



Northumberland County Council

Your ref:

Our ref:

Enquiries to: Karon Hadfield

Email:

Democraticservices@northumberland.gov.uk

Tel direct: 0345 600 6400

Date: 26 April 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, 7 MAY 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



Dr Helen Paterson, Chief Executive
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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
- 8)

Minutes of the meeting of the meeting of Cabinet held on Tuesday 9 April 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 DEPUTY LEADER AND CABINET MEMBER FOR SUPPORTING BUSINESS AND OPPORTUNITIES** (Pages 9 - 20)

Enterprise Zone – Ashwood Business Park

The purpose of this report is to update Cabinet on the most recent variation to the Ashwood Enterprise Zone (EZ) business case application from Advance Northumberland (Commercial) Ltd to the NELEP. The business case requests approval to the investment in site works and utility costs and the need to address higher cost inflation on site works.

5. **REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR SUPPORTING BUSINESS AND OPPORTUNITIES** (Pages 21 - 76)

Bowes Court Housing Energy Improvements – Outline Business Case

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report seeks the approval of the Outline Business Case (OBC) for Bowes Court Housing Energy Improvements as part of the £20.71m Levelling Up Deep Dive (LUDD) funding awarded to Blyth in 2023. The OBC has been externally appraised with estimated costs, and with a recommendation to proceed to Full Business Case (FBC).

6. **REPORT OF THE CABINET MEMBER FOR CORPORATE SERVICES** (Pages 77 - 80)

Oracle Contract Refresh

As outlined in the Constitution, any contract award of the value over £0.5m is deemed to be a key decision that requires Cabinet's approval. This report seeks to gain Cabinet's approval to delegate authority to progress procurement for the Oracle E-Business Cloud Solution core services. The expected value of the contract is above the £0.5m key decision threshold.

7. **REPORT OF THE CABINET MEMBER FOR CORPORATE SERVICES** (Pages 81 - 136)

Financial Performance 2023-24 – Position at the end of February 2024 (Provisional Outturn)

The purpose of the report is to ensure that the Cabinet is informed of the provisional outturn for the Council against the Budget for 2023-24. Due to the timing of the statutory accounts deadline the forecast provisional outturn is based on the position at the end of February.

8. **REPORT OF THE CABINET MEMBER FOR CORPORATE SERVICES** (Pages 137 -

Loan to Branxton Parish Council 142)

This report provides details of a potential loan facility to Branxton Parish Council of up to £1,300 in support of their 2024-25 budget.

9. REPORT OF THE CABINET MEMBER FOR TACKLING INEQUALITIES (Pages 143 - 220)
Public and Community Transport Health Needs Assessment

This report aims to identify what is currently provided in terms of public and community transport across Northumberland, what is needed by the people of Northumberland and where the gaps are.

10. REPORT OF THE LEADER (Pages 221 - 226)
Nominations to Outside Bodies

To agree Cabinet's nominations to outside bodies.

11. APPOINTMENT OF CABINET SHAREHOLDER COMMITTEE

To appoint the Cabinet Shareholder Committee as follows:

Membership

Such members of the Cabinet, as may be appointed from time to time by the Leader.

Quorum:

Three members, which must include:

- the Leader (or other Cabinet member appointed by the Leader for this purpose);
- Cabinet member with portfolio for finance and resources; and
- Cabinet member(s) with portfolio for most closely associated with the company or companies concerned with the items of business.

Terms of Reference

The Shareholder Cabinet Committee will exercise responsibility for the Cabinet's functions in respect of:

1. The Council's approach to membership of a company or companies, including:
 - a. evaluation of potential new opportunities to deliver social and financial returns on investment through company holdings;
 - b. approval of comprehensive statements (business cases) to establish a new company, company membership or joint venture;
 - c. sale or liquidation of Council interests in companies;
 - d. the adoption of investment or contractual strategies in relation to council held company memberships;
 - e. the provision or requirement of services to or by a company; and
 - f. the governance framework and over-arching approach to company

memberships.

2. Decisions concerning the evaluation, monitoring or acting upon:
 - a. the financial and social returns on investment (be that shareholding, loans or direct investment); and
 - b. risks and opportunitiesarising from any shareholding in a company or companies, including contracts or financial investments in respect of such companies.
3. Decisions concerning the performance of a company in relation to its Business Plan and, in particular, the company's performance:
 - a. in financial matters
 - b. against the social goals of the company as set out in the company's Objects, Business Case or Business Plan; and
 - c. against the values of the Council.
4. All decisions reserved to the Council for shareholder approval, such as (but not limited to):
 - a. Varying Articles of Association
 - b. Varying ownership and structure
 - c. Variations to shares (number of, rights, etc.)
 - d. Entering contracts that:
 - i. have a material effect on Council business (including other companies within the group)
 - ii. are outside of the business plan or do not relate to the business
 - iii. significant in relation to the size of the business, the business plan, etc.
 - e. Material legal proceedings outside of ordinary business
 - f. Adopting and amending business plans each year and strategic plans (3 years)
 - g. Appointment, removal and the remuneration of directors (members of the company board)
 - h. Selection of the chair of the board
 - i. Appointment of auditors
 - j. Issue of dividendsas more particularly set out in a company's Articles of Association or Shareholder Agreement.
5. Other matters as may be referred to the Cabinet Committee for consideration by the CSR, s.151 officer, monitoring officer or chief executive

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)

Agenda Item 2

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the Cabinet held at County Hall, Morpeth on Tuesday 9 April 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, A.	Head of School Organisation and Resources
Bradley, N.	Executive Director for Adults, Aging & Wellbeing
Brown, J.	Public Health Consultant
Gerrard, S. (remote)	Director of Law and Corporate Governance
Hadfield, K.	Democratic and Electoral Services Manager
Hunter, P.	Assistant Chief Executive
Kingham, A.	Executive Director for Children, Young People and Education
Neilson, S.	Executive Director for Place and Regeneration
Paterson, Dr H.	Chief Executive
Willis, J. (remote)	Executive Director for Transformation and Resources (S151)

90. MINUTES

RESOLVED that the minutes of the meeting of Cabinet held on 12 March 2024, as circulated, be confirmed as a true record and signed by the Chair.

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

Q3 Corporate Plan Performance Report

The report provided a summary of the progress against the Council's three Corporate Plan priorities using the Council's performance at the end of Quarter 3, 2023/24 (Q3) (copy attached to the signed minutes).

The report was presented by Councillor Wearmouth, who highlighted the key issues.

Councillor Renner Thompson commented that it was great to see that the vast majority of primary schools in the County now rated as good or outstanding and that most of these were still maintained schools. The Leader responded that the Authority's own target had been exceeded, which was very welcome.

Councillor Jones welcomed the £200,000 funding provision for the voluntary sector in Northumberland. This enabled them to provide much needed support, particularly in the area of tackling inequalities. The increase in spend with local providers was also great news as this helped to support local jobs.

The Leader agreed that the partnership working with the voluntary sector was essential to the delivery of the work on equalities.

RESOLVED that the progress against the three Corporate Priorities as summarised in the report, be noted.

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

Hirst Masterplan

The report introduced the Hirst Masterplan to Cabinet and sought authorisation to move forward in developing its contents further.

The report was presented by Councillor Wearmouth. This was a very significant, and long term project, and the first of its kind to tackle the long term future of the Hirst. There were many complex issues involved, not least having the finance in place, but it was also important to ensure that residents and landlords were fully engaged with the process.

