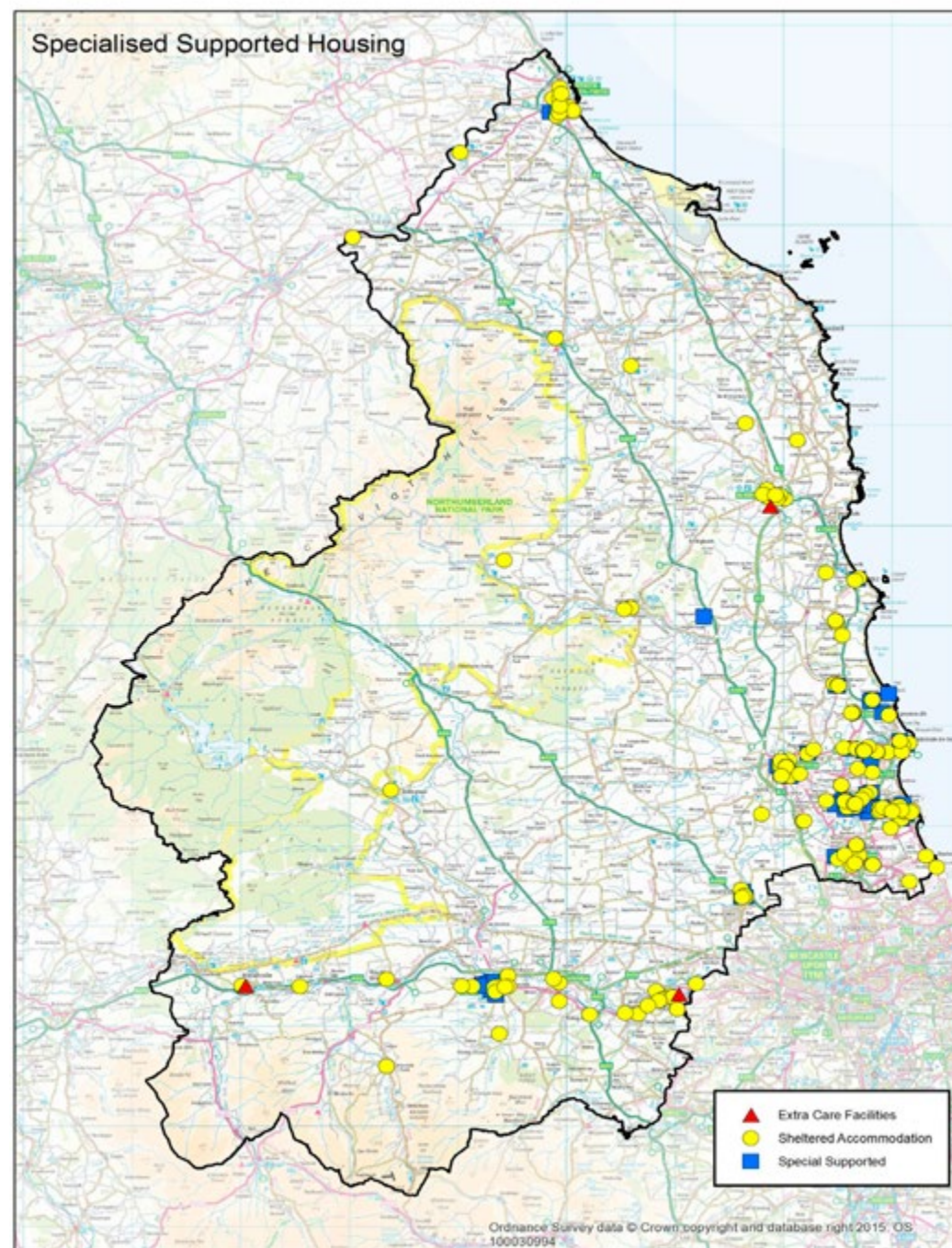
We intend to learn from the key findings and develop this further as the extra care offer in Northumberland increases, working with residents and Registered Providers to incorporate learning into further buildings and services. We will ask housing partners to design accommodation in line with the HAPPI principles which have been developed in part by people with lived experience.



8. Demand and Supply in Northumberland

The map opposite illustrates the current range of accommodation with support in Northumberland, including sheltered housing schemes and extra care housing for older adults as well as supported living schemes for younger adults. However, what the map emphasises is the current lack of choice of accommodation for people with support needs in Northumberland.

The map appears to show an abundance of Sheltered Housing, however, some of the schemes are of an older design and may require re-modelling to meet the needs and expectations of the older population now and in the future. For example, Northumberland County Council deliver a traditional Sheltered Housing service across nine schemes, serving 320 older persons living in 253 homes. The properties are generally around 30-40 years old and require some investment to bring them to modern day standards and expectations. The Council is currently reviewing its Sheltered Housing offer, as are other housing providers, focussing upon the condition and viability of the buildings, service provision and demand for individual schemes. We are also exploring alternatives including combining some hospital step-down accommodation within traditional sheltered schemes.



9. Current and recommended supply for older people

The tables below detail our local data as of April 2023 and are a snapshot of the current building-based care and housing situation in the four operational areas of the county.

The Homefinder information indicates the annual supply and demand for age-appropriate affordable rented homes without on-site care.



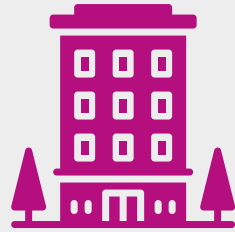
9. Current and recommended supply for older people

Supply & demand in South East Northumberland



771

CQC registered care home beds for older people



0

Extra Care schemes



March 2022 – March 2023:

320 affordable rented homes

suitable for older people advertised through Homefinder attracting **19017 bids**



As at March 2023 there were

1761 applicants

aged 55+ registered on Homefinder for affordable rented housing, with **696** of those assessed as in housing need

Supply and demand in West Northumberland



684

CQC registered care home beds for older people



Two Extra Care schemes providing **58 apartments**



March 2022 – March 2023:

70 affordable rented homes

suitable for older people advertised through Homefinder attracting **3215 bids**



As at March 2023 there were

369 applicants

aged 55+ registered on Homefinder for affordable rented housing, with **142** of those assessed as in housing need

9. Current and recommended supply for older people

Summary of current and recommended supply of housing for older people

There is limited supply of independent living accommodation for older people across the County and the current Extra Care schemes are in high demand. For example, Weavers Court at Alnwick, had a waiting list of 45 people in September 2023. Based on the average annual turnover of just 3 apartments, it could take 15 years for the 45 people on this list to be accommodated at Weavers Court.

There are currently only three Extra Care schemes across the County and the support needs of the residents in these services is generally low to medium. The Council would like to see Extra Care being delivered which can provide homes and support for people with higher needs and therefore offer an alternative to residential care.

The data also shows a high demand in each area of Northumberland for bungalow accommodation generally, not specifically for older people in need of formal support.

We want a range of different housing options across Northumberland that will meet the changing needs of our older population, in suitable locations and designed to be able to facilitate an older person to stay in their home should their needs increase.

There is a strategic need for accommodation that supports people with high care needs to move from outlying rural localities into areas where services are more readily available.

We are keen to speak to developers and providers about how the needs of more rural communities can be met, particularly given the challenges of delivering care services in these localities. The Council envisages that accommodation for older people in rural areas can complement care services. For example, more appropriately designed older persons accommodation could reduce the need for formal care services. Accommodation developments could also incorporate a base for community and care services and improve their ability to reach into rural areas.

The Council wants to talk to developers and providers of smaller schemes about how their model might work in Northumberland.



10. Current and recommended supply of housing for adults with support needs

Accommodation for adults with support needs is predominantly targeted at people with learning disabilities, autism and mental health conditions. Northumberland County Council has been successful in delivering the policy of supporting people in their own homes as opposed to more institutional forms of care and has seen a reduction in the number of residential care services available for people with specialist needs.

As of May 2023, the Council supports 524 people with learning disabilities and mental health conditions in Independent Supported Living (ISL) in individual or shared homes.

At that date there were 81 people for whom the Council was trying to source accommodation and support. There were 32 vacancies in existing supported living services however these were not suitable for people seeking accommodation largely because the vacancies are in shared accommodation and had existing tenants whose needs were not necessarily compatible to share with those seeking accommodation.

This is a recurring difficulty and one that has led the Council to be clear that its preference for supported living arrangements in the future should be largely self-contained accommodation, thereby avoiding difficulties with compatibility.

We currently work with 15 housing providers and 12 care providers to deliver the existing supported housing schemes. Our current approach to developing schemes for younger adults is to source accommodation on an individual basis. However, given the current level of demand, the undersupply in specific areas, the number of younger adults currently living with an older carer and the potential number of children who will transition to Adult Services, a strategic approach to planning for future provision is needed.







It is difficult to accurately predict how many younger adults may want or need to move into supported living services, but the following

information will give some context to likely future demand. As at March 2023 we know there are 2227 children with a Special Education Need in mainstream school in Northumberland. Of this number, 17% have some form of moderate to profound Learning Disability and 23% have an Autistic Spectrum Disorder. Additionally, there are 316 children and young adults aged 13 to 20 years that are not in mainstream education but supported through alternative provision. Not all the children currently receiving support will require support into adulthood, however, it is estimated that a high percentage of those currently being tracked will require support within the next 5 years. Our operational teams are working on the details of when specific cases will require adults services and accommodation.



10. Current and recommended supply of housing for adults with support needs

The table below details our local data as of May 2023 and are a snapshot of the current situation in the four operational areas of the county.

	North	Central	South-East	West
 Adults aged 18-64 in residential care	20	47	63	36
 Adults aged 18-64 in nursing care	4	3	15	5
 Adults aged 18-64 in Supported Living accommodation	56	163	168	137
 Adults aged 18-64 receiving homecare (number of which have a Learning Disability)	87 (21)	256 (74)	259 (56)	110 (36)
 Adults aged 18-64 on waiting list for Independent Supported Living	5	29	11	11
 Adults aged 18-64 currently living with an older carer and will need some form of alternative supported accommodation in the future	74	127	104	87

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10. Current and recommended supply of housing for adults with support needs

Demand in localities for adults with support needs

Our data shows that demand exceeds supply in the North delivery area of the County. We have new services planned to be developed on Council owned sites and are currently looking at delivering new supported living services in Alnwick and Berwick however, the escalating cost of construction is frustrating efforts to deliver these. A further development by one of our housing partners now has planning consent and it will deliver 12 homes for people with a learning disability. There are currently 14 Supported Housing Schemes offering 58 places with 2 vacancies.

The number of vacancies in the Central area does not meet the current or future demand. There is a shortfall of accommodation particularly in the Morpeth area. The Council relies heavily on vacancies becoming available within the existing services. There are 69 Supported Housing Schemes offering 167 places with 4 vacancies.

The number of vacancies does not meet the demand across the South-East of the County. The current vacancies are in 'shared' accommodation, and this presents compatibility issues as well as suitability/choice of location. The preferred model is single units where people have their own front door and living space. There are 80 Supported Housing Schemes offering 182 places with 14 vacancies.

There are vacancies in services in the West of Northumberland which could meet current demand however, due to factors including location compatibility between prospective tenants and the physical suitability of accommodation it has not been possible to support people to move into vacancies. There are 58 Supported Housing Schemes offering 149 places with 12 vacancies.



The [Market Position Statement](#) provides further analysis of adults with specialist needs in Northumberland that are receiving care and support and the predicted future demand for services in addition to the existing shortfall in supply.

It also shows a predicted increase in adults with complex needs resulting from autism as well as profound intellectual and multiple disabilities who will require appropriate supported independent living solutions in the future. The complexity of people's needs is likely to require specialist accommodation and the Council is interested in discussing this further with developers and Registered Housing Providers.

11. Developing accommodation with support in Northumberland

In developing this strategy, the Council has identified demand for a range of services and accommodation types across the County and the following information is provided to aid discussions with providers and developers in making their plans to deliver.

The basic principles we would wish to adopt for developing Accommodation with Support in Northumberland are:

- Make best use of the available resources to keep people independent. Accommodation with Support must promote, maintain and enhance people's independence, so that they are healthier, stronger, more resilient, not socially isolated and less reliant on formal social care services.
- Deliver a range of accommodation across Northumberland located in main towns and service centres, close to local services and amenities. Schemes should be central to communities wherever possible, with opportunities to be linked with other organisations and to be focal points for inter-generational community activity where appropriate.
- There is no single Northumberland model in terms of design, shape and accommodation size and the Council will work with providers and developers to design schemes that complement and are sympathetic to the locality, the surrounding amenities and facilities, and other local community-based assets.
- Where possible we want accommodation to be self-contained and not shared accommodation which can be more difficult to let and creates voids.
- Care and support will reflect need but given the Council's aspiration to offer alternatives to residential care, we are committed to developing services that can meet high level needs including those people with dementia and complex behaviours linked to autism and learning disabilities.
- Designs to meet current and changing needs of service users with varying levels of need, and where appropriate designed to support journeys through frailty to end of life.
- Incorporate technology solutions and specialist equipment appropriate to the client group to support independence and self-responsibility for health and wellbeing.
- Northumberland County Council will in most cases expect to agree nomination rights for developments it has been involved with and considers strategically relevant.

12. Next steps

We look forward to hearing from all of our partners in social care and housing, as well as developers who are interested in helping us fulfil the ambitions in this strategy. We will discuss our priority areas for development and welcome discussions and ideas from our partners.





For more information go to:
www.northumberland.gov.uk

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Northumberland

County Council

Cabinet

Tuesday, 13 February 2024

North East Investment Zone

Report of Councillor(s) Cllr Wojciech Ploszaj, Cabinet Member for Supporting Business and Opportunities and Cllr Richard Warmouth, Cabinet Member for Corporate Resources

Responsible Officer(s): Simon Nielson, Executive Director - Place and Regeneration

1. Link to Key Priorities of the Corporate Plan

- 1.1 Driving economic growth so that everyone can benefit is at the core of the ambition for Northumberland and one of the three main priorities of the Council set out in the Corporate plan with the commitment to create the right conditions for sustainable, inclusive economic growth. This includes working hard to support existing businesses to invest and grow, whilst also seeking to attract major investment to create jobs and opportunities for our residents and communities.
- 1.2 Investment Zones [IZs] are being introduced by Government to accelerate economic growth through clustering and agglomeration in specific sectors with significant growth potential. This includes supporting Research & Development and Innovation and maximising their contribution to sector growth. The North East, as a proposed Mayoral Combined Authority area, was invited to bring forward a proposition when the policy was announced in March 2023, alongside 8 other English areas. Investment Zones are fully aligned with the Northumberland Corporate Plan and the intention to create the right conditions for investment and growth.

2. Purpose of report

- 2.1 The purpose of the report is to provide an overview of the North East Investment Zone proposal focused on Advanced Manufacturing and Green Industries and seeks authorisation for designation of a Business Rates Retention Site in Northumberland.

3. Recommendations

- 3.1 Cabinet are asked to:
 - a) Note the proposals in relation to the North East Investment Zone (NEIZ), including the inclusion of the Blyth Energy Central Site as an Investment Zone (IZ) Tax Site; and

- b) Authorise inclusion of the Blyth Energy Central BRR Site in the NEIZ for 25 years, noting the NEIZ Business Rates Reinvestment Strategy (attached at Appendix 1); and
- c) Authorise the Executive Director of Place and Regeneration, in consultation with the Director of Finance, the Director of Law and Corporate Governance, the Cabinet Member for Supporting Business and Opportunities and Cabinet Member for Corporate Resources, to finalise the elements of the NEIZ proposal specific to Northumberland County Council in conjunction with the Interim Chief Executive Officer for the North East Mayoral Combined Authority and enter into a written agreement with the North East Mayoral Combined Authority and constituent local authorities

4. **Forward plan date and reason for urgency if applicable**

15th January 2024

5. **Background**

The North East Investment Zone

- 5.1 Investment Zones (IZs) are being introduced by Government to accelerate economic growth through clustering and agglomeration in specific sectors with significant growth potential, with national priority attached to Research & Development and Innovation and maximising their impact on sector growth. The North East was invited to bring forward a proposition when the policy was announced in March 2023 alongside 8 other English areas. In November 2023, Government announced that the programme would be extended from 5 to 10 years, with the total amount of funding available to each Investment Zone increased from £80m to £160m.
- 5.2 Key elements of Government Investment Zone policy are:
 - Each Investment Zone can include up to three tax sites of 200ha each, where new investment on under-developed land will benefit from tax reliefs on: employer National Insurance contributions, business rates (with the billing authority fully compensated), stamp duty and enhanced capital allowances benefits.
 - Flexible cash funding of at least £70m per zone across the 10 year programme period, with additional flexible cash funding available if the full tax site allocation isn't taken up.
 - All proposals must include a degree of match funding and have a primary sector focus.
 - Investment Zones can choose to have up to two business rates retention sites, with all growth in business rates income over 25 years retained by the IZ to reinvest in relation to IZ objectives.
- 5.3 The NEIZ is an important policy with significant implications for economic growth across the region. It is also, however, one part of a wider set of interventions – enabled by a £4.2bn Devolution Deal – through which the North East will collectively ensure economic and social benefit is scaled across the whole region.
- 5.4 On 24 November 2023, Government and NEMCA announced that the NEIZ will focus on Advanced Manufacturing and Green Industries.

- 5.5 Following an extensive process of co-design with Government, alongside consultation and engagement with businesses, universities, FE colleges and other stakeholders, the key features of the proposed North East Investment Zone have been agreed by Leaders across the region. These details are subject to Government sign-off, which is anticipated in March 2024 and thereafter subsequent implementation of tax and BRR designations via statutory instrument. In anticipation, IZ Reports are to be considered by local authority Cabinets in Sunderland, South Tyneside and Northumberland in relation to specific geographic decisions required within the region as well as by North of Tyne Combined Authority in relation to proposed interim accountable body functions.
- 5.6 The NEIZ will have a sectoral focus of ‘clean energy and green manufacturing’, building on the ‘Arc of Innovation’ set out in the Devolution Deal and the world class strength of the region’s Offshore, Engineering and Green Manufacturing industries. This is also consistent with the proposal in the North East Devolution Deal for an ‘Inclusive Innovation Deal’ – to translate the region’s world class research expertise into jobs, skills and inclusive growth outcomes.
- 5.7 It will have a focus on the following sub-sectors and four ‘IZ Intervention Sites’, which have been agreed given opportunities to support new investment and innovation activity aligned with IZ objectives in:
- Offshore energy – Blyth Energy Central and the Tyne Powered Corridor
 - Batteries - International and Advanced Manufacturing Strategic Site (IAMSS) and Blyth Energy Central
 - Electric vehicles – International Advanced Manufacturing Strategic Site
 - Associated advanced low-carbon manufacturing, materials and research – NETPark.

An overview of the opportunity at each of the Intervention Sites is set out in para 5.14 below.

- 5.8 The following objectives have been agreed for the NEIZ:
- Unlock substantial private sector investment and job creation, as a flagship Levelling Up intervention
 - Stimulate economic benefits that are felt across the region as a whole, contributing significantly to delivery of devolution objectives of creating good jobs and reducing inequality
 - Support the transition to Net Zero – both nationally and regionally.
- 5.9 There are significant economic opportunities associated with the chosen sectors. Modelling across the region to date has highlighted the potential for the creation of around 10,000 skilled jobs over the life-time of the initiative, with additional jobs created in construction and across supply chains.
- 5.10 In order to maximise these economic opportunities, the following principles have been developed that will underpin the NEIZ proposals. The NEIZ should:
- Be cost-competitive with other locations (nationally and internationally);
 - Have a skills offer which meets the needs of businesses;
 - Facilitate collaboration between industry and innovation partners to address sector constraints, through eg. test facilities, digitisation, process innovation, access to knowledge and expertise;

- Develop an overall Delivery Plan to bring forward sector-specific development on suitable sites and premises, phased to meet industry needs; and
- Ensure a level playing field across the intervention sites and to minimise the risk of displacement within the region.

5.11 The region's universities have been actively involved in the development of the Investment Zone proposal, and will play a key role in aligning investment, expertise and academic programmes with the IZ sectors to help maximise growth opportunities. This collaboration with research institutions on the IZ, referred to by Government as the IZ Knowledge Anchor, will be one part of the wider work within and across the sector as stakeholders come together across a wider series of interventions as set out in para 5.3 enabled by the Devolution Deal. Similarly there will be an important role for Further Education alongside Higher Education, particularly in relation to skills.

5.12 Within the context set out above, the region will bring forward four Intervention Sites overall, each identified as either an 'IZ Tax Site' or 'IZ Growth Site'. This reflects the differing nature of the sites in terms of the economic opportunities and the constraints which need to be addressed to unlock private sector investment. Within IZ Tax Sites, new and expanding businesses will have access to tax benefits (ie tax relief in relation to National Insurance, business rates, stamp duty and enhanced capital allowances). At IZ Growth Sites, businesses will have priority access to the additional flexible spend (secured as a result of requesting fewer than 3 tax sites) which is intended will take the form of a capital-based co-investment programme, designed to be broadly comparable to the value of tax benefits, to ensure a level playing field and target the constraints to growth specific to those areas. The distinction in relation to tax and growth sites reflects consideration of the available Investment Zone benefits and those levers which are most likely to be effective in unlocking economic growth at the respective sites. The flexible funding set out in paras 5.16 to 5.19 is in addition to this and will enable investment in infrastructure, skills and innovation.

5.13 The approach agreed by Leaders across the region is that the NEIZ should be based on:

- IZ Tax sites: International Advanced Manufacturing Strategic Site (IAMSS) and Blyth Energy Central
- IZ Growth Sites: Tyne Powered Corridor and NETPark.

5.14 The precise boundaries of these sites are still under discussion with Government and are expected to be published in the next few weeks. An overview of opportunities at the four intervention sites from North to South across the region is summarised as:

i) Blyth Energy Central

The energy cluster across the Blyth estuary and wider hinterland currently supports around 2,700 jobs, with key businesses including the Port of Blyth, Royal IHC and TFKables/JDR Cable Systems. Blyth is also home to the R&D and testing facilities of the Offshore Renewable Energy Catapult. There are significant further employment opportunities associated with offshore renewables, electrification and wider infrastructure. Key objectives include confirmation of a gigafactory on the NEP3 site, with the potential for more than a thousand new jobs plus more with the potential supplier base on adjacent sites, alongside securing further opportunities in offshore wind and wider infrastructure. There is recognition at national levels of the importance of the site and as such the County Council is in dialogue with Government and the administrators over the best way forward for the former 'BritishVolt' site to meet

regional and national priorities. IZ tax benefits would provide a clear incentive for investment at scale – alongside wider IZ benefits around skills and innovation.

ii) Tyne Powered Economic Corridor

The Tyne currently accommodates around 3,500 jobs in the Energy, Offshore and Marine sector, with businesses including the Port of Tyne, Shepherd Offshore, Equinor and Smulders Projects. Going forward, there are opportunities to support the growth of existing businesses, their transition to renewable energy and to attract new investment in the offshore wind sector. The Tyne is one of a small number of UK locations with the potential to support major expansion of the offshore wind sector and the river has already supplied foundations, cables, operations & maintenance and ROV vehicles to projects. The Tyne Powered Corridor Growth Site will support new investment in the sector from existing and new businesses, whilst the IZ is also expected to contribute to the, increasing, research & development presence and help tackle skill shortages.

iii) International Advanced Manufacturing Strategic Site

The automotive cluster, anchored by Nissan, already employs more than 12,900 people in the NEMCA area including at the International Advanced Manufacturing Park (cross-boundary within Sunderland and South Tyneside). The AESC battery gigafactory is currently under construction on the International Advanced Manufacturing Park and is expected to employ over 1,000 residents when operational in 2025 and Nissan announced further Electric Vehicle investment in November 2024 with associated supply chain opportunities. Hillthorn Business Park adjacent to IAMP, provides early IZ delivery opportunities with speculative / occupier-led development to be brought forward in phases at IAMSS. Discussions are ongoing with a number of companies linked to electrification who are interested in locating within the tax site or expanding their current facilities. This reflects the increasing requirement for Nissan to localise supply chain to maximise cost competitiveness. IZ tax benefits would provide a directly quantifiable benefit to these businesses, who are currently considering investment decisions on the basis of financial viability. Businesses have also highlighted the importance of addressing significant workforce requirements, including around battery / EV production and industrial digitisation alongside enabling infrastructure as key to unlocking further private sector investment.

iv) NETPark

NETPark is a nationally significant science park that is already home to three national Catapults, three national innovation centres, 40 businesses (including Kromek and Pragmatic) and 700 jobs – set within a 72 hectare site. The next phase of development will: provide over 230,000 sq ft of new lab and scale-up production space; create a further 1,250 high value jobs; unlock safeguarded land for future phases; and generate £625m of GVA for the region. Infrastructure and enabling works are already underway and the first buildings are due to be completed in 2025. IZ Growth Site status will help attract new businesses in the IZ sectors to the site, and enable further investment into the innovation, infrastructure and skills offer at NETPark.

IZ Flexible Funding

- 5.15 The NE Investment Zone will have £70m of flexible funding over the ten years of the IZ, with a £7m allocation per year. This funding is available on a 60:40 capital:revenue basis, and Government have published a menu of pre-approved interventions aligned with the themes of skills, infrastructure, innovation, planning, and business support. This is separate to the additional flexible spend (referenced in para 5.12) which will be allocated by Government as a result of the region selecting less than the maximum 3 tax sites allowable under the IZ programme.
- 5.16 The proposed allocation for the £70m flexible spend in the region across the ten years is:
- Skills (£30m);
Infrastructure (£30m);
Innovation (£10m).
- 5.17 The skills resource will help to address sector-specific skills shortages which have been identified as a barrier to investment. The focus of the programme will be on delivering skills and qualifications in clean energy and green manufacturing where there is current employer demand, and further significant growth is forecast. The interventions developed for delivery will align with the Local Skills Improvement Plans, be demand driven, and provide an opportunity for residents from across the region currently in low paid/low skilled jobs to re-train and upskill for roles in sectors that offer higher pay.
- 5.18 The infrastructure resource will be focused on the four IZ Intervention Sites. NEMCA will develop a pipeline for capital investment on these sites, initially prioritising interventions which will have a direct impact on unlocking new investment and creating jobs within the first 5 years of the IZ. This is anticipated to include addressing infrastructure constraints such as energy infrastructure and utilities connections, brought forward at the most appropriate time and reflecting market requirements.
- 5.19 The innovation resource will support research into industry challenges identified by businesses in our IZ priority sectors, and facilitate collaboration between research institutions and the private sector. The longer-term outcomes of this programme are anticipated to produce cost savings for advanced manufacturing and renewable energy production, improving productivity through the adoption of new technology and processes including digitisation, and creating highly skilled jobs. The programme will have positive spill over effects by increasing the attractiveness of North East research institutions to post-graduate students, and attracting further funding for R&D from national programmes and the private sector.
- 5.20 As set out in para 5.12, the NEIZ will also receive additional flexible funding, as a result of taking up less than the maximum allocation of tax sites. The precise level of additional funding is still to be confirmed with Government, with the intention being that funding, as set out in para 5.12, will be prioritised for co-investment with the private sector in infrastructure and innovation interventions on the IZ Growth Sites.

Business Rate Retention

- 5.21 The NEIZ proposition also includes two Business Rates Retention sites (Sunderland / South Tyneside and Northumberland) linked to the two Tax Sites, with Cabinet authorisation being sought from each of the individual local authorities (Sunderland, South Tyneside and Northumberland) for their designation. These sites will enable the region to benefit from the retention of all growth in business rates over the next

25 years – as opposed to the standard process of the local authority keeping half the growth until the next business rates reset point. Business rates retention therefore provides the potential for a significant additional revenue source.

5.22 An IZ Reinvestment Strategy has been agreed with Government through the co-development process. This will maximise the impact of the BRR sites and embeds continuity of local decision-making and control at current levels in relation to investment within individual local authorities. The reinvestment principles are summarised below in para 5.23. Importantly, the Reinvestment Strategy would enable the host local authority to receive the funding which it would have received from business rates growth under the normal business rates regime prior to a re-set / future re-sets if the site had not been put forward for business rates retention. This is expected to be approximately 50% of the growth in business rates (with adjustments to reflect future re-sets). It will then be applied to fund expenditure that which will be incurred by the authority for a range of activities necessary for the Investment Zone to be successful and for there to be local benefits. The other 50% would be utilised by NEMCA to support further investment to deliver the Investment Zones (which could include additional investment in the Blyth Energy Central site). Under the current Business Rates retention model this 50% is normally paid over to Central Government. These arrangements will be set out in a written agreement with NEMCA.

5.23 The IZ Reinvestment Strategy includes the following reinvestment principles:

- First, income will be used to meet costs which would otherwise be incurred by the host local authority in enabling growth of the Intervention / Tax / BRR site and ensuring that the benefits associated with delivering against the IZ objectives are maximised and felt by the local community.
- Second, to fund interventions which are expected to maximise private sector investment and job creation in clean energy and green manufacturing at the four intervention sites, and to ensure that the benefits of delivering against the Investment Zone objectives are felt across the region as a whole.
- Third, to fund interventions which will support growth of the low carbon economy over a wider geography.

The Reinvestment Strategy is attached at Appendix 1.

5.24 From May, NEMCA Cabinet will be the decision-making body and accountable body for the Combined Authority, including for the Investment Zone. The NEMCA Finance & Investment Board will advise Cabinet on IZ investment decisions, whilst also overseeing progress of the IZ, undertaking regular financial and operational monitoring. In line with Government guidance, an Investment Zone Advisory Board will also be established. This will enable a wider group of stakeholders to influence and support IZ delivery and monitoring. The Advisory Board will initially be chaired by the NEMCA Chief Executive, with senior membership from: Local Authorities; private sector businesses in the IZ sector clusters, including those located in IZ sites; Universities and other regional research institutions and Catapults; Further Education colleges; and related cluster and sector bodies. This is expected to be convened in shadow form prior to formal establishment of the Investment Zone by Government.