The aim of the masterplan was to make a significant intervention in the north west quarter of the Hirst and would show what could be done in the wider Hirst area. This would also bring the Coulson Park school site, which had been empty for a number of years, into use for decanting. A lot of work had already gone into the masterplan by officers, but this was very much the early part of the journey. Two new staff would be appointed and these officers would work closely with tenants, residents and property owners. The work was intended to dovetail with the work already going on in the town centre, and on the college and new station for the Northumberland Line.

Councillor Horncastle set the background to the development of the Hirst area which had been created originally to house the miners and their families at nearby collieries. However, with the decline of the industry, the area was now classed as deprived with longstanding problems of unemployment,

empty houses, absent landlords, lack of investment, anti social behaviour, energy and insulation problems. This was the biggest project he had seen the Council undertake and was why it would take 15 years to complete. Many partner organisations would be involved, and he assured members that the most important part of this would be engagement with the community.

Councillor Jones commented that this was a very exciting and ambitious project. Good housing and healthy neighbourhoods had been identified as the building blocks of a healthy life. This project would make a huge difference to residents and she fully supported the “do maximum” option.

Councillor Wearmouth agreed that community engagement was the most important part of the plan and he had already begun to get emails on the topic. If anyone had any questions at this early stage, he encouraged them to get in contact.

The Leader endorsed the comments made and expressed thanks to officers, Advance Northumberland and Bernicia for their contributions so far.

RESOLVED that:-

- (a) Cabinet note the attached Executive Summary of the Hirst Draft Masterplan and outline options for the long-term regeneration of the area;
- (b) Cabinet support the aspiration to work towards the ‘Do Maximum’ option, as set out in section 6.1 of this report, during the ongoing development process;
- (c) Cabinet approve the establishment of a ‘Hirst Partnership Board’, to be Chaired by the Director of Housing & Planning and to comprise stakeholders, partners, and Senior Officers from Northumberland County Council (NCC);
- (d) Cabinet approve the recruitment to two collaborative Hirst regeneration posts, to be funded equally by key stakeholders NCC Housing, Advance Northumberland, and Bernicia for three years. The posts will be hosted by the Strategic Housing function within the NCC Housing Service. NCC element will be funded through Housing Reserves; and
- (e) Cabinet note that communications on the Hirst Masterplan will be integrated into the overall communications strategy for the town as linked to the Ashington Town Board.

93. 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 Capital Strategy Group.

93.1 Berwick Culture and Creative Zone

Councillor Watson introduced the report and explained to members what was meant by the creation of a culture and creative zone. He also referenced the other funding which had gone into the town in the development of the new

sports centre. This was already seeing benefits as the number of children learning to swim had doubled in the last year.

RESOLVED that

- a) Cabinet accept capital grant funding of £0.330 million for the Berwick Culture and Creative Zone (CCZ) and approve the amendment to the Capital Programme to include the capital grant funding in 2024-25;
- b) Cabinet note the reallocation of grant funding from revenue to capital of £0.110 million and approve the amendment to the Capital Programme to include the capital grant funding in 2025-26; and
- c) Cabinet approve the amendment to the Capital Programme to reprofile £0.100 for the CCZ project from 2024-25 to 2025-26.

93.2 Northumberland Playzones

Councillor Watson presented the report. There were sixteen sites planned across the County, mostly funded from external sources. Work was just about to start on the first two sites at Alnwick and Amble and he was aware that some members had contributed member small schemes funding in their areas, which was welcomed.

RESOLVED that:-

- (a) Cabinet note the 75% grant contribution of £1.396 million from the Football Foundation for the 6 sites within Portfolio 1 and approve the amendment to the capital programme to include the grant funding in 2024-25;
- (b) Cabinet note the Section 106 funding of £0.284 million and approve the amendment to the Capital Programme to include the funding in 2024-25;
- (c) Cabinet note the other external funding of £0.050 million detailed in the report and approve the amendment to the Capital Programme to including the funding in 2024-25;
- (d) Cabinet note the £0.020 million contribution from Cllr Stewart and Cllr Scott and approve the amendment to the Capital Programme to reallocate £0.020 million from the Member's Local Improvement Schemes budget to the Northumberland Playzones Project in 2024-25; and
- (e) Cabinet approve the proposed spend of £0.111 million which will be funded using the existing Northumberland Playzones project in the Capital Programme, which has a current budget of £0.300 million in 2024-25.

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

Energy Central Campus Phase 1 – Technical Training Kit: Outline Business Case

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report sought approval of the Outline Business Case (OBC) for the Energy Central Campus Phase 1 – Technical Training Kit which is part of development and delivery of the £20.71m Levelling Up Deep Dive (LUDD) funding awarded to Blyth earlier this year.

The report was presented by Councillor Ploszaj. He detailed the key points of the report and urged members to support the recommendations so the facility could be ready to open in September of this year.

Councillor Renner Thompson welcomed this next phase of a fantastic project. For the young people of Blyth and the surrounding area it would be transformational. It was investment like this that would keep young people in their home towns. The green industry sector had a great future in this area and it was therefore important to develop the skills locally for that industry.

RESOLVED that:-

- (a) Cabinet approve the Outline Business Case for the Energy Central Campus Phase 1 – Technical Training Kit to enable progression to Full Business Case;
- (b) Authority be delegated, in accordance with the Local Assurance Framework, to the Council's s151 Officer following consideration of the recommendation of the Energising Blyth Programme Board to approve the Full Business Case;
- (c) Authority be delegated to the Council's s151 Officer to enter into a Grant Funding Agreement between the Northumberland County Council as the fund Accountable Body and Energy Central Campus Ltd; and
- (d) Authority be delegated to the Executive Director of Place and Regeneration to enter into any contracts relating to the project up to the value of £1.45m, subject to confirmation of associated funding being in place and the appropriate procurement processes being followed.

95. REPORT OF THE CABINET MEMBER FOR LOOKING AFTER OUR ENVIRONMENT

Housing Regeneration Report – Stock Rationalisation

The report sought Cabinet approval:

- To place on hold lettings for empty homes and any homes that become empty in the addresses listed within this report (Appendix 1A);
- To give priority status for re-housing to all customers who currently reside in any of the addresses detailed in this report;
- To approve the award of Home loss & Disturbance payments for any customers relocating from the properties detailed in this report;
- To authorise the progression of any Compulsory Purchase Order process for adjacent properties and Buy backs for any leaseholders if required for the redevelopment proposal;
- To approve the demolition of low demand stock in Blyth detailed in this report.

The report was introduced by Councillor Horncastle. The properties which were proposed for demolition were in very low demand and in poor condition. There were problems with anti social behaviour as the properties were

empty, which was leading to costly repairs having to be done by the Housing Team. The existing tenants would be prioritised for re-housing and the empty sites would be available for modern, affordable and fit for purpose new properties.

He advised that an amendment was needed to recommendation 4, so that the delegation was to the Executive Director for Place and Regeneration, and he proposed the recommendations, as amended. These were seconded by Councillor Stewart.

RESOLVED that:-

- (a) Cabinet approve placing lettings on hold within these low demand blocks;
- (b) Cabinet approve the prioritisation of customers for rehousing; the issuing of Homeloss and disturbance payments as appropriate;
- (c) Cabinet approve the removal of the existing void properties from the Housing Revenue Account rent roll;
- (d) Authority be delegated to the Executive Director for Place and Regeneration to commence negotiations to acquire the two residential leasehold properties and develop a suitable compensation package. Should negotiations not be successful, to compulsorily acquire the properties using compulsory purchase powers as a last resort;
- (e) Cabinet approve Compulsory Purchase Order process for adjacent properties if required; and
- (f) Cabinet approve the demolition of low demand stock in Blyth as detailed in the report.