Next Steps

5.25 The next steps in relation to development of the NEIZ are:

- Further co-development of the NEIZ proposition with Government (within the context of local authority Cabinets considering site-specific BRR proposals and NTCA seeking agreement to act as accountable body on an interim basis)
- Approval from Government (anticipated in March 2024)
- Launch of NEIZ (April 2024).

6. Options open to the Council and reasons for the recommendations

- 6.1 The North East was invited to bring forward an IZ proposition when the policy was announced by Government in March 2023 alongside 8 other English areas. The sectoral focus of the NEIZ (Clean Energy & Green Manufacturing) is closely aligned with a key sector for the County and wider region.
- 6.2 The combination of tax benefits for companies locating and expanding at Blyth Energy Central, the access to resources to support targeted interventions in Infrastructure, Skills and Innovation as appropriate, and the additional resources which can be secured as a result of Business Rates Retention provide a significant opportunity to stimulate further business investment and economic growth. This is expected to bring benefit both to the County and its communities and to the region as a whole.
- 6.3 Designation as an Investment Zone Site will provide access to resources to support interventions in relation to infrastructure, skills and innovation aligned to unlocking economic growth. It will enable additional investment as a result of retained Business Rates in line with the agreed Reinvestment Strategy.
- 6.4 The alternative option would be not to agree to designation as a Business Rates Retention Site as part of the NEIZ proposal. This would reduce the overall investment available over time to support growth of the IZ sectors and low carbon economy as it would reduce the potential for business rates to be retained and deployed within the city and wider region.

7. Implications

Policy	Investment Zones are fully aligned with the Northumberland Corporate Plan and the intention to create the right conditions for investment and growth.
Finance and value for money	<p>Designation as an IZ Intervention Site will provide access to resources to support interventions in relation to infrastructure, skills and innovation aligned to unlocking economic growth in the IZ sectors and in line with the agreed project selection and assurance processes. It will enable additional investment as a result of retained Business Rates in line with the Reinvestment Strategy included at Appendix 1.</p> <p>The Reinvestment Strategy sets out how the retained business rates will be reinvested and embeds continuity of local decision-making and control at current levels in relation to investment within individual local authorities. As set out in the Legal Implications below, the way in which business rates retention will be administered within the region will be set out in a BRR</p>

	<p>agreement between the Council and the Combined Authority as required by Government.</p> <p>The proportion of business rates growth to be utilised by the host local authority, in line with the Reinvestment Strategy, will be capped at 50% to meet expenditure that will be incurred by the relevant local authority for a range of activities necessary for the NEIZ to be successful and for there to be local benefits. These could include: site preparation and enabling infrastructure; highways and other transport costs; inward investment and marketing; planning costs including related plan making; relevant professional expertise (in-house / external); place-making through local regeneration, housing, business support and wider economic development; net zero / decarbonisation; local skills and holistic employability interventions linked to current and future talent pipeline and any capital financing costs incurred in funding such investments. As a result, financially the Council will only be detrimentally affected if those works incur expenditure that falls short of the 50% Business Rates recovery, this risk will be managed through the implementation of the Reinvestment Strategy.</p> <p>The value of the business rates growth to be utilised by Northumberland County Council will be dependent upon the rateable values of the properties determined by the Valuation Office Agency, the prevailing business rates multiplier set by the Government alongside actual development delivery timescales. Based upon a number of assumptions this could amount to c. £1m per annum locally in the medium term and £4.45m per annum in the longer term in relation to the Blyth Energy Central site. The other 50% retained business rates would be transferred to NEMCA in line with the written agreement (which will incorporate the Reinvestment Strategy) to support investment to deliver the NEIZ (which could include additional investment in Blyth Energy Central); under the current Business Rates retention model the Council pays this 50% over to Central Government.</p>
<p>Legal</p>	<p>The formal designation of the NEIZ, including the inclusion of the Blyth Energy Central and its final red line boundary as a tax site, will be determined by the Government through secondary legislation.</p> <p>A form of written agreement will need to be entered into between the Council and the Combined Authority in respect of the operation of the BRR Site and Reinvestment Strategy.</p> <p>The approval sought is to commit the designation of the Blyth Energy Central Site as an IZ Intervention Site, and more specifically a BRR site. This designation (for 25 years) means the Business Rates that would ordinarily be retained by NCC (up to 50%) along with the other 50% that would normally be</p>

	<p>transferred to central government will be retained within the region. As highlighted in the Finance and Value for money implication section, the Reinvestment Strategy agreed between NCC, NEMCA and the remaining constituent authorities sets out that the first call on those funds is to meet costs incurred by the host authority to fund expenditure that will be incurred by the relevant billing authority for a range of activities necessary for the Investment Zone to be successful and for there to be local benefits.</p> <p>Any grant funding to be secured from Flexible Spend resource (see paras 5.15 – 5.20 above) for the benefit of Blyth Energy Central will be subject to separate review / approvals at the appropriate time regarding the funding and delivery arrangements for the relevant eligible projects.</p>
Procurement	N/A
Human resources	N/A
Property	N/A
The Equalities Act: is a full impact assessment required and attached?	<p>No - not required at this point</p> <p>Northumberland County Council seeks to actively narrow inequality under the terms of the Equality Act 2010 and we will undertake an equality impact assessment for the Investment Zone when further details have been agreed with Government.</p>
Risk assessment	<p>A detailed risk register for the Investment Zone is currently in development, enabling risks to be monitored and mitigating actions to be introduced. Going forward, these risks will be monitored through the NEMCA Finance and Investment Board and in relation to Northumberland through the Economic Development & Growth Programme Board</p>
Crime and disorder	N/A
Customer considerations	<p>Stakeholders have been engaged in the development of project proposals</p>
Carbon reduction	<p>The activity described within this report is considered to positively support the climate change priorities of Northumberland County Council, given the focus of the NEIZ on low carbon sectors. The Blyth Energy Central Investment Zone provides a platform to drive forward the UK's net zero ambitions whilst unlocking new economic growth, investment and job creation opportunities.</p>

Health and wellbeing	The activity described within this report is considered to positively support the Inclusive economy priorities of the Northumberland County Council, particularly by supporting the development of jobs and through skills interventions to support access to employment which will have a positive impact on the Health and Wellbeing of residents.
Wards	

8. Background papers

Not applicable

9. Links to other key reports already published

Not applicable

10. Author and Contact Details

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Appendix 1 – North East Business Rate Retention Reinvestment Strategy

The Business Rate Retention Reinvestment Strategy has been agreed with Government as part of the co-design process in consultation with all North East local authorities and will be incorporated into a written agreement between NEMCA, as the accountable body, and the local authorities hosting business rate retention sites.

Objectives

The business rates reinvestment strategy sets out details of how business rates will be reinvested over the 25-year life-time of the Investment Zone.

The objective of the business rates reinvestment strategy is to maximise the impact of the Investment Zone and ensure that delivery meets the objectives agreed for the NEIZ locally and with Government:

- Unlock substantial private sector investment and job creation, as a flagship Levelling Up intervention
- Stimulate economic benefits that are felt across the region as a whole, contributing significantly to delivery of devolution objectives of creating good jobs and reducing inequality
- Support the transition to net zero – both nationally and regionally.

These objectives incorporate Government's policy ambition for Investment Zones, and the criteria that NEMCA is required to demonstrate for the use of retained business rates:

- (i) provide for local economic growth within the region;
- (ii) support existing local strategies with a focus on growth;
- (iii) support the priority sector within the Investment Zone;
- (iv) and represent value for money for the government.

The objectives and proposed activities to be supported through the reinvestment strategy also align with the opportunities and challenges we have set out in relation to clean energy and green manufacturing;

- Improving the conditions for growth in the advanced manufacturing and offshore wind clusters, to make the conditions more supportive for investors and firms compared to international competitors.
- Land remediation, land assembly and investment in infrastructure to enable the sites under consideration, including where costs have increased due to inflation and economic shocks in recent years
- Skills and recruitment challenges for engineering and advanced manufacturing roles across levels 2 to 7 to meet industry needs.
- Limited supply of industry-specific battery technicians and skills associated with Power Electronics Machines & Drives, given these are emerging high-growth sectors with a highly competitive environment globally for recruitment of skilled workers and attraction of mobile investment projects.

Approach

A sequential approach will be taken to the reinvestment of business rates – based on the principles of maximising impact, whilst taking a fair approach across the four NEIZ Intervention Sites but recognising that we only have two Business Rates Retention sites.

Strand 1 will focus on investment that both directly and indirectly supports growth of the Investment Zone, its priority sectors and clusters and their wider economic ecosystem. The wider economic ecosystem, including place-making, is important in ensuring the success of the sites and associated sector growth by ensuring the quality of place and enabling environment is able to support the growth targeted, the communities it will support, and be where people in high-skilled jobs want to live and work.

Strand 2 will focus on investment that both directly and indirectly supports growth of the Investment Zone, its Intervention Sites and its priority sectors and clusters and their wider supply chains and ecosystem. In the short and medium term of the Investment Zone this will be important to help accelerate growth at the Intervention Sites, with less emphasis anticipated as sites become fully developed.

Strand 3 is broader and matters to ensure the long term inclusive economic growth outcomes of the Investment Zone aligned with the NEMCA Devolution Deal can be realised. It will focus on investment that both directly and indirectly supports growth of the Investment Zone with a greater emphasis on the wider ecosystem and low carbon economy. This is expected to support growth in the early years, becoming increasingly important in the medium to longer term of the lifetime of the Investment Zone. Inter-dependencies in terms of supply chains, process innovation & digitisation, skill requirements - across the low carbon economy and its wider supply chains and support services - underline the importance of building in this reinvestment as part of the overall strategy to optimise outcomes associated with the Investment Zone, its growth and associated reinvestment across its lifetime.

It is the intention to deploy IZ flexible spend first (with the focus proposed to be on infrastructure, skills and innovation), with spend against retained business rates to follow as that revenue becomes firmer on a phased basis. The overlap in categories between elements of the reinvestment strategy and those proposed for flexible spend reflects these being the key anticipated areas of need (rather than a proposal for co-investment of flexible spend with retained business rates). It is anticipated that the greatest amount of investment overall will be in infrastructure, followed by skills and innovation.

1. First, income will be used to meet costs which would otherwise be incurred by the host local authority in enabling growth of the Intervention / Tax / BRR site and ensuring that the benefits associated with delivering against the IZ objectives are maximised and felt by the local community.

The cap on this element of reinvestment will set at an amount equivalent to the income that the local authority would have received through from business rates growth under the normal business rates regime prior to a re-set / future re-sets if the site had not been put forward for business rates retention. This is expected to be approximately 50% of the uplifted retained rates (with adjustments to reflect future re-sets). It will include expenditure that which will be incurred by the relevant local authority for a range of activities necessary for the IZ to be successful and for there to be local benefits. These could include: site preparation and enabling infrastructure; highways and other transport costs; inward investment and marketing; planning costs including related plan making; relevant professional expertise (in-house / external); place-making through local regeneration, housing, business support and wider economic development; net zero / decarbonisation; local skills and holistic

employability interventions linked to current and future talent pipeline and any capital financing costs incurred in funding such investments.

2. Second, interventions which are expected to maximise private sector investment and job creation in clean energy and green manufacturing at the four intervention sites, and to ensure that the benefits of delivering against the Investment Zone objectives are felt across the region as a whole.

The initial priorities for this funding include: site preparation and enabling infrastructure; inward investment; skills investment; and research and innovation.

This will provide the potential to continue to fund interventions which would be covered through the IZ flexible funding in the first five years of the Investment Zone. It will also provide a mechanism to deliver interventions necessary to achieve the full potential of the sites, where costs would otherwise have to be met locally or where future growth potential would be stalled.

Skills interventions to meet the needs of IZ sectors could occur at institutions right across the NE, ensuring that residents right across the area are able to access opportunities arising from the Investment Zone.

3. Third, to fund interventions which will support growth of the low carbon economy over a wider geography.

The initial priorities for this funding include: site preparation and infrastructure; inward investment; skills investment; and research and innovation.

This recognises the wider ecosystem which will be important to maximising the overall impact of the delivery against the IZ objectives. This investment is expected to be able to be increasingly prioritised over time, as the full potential of Intervention Sites is realised and as the stock of resources being generated through business rates retention increases.

Decision making

NEMCA will work closely with key partners to bring forward proposals for funding:

- With business, education, skills (HE and FE) and catapult partners through the 'Knowledge Anchor' partnership to take forward the development of IZ skills and innovation proposals aligned with the IZ sectors and anticipated growth.
- With landowners, developers and key businesses/investors to address infrastructure, remediation and connectivity works needed across the sites and develop a rolling pipeline of investment to unlock growth.

Decision making for the first category of BRR reinvestment will be made within the host local authority in line with the principles of the agreed re-investment strategy and Memorandum of Understanding between NEMCA and each host authority. The relevant local authority Section 151 officer will confirm activities and expenditure to the NEMCA Section 151 officer on an annual basis (as a minimum), and these will be reported through the NEMCA IZ Governance arrangements.

Decision making for the second and third categories will be determined using the Combined Authority's agreed Investment Fund Assurance Process. Decisions on

funding will be taken with agreement of the NEMCA Cabinet, with advice provided by the Finance & Investment Board, and aligned with delivery of IZ outputs and outcomes. The Investment Zone Advisory Board will also play a key role, through its work in ongoing policy development in relation to the IZ, as well as delivery oversight and monitoring.

These arrangements will be detailed in a written agreement between NEMCA, as the accountable body, and the local authorities hosting business rate retention sites. This will include arrangements in relation to monitoring of reinvestment to support Investment Zone objectives, its Intervention Sites, the growth unlocked, and the development of the wider economic ecosystem.

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Northumberland County Council

Cabinet

Tuesday, 13 February 2024

School Admission Arrangements for Community and Voluntary Controlled Schools for the 2025/2026 Academic Year

Report of Councillor(s) Guy Renner-Thompson, Cabinet Member for Inspiring Young People

Responsible Officer(s): Audrey Kingham, Executive Director for Children, Young People & Education

1. Link to Key Priorities of the Corporate Plan

These proposals are most closely linked to the Council's priority for tackling inequalities (children and young people have the best start in life and grow up well).

2. Purpose of report

This report informs Cabinet of the outcomes of the consultation on School Admission Arrangements for Community and Voluntary Controlled Schools for the 2025/26 Academic Year as required by the School Admissions Code 2021. Approval (determination) of these admission arrangements is also sought.

3. Recommendations

- 3.1 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 2025/26 that took place between 10th November 2023 and 22nd December 2023.
- 3.2 Approve the proposed co-ordinated admission scheme for all maintained schools and academies, as provided in Appendix 1 of this report;
- 3.3 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;
- 3.4 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.

- 3.5 Approve a reduction of the Published Admission Number at Seahouses Primary School from 21 to 15 with effect from September 2025, in view of current and future pupil numbers.
- 3.6 Approve a reduction of the Published Admission Number at Longhoughton Primary School from 30 to 15 with effect from September 2025, in view of current and future pupil numbers.

4. **Forward plan date and reason for urgency if applicable**

Not applicable

5. **Background**

Key Issues

- 5.1 On an annual basis the local authority needs to determine its school admission arrangements for Community and Voluntary Controlled schools. As the Council's decision-making body Cabinet is therefore asked to approve the arrangements for the academic year 2025/26.
- 5.2 There are no changes proposed to the current admission policies, including oversubscription criteria, for first, primary, middle, high and secondary schools for 2025/26. Full copies of these are contained in the appendices to this report.
- 5.3 Cabinet is asked to approve (determine) all the admission arrangements for 2025/26 in accordance with the Admissions Code 2021. Determination of the arrangements must be made by 28 February 2024 prior to publication on the Council's website and to allow for the submission of any objections regarding the arrangements to the School's Adjudicator by 15 May 2024.
- 5.4 Cabinet is asked to approve the draft admission arrangements for sixth forms, including the criteria for entry, the admission number (relating to external students to Year 12 only) and the over subscription criteria (that will be applied if there are more applicants than places available) for 2025/26.
- 5.5 A six-week consultation on the Council's proposed admissions arrangements for 2025/26 took place between 10th November 2023 and 22nd December 2023.
- 5.6 As required by the School Admissions Code, the full proposed admission arrangements were published on the Council's website for the whole of the consultation period, together with details of the person to whom comments could be sent. There were no areas specified on which comments could not be made.
- 5.7 Groups and persons consulted with as part of the consultation process were as follows:
 - Parents of children between the ages of 2 and 18, via website and communication from schools and nurseries;
 - All Governing Bodies of voluntary controlled and community schools;
 - All Governing Bodies of voluntary aided and foundation schools and academies, who are their own admissions authority;

- Neighbouring Local Authorities (Newcastle City Council; Cumbria County Council; Gateshead Metropolitan Borough Council; North Tyneside Council; Durham County Council) and
- The CE Diocese of Newcastle and Durham; the RC Diocese of Hexham and Newcastle

- 5.8 Both schools affected by the PAN reduction proposals appreciate the rationale behind the proposals and they are aware that the pupil population in their catchment is decreasing over time. They have shared the consultation documents with parents/carers and responses can be found in Appendix 4.
- 5.9 There were two responses received in relation to Longhoughton; both did not support the proposed reduction in PAN, both stating that whilst current data may demonstrate the proposed reduction is adequate, being a predominantly military community, the population in Longhoughton is transient and this should be reflected in any proposal. The Council recognises this, and should there be a need for Longhoughton to admit military children we would support their admission. Where there are infant class size restrictions, schools can exceed the 30 limits for 'excepted pupils'; military children fall within this exception. We did not receive any feedback on the proposed reduction in PAN for Seahouses Primary School.

BACKGROUND

- 5.10 The School Admissions Code 2021 applies to all maintained mainstream schools, which includes voluntary controlled and community schools and schools that are their own admission authority. Academies are required to comply with the Code and the law relating to admissions as part of their funding agreements, although the Secretary of State may vary this requirement if there is a demonstrable need. The Local Authority does not have any decision-making powers when it comes to the admission criteria to academies.
- 5.11 Admission authorities must ensure that their determined admission arrangements comply with the mandatory provisions of the Code. In order to promote fair access to educational opportunities, admission arrangements are subject to scrutiny by the Schools Adjudicator who has the power to impose arrangements on those authorities that do not meet the requirements of the Code.
- 5.12 When changes are proposed, admission authorities must consult on their admission arrangements that will apply for admission applications the following year. Where no changes to admission arrangements are proposed, admission authorities need only consult once every seven years. The admission arrangements must be formally approved each year.

6. Options open to the Council and reasons for the recommendations

- 6.1 As the statutory decision maker Cabinet are required on annual basis to determine the admission arrangements as set out in the recommendations below.
- 6.2 Approve the proposed co-ordinated admission scheme for all maintained schools and academies, as provided in Appendix 1 of this report;
- 6.3 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;

- 6.4 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.
- 6.5 Approve a reduction of the Published Admission Number at Seahouses Primary School from 21 to 15 with effect from September 2025, in view of current and future pupil numbers.
- 6.6 Approve a reduction of the Published Admission Number at Longhoughton Primary School from 30 to 15 with effect from September 2025, in view of current and future pupil numbers

7. Implications

Policy	The Admissions Policy enables all applications for school places to be prioritised in an open and fair way, ensuring that all schools and academies adopt lawful admission arrangements.
Finance and value for money	There are no direct financial implications as a result of these arrangements.
Legal	The proposed admission arrangements comply with legislation.
Procurement	None have been identified
Human resources	None have been identified
Property	None have been identified
The Equalities Act: is a full impact assessment required and attached?	Yes - required and attached EIA attached at Appendix 5
Risk assessment	The level of risk involved in the proposed amendment to the admissions numbers is perceived to be minimal.
Crime and disorder	This report has considered Section 17 (CDA) and the duty it imposes and there are no implications arising from it.
Customer considerations	Parents can express a preference for schools and give their reasons in the light of the criteria within the admissions policies. As far as possible under the policies, parents will be allocated a place for their child at the school for which they have expressed a preference. Where this is not possible, and

	where parents live in the Northumberland County Council area, a place will be offered at an alternative school.
Carbon reduction	It is not envisaged that this proposal would have a significant positive or negative impact on carbon reduction.
Health and wellbeing	No implications
Wards	(All Wards);

8. Background papers

Not Applicable

9. Links to other key reports already published Not Applicable

10. Author and Contact Details

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Coordinated admission scheme for maintained schools, including academies 2025/26

Note: The status of some schools listed in this document may be subject to change as a consequence of academy conversion or school organisational changes.

Introduction

All Local authorities are required by the School Admissions (Co-ordination of Admission Arrangements) (England) Regulations 2012 to have a scheme in place each year for co-ordinating admission arrangements for all maintained schools and academies (except special schools and nursery schools) within their area. The scheme has to comply with the provisions of the School Admissions Code 2021.

Coordination schemes are intended to simplify the admissions process whilst reducing the likelihood of any child being left without a school place. Coordination establishes a mechanism that ensures as far as is reasonably practicable that every parent of a child living in a local authority (LA) who has applied to a maintained school is sent a single offer of a school place by their LA.

Coordination schemes do not affect the rights and duties of the governing bodies of voluntary aided and foundation schools to set and apply their own admissions arrangements and oversubscription criteria, nor for academies to agree their own arrangements with the Secretary of State. Admission authorities do not need to determine the same or similar oversubscription criteria, but must ensure that their own admission arrangements are compatible with and do not undermine the coordination scheme for their area.

The following coordinated admission scheme for Northumberland County Council will apply to the admission arrangements for the school year beginning September 2025.

Interpretation and glossary

In this Scheme –

"The LA" is Northumberland County Council acting in its capacity as a local (education) authority.

"The LA area" means Northumberland.

"School" means a community, voluntary controlled, foundation or voluntary aided school (but not a special school) which is maintained by the LA.

"Academy" means a state funded non fee paying independent school set up under a Funding Agreement between the Secretary of State and the proprietor of an Academy (most commonly and hereafter referred to as an Academy Trust). Academy Funding Agreements require Academies to comply with the Code and the law relating to admissions, though the Secretary of State has the power to vary this requirement where there is a demonstrable need. Academies include free schools and studio schools.

"Admission authority" in relation to a community or voluntary controlled school means the LA and, in relation to a foundation or voluntary aided school or an academy, means the governing body of that school.

"The specified year" is the school year beginning in September 2025.

"Admission arrangements" are the determined arrangements which govern the procedures and decision making for the purpose of admitting pupils to a particular school or academy.

“Late application” means any application for a place in the first year of entry to the school that is received after the closing date for applications.

“Parent or carer” means any person who (as defined in the 1989 Children Act) holds parental responsibility for a child and with whom the child normally lives.

“Home authority” is the LA that a parent resides in.

The scheme

The scheme will apply to all first, primary, middle, secondary and high schools and academies in the LA area (except special schools and nursery schools) and shall take effect from 28 February 2024.

Under the coordinated scheme, Northumberland County Council will set and apply the oversubscription criteria for all community and voluntary controlled schools in the area. The governing bodies of voluntary aided and foundation schools and academies will set and apply their own oversubscription criteria.

The LA will work with all other admission authorities within Northumberland and with other relevant local authorities to ensure that a fair and transparent system for the allocation of places is achieved.

The normal admissions round

The scheme will apply to all children whose parents are seeking a school place for the school’s initial year of entry for the start of Autumn term 2025 (whether or not it is their age cohort). The initial years of entry are:

School type or name Initial year of entry

<i>First and primary schools</i>	<i>Reception</i>
<i>Middle schools</i>	<i>Year 5</i>
<i>Secondary schools</i>	<i>Year 7</i>
<i>High schools</i>	<i>Year 9</i>

There will be a common application form available for all applicants, which will be available online and as a paper version. Online applications are encouraged as parents receive an immediate response to their application and they can accept their offer online.

The common application form must be used by parents who live in Northumberland as a means of expressing preferences for a school place for their child. All preferences expressed on the form are valid applications and they should be ranked in order of preference. Reasons to support each preference can be included on the form.

The form will specify the closing date and where the application form must be returned to. Completed forms must be returned to the LA before the closing date. The form will be accompanied by an explanation of the coordinated admissions scheme. This will explain that:

- the parent/carer will receive one single offer of a school place
- all preferences will be treated equally
- a place will be offered at the highest ranked school for which the child is eligible for a place under the admission criteria
- if more than one school could offer a place, the parent/carer will be regarded as having ranked the schools in the order appearing on the form

- if a place is unable to be offered at a preferred school, a place will be offered at the nearest school with available places based on the straight line distance from home to school.

The LA will take all reasonable steps to ensure that every parent resident in their area who has a child due to start primary education or is in their last year of first, primary or middle school is made aware of the procedures for applying for a school place and has access to a copy of the form and supporting guidance.

Verification of data

Parents may be asked to provide proof of address by the LA or by other admission authorities.

In some cases, for example where shared parental living arrangements are in place, a child's address may be difficult to determine. In these circumstances the address used for child benefit purposes will normally be used, i.e. the address of the parent claiming the benefit. If that is not available, then the address on the NHS medical card can be used.

Supplementary information

Admission authorities can require parents to provide additional information where it is required for the governing body to apply its oversubscription criteria. Any requested information should be returned by the dates stated in order to be considered as part of the application.

Submission dates

The application period will open from **12 September 2024**.

31 October 2024, midnight, is the deadline for parents to apply to the LA for a place in a middle, secondary or high school or academy.

15 January 2025, midnight, is the deadline for parents to apply to the LA for a place in a reception class.

It is the responsibility of parents or carers to ensure that applications are returned directly to the home LA by the closing date.

Late applications

Any application for the normal admissions round received after the deadline will be deemed "late".

Late applications will be dealt with after all on-time applications have been processed and places allocated. Late applicants will not be made an offer on National Offer Day. They will be offered as part of the second waiting list process once offers have been accepted.

Only in exceptional limited circumstances will late applications be considered at the same time as applications submitted on time. These include:

- The illness/death of a close relative such that making an application during the application period was not possible.
- A move into Northumberland from outside the area after the deadline date. Confirmation of the new address must be provided (in the form of an exchange of contracts or a tenancy agreement).

- Where there has been a delay in the LA receiving the application due to an administrative error.
- Other circumstances to be considered and each case decided on its own merits.

Documentary evidence should be provided with the application to verify the circumstances which caused the application to be late. If evidence cannot be provided, the application will not be considered as an exception.

The LA will determine whether the late application is considered as an exception.

22 November 2024 is the deadline for asking for a late application for a place in a middle, secondary or high school or academy to be considered as an on time exception.

14 February 2025 is the deadline for asking for a late application for a reception place to be considered as an on time exception.

Changing preferences

No changes will be accepted to applications after the deadline date has passed, unless there is a genuine reason for the change, such as a change of address or siblings have changed schools. **The deadlines and evidence requirements are the same as for exceptional late applications, see above.** If these are not met, the request will not be considered as an exception.

Any request to change preferences will cancel out and replace the previous application. If submitted after the deadline date, and not agreed by the LA as an exception, this means the original application will be withdrawn by the LA, processed as late, and no offer will be made on National Offer Day. Places will be offered as part of the second waiting list process.

No form received

Where no form is submitted for a child known to the LA, a place will be offered at the nearest Northumberland school to the home address with a vacancy, measured in a straight line using an electronic (GIS) map measurement system. This may be a community, voluntary controlled, foundation or voluntary aided school or academy, if the admission authority agrees. However, places will not be offered on National Offer Day: they will be offered as part of the second waiting list process.

Processing applications

After the closing date the LA will forward details of relevant applications received on time to other admission authorities in its area and to other LAs if a preference is made for a school in another area. Late applications will be shared with other admission authorities after offer day.

Parental preferences will be ranked by every admission authority strictly according to the oversubscription criteria for the relevant school. The ranked lists will be returned to Northumberland LA by the specified date detailing how the oversubscription criteria have been applied to the list.

The order of school preference listed on the application form will not affect these rankings.

Determining offers

The LA will act as a clearing house for the allocation of places by the relevant admission authorities. The LA will only make a decision on the offer or refusal of a place in response to any preference expressed on the form where:

- it is acting in its separate capacity as an admission authority, or on behalf of another admission authority that has delegated its role to the LA, or
- an applicant is eligible for a place at more than one school, or
- an applicant is not eligible for a place at any school that the parent has nominated.

The LA, using preference data and oversubscription criteria rankings (including those from own admission authority schools and academies), will allocate places according to each parent's preference ranking as follows:

- Where a parent's first preference can be met, a place will be allocated at that school. The LA will not consider any lower ranked preferences.
- Where a parent's first preference cannot be met, but a lower preference can, a place will be allocated at the lower preference school. Any higher preference applications will be placed on the waiting list for that school(s) and ranked according to the oversubscription criteria. Any preferences ranked lower than the preference offered will not be considered.
- Where none of the parent's preferences can be met, a place will be allocated at the nearest school with available places based on the straight line distance from home to school. The applications for preferred schools will be placed on the waiting lists for those schools and ranked according to their oversubscription criteria.

Distance measurements

Distances are measured using the Council's electronic (GIS) map measuring system in a straight line distance from the front door of the home to the main gate of the school. Where two or more distances are found to be equal a system of random allocation will apply, independently administered.

Offers

Parents will receive one offer of a school place. Parents who applied online can log in on National Offer Day to find out their allocated school.

Parents who submitted a paper application will be posted a letter to arrive on National Offer Day. Information will not be given out over the telephone.

If a parent was refused a place at a preferred school, the letter or email (depending on how parent applied for their place) will explain why the place was refused and that the parent has the right of appeal.

Responding to offers

Parents are required to respond to the LA regarding the offer of a school place to either accept or refuse it within two weeks of National Offer Day. If the parent does not confirm to the LA that they accept the place, the LA may remove the place and reallocate it to another child.