96. REPORT OF THE CABINET MEMBER FOR INSPIRING YOUNG PEOPLE

Outcome of the Tenders for the Coquet Partnership

The report updated Cabinet on the outcomes of the tender process for the construction of extension to the feeder primary schools in Amble and also the refurbishment of South Avenue site for the relocation of Amble First Schools and the creation of a New Special School Barndale by the Sea. The report also sought approval to award the contracts.

The report was presented by Councillor Renner Thompson.

Councillor Watson very much welcomed the report. These developments had been a long time in the making and he very much looked forward to seeing them completed. He hoped that the new school would become the centre of the community.

RESOLVED that:-

- (a) Cabinet note the outcomes of the tender process and approve the delegation to award the contract to Robertsons Construction for the refurbishment works on the South Avenue Site and to Portakabin for the extensions required at the feeder first schools, to the Executive Director for Children, Young People and Education; and
- (b) Cabinet note that, in order to complete the works within the implementation timescales approved by Cabinet on 17th November 2022, a Letter of Intent

was issued for works up to a capped value of £989,194.87 prior to the final award of contract. This was undertaken to prevent any increase in cost or delays in programme until the award of contract is complete in April 2024.

CHAIR.....

DATE.....

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CABINET

7TH MAY 2024

ENTERPRISE ZONE – ASHWOOD BUSINESS PARK

Report of: Councillor Richard Wearmouth, Deputy Leader and Cabinet Member for Promoting Business and Opportunities

Lead Officer: Simon Neilson, Executive Director of Place and Regeneration

1.0 Link to Key Priorities of the Corporate Plan

The scheme fits with Northumberland County Councils Economic Strategy and Northumberland's Local Plan which was adopted in 2021 and specifically recognises the importance of the EZ site at Ashington. This report sets out the critical site ambitions for Ashwood Business Park. The development of business cases to comply with the external lending requirements will ensure value for money.

2.0 Purpose of Report

The purpose of this report is to update Cabinet on the most recent variation to the Ashwood Enterprise Zone (EZ) business case application from Advance Northumberland (Commercial) Ltd to the NELEP. The business case requests approval to the investment in site works and utility costs and the need to address higher cost inflation on site works.

The total estimated cost of the works is £6,156,004, with £6,018,254 to be funded from the EZ account. It should be noted that £3,480,277 of investment from the EZ account has already been approved by the NELEP and the Council, and this request is specifically for an additional **£2,537,977** of EZ loan finance. The increased costs are funded by borrowing by Northumberland County Council, with the estimated annual borrowing costs being paid for from the EZ Account and financed from annual business rate income.

The NELEP will repay the total Council loan of £6,018,254 million plus interest, via the business rates collected in relation to the Ashwood Business Park site. The additional funding to be provided to Advance Northumberland (Commercial) Limited and the associated repayment from the NELEP to the Council will be subject to either a variation to the existing funding agreement or a second separate funding agreement, yet to be determined by NECA. In the event that individual scheme costs cannot firstly be covered by individual scheme BRGI or the overall regional BRGI pool then ultimately the remaining scheme deficit would fall on the relevant individual local authority, in this case Northumberland County Council.

Therefore, there is a risk that if the Ashwood Business Park site did not achieve the anticipated levels of BRGI set out both in this report and the tripartite funding agreement with Advance Northumberland (Commercial) Limited and NECA, that any shortfall would need to be met by the Council.

Subject to availability for funding from the Regional EZ pool, the interest and capital repayment costs of the loan will be met by the EZ account which is currently managed by the NELEP and administered by the Accountable Body of the NELEP currently NTCA. From the end of May 2024 this will become the new North East Combined Authority (NECA).

3.0 Recommendations

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

3.1 Cabinet is recommended to:

3.1.1 Approve the additional loan funding of **£2,537,977** to the NECA to fund the proposed improvement works to Ashwood Enterprise Zone bringing the total loan funding provided by the Council for the scheme to £6,018,254, subject to a separate funding agreement with NECA and Advance Northumberland (Commercial) Ltd or variation to the existing tripartite agreement dated 07 February 2020, which sets out a repayment schedule for the additional £2,537,977 million loan plus interest;

3.1.2 Approve delegated authority to the Executive Director for Place and Regeneration, in consultation with the s151 Officer to enter into either:

- a variation to the tripartite Funding Agreement (07.02.2020), or
- a new tripartite Funding Agreement,

between the Council, Advance Northumberland (Commercial) Limited and NECA in respect of the Ashwood Business Park, Enterprise Zone Infrastructure works, such agreement to include the obligation for Advance Northumberland (Commercial) Limited to meet any potential shortfall in Business Rates.

3.1.3 Note the contents of the report, in particular the risks associated with the proposal and the measures proposed to mitigate the risks.

3.1.4 Note that the proposed additional loan of **£2,537,977** million is not included within the Council's capital budget and agree that the Council's approved 2024/25 capital budget is increased accordingly.

4.0 Forward plan date and reason for urgency if applicable

The report first appeared on the Forward Plan on 19th March 2023

5.0 Key Issues

- 5.1 Advance Northumberland (Commercial) Limited has updated the business case for consideration by the NELEP, for the development of the infrastructure works at Ashwood Business Park, a strategic employment site and Round 2 Enterprise Zone.
- 5.2 The proposal is estimated to cost an additional **£2,537,977**. Funding will be provided; £137,750 from AkzoNobel, with the balance of £2,537,977 being made available from NECA. NECA will look to secure this funding from the Council and then pass it onto Advance Northumberland (Commercial) Limited in tranches to fund the work.
- 5.3 The Council can choose how it wishes to fund the £2,537,977 million loan for the project. This could be from internal resources, or it could borrow; the Council has access to borrow money through the Public Works Loans Board at a lower rate of interest.
- 5.4 Repayment of the contribution would be subject to a separate funding agreement with NECA and Advance Northumberland (Commercial) Limited or variation to the existing tripartite agreement dated 07 February 2020. This will specify how the contribution plus interest will be repaid by NECA from the BRGI collected on the Enterprise Zone Site.
- 5.5 The Council's Budget for 2024-25 does not include financial provision for the proposed loan of £2,537,977 to NECA; being the Council's additional financial contribution to the Ashwood Business Park, Enterprise Zone infrastructure works. It is therefore proposed that an additional loan of £2,537,977 is made to NECA to assist with funding this project.
- 5.6 The NELEP considered and approved the business case for appraisal for Ashwood Business Park, Enterprise Zone infrastructure works at the NELEP Investment Board meeting on 21st March 2023.
- 5.7 Cabinet should also note the agreement would require Advance Northumberland (Commercial) Limited to meet any potential shortfall in Business Rates.
- 5.8 Cabinet should note that the anticipated delivery model for Ashwood Business Park is reliant upon end users drawing down plots and bespoke construction to their operational requirements rather than any speculative development. Advance Northumberland (Commercial) Limited asserts, and Council officers would accept, that this is realistic given the recent investments on site. This delivery mechanism is critical to the economic modelling and the business rates assessment and whilst there are no guarantees, the Sanderson Weatherall market review carried out by the NELEP of the investor pipeline gives comfort that there is demand which can be satisfied by this site.