Parents should not refuse a place unless they are certain of a place at an alternative school. This does not remove the parent's right of appeal.

If a parent wishes their child to be considered for an alternative school(s) after offer day, a new application must be completed listing the new order of preferences. This will cancel out and replace the previous application.

Waiting Lists

Children will be kept on a waiting list for any school ranked higher on their form than the school at which they were offered a place, for example, where a parent has been allocated a place at their second preference school, they may be placed on the waiting list of their first preference school but not their third.

Where a parent has been offered a place at a school they did not nominate on their form, they will be placed on the waiting list of all the schools they did nominate, and considered for places at those schools if any become available.

Waiting lists will be kept by all admission authorities until at least **31 December 2025**. The waiting list will be maintained strictly in accordance with the oversubscription criteria and if a place becomes available this will be offered to the child ranked highest on the list. Places on waiting lists will change over time as new applications are received. When any place in a school is refused, the LA will reallocate that place to the child at the top of the waiting list for that school.

Appeals

All parents have the right of appeal if refused a place at a school. Appeals are coordinated by the relevant admission authority. Appeals will be heard by an independent appeals panel and if the panel uphold the appeal, the decision is legally binding on the admission authority and they must admit the child. Very few appeals are upheld.

Admission of Children below Compulsory School Age and Deferred Entry

Children are entitled to start school full time the September following their fourth birthday. This is when most children start school. However a parent does not have to send their child to school until they reach compulsory school age. A child will reach compulsory school age on the prescribed day following their fifth birthday (or on their fifth birthday if it falls on a prescribed day). The prescribed days are 31 December, 31 March and 31 August. Children must receive full time education from this point. For children under compulsory school age, once a school place has been offered and accepted, parents may decide that they would like their child to attend school part-time until later in the school year, or start full time, later in the school year, but not later than the start of the summer term. If you would like your child to attend school part time or start school later in the school year, you must contact the local authority and school following receipt of your offer letter.

Admission of Children outside their Normal Age Group

A request may be made for a child to be admitted outside of their normal age group, for example, if the child is gifted and talented or has experienced problems such as ill health.

Any such request should be discussed with the head teacher of the school and made in writing to the local authority. The local authority will make its decision about the request based on the circumstances of each case and in the best interests of the child. In addition to taking into account the views of the head teacher who has statutory responsibility for the internal organisation, management and control of the school, the local authority will take into account the views of the parents and of appropriate medical and education professionals.

Summer Born Children

The parents of a summer born child, i.e. a child born between 1 April and 31 August can also choose to defer entry as above but they can also request that the child be admitted out of their normal age group, to the reception class in the September following their fifth birthday and that the child will remain in this cohort as they progress through school.

Parents who want to make this request should make an application for their child's normal age group at the usual time. The application to the local authority should include this request. The local authority will liaise with the school and the relevant admission authority will make its decision about the request based on the circumstances of each case and in the best interests of the child. In addition to taking into account the views of the head teacher, who has statutory responsibility for the internal organisation, management and control of the school, the relevant admission authority will take into account the views of the parents and of appropriate medical and education professionals.

Parents will be informed of the outcome of the request before primary national offer day.

If the request is agreed, the application for the normal age group may be withdrawn before a place is offered. If the request is refused, the parent must decide whether to accept the offer of a place for the normal age group, or to refuse it and make an in year application for admission to year one for the September following the child's fifth birthday.

Where a parent's request is agreed, they must make a new application as part of the main admissions round the following year.

One admission authority cannot be required to honour a decision made by another admission authority on admission out of the normal age group. Parents, therefore, should consider whether to request admission out of the normal year group at all their preference schools, rather than just their first preference schools. If a child who has not reached compulsory school age has been allocated a Reception place and their parent or carer wishes to delay their child's entry to school, the place will be held open. The place must be taken up in the term in which the child reaches compulsory school age.

Shared responsibility

The management of school applications may be severely delayed during the main admissions round where separated parents* of the child each submit an application for different schools or one parent does not agree with the application made by the other parent. The School Admissions Code states that only one offer of a school place per child can be made by the Local Authority. In this situation the Local Authority asks that parents and/or carers resolve matters between themselves before informing the Local Authority in writing of which application should be processed/their agreement to an application. In case of dispute between parents, where more than one parent has parental responsibility and they do not agree to an application being made to a particular school, a temporary school place will be offered until any dispute is resolved by both parents as a personal matter and this will be based on the address of the parent or carer with whom the child is normally resident, Mondays to Fridays term-time only.

Children from overseas

Children who hold a full British Citizen passport or children whose passport has been endorsed to show they have the right of abode in the UK are entitled to apply for a place at a maintained school. The passport or visa may be requested for inspection before an offer of a place can be made. The LA will allocate a place in advance for families of UK service personnel and Crown Servants with a confirmed posting to the area, where they are moving to the area outside of the normal admission round.

Applying for places in-year (outside of the normal admissions round)

Parents with children of school age who move into Northumberland and require a school place in-year (outside of the normal admissions round) should contact the Admissions Team if they require advice on schools with places.

Parents who want a place in a Northumberland school will need to complete the LA's in-year school application form and return it to the LA Admissions Team. Parents are allowed to name their preferred schools on the form.

Places cannot be allocated on the basis of intended future changes of address unless house moves have been confirmed, for example through the exchange of contracts or the signing of a formal lease agreement. Documentary evidence to support the new address will be required.

In Northumberland, the local authority manage the in-year admissions for the majority of schools, however some academies allocate their own in-year admissions directly. Where this is the case, the LA will forward the application to the school and the school will inform the parent if they are able to offer a place. If no place is available at a preferred school, the LA will make Northumberland residents an offer of an alternative school.

Attendance at school following the offer of a school place

For admission to a school's normal point of entry, the child is expected to attend the allocated school within 10 school days of the start of the term (except where deferred entry to Reception has been agreed, in which case the child is expected to attend from the start of the term).

For in-year admissions, the child is expected to take up the offer and attend the allocated school within 10 school days of being made an offer, or the offer will be withdrawn.

Coordination timetable for admission to Reception in September 2025

DATE	EVENT
1 November 2024	Application process opens online for 2025/26
Midnight 15 January 2025	Closing date for all application forms to be received by the LA
14 February 2025	Last date for any late applications to be submitted and considered as Exceptions
5 February 2025	Applications for own admission authority schools and academies in Northumberland will be forwarded to those admission authorities and applications stating preferences for schools in other LAs will be forwarded to those LAs
2 March 2025	Academies, foundation and voluntary aided schools to provide the LA with their ranked lists of applicants, including details of how the oversubscription criteria were applied
8 March 2025	The LA will inform other LAs of any offers of Northumberland schools to be made to applicants resident in their areas
22 March 2025	The LA will inform Northumberland schools of children to be offered places at their schools
16 April 2025	National offer day for places.
1 May 2025	Date for parents to refuse the offer
8 May 2025	Reallocate spaces that have become available since offer day (on-time applicants only - waiting list process) in criteria order.
29 May 2025 onwards	Places are allocated as and when they become available in priority order.
June/July	Appeals are heard

Coordination timetable for admission to middle, secondary and high schools in September 2024

DATE	EVENT
12 September 2024	Application process opens online for 2025/26
Midnight 31 October 2024	Closing date for all applications to be received by the LA
22 November 2024	Last date for any late applications to be submitted and be considered as exceptions
23 November 2024	Applications for own admission authority schools and academies in Northumberland will be forwarded to those admission authorities and applications stating preferences for schools in other LAs will be forwarded to those LAs
11 January 2025	Academies, foundation and voluntary aided schools to provide the LA with their ranked lists of applicants, including details of how the oversubscription criteria were applied
25 January 2025	The LA will inform other LAs of any offers of Northumberland schools to be made to applicants resident in their areas.
28 February 2025	The LA will inform Northumberland schools of children to be offered places at their schools
1 March 2025	National Offers Day
16 March 2025	Date for parents to refuse offers of a place
20 March 2025	Reallocate spaces that have become available since offer day (on-time applicants only – first waiting list process).
18 April 2025 onwards	Places are allocated as and when they become available in priority order
May – July	Appeals are heard

All schools and academies to which this scheme applies:

1. All Northumberland County Council community and voluntary controlled schools

2. VA Middle Schools

N/A

3. Trusts

Ashington Learning Partnership Trust

Bothal Primary School

Central Primary School

4. Academies and Free Schools (first/primary)

Abbeyfields First School, The 3 Rivers Learning Trust

Bede Academy (South site), Emmanuel Schools Foundation

Belsay Primary School, Pele Trust

Bishop's Primary School (NCEA)

Blyth Malvins Close Academy, Wise Academies

Blyth Morpeth Road Academy, Wise Academies

Blyth Croftway Academy, Wise Academies

Broomley First School, Tyne Community Learning Trust

Cramlington Village Primary School

Darras Hall Primary School, Pele Trust

Haltwhistle Primary Academy, Wise Academies

Harbottle Church of England First School, The 3 Rivers Learning Trust

Heddon on the Wall St Andrew's C of E Primary School, Pele Trust

Meadowdale Academy (primary from September 2020)

Mickley First School, Tyne Community Learning Trust

Morpeth Stobhillgate First School, The 3 Rivers Learning Trust

Ovingham CE First School, Tyne Community Learning Trust

Pax Christi Catholic Partnership, Ss Peter and Paul's Catholic Academy (Cramlington)

Ponteland Primary School, Pele Trust

Ponteland Community Primary School (previously Ponteland Middle), associate of Tyne Coast Academy Trust

Prudhoe Adderlane Academy, Tyne Community Learning Trust

Prudhoe Castle First School, Tyne Community Learning Trust

Prudhoe West Academy, Wise Academies

Richard Coates C of E Primary School, Pele Trust

Shaftoe Trust Primary School, Wise Academies

St Bede's Roman Catholic Primary School

St Mary's Roman Catholic First School

St Matthew's Roman Catholic Primary Academy, St Thomas More Partnership of Schools

St Wilfrid's Roman Catholic Primary School

Thropton Village First School, The 3 Rivers Learning Trust,

Warkworth Church of England Primary School

Whitfield Church of England Primary School, The Good Shepherd Multi-Academy Trust

Whittonstall First School, Tyne Community Learning Trust

Wylam First School, Tyne Community Learning Trust

Academies (Middle)

Dr Thomlinson Church of England Middle School, The 3 Rivers Learning Trust

Morpeth Chantry Middle School, The 3 Rivers Learning Trust

Morpeth Newminster Middle School, The 3 Rivers Learning Trust
Hexham Middle School, Hadrian Learning Trust
Highfield Middle School, Tyne Community Learning Trust
Ovingham Middle School, Tyne Community Learning Trust
St Joseph's Roman Catholic Middle School

Academies (secondary/high)

Ashington Academy, The North East Learning Trust
Bede Academy (North Site), Emmanuel Schools Foundation
Bedlington Academy, The North East Learning Trust
Berwick Academy
Cramlington Learning Village
NCEA Duke's Secondary School
Ponteland High School, Pele Trust
Prudhoe High School, Tyne Community Learning Trust
Queen Elizabeth High School, Hadrian Learning Trust
St Benet Biscop Catholic Academy, Pax Christi Catholic Partnership
The Blyth Academy, Northern Education Trust
The King Edward VI School, The 3 Rivers Learning Trust

5. VA and Foundation Schools

Bedlington Whitley Memorial Church of England Primary School
Bellingham Primary School
Bellingham Middle School and Sports College
Haydon Bridge High School
Broomhaugh Church of England First School
Chollerton Church of England First School
Corbridge St Helen's Church of England First School
Holy Island Church of England First School
Holy Trinity Church of England First School
Hugh Joicey Church of England First School
Humshaugh Church of England First School
Longhorsley Church of England First School
Morpeth All Saints Church of England First School
St Cuthbert's Roman Catholic First School (Berwick)
St Robert's Roman Catholic First School
Tritlington Church of England First School
Wark Church of England First School
Whitley Chapel Church of England First School
Ellingham Church of England Primary School
Embleton Vincent Edwards' Church of England Primary School
Greenhead Church of England Primary School
Henshaw Church of England Primary School
Newbrough Church of England Primary School
Richard Coates Church of England School
St Aidan's Roman Catholic Primary School
St Cuthbert's Roman Catholic First School
St Michael's Church of England Primary School
St Paul's Roman Catholic Primary School (Alnwick)
Whalton Church of England Primary School

Northumberland County Council Admission Arrangements for Community and Voluntary Controlled Schools - 2025-26

Admission to First and Primary Schools (Reception)

Introduction

These are part of the admission arrangements for community and voluntary controlled first and primary schools.

NB If you are applying for a school that manages their own admissions e.g academies, please review their admissions policy/arrangements via the school website.

Co-ordinated Admission Arrangements

In line with current legislation, the Local Authority has drawn up a co-ordinated admissions scheme to coordinate admissions to maintained schools and Academies within Northumberland and neighbouring authorities for the main admissions round.

Published Admission Numbers

The admission number the Local Authority will publish for each community and voluntary controlled school is shown below.

Consultation on Proposed Reductions to Planned Admission Numbers of Community and Voluntary Schools

The Council's strategy for managing Surplus Places is outlined in the School Organisation Plan 2021-2024. As a largely rural county, it is important to the Council that pupils in Northumberland can attend a school within a reasonable distance of home. Therefore, there is an acceptance that there is likely to be a higher level of surplus school places in our county than in more urban local authorities. However, while providing parents with an element of choice in relation to the schools they choose for their children is welcomed, if the level of surplus places becomes too high it can have a negative impact on schools and pupils, including:

- Competition among schools for pupils, including popularity contests;
- Longer daily journeys for pupils who do not attend their local school;
- Small schools, especially small rural schools, becoming destabilised by fluctuating pupil numbers and in some cases becoming unviable.

As part of the strategy to reduce the negative impact of excessive surplus places outlined above, the Council has a programme to be implemented over time to reduce the Planned Admission Number (PAN) of pupils into some of our community and voluntary controlled schools. This programme began last year, with the first of these schools reducing their PAN for their intakes in September 2024. As part of this consultation, we are proposing the reduction of the PANs of the following schools for intakes in September 2025 to better match the number of pupils living in these communities and to assist with providing a balanced number of places across the local area:

- Seahouses Primary School;

Current PAN – 21,

Proposed PAN for Reception class September 2025 – 15

- Longhoughton CE Primary School;

Current PAN – 30,

Proposed PAN - for Reception class September 2025 - 15

- It should also be noted that in July 2023, Cabinet approval was given for the reduction of the PANs at Spittal Community First School, Scremerston First School and Berwick St Mary's CE First School with effect from September 2025 when they become primary schools as part of the wider Berwick Partnership reorganisation to a primary/secondary structure. The new PANs for September 2025 are set out in the table below.