6.0 Background

- 6.1 The project originally had an approval of EZ loan finance of £2,576,426 in February 2020 and then an additional approval in September 2023 of £985,270 for cost increases and inflation, increased the EZ financing award to £3,561,696. In addition to this there was a legal agreement for a financial contribution of £137,750 in place from AkzoNobel in respect of supporting the improvements to the existing electrical substation. Total project costs following the last approval was £3,480,077, once circa £82k of ineligible costs were removed.
- 6.2 This report addresses the application from Advance Northumberland (Commercial) Limited for additional EZ loan finance of £2,537,977 to increase the total award to £6,018,254.
- The additional funds will be utilised to meet increased costs against the original programme of works as well as additional works required which have emerged over the last 2 years as Advance Northumberland (Commercial) Limited has gained a more detailed understanding of infrastructure constraints which were not recognised through earlier desktop studies. This includes the shallow depth of services within the site boundary, limitations to drainage/utilities as well as additional earthworks required to allow development to come forward.
 - Increases to the original works programme have occurred primarily from hyper inflationary costs within contractor and professional services market, greater power requirements than previously anticipated, omission of adoption commuted sum costs from original estimate, extended programme for delivery and more accurate forecasting of costs of plot development following actual works costs for earlier completed phases.
- 6.3 Advance Northumberland (Commercial) Limited has applied for additional support of £2.38m towards completing the preparatory works on the Ashwood EZ site. The infrastructure investment works at Ashwood Business Park (ABP) are required to support the transition of the ABP site into a modern advanced manufacturing park, creating a significant number of new and higher value jobs in South East Northumberland and wider NECA area and building on the success to date including attraction of new investment from the contamination control firm Contec Cleanroom (UK) Ltd which is nearing completion.
- 6.4 As presented in the business case, the strategic rationale is based upon the enabling effect of the site preparation programme unlocking further investment and employment opportunities from advanced manufacturing and engineering companies in this location. This strategy supports critical elements of the North East Strategic Economic Plan including the development of a significant employment led scheme, creating new industrial floor space.
- 6.5 Ashwood Business Park is excellently located for investment on the A189, providing direct access to the Port of Blyth close by and through to A19 and A1(M). The site is identified as a key site with economic potential through its

designation as an Enterprise Zone and linking directly to SEP priority theme of “economic assets and infrastructure” and “more and better jobs”.

6.6 The scheme also fits with Northumberland County Councils Economic Strategy and Northumberland’s Local Plan which was adopted in 2021 and specifically recognises the importance of the EZ site at Ashington.

- The works included as part of the additional investment include build costs for preparation of plots by 2028, including adaptation to A189 roundabout, adoption works for roads and sewers, power upgrade for site to meet demand, utility service supplies for remaining plots and landscaping and signage
- These works are required to prepare the site for a variety of potential employment led end uses for the remaining plots on the site.
- The proposed works will enable Advance Northumberland (Commercial) Limited to secure more jobs (up to 1,105 gross jobs are forecast) and attract more private sector investment on the site.

7.0 FINANCIAL IMPLICATIONS

Funding to date and Budget Implications

7.1 The current income projection for the whole EZ site has a lifetime estimate of business rate income of around £25.0m including estimated inflation and before the deduction of a contingency. After the deduction of the contingency the net estimate is £20.6m. This includes an estimate of rates income from this final phase of works amounting to £11.5m. after applying a contingency to the estimates.

7.2 The NELEP assessment of business rates income takes into account a contingency profile having been applied in line with the latest EZ model; this includes a 40% contingency in year one, which then decreases until a 15% contingency is applied until the end of the EZ period (2041/42).

7.3 The capital financing cost to the EZ account of spending of £6,018,254 is estimated to be £8.398m including 4% interest. The borrowing costs relating to the additional £2,537,977 is estimated to be £3.5m. The total estimated lifetime surplus after funding borrowing costs is estimated to be £12.18m.

7.4 Although this funding will be provided to Advance Northumberland (Commercial) Limited from NECA, NECA will look to source this funding from the Council. The Council can choose how it wishes to fund the loan to the project. This could be from internal resources or borrowing; the Council has access to borrow money through the Public Works Loans Board at a lower rate of interest. Between 2020/21 to 2027/28 when the works are being undertaken, interest only payments will be paid to the Council at a rate of the Bank of England base rate plus 0.25%. Upon completion of the works, predicted to be

2027-28, the interest rate will be equivalent to the PWLB 14-year Annuity rate. As a result, any financing costs to fund this project are offset by the interest received from NELEP.

- 7.5 The Council's Budget does not include financial provision for the additional loan of £2.5 million to NECA; being the Council's financial contribution to Ashwood Business Park, Enterprise Zone infrastructure works.
- 7.6 Whilst the site has generated income through the capital receipts from EuroGarages and Contec, this income has been used by Advance Northumberland (Commercial) Limited to offset against the value of the loan provided by the Council to purchase the site as was agreed. In order to provide the additional funding required, it is therefore proposed that a further tripartite funding agreement is entered into to enable NECA to provide funding to Advance Northumberland (Commercial) Limited, the funding being made available to NECA for onward funding of the Project. IT is yet to be confirmed by NECA whether this will be a variation to the existing tripartite agreement or a sperate tripartite agreement on identical terms. Whichever route is chosen the funding provided by the Council will be repayable from BRGI collected on the Ashwood Business Park site over the duration of the Enterprise Zone in accordance with the terms of the Enterprise Zone Business Rate Pooling Agreement dated 21 June 2018 ("EZBRPA").
- Business rates for the site would initially be collected by the Council but paid over in full to NECA under the EZBRPA, and subsequently used to repay the loan from the Council.
 - The funding and cost breakdown of the proposed works is shown in the tables below, which include a 5% contingency allowance: -

Table 7.6.1

Funding Source	Forecast Expenditure up to March 2024 £	2024-25 £	2025-26 £	2026-27 £	2027-28 £	Total £
Estimated Expenditure						
Capital Infrastructure	1,777,480	1,046,869	1,588,964	440,683	645,229	5,499,225
Fees	0	184,742	280,405	77,768	113,864	656,779
Total Estimated Expenditure	1,777,480	1,231,611	1,869,369	518,451	759,093	6,156,004
Akzo Novel Contributions	0	68,874	68,876	0	0	137,750

EZ BRGI Borrowing	1,777,480	1,162,737	1,800,493	518,451	759,093	6,018,254
Existing EZ BRGI Borrowing within MTFP	2,145,208	1,335,069	0	0	0	3,480,277
Proposed Increase/Amendment to MTFP	(367,728)	(172,332)	1,800,493	518,451	759,093	2,537,977

8.0 Milestones

The milestones set out by the Advance Northumberland (Commercial) Limited are shown in *Table 8.1* (below):

Table 8.1

Milestone	Completion Date
Plot 4 enabling works	2024/2025
Plot 8 Enabling works	2024/2025
NWL Adoption of sewers (when 51 % of ABP is occupied)	2024/2025
NPG upgrade works – additional power supply to ABP	2025/2026
Ashwood Roundabout Highways Signalisation works	2025/2026
Plot 2 Enabling works	2025/2026
Plot 7 Enabling works	2025/2026
Plot 1 enabling works	2026/2027
Plot 9 enabling works	2027/2028
Highways Adoption of Roads, Pavements and Streetlighting	2028

9.0 Outputs

The following KPIs have been put forward by Advance Northumberland (Commercial) Limited (see *Table 9.1*, below). It is anticipated these will be accepted by NELEP as reasonable:

Table 9.1

	2022/23	2023/24	2024/25	Future	Total
Gross jobs – direct on site	27	34	59	985	1,105
Construction Jobs	45			45	90
No. of businesses accommodated	1	1	2	11	15
Area of site reclaimed, (re)developed or assembled (ha)	3	3	5	5	16

10.0 Governance

- 10.1 There is an overarching legal agreement between the NELEP and the seven regional North East councils - Enterprise Zone Business Rate Pooling Agreement dated 21 June 2018 ("EZBRPA") which sets out the funding approach.
- 10.2 Section (3) in the 'Background' of the EZBRPA sets out - *"It is expected that most of the Round 1 costs yet to be incurred and all of the Round 2 infrastructure costs will be funded by internal or external borrowing by the constituent local authorities. The annual cost of borrowing, whether undertaken by the local authorities or by NECA is to be met by payments funded from Pooled BRGI."*

This was because in 2018 neither the NELEP or its accountable body had economic development borrowing powers. The overarching legal agreement is underpinned by individual funding agreements on a scheme-by-scheme basis.