School Name	Published Admission Number (PAN)
Acomb First School	15
Allendale Primary School	24
Amble First School	30
Amble Links First	30
Beaconhill Community Primary School	30
Beaufront First School	15
Bedlington Station Primary School	30
Bedlington Stead Lane Primary School	30
Bedlington West End First School	30
Belford Primary School	30
Berwick St. Mary's C.E. First School	30
Branton Community Primary School	6
Broomhill First School	15
Burnside Primary School	60
Cambo First School	8
Cambois Primary School	15
Choppington Primary School	15
Cragside C of E Primary School	60
Cramlington Eastlea Primary School	30
Ellington Primary School	30
Felton C of E Primary School	15
Grange View CE First School	30
Greenhaugh County Primary School (as will be)	8
Guidepost Ringway Primary School	30
Hareside Primary School	60
Hexham First School	30
Hipsburn Primary School	15
Holywell First School	30
Horton Grange Primary School	90
Kielder Community Primary School (as will be)	8
Linton Primary School	8
Longhoughton C of E Primary School	15 (previously 30)
Lowick C of E VC First School	10
Morpeth First School	60
Mowbray Primary School	30
New Delaval County Primary School	45
New Hartley First School	30

Newsham Primary School	60
Norham St Ceolwulf's C of E First School	10
Northburn Primary School	30
Otterburn Primary School	10
Pegswood County Primary School	30
Red Row Community First School	29
Rothbury First School	20
Scremerston First School	10 (previously 18)
Seahouses Primary School	15 (previously 21)
Seaton Delaval First School	30
Seaton Sluice First School	30
Seghill First School	30
Shanklea Primary School	45
Shilbottle Primary School	15
Slaley First School	10
Spittal Community First School	30 (previously 40)
Stakeford Primary School	30
Stamfordham Primary School	15
Stannington First School	20
Berwick St Mary's C of E Primary	15 (previously 30)
Swansfield Park Primary School	45
Swarland Primary School	17
The Sele First School, Hexham	84
Tweedmouth Prior Park First School	30
Tweedmouth West First School	30
Whittingham Primary School	15
Wooler First School	27

The Local Authority Admissions Policy for 2025-2026

This admissions policy will be used to allocate places at those schools which are oversubscribed. It is attached below for entry to a Reception class.

Admission Policy – first and primary schools

This policy applies only to Local Authority maintained schools and Voluntary Controlled Schools.

The County Council is obliged to admit all applicants to a particular school provided these do not exceed the school's Published Admission Number (PAN).

Children with an Education Health and Care Plan where the school is named in the statement will be admitted.

Oversubscription Criteria

Where there are more applications than places available the following oversubscription criteria will be applied, strictly in order of priority:

1. Looked After Children (as defined by Section 22 of the Children Act 1989) including a child who was previously "looked after" but immediately after being "looked after" became subject to an adoption, residence, or special guardianship order. Children who appear to have been in state care outside of England and ceased to be in state care as a result of being adopted.

2. Children living within the catchment area of the school and those on whose behalf firm evidence is presented that they will be living in the catchment area by the appropriate admission date.

The following link provides information re: catchments relevant to the 2025/26 academic year:
[Digital catchment maps](#)

3. Children with an exceptional social or medical reason that means that they can only attend that specific school (for example, where the child or one or both parents has a disability that means that the child can only go to one school).

Strong supporting evidence must be provided from a professional body involved with the family or the child. The professional must be independent of both the family and the school. The evidence must relate specifically to the school for which the application is being made and must demonstrate clearly why it is the only school that can meet the child's needs. No assumptions should be made that the submission of the relevant evidence will, in itself be sufficient to allocate a place.

NOTE: You will not be allocated a place under this criterion if you omit to send to School Admissions Team a written statement from a professional third party by 16 January 2024.

4. Children resident in the greater catchment area of the school partnership who have a sibling* already in the school who is expected to be on roll at the school at the time of admission. Evidence must be presented to confirm that the child will be living in the greater catchment area by the appropriate admission date.
5. Children resident in the greater catchment area of the school partnership. Evidence must be presented to confirm that the child will be living in the greater catchment area by the appropriate admission date

NOTE: The greater catchment area for a school is the catchment area of the high or secondary school i.e all school in a partnership that feed into a particular high or secondary school. The Local Authority cannot determine catchment areas for Voluntary Aided and Foundation schools or Academies, however for the purpose of this criteria, the Council has determined a greater catchment for Community and Voluntary Controlled schools. Parents can find details of this using the digital catchment maps link above.

6. Children who have a sibling* who already attends the school and who is expected to be on roll at the school at the time of admission.

* For the purpose of admissions siblings are deemed to be brothers and sisters, stepsiblings, foster siblings, adopted siblings and other children who reside permanently in the household and are treated as siblings.

7. Other children

Tie Breaker

Should it prove necessary, because places are limited, to distinguish between children in any given category priority will be given to those who live nearest to the school, measured in a direct line ('as the crow flies') using the LA's computerised measuring system (GIS). Where two or more distances are found to be equal a system of random allocation will apply, independently administered.

Applicants refused admission are entitled to an appeal which is determined by an independent panel.

Parents may be asked to provide evidence of residency if the requested school is oversubscribed.

Applications on behalf of children who are resident in other Local Authority areas will be considered in the same way as applications from Northumberland residents.

Children with disabilities will be treated no less favourably than other applicants for admission. Schools are under a duty to make reasonable adjustments to ensure that children with disabilities are not placed at a substantial disadvantage, and no child will be refused a place on the grounds of disability. A pupil has a disability if he or she has a physical or mental impairment that has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities.

Those parents whose application to a school has been unsuccessful will be notified of their right of appeal to an Independent Appeal Panel. The School Standards and Framework Act 1998, gives this right to all parents whose application for a school has been unsuccessful. The decision of an Appeal Panel is binding on both the Admission Authority and the school. The School Admission Appeals Code can be found on the DfE website at: www.gov.uk/dfes.

Definitions used under the policy

'Parents' include all those people who have a parental responsibility* for a child as set out in the Children's Act 1989. Where responsibility for a child is 'shared', the person deemed to be the person responsible for completing the application is the person receiving Child Benefit and whose address will be used for admission purposes.

*Parental Responsibility, unless otherwise determined by a court order:

- Mothers automatically have parental responsibility.
- Fathers also have parental responsibility if the father is married to the mother at the time of the child's birth. This continues after any divorce/separation/remarriage even if the child lives apart from them.
- An unmarried father can obtain Parental Responsibility by:
 - marrying the mother
 - having his name registered or re-registered on the birth certificate if his name is not already registered**
 - entering into a Parental Responsibility Agreement with the mother
 - obtaining a Parental Responsibility Order from the court
 - having obtained a Residence Order prior to 22.4.2014
 - by being named as the resident parent under a Child Arrangements Order
 - becoming the child's guardian on the mother's death

**The law has changed so that unmarried fathers who registered or re-registered their name on their child's birth certificate *after* 1st December 2003 will have Parental Responsibility for their child.

Therefore:

- If an unmarried father has a child after 1st December 2003 and he is registered on the birth certificate he WILL have Parental Responsibility.
- If a child's birth was registered before 1st December 2003 and the father was not named on the birth certificate, the birth can be re-registered to include the father's name. Once this has been done, the father WILL have Parental Responsibility.*
- If an unmarried father's name is already on the birth certificate and the child was registered before 1st December 2003, the law has not changed this situation so the father WILL NOT have Parental Responsibility. (Unless obtained by other means).

Same-sex parents

Civil partners

Same-sex partners will both have parental responsibility if they were civil partners at the time of the treatment, eg donor insemination or fertility treatment.

Non-civil partners

For same-sex partners who are not civil partners, the 2nd parent can get parental responsibility by either:

- [applying for parental responsibility](#) if a parental agreement was made
- becoming a civil partner of the other parent and making a parental responsibility agreement or jointly registering the birth

Address to be Used in Determining Priority for Admission

The address of the parent or carer with whom the child is normally resident, Mondays to Fridays term time, will be used in the allocation process.

In some cases, for example where shared parental living arrangements are in place, a child's address may be difficult to determine. In these circumstances the Local Authority will firstly ask both parents which address they would like to use for admissions purposes. If further information is required, the address used for child benefit purposes or the address on the NHS medical card can be used.

Fraudulent Applications and Withdrawal of a School Place

The Local Authority will not withdraw the offer of a place unless it has been established that the offer was obtained through a fraudulent or intentionally misleading application. Where an offer is withdrawn on the basis of fraudulent or misleading information, the application will be considered on the basis of correct information, and parents or carers will have the right of appeal where no place can be offered.

The local authority may seek to withdraw the offer of a school places if it is established that a fraudulent application was submitted.

Where parents or carers are found to have made a fraudulent application for a school place and the admission authority decides not to withdraw that place in the best interests of the child, should a school place be sought for any other sibling, or siblings, the sibling criterion will not be considered.

If a place is withdrawn it will be offered to those with a greater right to the place as of National Offers Day, ranked according to the school's oversubscription criteria.

Parental disagreement

The management of school applications may be severely delayed during the main admissions round where separated parents* of the child each submit an application for different schools or one parent does not agree with the application made by the other parent. The School Admissions Code states that only one offer of a school place per child can be made by the Local Authority. In this situation the Local Authority asks that parents and/or carers resolve matters between themselves before informing the Local Authority in writing of which application should be processed/their agreement to an application. In case of dispute between parents, where more than one parent has parental responsibility and they do not agree to an application being made to a particular school, a temporary school place will be offered until any dispute is resolved by both parents as a personal matter and this will be based on the address of the parent or carer with whom the child is normally resident, Mondays to Fridays term-time.

Late Applications

Normally applications submitted after the relevant published date will not be considered until after allocations for those parents who applied on time have been made unless in exceptional circumstances. If the LA considers your reasons are exceptional your application will be considered along with those received on time. Examples of what may be considered as exceptional circumstances are a family who have just moved into the area (proof of ownership or tenancy agreement will be required). Any evidence submitted after the relevant date to support a late application or change of preference will not be considered. Affected applicants will not receive an offer with other parents on National Offers Day, instead receiving one on 're-allocation day'.

Waiting Lists

Once places have been allocated, children refused a place will continue to be considered for any vacancies which become available. Vacancies will always be allocated by applying the admissions policy and oversubscription criteria of the school; length of time on the waiting list will not be considered. Each added child will require the list to be ranked again in line with the published oversubscription criteria. The LA will hold all waiting lists for Community and Voluntary Controlled Schools and where requested for VA, Trust and Academies. Waiting lists for the normal year of entry will be kept open until 31 December 2025.

Twins and Siblings of Multiple Births

Where places are available for some but not all children from multiple births (including twins) the Local Authority will exercise discretion offered by the School Admissions Code to offer all the children a place, even if this breaches the published admission number for the year group.

Catchment Areas

Catchment areas are a tool used to apply the over subscription criteria when a school has more applications than places. Catchment areas have no separate legal identity outside of the application of the admissions policy. Details of catchment areas are available on request or by following the links on the County Council's webpage to the interactive mapping system (see above)

Distance Measures

Distance measures will be undertaken using the Local Authority's computerised Geographical Information System (GIS). This measures a straight-line measure from the front door of the home to the main gate of the school. Distance checking is an integral function within the school admissions software ensuring consistency in measurement. Where two or more distances are found to be equal a system of random allocation will apply, independently administered.

Admission of Children below Compulsory School Age and Deferred Entry

Children are entitled to start school full time the September following their fourth birthday. This is when most children start school. However a parent does not have to send their child to school until they reach compulsory school age. A child will reach compulsory school age on the prescribed day following their fifth birthday (or on their fifth birthday if it falls on a prescribed day). The prescribed days are 31 December, 31 March and 31 August. Children must receive full time education from this point. For children under compulsory school age, once a school place has been offered and accepted, parents may decide that they would like their child to attend school part-time until later in the school year, or start full time, later in the school year, but not later than the start of the summer term. If you would like your child to attend school part time or start school later in the school year, you must contact the local authority and school following receipt of your offer letter.

Admission of Children outside their Normal Age Group

A request may be made for a child to be admitted outside of their normal age group, for example, if the child is gifted and talented or has experienced problems such as ill health.

Any such request should be discussed with the head teacher of the school and made in writing to the local authority. The local authority will make its decision about the request based on the circumstances of each case and in the best interests of the child. In addition to taking into account the views of the head teacher who has statutory responsibility for the internal organisation, management and control of the school, the local authority will take into account the views of the parents and of appropriate medical and education professionals.

Summer Born Children

The parents of a summer born child, i.e. a child born between 1 April and 31 August can also choose to defer entry as above but they can also request that the child be admitted out of their normal age group, to the reception class in the September following their fifth birthday and that the child will remain in this cohort as they progress through school.

Parents who want to make this request should make an application for their child's normal age group at the usual time. The application to the local authority should include this request. The local authority will liaise with the school and the relevant admission authority will make its decision about the request based on the circumstances of each case and in the best interests of the child. In addition to taking into account the views of the head teacher, who has statutory responsibility for the internal organisation, management and control of the school, the relevant admission authority will take into account the views of the parents and of appropriate medical and education professionals.

Parents will be informed of the outcome of the request before primary national offer day.

If the request is agreed, the application for the normal age group may be withdrawn before a place is offered. If the request is refused, the parent must decide whether to accept the offer of a place for the normal age group, or to refuse it and make an in year application for admission to year one for the September following the child's fifth birthday.

Where a parent's request is agreed, they must make a new application as part of the main admissions round the following year.

One admission authority cannot be required to honour a decision made by another admission authority on admission out of the normal age group. Parents, therefore, should consider whether to request admission out of the normal year group at all their preference schools, rather than just their first preference schools. If a child who has not reached compulsory school age has been allocated a Reception place and their parent or carer wishes to delay their child's entry to school, the place will be held open. The place must be taken up in the term in which the child reaches compulsory school age.

Admission to Nursery Schools and Infant/Primary Schools Offering Nursery Education

These arrangements do not apply to the admission of nursery children. Nursery admission arrangements are determined separately. **Attendance at a school's nursery does not guarantee admission to the school's Reception group nor is it a factor in allocating places in most cases.**

All parents must apply for a place in a Reception class.

The Admissions Timetable

The timetable for the September 2024 application and allocation processes will be in line with the co-ordinated admissions schemes in accordance with the timetable detailed below.

Admissions timetable

1 November 2024:	E-admissions portal opens.
1 November 2024:	Common application forms together with admissions information and school prospectuses are made available for parents.
15 January 2025:	Closing date for applications: E-admission portal closes.
16 April 2025:	Parents notified of the outcome of their applications for school places
2 May 2025:	Last date for refusals by parents

Publication of the Local Authority's Information for Parents (2025/26) Handbook

The Information for Parents publication for September 2025 entry will be available from the beginning of September 2024.

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Northumberland County Council Admission Arrangements for Community and Voluntary Controlled Schools - 2025/26

Admission to Middle, High, Secondary schools (years 5, 7 and 9) and sixth forms (year 12 entry)

Introduction

These are the admission arrangements for community and voluntary controlled middle, high, secondary schools and sixth forms.

Co-ordinated Admission Arrangements

In line with current legislation, the Local Authority has drawn up a separate co-ordinated admissions scheme to coordinate admissions to maintained schools and Academies within Northumberland and neighbouring authorities for the main admissions round.