- 10.3 Each individual funding arrangement / project then has an individual funding agreement between NTCA, the land owner and where different the relevant local authority. For the Ashwood Business Park the variation to the tripartite funding agreement or separate second tripartite agreement will include an estimate of the borrowing cost to be repaid over the life of the EZ account in Schedule 2. This is likely to be based on an estimated long term interest rate of 4% and short-term rates currently 5.25%. This estimate will be replaced with a Final Schedule 2 finalised when the works are completed the costs known and an interest rate calculated with reference to an agreed approach using actual PWLB interest rates.
- 10.4 In the event that individual scheme costs cannot firstly be covered by individual scheme BRGI or the overall regional BRGI pool then ultimately the remaining scheme deficit would fall on the relevant individual local authorities.

Therefore, there is a risk that if the Ashwood Business Park site did not achieve the levels of BRGI set out in this report and the individual funding agreement with NECA, that any shortfall would need to be met by the Council.

11.0 Options open to the Council and reasons for the recommendations

- 11.1 Over the last 12 months, the pipeline of new growth and investment projects considering ABP have been large scale advance manufacturing facilities with power intensive project requirements (typically requiring a minimum of 10-50MVA capacity) which at present the Ashwood Business Park cannot deliver and as such investment is unable to come forward.

If the power capacity intervention is not addressed, it is anticipated Ashwood Business Park will continue to lose out to other sites throughout the UK and Europe as international investors looking to determine supply chain locations. This is complimented by opportunities for business growth through expansion of companies looking to increase footprint on the Enterprise Zone site.

11.2 Cabinet is recommended to approve the proposed improvement works to Ashwood Enterprise Zone and the request for an additional funding contribution of **£2,537,977** towards an overall agreed allocation of EZ loan funds of £6,018,254 subject to:

- As a prerequisite to any funding agreement the applicant must demonstrate that funding gap for the A189 roundabout improvements outlined in section 5.3 of this report can be fully mitigated.
- Advance Northumberland (Commercial) Limited to revise the Business case to reflect NELEP appraisal feedback. Amended business case to be submitted to and approved / signed off by NELEP including subsidy control compliant solution.
- Funding to be contained within a suitable legal agreement

12.0 Implications

Policy	The site is identified as a key site with economic potential through its designation as an Enterprise Zone and linking directly to SEP priority theme of “economic assets and infrastructure” and “more and better jobs”. The scheme also fits with Northumberland County Councils Economic Strategy and Northumberland’s Local Plan which was adopted in 2021 and specifically recognises the importance of the EZ site at Ashington.
Finance and value for money	The applicant as provided an estimate of total costs over and above those spent to date of £3,586,644. That is effectively £2,675,727 higher than the original estimate once the remaining £910,917 has been factored in from the original approval. If we then factor in the contribution of £137,750 coming from the applicant that shows an increase in the ask from NECA of £ 2,537,977 (£2,675,727 minus £137,750).
Legal	<p>The increased funding carries an additional risk to the Council albeit it low in the event the business rates realised from the site are insufficient to meet the loan costs incurred by the Council. The BRGI agreement in place across all 7 regional authorities means that the BRGI is ‘pooled’ and so if other sites / other LA’s are realising business rates over and above their targets, the funding from the pool will be utilised to meet these costs prior to them falling to the Council.</p> <p>Subsidy control advice has been commissioned for the project in addition to the advice provided to date for this project via NCC Legal team. The Accountable Body will also seek Legal advice.</p> <p>Legal Services will work with the Accountable Body to ensure a compliant agreement is in place between all parties.</p>

	It has been confirmed by the Executive Director of Transformation & Resources that he has no conflict of interest in relation to this project.
Procurement	The authority to award any contracts will be subject to Advance Northumberland (Commercial) Limited's Financial Regulations and Delegated Authority and therefore, depending on the value of the contract being awarded, subject to the approval of Advance Northumberland (Commercial) Limited Board or approval of the Head of Finance
Human Resources	The project is being delivered by Advance Northumberland (Commercial) Limited
Property	The scheme will assist in the regeneration of Ashwood Business Park as a significant Northumberland employment site.
The Equalities Act: is a full impact assessment required and attached?	No - Advance Northumberland (Commercial) Limited have not completed a full impact assessment – their equalities are linked to the company policies.
Risk Assessment	The risks associated with this proposal are contained within the report. The Council should enter into an addition legal agreement with Advance Northumberland (Commercial) Limited to mitigate any shortfall in BRGI.
Crime & Disorder	The increased economic activity, investment and movement of people in will provide a preventative measure against anti-social behaviour or disorder in the local area.
Customer Consideration	Ongoing engagement with tenants and potential tenants has taken place. Further engagement is planned as the business case and detailed proposals develop.
Carbon reduction	The project will support the county's contribution to carbon reduction and clean growth objectives.
Health and Wellbeing	The increased opportunities for new employment through the intervention should lead to better health and wellbeing outcomes for local residents and communities.
Wards	Seaton with Newbiggin West

14.0 Background papers:

Cabinet, 12 December 2017 – Enterprise Zone: Business Rate Growth Income Pooling Agreement.

Cabinet, 10 July 2018, Enterprise Zone, Ashwood Business Park

15.0 Report sign off

Authors must ensure that relevant officers and members have agreed the content of the report:

	Full Name
Executive Director of Transformation & Resources	Jan Willis
Head of Legal & Deputy Monitoring Officer Legal Services	Neil Masson
Executive Director - Place and Regeneration	Simon Neilson
Portfolio Holder(s)	Cllr W Ploszaj

16.0 Author and Contact Details

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Northumberland County Council

Cabinet

TUESDAY 7 MAY 2024

BOWES COURT HOUSING ENERGY IMPROVEMENTS – OUTLINE BUSINESS CASE

Report of Councillor(s) Councillor Wojciech Ploszaj, Portfolio holder for Supporting Business and Opportunities

Responsible Officer(s): Simon Neilson, Executive Director of Place & Regeneration

1.0 Link to Key Priorities of the Corporate Plan

This project is part of the £90m Energising Blyth Programme supported by UK Government, Northumberland County Council and North of Tyne Combined Authority.

This is a placemaking ‘whole town’ programme which contributes to the Council’s Corporate Plan priorities but particularly to the ‘Achieving Value for Money’, ‘Tackling Inequalities and ‘Driving Economic Growth’ strategic priorities.