Published Admission Numbers

The admission number the Local Authority will publish for each community and voluntary controlled school is shown below

School Name	Published Admission Number (PAN) (main school)	Published Admission Number (admission to sixth form – external (new) students only)
Astley Community High School	150	10
Corbridge Middle School	90	N/A
James Calvert Spence College	120	10
Seaton Sluice Middle School	85	N/A
Whytrig Middle School	90	N/A

The Local Authority Admissions Policy for 2025-26

This admissions policy will be used to allocate places at those Local Authority schools which are oversubscribed. It is attached below for entry to Year 5, Year 7, Year 9 and Year 12.

Admission Policy for Community and Voluntary Controlled Schools – middle, high, secondary schools and sixth forms

This policy applies only to Local Authority maintained schools and voluntary controlled schools.

NB If you are applying for a school that manages their own admissions e.g academies, please review their admissions policy/arrangements via the school website.

The County Council is obliged to admit all applicants to a particular school provided these do not exceed the school's Published Admission Number (PAN).

Children with Education Health and Care Plans where the school is named in the statement will be admitted.

Oversubscription Criteria

Where there are more applications than places available the following oversubscription criteria will be applied, strictly in order of priority:

- 1 Looked After Children (as defined by Section 22 of the Children Act 1989) including a child who was previously "looked after" but immediately after being "looked after" became subject to an adoption, residence, or special guardianship order. Children who appear to have been in state care outside of England and ceased to be in state care as a result of being adopted.
- 2 Children living within the catchment area of the school and those on whose behalf firm evidence is presented that they will be living in the catchment area by the appropriate admission date.

The following link provides information re: catchments relevant to the 2025/26 academic year:
[Digital catchment maps](#)

- 3 Children with an exceptional social or medical reason that means that they can only attend that specific school (for example, where the child or one or both parents has a disability that means that the child can only go to one school).

Strong supporting evidence must be provided from a professional body involved with the family or the child. The professional must be independent of both the family and the school.

The evidence must relate specifically to the school for which the application is being made and must demonstrate clearly why it is the only school that can meet the child's needs. No assumptions should be made that the submission of the relevant evidence will, in itself be sufficient to allocate a place.

Note: You will not be allocated a place under this criterion if you omit to send to the School Admissions Team a written statement from a professional third party by 31 October 2024.

- 4 Children resident in the greater catchment area of the school partnership who have a sibling* already in the school who is expected to be on roll at the school at the time of admission. Evidence must be presented to confirm that the child will be living in the greater catchment area by the appropriate admission date.
- 5 Children resident in the greater catchment area of the school partnership. Evidence must be presented to confirm that the child will be living in the greater catchment area by the appropriate admission date.

NOTE: The greater catchment area for a school is the catchment area of the high or secondary school i.e all school in a partnership that feed into a particular high or secondary school. The Local Authority cannot determine catchment areas for Voluntary Aided and Foundation schools or Academies, however for the purpose of this criteria, the Council has determined a greater catchment for Community and Voluntary Controlled schools. Parents can find details of this using the digital catchment maps link above.

Criteria 4 and 5 are only relevant to Middle Schools.

- 6 Children who have a sibling* who already attends the school, including sixth form, and who is expected to be on roll at the school at the time of admission.

*For the purpose of admissions siblings are deemed to be brothers and sisters, stepsiblings, foster siblings, adopted siblings and other children who reside permanently in the household and are treated as siblings.

- 7 Requests on behalf of children which are based on the need to maintain continuity of educational provision within the feeder pattern of Northumberland's schools.

NOTE: Please see feeder schools below.

	Feeder Schools
Astley Community High School	New Hartley, Seaton Sluice, Seghill, Holywell Village, Seaton Delaval First Schools Seaton Sluice, Whytrig Community Middle Schools
Berwick Middle School	Holy Trinity CE, St Cuthbert's RC VA (part), Berwick St Mary's, Hugh Joicey CE. Holy Island CE, Lowick, Norham St Ceolwulfs CE, Scremerston First Schools
Corbridge Middle School	Broomhaugh CE, Corbridge CE, Slaley, Whittonstall First Schools
Glendale Middle School	Wooler First School
James Calvert Spence College	Amble, Amble Links, Broomhill, Red Row, Grange View First Schools NCEA Warkworth CE Primary
Seaton Sluice Middle School	New Hartley, Seaton Sluice, Seghill First Schools
Tweedmouth Community Middle School	Spittal, Tweedmouth Prior Park, Tweedmouth West, St Cuthbert's First Schools
Whytrig Middle School	Holywell Village, Seaton Delaval First Schools

Important: This criterion does not apply to those children who have entered a school in the final year before transfer.

- 8 Other children

Tie Breaker

Should it prove necessary, because places are limited, to distinguish between children in any given category priority will be given to those who live nearest to the school, measured in a direct line ('as the crow flies') using the LA's computerised measuring system (GIS). Where two or more distances are found to be equal a system of random allocation will apply, independently administered.

Applicants refused admission are entitled to an appeal which is determined by an independent panel.

Applications for Year 12

All Northumberland schools offer sixth form of study for students. The majority of the sixth form students transfer from Year 11, but places are available for external students. The entry requirements for sixth forms are largely dependent on the course of study that a student wishes to access. They are the same for internal and external students. Details of specific entry requirements and courses available may be obtained from the school. The availability of courses is dependent upon the number of applicants and the financial sustainability of the course and the Governing Body of the school determines this.

Students who have attended the school in the previous academic year (during Year 11) and who satisfy the school's entry requirements* will be automatically allocated.

All other students will be allocated in accordance with the oversubscription below:

a) Looked After Children (as defined by Section 22 of the Children Act 1989) including a child who was previously "looked after" but immediately after being "looked after" became subject to an adoption, residence, or special guardianship order. Children who appear to have been in state care outside of England and ceased to be in state care as a result of being adopted.

b) All other students.

Tie Breaker

Should it prove necessary, because places are limited, to distinguish between children in any given category priority will be given to those who live nearest to the school, measured in a direct line ('as the crow flies') using the LA's computerised measuring system (GIS). Where two or more distances are found to be equal a system of random allocation will apply, independently administered.

Applicants refused admission to a sixth form are entitled to an appeal which is determined by an independent panel.

*Details of the entry requirements are available from the individual Sixth Forms.

GENERAL

Parents may be asked to provide evidence of residency if the requested school is oversubscribed.

Applications on behalf of children who are resident in other Local Authority areas will be considered in the same way as applications from Northumberland residents.

Children with disabilities will be treated no less favourably than other applicants for admission. Schools are under a duty to make reasonable adjustments to ensure that children with disabilities are not placed at a substantial disadvantage, and no child will be refused a place on the grounds of disability. A pupil has a disability if he or she has a physical or mental impairment that has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities.

Those parents whose application to a school has been unsuccessful will be notified of their right of appeal to an Independent Appeal Panel. The School Standards and Framework Act 1998, gives this right to all parents whose application for a school has been unsuccessful. The decision of an Appeal Panel is binding on both the Admission Authority and the school. The School Admission Appeals Code can be found on the DfE website at: www.gov.uk/dfe.

Definitions used under the policy

'Parents' include all those people who have a parental responsibility* for a child as set out in the Children's Act 1989. Where responsibility for a child is 'shared', the person deemed to be the person responsible for completing the application is the person receiving Child Benefit and whose address will be used for admission purposes.

*Parental Responsibility, unless otherwise determined by a court order:

- Mothers automatically have parental responsibility.

- Fathers also have parental responsibility if the father is married to the mother at the time of the child's birth. This continues after any divorce/separation/remarriage even if the child lives apart from them.
- An unmarried father can obtain Parental Responsibility by:
 - marrying the mother
 - having his name registered or re-registered on the birth certificate if his name is not already registered**
 - entering into a Parental Responsibility Agreement with the mother
 - obtaining a Parental Responsibility Order from the court
 - having obtained a Residence Order prior to 22.4.2014
 - by being named as the resident parent under a Child Arrangements Order
 - becoming the child's guardian on the mother's death

**The law has changed so that unmarried fathers who registered or re-registered their name on their child's birth certificate *after* 1st December 2003 will have Parental Responsibility for their child.

Therefore:

- If an unmarried father has a child after 1st December 2003 and he is registered on the birth certificate he WILL have Parental Responsibility.
- If a child's birth was registered before 1st December 2003 and the father was not named on the birth certificate, the birth can be re-registered to include the father's name. Once this has been done, the father WILL have Parental Responsibility.*
- If an unmarried father's name is already on the birth certificate and the child was registered before 1st December 2003, the law has not changed this situation so the father WILL NOT have Parental Responsibility. (Unless obtained by other means).

Same-sex parents

Civil partners

Same-sex partners will both have parental responsibility if they were civil partners at the time of the treatment, eg donor insemination or fertility treatment.

Non-civil partners

For same-sex partners who are not civil partners, the 2nd parent can get parental responsibility by either:

- [applying for parental responsibility](#) if a parental agreement was made
- becoming a civil partner of the other parent and making a parental responsibility agreement or jointly registering the birth

Details of catchment areas are available on request or by following the links on the County Council's webpage to the interactive mapping system

Address to be Used in Determining Priority for Admission

The address of the parent or carer with whom the child is normally resident, Mondays to Fridays term time, will be used in the allocation process.

In some cases, for example where shared parental living arrangements are in place, a child's address may be difficult to determine. In these circumstances the Local Authority will firstly ask both parents which address they would like to use for admissions purposes. If further information is required, the address used for child benefit purposes or the address on the NHS medical card can be used.

Fraudulent Applications and Withdrawal of a School Place

The local authority will not withdraw the offer of a place unless it has been established that the offer was obtained through a fraudulent, or intentionally misleading application. Where an offer is withdrawn on the basis of fraudulent or misleading information, the application will be considered on the basis of correct information, and parents or carers will have the right of appeal where no place can be offered.

The local authority may seek to withdraw the offer of a school places if it is established that a fraudulent application was submitted.

Where parents or carers are found to have made a fraudulent application for a school place and the admission authority decides not to withdraw that place in the best interests of the child, should a school place be sought for any other sibling, or siblings, the sibling criterion will not be considered.

If a place is withdrawn it will be offered to those with a greater right to the place as of National Offers Day, ranked according to the school's oversubscription criteria.

Parental disagreement

The management of school applications may be severely delayed during the main admissions round where separated parents* of the child each submit a separate application for different schools or one parent does not agree with the application made by the other parent. The School Admissions Code states that only one offer of a school place per child is made by the Local Authority. In this situation the Local Authority asks that parents and/or carers resolve matters between themselves before informing the Local Authority in writing of which application should be processed/their agreement to an application. In case of dispute between parents, where more than one parent has parental responsibility and they do not agree to an application being made to a particular school, a temporary school place will be offered until any dispute is resolved by both parents as a personal matter and this will be based on the address of the parent or carer with whom the child is normally resident, Mondays to Fridays term time.

Late Applications

Normally applications submitted after the relevant published date will not be considered until after allocations for those parents who applied on time have been made unless in exceptional circumstances. If the LA considers your reasons are exceptional your application will be considered along with those received on time. Examples of what may be considered as exceptional circumstances are a family who have just moved into the area (proof of ownership or tenancy agreement will be required). Any evidence submitted after the relevant date to support a late application or change of preference will not be considered. Affected applicants will not receive an offer with other parents on National Offers Day, instead receiving one on 're-allocation day'.

Waiting Lists

Once places have been allocated, children refused a place will continue to be considered for any vacancies which become available. Vacancies will always be allocated by applying the admissions policy and oversubscription criteria of the school; length of time on the waiting list will not be considered. Each added child will require the list to be ranked again in line with the published oversubscription criteria. The LA will hold all waiting lists for Community and Voluntary Controlled Schools and where requested for VA, Trust and Academies. Waiting lists for the normal year of entry will be kept open until 31 December 2025.

Twins and Siblings of Multiple Births

Where places are available for some but not all children from multiple births (including twins) the Local Authority will exercise discretion offered by the School Admissions Code to offer all the children a place, even if this breaches the published admission number for the year group.

Catchment areas are a tool used to apply the over subscription criteria when a school has more applications than places. Catchment areas have no separate legal identity outside of the application of the admissions policy. Details of catchment areas are available on request or by following the links on the County Council’s webpage to the interactive mapping system (see above)

Distance Measures

Distance measures will be undertaken using the Local Authority’s computerised Geographical Information System (GIS). This measures a straight-line measure from the front door of the home to the main gate of the school. Distance checking is an integral function within the school admissions software ensuring consistency in measurement. Where two or more distances are found to be equal a system of random allocation will apply, independently administered.

Admission of Children outside their Normal Age Group

A request may be made for a child to be admitted outside of their normal age group, for example, if the child is gifted and talented or has experienced problems such as ill health.

Any such request should be made in writing to the head teacher of the school and to the local authority. The local authority will make its decision about the request based on the circumstances of each case and in the best interests of the child. In addition to taking into account the views of the head teacher who has statutory responsibility for the internal organisation, management and control of the school, the local authority will take into account the views of the parents and of appropriate medical and education professionals.

The Admissions Timetable

The timetable for the September 2025 application and allocation processes will be in line with the co-ordinated admissions schemes in accordance with the timetable detailed below

Admissions timetable (not sixth forms)

12 September 2024:	E-admissions portal opens.
12 September 2024:	Common application forms together with admissions information and school prospectuses are made available for parents.
31 October 2024:	Closing Date for Applications: E-admission portal closes.
1 March 2025:	Parents notified of the outcome of their applications for school places
15 March 2025:	Last date for refusals by parents.

Publication of the Local Authorities Information for Parents (2025/26) Handbook

The Information for Parents publication for September 2025 entry will be available from the beginning of September 2024.

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Consultation responses

Dear Sirs

I wish to object to Longhoughton Primary having their admissions reduced to 15 from 30 from 2025.

Whilst current data may demonstrate this being adequate, being a predominantly military community, the population in Longhoughton is transient.

As a military spouse myself, I can attest to the difficulties I have faced in gaining accessible schools for my children upon arrival at a new posting. Thankfully Longhoughton had space, hence my child can attend the most local school.

Given the challenges military families already face when moving areas (which happens frequently), it would be tragic for those families to be faced with additional travel to transport their children out of the local community on which they rely on becoming a part of.

Reducing the allocation in my opinion would contravene the Local Education Authority's obligations under the Armed Forces Covenant.

Please reconsider this decision and maintain the intake at 30 to protect the future demographics of the village.

Parent

Dear sir/madam,

I am writing to express my disappointment at the proposal to reduce the reception school numbers for Longhoughton primary school from 2025 onwards.

Longhoughton primary serves the military community at RAF Boulmer, one which is essential to the security of the country. If there are stringent limits on the number of children allowed into reception class, military personnel will be put off from coming to the area. This will not only affect the output of RAF Boulmer, but the reduction in people wishing to be here will also have a negative impact on economy of the village and surrounding communities.

My family moved here last year when my eldest had just begun reception class. His year is the largest in the school with approximately 16 children. If these rules had been in place in 2022, my child would not have been allowed to join Longhoughton school. Not going to the local school would have been detrimental to the warm community feeling which longhoughton village is exemplary at showing, as making local connections would have been much harder.