Additionally, the project delivers on the objectives set out in the Northumberland County Council Local Plan to provide access to decent and affordable housing, improve community health and wellbeing, deliver sustainable development, and minimise environmental impacts.

2.0 Purpose of report

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report seeks the approval of the Outline Business Case (OBC) for Bowes Court Housing Energy Improvements as part of the £20.71m Levelling Up Deep Dive (LUDD) funding awarded to Blyth in 2023. The OBC has been externally appraised with estimated costs, and with a recommendation to proceed to Full Business Case (FBC).

3.0 Recommendations

Cabinet is recommended to:

In relation to NCC as the Accountable Body for the Levelling Up Deep Dive funding:

- 3.1 Delegate authority, in accordance with the Local Assurance Framework, to the Council's s151 Officer following consideration of the recommendation of the Energising Blyth Programme Board to approve the Outline Business Case; and to approve the Full Business Case in due course.
- 3.2 Establish the project in the capital programme with a total project cost of £1,919,525, to be funded from Levelling Up Deep Dive grant £1,334,000, UK Government Housing retrofit funding £383,905 and existing Housing Revenue Account funding of £201,620, or up to £585,525 from existing Housing Revenue Account funding if UK Government Housing retrofit funding is lower or not secured.
- 3.3 Delegate authority to the Council's s151 Officer in consultation with the Portfolio Holder for Supporting Business and Opportunities to enter into a Grant Funding Agreement following approval of the Full Business Case from Northumberland County Council for the Bowes Court Project as the fund Accountable Body.

In relation to NCC as the recipient of the Levelling Up Deep Dive funding for the Bowes Court Housing Energy Improvements

- 3.4 Delegate authority to the Executive Director for Place & Regeneration, to enter into a Grant Funding Agreement for the Bowes Court project, as the funding recipient.
- 3.5 Delegate authority to the Executive Director of Place and Regeneration to enter into any contracts relating to the project subject to confirmation of associated funding being in place and the appropriate procurement processes being followed.

4.0 Forward plan date and reason for urgency if applicable

The report first appeared on the Forward Plan on 30th January 2024.

5.0 Background

- 5.1 Northumberland County 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.
- 5.2 Bowes Court is targeting one of the most deprived wards in Blyth and nationally and is designed to improve the overall quality and attractiveness of accommodation, address market failure, contribute to net zero goals and deliver place based environmental improvements.
- 5.3 The Bowes Court project encompasses 64 properties at Bowes Court as well as 8 linked properties on the adjacent Bowes Street, which are managed by the Council as part of the same development. All properties are currently occupied.
- 5.4 Initial consultation with residents and owners of the properties has taken place to discuss the proposed works. Further liaison will take place on an ongoing basis throughout the duration of the project.
- 5.5 This project will deliver retrofit improvements to 72 properties, including 64 homes in Bowes Court and 8 properties on Bowes Street, of which 59 are owned by the Council.

Council, 7 flats are privately owned on a leasehold basis, and 6 houses are privately owned as freehold properties.

5.6 The improvements include:

- Retrofit assessment and package of external wall insulation (EWI).
- Improvements to mechanical and electrical ventilation.
- Works to address ongoing and recurring issues with damp and mould.
- Remove old cavity wall insulation (CWI) and apply EWI and render to address historic CWI that has become ineffective as a result of suspected penetrating damp through external walls.
- Fit solar PV panels.

5.7 The project will deliver a range of benefits for the residents of these properties, including:

- Reduced energy consumption and lower fuel bills, helping to tackle fuel poverty and cost of living challenges.
- Improvements to health the eradication of cold, damp, mould and condensation build up, which can have a detrimental impact on health if not addressed.
- Improved comfort, quality and appearance of the housing leading to quality-of-life benefits for residents.

5.8 The total project cost is £1,919,525. Subject to approval of the business case £1,334,000 has been awarded from Department for Levelling Up Housing and Communities.

5.9 A combination of UK Government Housing retrofit funding (e.g. Eco4 Flex programme) of £383,905 and Northumberland County Council funding of £201,620 will complete the funding required to meet the costs of this project. At the time of preparing the outline business case the appointment of the contractor has not been undertaken, because the project funding must first be approved before the contractor can be appointed. However, when the procurement process is completed and the preferred contractor is identified, the final funding amounts from each funder will be confirmed and updated in the business case, at Full Business Case (FBC) stage

- UK Government housing retrofit funding (e.g. the Eco4 Flex programme) which will be provided by the appointed construction contractor. Approved contractors are eligible to draw down a proportion of the costs of social housing retrofit improvements from Government funding programmes. The specific amount of funding to be drawn down will be confirmed on appointment of the preferred contractor.
- The balance of the project funding will be provided from Northumberland County Council's Housing Revenue Account (HRA) Capital Funding. The Council's housing team has an existing delegation in place to allocate funding from this budget flexibly to any housing project in the Council's portfolio. Therefore, the housing team will confirm the final NCC funding contribution which will be the balance of the final total project costs minus the Levelling Up

funding and the Government retrofit funding drawn down by the appointed contractor.

5.10 Breakdown of costs. (Note: Precise split of costs is to be determined upon appointment of contractor.)

Expenditure Item	2024/25	2025/26	TOTAL
Apply EWI and render	678,800	169,700	848,500
Scaffolding for high gable roofs	56,000	14,000	70,000
Warm deck roofs for flat entrances	43,200	10,800	54,000
Re-roofing works	206,400	51,600	258,000
Top-up loft insulation	34,400	8,600	43,000
Solar PV panels	82,560	20,640	103,200
Upgrade ventilation	57,600	14,400	72,000
Retrofit Works Subtotal	1,158,960	289,740	1,448,700
Contingency (10%)	115,895	28,974	144,869
Overheads (2.5%)	28,974	7,243	36,217
Design Fees (20%)	231,791	57,948	289,739
TOTAL	1,535,620	383,905	1,919,525

Funder	Amount (£)	Status
DLUHC (Levelling Up Deep Dive Funding)	1,334,000	<ul style="list-style-type: none"> Secured (Subject to business case approval).
Northumberland County Council and UK Government housing retrofit funding	585,525	<ul style="list-style-type: none"> NCC funding is secured. UK Government housing retrofit funding will be confirmed on appointment of contractor.
TOTAL	1,919,525	

5.11 The balance of the project costs will be provided from a combination of UK Government Housing retro-fit funding and NCC's housing revenue account (HRA). When the procurement process is completed and the preferred contractor is identified, the final funding amounts from each funder will be confirmed and updated in the business case and at Full Business Case (FBC) stage.

5.12 Levelling Up Deep Dive funding reference in the Capital Plan: Please note with regard to the Levelling Up Deep Dive funding referred to in this report that from financial year 2024-25 onwards this funding will be referred to as NCC Capital in the Council's Capital Medium Term Financial Plan if recommendations 3.1a. and 3.1b included in the Financial Performance 2023-24 - Position as at the end of February 2024 (Provisional Outturn) report to Cabinet on 7th May 2024 are approved. The rationale for this amendment can be found in the same report in Paragraphs 8.7 to 8.12.

5.13 The funding received from DLUHC was required to be used and defrayed in financial year 2023-24 and as such NCC has proposed utilising this funding against projects the council would have otherwise funded from its own resources in 2023-24. The medium-term financial plan will require amending in 2024-25 and 2025-26 to replace the expected grant with the Council's own funds to reflect the grant received being used in advance of the delivery of the proposed projects benefitting the Council by delaying its own borrowing requirements.

6.0 Key Issues

In July 2023, Cabinet accepted the award of £20.71m Levelling Up Deep Dive capital and revenue funding, adding this to the Capital Programme. This included several new initiatives including Bowes Court Housing Energy Improvements.

An Outline Business Case has now been developed and externally appraised and now requires approval from Cabinet.

The key milestones for the project are:

Project milestone	Target date
Issue ITT via Fusion 21 Framework	16-02-24
Submit final draft OBC for appraisal (based on estimated costs and delivery programme)	23-02-24
Business Case (OBC) appraisal completed	08-03-24
Tender responses received (5 weeks)	29-03-24
Evaluation of tenders and clarification (2 weeks)	12-04-24
Preferred contractor selected. Final tendered costs and contractor match funding contribution confirmed	12-04-24
Full Business Case finalised and submitted based on final tendered costs	19-04-24
Business Case considered by NCC Cabinet. DLUHC funding and final NCC match funding approved.	07-05-24
Award letter issued and contract signed	24-05-24
Liaison with tenants	01-05-24 to 30-06-04
Liaison with any local businesses affected by the works	01-05-24 to 30-06-04
Contractor prepares project designs (two months), in parallel with mobilisation	01-06-24 to 31-07-24
Work starts on site	01-08-24
All works complete (8 months duration of works subject to confirmation of final programme by appointed contractor)	31-03-25
Building Regulations approval (from initial application submission to final approval)	18-12-23 to 30-04-25

Monitoring and evaluation (outcomes and benefits monitored for two years post completion of works)	31-03-27
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7.0 Options open to the Council and reasons for the recommendations

7.1 In consideration of the following Critical Success Factors (CFSs): Strategic Fit, value for Money, Management Capacity of project sponsor, Achievability, Affordability and the project's contribution to Net Zero targets; the following 4 options were considered:

Option	Description	Implication	Result
Option 1: Do nothing	Leave the properties as they are and continue to undertake reactive repairs.	Likely to incur additional costs in the medium to longer term. Expected frequency of repairs will increase as properties become further degraded.	Possible that Council will also breach requirements under the Social Housing (Regulation) Act 2023 - that tenants have safe, warm, and decent homes. Does not meet any of the Critical Success Factors.
Option 2: Do minimum	Making only limited improvements to all 72 properties (e.g. removing old cavity wall insulation but not installing new external wall insulation). Alternatively, doing the full range of improvements but fewer properties than the 72 properties, focusing on those most significantly affected.	Only upgrading some properties could exacerbate problems in other neighbouring units and problems would continue.	Minimal contribution to TIP priorities and CFSs limited potential to contribute to a reduction in health inequalities. Negligible contribution to Net Zero targets.
Option 3: Retro-fit 72 properties	A comprehensive retrofit solution to 72 homes to make them warm, energy efficient.	Contributes to reducing poor-quality housing in Blyth, and the associated health, environmental, and economic harms this causes. Improves energy	Fully addresses all of the objectives and critical factors of success agreed by the Council.

		efficiency, supports NCC and Government Net Zero ambitions.	
Option 4: Do More.	All of option 3 plus improvements to courtyards, walkways, walls, and green or public space integral to Bowes Court. Also, Blyth has been identified for a District Heat Network and this option would include readying the building for connection to this Network.	This option would address all strategic objectives, and most of the CSFs.	This option is unaffordable based on the funding available to support the project.

7.2 Option 4 was chosen to deliver a comprehensive retrofit solution to 72 homes to make them warm, energy efficient and damp and mould free. This option estimates a 75% reduction in the Council’s annual costs of repair and maintenance for 66 of the 72 properties. This option fully addresses all the objectives and critical factors of success agreed by the Council.

(NB: a full value for money assessment has not yet been undertaken.)

This option has been identified as the preferred option.

7.3 Should the project fail to gain Cabinet approval the DLUHC Deep Dive funding will potentially be lost as DLUHC could potentially seek to claw back funds, works could then be cancelled or delayed until additional NCC capital can be allocated.

7.4 Approximately £1.3m of additional HRA Capital funding would then be required for this much needed renovation work, if the project needs to be self-funded by NCC.

Other key risks associated with the project include:

- Loss of external funding if the project is not completed.
- Cost inflation placing pressure on the project budget which could compromise quality/scope and/or impact on value for money assessment.
- Costs are not fixed until design development work is completed and an external contractor is appointed.
- Should the Business Case not be approved, the project will not progress, and any costs incurred would revert to revenue.
- The revenue savings on maintenance would not be achieved if the project did not go ahead

6. Implications

Policy	The project fully supports the NCC Corporate Plan, the Northumberland Economic Strategy and the Blyth Town Investment Plan.
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<p>Finance and value for money</p>	<p>Establish the project in the capital programme; with a total project cost of £1,919,525, to be funded from Levelling Up Deep Dive grant £1,334,000, UK Government Housing retrofit funding £383,905 and existing Housing Revenue Account funding of £201,620, or up to £585,525 from existing Housing Revenue Account funding if UK Government Housing retrofit funding is lower or not secured.</p> <p>Should the project fail to gain Cabinet approval the DLUHC Deep Dive funding will potentially be lost, works will be cancelled or delayed until additional NCC capital can be allocated.</p> <p>It is estimated that once completed, the work will result in a 75% reduction in the Council's annual costs of repairs and maintenance for 66 of the 72 properties.</p> <p>This option fully addresses all objectives and critical factors of success agreed by the Council. (NB: a full value for money assessment has not yet been undertaken).</p> <p>A full benefits assessment in line with HM Treasury Green Book Guidance has been undertaken by independent economic consultants (New Skills Consulting) and independently reviewed and appraised by a separate team of economic consultants (Aecom). The assessment of benefits is set out in Section4 of the Bowes Court business case.</p>
<p>Legal</p>	<p>In its role as the fund accountable body a representative of Legal Services is invited to the Energising Blyth NCC Programme Board. Subsidy control advice has been sought for the project via NCC Legal team. The only beneficiaries that are considered to be in receipt of subsidy are the small number of private landlords that own flats / houses at Bowes Court / Bowes Street and are letting these properties in the private rented market. NCC's Housing Team will ensure that each private landlord benefiting from the funding completes a Minimal Financial Assistance declaration form, confirming that the total value of public funding subsidy they have received during the past three years (from all sources, including this project) is below the MFA threshold. The Accountable Body will also seek Legal advice. The Executive Director of Transformation & Resources and the Executive Director for Place & Regeneration have confirmed that they have no conflict of interest in relation to this project.</p>
<p>Procurement</p>	<p>In line with all other capital expenditure, project spend will be subject to the Council's recognised procurement procedures.</p>

Human resources	The scheme will be managed by the NCC Housing Capital Team as a project within the wider HRA Capital Improvement Programme and the package of works will be externally tendered. The NCC Housing Capital team will be responsible for the procurement and management of the external supplier and for ensuring that all works are completed on time and within budget.
Property	59 properties are owned by the Council, 7 flats are privately owned on a leasehold basis, and 6 houses are privately owned as freehold properties.
The Equalities Act: is a full impact assessment required and attached?	Yes - required and attached
Risk assessment	A risk register is in place for the project which will manage and monitor risk.
Crime and disorder	<p>Bowes Court is in a prominent location and the site sits adjacent to the town centre forming part of wider improvements.</p> <p>The works could have a significant, positive effect upon the visual/ aesthetic qualities of its location, complimenting and promoting the other initiatives in the area that already exist including, the work of Blyth Better Together Partnership. This Partnership seeks to take a multi-agency approach to tackle issues such as retail crime, substance misuse, Anti-Social Behaviour and supporting young people. The Bowes Court works align comfortably with the £200,000 'Deep Dive' investment in a "Welcoming and safe Blyth", the development of a new empty homes team and within the wider context of Energising Blyth.</p>
Customer considerations	<p>The works are being carried out in occupied housing and the need to take this into consideration as a responsible landlord is key.</p> <p>Initial consultations have been undertaken to enable residents and owners to inform the design and development of the project. There will be further opportunities to input to project design as the project progresses and all information pertaining to this development is in the public domain.</p>