Furthermore, Tracy Critchlow, as the headteacher, has helped foster a wonderful environment for children, and is very proactive at recognising Special Educational Needs. If my eldest had not

been able to join a school with a close community feel to it, I genuinely believe he would have been lost in the background of a larger school.

While I understand that Longhoughton school is a smaller school, I urge you to reconsider the drastic reduction in reception admissions you are proposing, for the reasons which I have stated above.

Thank you for your time, and Merry Christmas.

Kind regards,

Parent



Northumberland County Council

Equality Impact Assessment Template

To be completed for all key changes, decisions and proposals. Cite specific data and consultation evidence wherever possible. Further guidance is available at:

<http://www.northumberland.gov.uk/About/Equality.aspx?nccredirect=1>

Duties which need to be considered:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

PART 1 – Overview of the change, decision or proposal

1. Title of the change, decision or proposal:

The Council has consulted on proposals for Admission Arrangements for 2025/26

2. Date of equality impact assessment:

January 2024

3. Brief description of the change, decision or proposal:

- 1) The majority of the arrangements remain unchanged from the 2024/25 arrangements.
- 2) There are proposed changes to the Published Admission Numbers at Seahouses Primary and Longhoughton Primary

4. Name(s) and role(s) of officer(s) completing the assessment:

Jill Atkinson, School Admissions and Inclusion Manager
Audrey Kingham, Executive Director of Children's Service's

5. Overall, what are the outcomes of the change, decision or proposal expected to be? (E.g. will it reduce/terminate a low-priority service, maintain service outcomes at reduced cost, or change the balance of funding responsibility for a service which will remain the same?)

Annual determination of the admission arrangements by Cabinet is in accordance with the requirements of the School Admissions Code 2021.

6. If you judge that this proposal is **not** relevant to some protected characteristics, tick these below (and explain underneath how you have reached this judgement).

Disability Sex Age Race Religion Sexual orientation

People who have changed gender Women who are pregnant or have babies

Employees who are married/in civil partnerships

After considering employees and service users, the characteristics checked above are not relevant because:

There is no evidence or reason to believe that the proposals would affect more positively or negatively people with the above protected characteristics than those without the above protected characteristics.

PART 2 – Relevance to different Protected Characteristics

Answer these questions both in relation to people who use services and employees

Disability

Note: “disabled people” includes people with physical, learning and sensory disabilities, people with a long-term illness, and people with mental health problems. You should consider potential impacts on all of these groups.

Please answer these questions with reference to our employees and people who use our services

7. What do you know about usage of the services affected by this change, decision or proposal by disabled people, about disabled people’s experiences of it, and about any current barriers to access?

The introduction of the proposals would have no impact on any current arrangements for disabled people.

8. Could disabled people be disproportionately advantaged or disadvantaged by the change, decision or proposal?

No

9. Could the change, decision or proposal affect the ability of disabled people to participate in public life? (e.g. by affecting their ability to go to meetings, take up public appointments etc.)

No

10. Could the change, decision or proposal affect public attitudes towards disabled people? (e.g. by increasing or reducing their presence in the community)

No

11. Could the change, decision or proposal make it more or less likely that disabled people will be at risk of harassment or victimisation?

The introduction of the proposals would have no impact on disabled people.

12. If there are risks that disabled people could be disproportionately disadvantaged by the change, decision or proposal, are there reasonable steps or adjustments that could be taken to reduce these risks?

The introduction of the proposals would have no impact on disabled people.

13. Are there opportunities to create *positive* impacts for disabled people linked to this change, decision or proposal?

See 7, above.

Sex

Please answer these questions with reference to our employees and people who use our services

14. What do you know about usage of the services affected by this change, decision or proposal by males and females, about their experiences of it, and about any current barriers to access?

The introduction of the proposals would have no impact on any current arrangements for males or females.

15. Could males or females be disproportionately advantaged or disadvantaged by the change, decision or proposal?

No

16. Could the change, decision or proposal affect the ability of males or females to participate in public life? (e.g. by affecting their ability to go to meetings, take up public appointments etc.)

No

17. Could the change, decision or proposal affect public attitudes towards males or females? (e.g. by increasing or reducing their presence in the community)

No

18. Could the change, decision or proposal make it more or less likely that males or females will be at risk of harassment or victimisation?

The introduction of the proposals would have no impact on males or females.

19. If there are risks that males or females could be disproportionately disadvantaged by the change, decision or proposal, are there reasonable steps or adjustments that could be taken to reduce these risks?

The introduction of the proposals would have no impact on males or females.

20. Are there opportunities to create *positive* impacts for males or females linked to this change, decision or proposal?

See 14, above

Age

Please answer these questions with reference to our employees and people who use our services

21. What do you know about usage of the services affected by this change, decision or proposal by people of different age groups, about their experiences of it, and about any current barriers to access?

The introduction of the proposals would have no impact on any current arrangements for people of different age groups.

22. Could people of different age groups be disproportionately advantaged or disadvantaged by the change, decision or proposal?

No

23. Could the change, decision or proposal affect the ability of people of different age groups to participate in public life? (e.g. by affecting their ability to go to meetings, take up public appointments etc.)

No

24. Could the change, decision or proposal affect public attitudes towards people of different age groups? (e.g. by increasing or reducing their presence in the community)

No

25. Could the change, decision or proposal make it more or less likely that people of different age groups will be at risk of harassment or victimisation?

The introduction of the proposals would have no impact on different age groups

26. If there are risks that people of different age groups could be disproportionately disadvantaged by the change, decision or proposal, are there reasonable steps or adjustments that could be taken to reduce these risks?

The introduction of the proposals would have no impact on different age groups

27. Are there opportunities to create *positive* impacts for people of different age groups linked to this change, decision or proposal?

See 21, above

Race

Note: For the purposes of the Act 'race' includes colour, nationality and ethnic or national origins.

Please answer these questions with reference to our employees and people who use our services

28. What do you know about usage of the services affected by this change, decision or proposal by people of different racial groups, about their experiences of it, and about any current barriers to access?

The introduction of the proposals would have no impact on any current arrangements for people of different racial groups.

29. Could people of different racial groups be disproportionately advantaged or disadvantaged by the change, decision or proposal?

No

30. Could the change, decision or proposal affect the ability of people of different racial groups to participate in public life? (e.g. by affecting their ability to go to meetings, take up public appointments etc.)

No

31. Could the change, decision or proposal affect public attitudes towards people of different racial groups? (e.g. by increasing or reducing their presence in the community)

No

32. Could the change, decision or proposal make it more or less likely that people of different racial groups will be at risk of harassment or victimisation?

The introduction of the proposals would have no impact on different racial groups

33. If there are risks that people of different racial groups could be disproportionately disadvantaged by the change, decision or proposal, are there reasonable steps or adjustments that could be taken to reduce these risks?

The introduction of the proposals would have no impact on different racial groups

34. Are there opportunities to create *positive* impacts for people of different racial groups linked to this change, decision or proposal?

See 28, above

Religion or belief

Note: *In the Equality Act, religion includes any religion. It also includes a lack of religion. Belief means any religious or philosophical belief or a lack of such belief.*

Please answer these questions with reference to our employees and people who use our services

35. What do you know about usage of the services affected by this change, decision or proposal by people with different religions or beliefs, about their experiences of it, and about any current barriers to access?

The introduction of the proposals would have no impact on any current arrangements for people with different religions or beliefs.

36. Could people with different religions or beliefs be disproportionately advantaged or disadvantaged by the change, decision or proposal?

No

37. Could the change, decision or proposal affect the ability of people with different religions or beliefs to participate in public life? (e.g. by affecting their ability to go to meetings, take up public appointments etc.)

No

38. Could the change, decision or proposal affect public attitudes towards people with different religions or beliefs? (e.g. by increasing or reducing their presence in the community)

No

39. Could the change, decision or proposal make it more or less likely that people with different religions or beliefs will be at risk of harassment or victimisation?

The introduction of the proposals would have no impact on people with different religions or beliefs

40. If there are risks that people with different religions or beliefs could be disproportionately disadvantaged by the change, decision or proposal, are there reasonable steps or adjustments that could be taken to reduce these risks?

The introduction of the proposals would have no impact on people with different religions or beliefs

41. Are there opportunities to create *positive* impacts for people with different religions or beliefs linked to this change, decision or proposal?

See 35, above

Sexual Orientation

Note: The Act protects bisexual, gay, heterosexual and lesbian people.

Please answer these questions with reference to our employees and people who use our services

42. What do you know about usage of the services affected by this change, decision or proposal by people with different sexual orientations, about their experiences of it, and about any current barriers to access?

The introduction of the proposals would have no impact on any current arrangements for people with different sexual orientations.

43. Could people with different sexual orientations be disproportionately advantaged or disadvantaged by the change, decision or proposal?

No

44. Could the change, decision or proposal affect the ability of people with different sexual orientations to participate in public life? (e.g. by affecting their ability to go to meetings, take up public appointments etc.)

No

45. Could the change, decision or proposal affect public attitudes towards people with different sexual orientations? (e.g. by increasing or reducing their presence in the community)

No

46. Could the change, decision or proposal make it more or less likely that people with different sexual orientations will be at risk of harassment or victimisation?

The introduction of the proposals would have no impact on people with different sexual orientations

47. If there are risks that people with different sexual orientations could be disproportionately disadvantaged by the change, decision or proposal, are there reasonable steps or adjustments that could be taken to reduce these risks?

The introduction of the proposals would have no impact on people with different sexual orientations

48. Are there opportunities to create *positive* impacts for people with different sexual orientations linked to this change, decision or proposal?

See 42, above

Gender Reassignment

Note: The Act provides protection for transgender people. A transgender person is someone who proposes to, starts or has completed a process to change his or her gender.

Please answer these questions with reference to our employees and people who use our services

49. What do you know about usage of the services affected by this change, decision or proposal by transgender people, about their experiences of it, and about any current barriers to access?

The introduction of the proposals would have no impact on any current arrangements for transgender people

50. Could transgender people be disproportionately advantaged or disadvantaged by the change, decision or proposal?

No

51. Could the change, decision or proposal affect the ability of transgender people to participate in public life? (e.g. by affecting their ability to go to meetings, take up public appointments etc.)

No

52. Could the change, decision or proposal affect public attitudes towards transgender people? (e.g. by increasing or reducing their presence in the community)

No

53. Could the change, decision or proposal make it more or less likely that transgender people will be at risk of harassment or victimisation?

The introduction of the proposals would have no impact on transgender people

54. If there are risks that transgender people could be disproportionately disadvantaged by the change, decision or proposal, are there reasonable steps or adjustments that could be taken to reduce these risks?

The introduction of the proposals would have no impact on transgender people

55. Are there opportunities to create *positive* impacts for transgender people linked to this change, decision or proposal?

See 49, above

Pregnancy and Maternity

Note: the law covers pregnant women or those who have given birth within the last 26 weeks, and those who are breast feeding.

Please answer these questions with reference to our employees and people who use our services

56. What do you know about usage of the services affected by this change, decision or proposal by pregnant women and those who have children under 26 weeks, about their experiences of it, and about any current barriers to access?

The introduction of the proposals would have no impact on pregnant women and those who have children under 26 weeks

57. Could pregnant women and those with children under 26 weeks be disproportionately advantaged or disadvantaged by the change, decision or proposal?

No

58. Could the change, decision or proposal affect the ability of pregnant women or those with children under 26 weeks participate in public life? (e.g. by affecting their ability to go to meetings, take up public appointments etc.)

No

59. Could the change, decision or proposal affect public attitudes towards pregnant women or those with children under 26 weeks? (e.g. by increasing or reducing their presence in the community)

No

60. Could the change, decision or proposal make it more or less likely that pregnancy women or those with children under 26 weeks will be at risk of harassment or victimisation?

The introduction of the proposals would have no impact on pregnant women and those who have children under 26 weeks

61. If there are risks that pregnant women or those with children under 26 weeks could be disproportionately disadvantaged by the change, decision or proposal, are there reasonable steps or adjustments that could be taken to reduce these risks?

The introduction of the proposals would have no impact on pregnant women and those who have children under 26 weeks

62. Are there opportunities to create *positive* impacts for pregnant women or those with children under 26 weeks linked to this change, decision or proposal?

See 56, above

Marriage and Civil Partnership

*Note: This applies to changes, decisions or proposals impacting on **employees only**. The Act protects employees who are married or in a civil partnership.*

63. What do you know about the Marriage and Civil Partnership profile of staff employed in the services affected by this change, decision or proposal, and about their experiences of working within it?

The introduction of the proposals would have no impact on employees who are married or in a civil partnership

64. Could employees who are married or in a civil partnership be disproportionately advantaged or disadvantaged by the change, decision or proposal?

No

65. If there are risks that employees who are married or in a civil partnership could be disproportionately disadvantaged by the change, decision or proposal, are there reasonable steps or adjustments that could be taken to reduce these risks?

The introduction of the proposals would have no impact on employees who are married or in a civil partnership

Human Rights

66. Could the change, decision or proposal impact on human rights? (e.g. the right to respect for private and family life, the right to a fair hearing and the right to education)

The proposals support the right to education

PART 3 - Course of Action

67. Based on a consideration of all the potential impacts, tick one of the following as an overall summary of the outcome of this assessment:

<input checked="" type="checkbox"/>	The equality analysis has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken.
<input type="checkbox"/>	The equality analysis has identified risks or opportunities to promote better equality; the change, decision or proposal will be adjusted to avoid risks and ensure that opportunities are taken.
<input type="checkbox"/>	The equality analysis has identified risks to equality which will not be eliminated, and/or opportunities to promote better equality which will not be taken. Acceptance of these is reasonable and proportionate, given the objectives of the change, decision or proposal, and its overall financial and policy context.
<input type="checkbox"/>	The equality analysis shows that the change, decision or proposal would lead to actual or potential unlawful discrimination, or would conflict with the Council's positive duties to an extent which is disproportionate to its objectives. It should not be adopted in its current form.

68. Explain how you have reached the judgement ticked above, and summarise any steps which will be taken to reduce negative or enhance positive impacts on equality.

There is no evidence to suggest that any person with any of the protected characteristics would be disproportionately disadvantaged or advantaged by the proposals. Should a decision be made by the Council's Cabinet to implement the proposals, any evidence arising from the implementation that suggests that there could be possible negative impacts, those risks would be analysed to establish whether or not there were certain risks to any or all of those with a protected characteristic. Steps to reduce negative impacts or enhance positive impacts would then be defined.

PART 4 - Ongoing Monitoring

69. What are your plans to monitor the actual impact of the implementation of the change, decision or proposal on equality of opportunity? (include action points and timescales)

This EIA has been drafted in the light of the consultation carried out on the proposed Admission Arrangements for 2025/26. Should the proposals be approved and implemented, the EIA would be monitored during that period. If adverse implications were identified in the light of the implementation, ameliorating actions would be identified.

PART 5 - Authorisation

70. Name of Head of Service: Sue Aviston and Date Approved:

Once completed, please send to: Keith.Thompson@northumbria.nhs.uk