	<p>Formal consultation with and notification to residents will commence once the project funding is confirmed. Initially this will include a letter drop and visits to residents ahead of inspections and surveys by the appointed contractor needed to design the project works.</p> <p>A dedicated NCC Project Manager and Project Officer have been allocated to the project to provide ongoing resident liaison throughout the works. Progress against the scheme will be monitored through internal partnership meetings with the successful contractor.</p> <p>Given that the properties have issues with damp this activity is underpinned by the aim to consider the living standards for customers; namely -</p> <ul style="list-style-type: none"> ▪ Quality of housing has a direct impact on the health of residents, for example the housing health and safety rating system (HHSRS) identifies that cold, damp and mould can lead to the most severe Category 1 and 2 health hazards, including pneumonia and respiratory conditions. ▪ This project will deliver improvements to social housing to eradicate cold, damp, mould and condensation, leading to better health outcomes for residents in one of the most disadvantaged areas of Blyth.
<p>Carbon reduction</p>	<p>As a result of the layout and design of the Bowes Court properties, there are significant issues with cold, damp, and poor energy efficiency, resulting in high energy consumption and high carbon emissions.</p> <p>This comprehensive retrofit solution will reduce carbon emissions, improving both their EPC and Environmental (CO2) Impact ratings. This project will directly support one of the most deprived wards in Northumberland and nationally, as well as reducing fuel bills for some of the town's most disadvantaged residents.</p>
<p>Health and wellbeing</p>	<p>Available data on the residents in Bowes Court and Bowes Street indicates a high proportion (around 42%) are within the adult social care system.</p> <p>Of these residents, 43% have a physical disability, 37% have mental health issues, and 20% are considered vulnerable due to issues such as domestic violence, poverty, bereavement, or cognitive decline.</p>

	<p>Of those with physical disabilities, a lack of mobility means they spend a greater amount of time in the home. In addition, respiratory and heart conditions are exacerbated by cold, damp and mould.</p> <p>A combination of fuel poverty and poor quality housing are impacting on the health and wellbeing of tenants, with around 27% reporting hospital admissions in the past three years.</p> <p>The project will improve health outcomes for residents of 72 properties by eradicating HHSRS Cat 1 and 2 risks caused by excess cold and dampness.</p> <p>As such, the project is intended to have a positive impact by improving the overall quality and attractiveness of accommodation in the community, alongside a wider set of interventions to tackle empty homes, safer neighbourhoods, and issues such as crime, anti-social behaviour and improving health and wellbeing.</p>
Wards	<p>The properties are in the Croft Ward of Blyth and will benefit anyone opting to reside there, through an improved standard of living, elevated pride of place and positive impacts upon health and wellbeing.</p>

8. Background papers

Appendix: Energising Blyth Programme: Levelling Up Deep Dive Cabinet Report – July 2023

Bowes Court Housing Energy Improvements Project – Outline Business Case – February 2024

9. Links to other key reports already published

The project was referred to in 2023 report to Cabinet as below:

This project aligns with the aims set out in the [Social Housing White Paper: A Charter for Social Housing Residents](#) (November 2020) which states that landlords are expected to provide tenants with decent, well-maintained homes. It also integrates with activities set out in the Blyth Town Investment Plan enhancing and supporting a number of its objectives – Inclusive Town, Clean Growth, Growing town and Vibrant town.

More information about Energising Blyth can be found here: [Northumberland County Council - Energising Blyth](#)

10. Author and Contact Details

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Northumberland

County Council

CABINET

TUESDAY, 11 JULY 2023

ENERGISING BLYTH PROGRAMME: LEVELLING UP DEEP DIVE

Report of: Councillor Wojciech Ploszaj, Portfolio Holder for Business

Lead Officer: Simon Neilson, Executive Director of Place and Regeneration

Purpose of report

To update Cabinet regarding the establishment, development and delivery of the £20.71m Levelling Up Deep Dive (LUDD) funding awarded to Blyth earlier this year. The report explains how this funding will be added to the Energising Blyth programme in the town to have a catalytic impact on the town's economy and drive forward the implementation of the Blyth Town Investment Plan.

This report seeks approval to accept this funding award from UK Government and to take a number of key early steps to enable the implementation of key projects.

Recommendations

Cabinet is recommended to:

1. **Accept the award of £20.71m Levelling Up Deep Dive capital and revenue funding from the Department for Levelling Up, Housing and Communities (DLUHC) and its use as follows;**
 - a. **Add £19,630,000 to the Capital Programme as an identified budget allocation for the capital projects identified in this report.**
 - b. **Add £1,080,000 as an identified revenue budget for the revenue funded projects and programme management arrangements outlined in this report.**
2. **Note that the funding will be used to deliver new initiatives to support the delivery of the Blyth Town Investment Plan as part of the Energising Blyth Programme including 'Welcoming and Safe Blyth', 'Housing Renewal and Town Centre Living' and 'Energy Central Campus: Technical Training Kit'.**

3. **Approve the associated financial profiles as set out in the report fully funded by the Levelling Up Deep Dive and agree to:**
 - a. **Establish a new Blyth Empty Homes Team in 2023 for two years from appointment**
 - b. **Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to enter into internal grant funding agreement for the empty homes team revenue costs subject to confirmation of funding being in place and local assurance being followed**
 - c. **Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to approve initial design fees up to the value of £1,993,469 across the programme**
 - d. **The associated programme management and assurance arrangements to support the programme's delivery as set out in the report. This includes the appointment of a Senior Programme Officer in 2023 to support the programme funded for two years from appointment drawn from the revenue budget above**

Links to Corporate Plan

The Energising Blyth Regeneration Programme is a placemaking 'whole town' suite of emerging investments which will contribute to the economic growth of the town whilst seeking to address inequality and promote inclusion. The development of delivery plans and business cases to comply with the external funding requirements will ensure value for money.

Key Issues

This report focuses on the additional £20.71m funding awarded in February 2023 to Blyth through the Levelling Up Deep Dive process.

The new funding is for a range of activities in addition to the existing Energising Blyth Programme and provide further impetus to transform the town including housing renewal, town centre living and measures to tackle anti-social behaviour and retail crime alongside additional investment in technical training kit at the new Energy Central Campus.

The £20.71m Levelling Up Deep Dive award includes the following project activities:

Welcoming and Safe Blyth - £200k (£180k capital and £20k revenue) is allocated for the 'Safe and Welcoming Blyth' crime reduction initiative

Housing Renewal and Town Centre Living

- **£18m capital funding** to support housing regeneration in the town centre including housing renewal and town centre living projects.

- **£1.06m revenue funding** to support housing regeneration activity and to create a multi-faceted Empty Homes Team for Blyth to address its 257 long-term empty properties, which currently leads to complaints, ASB and waste. This includes revenue funding allocated for programme management including the Senior Programme Officer support post referenced in the recommendations.

Energy Central Campus – Technical Training Kit - £1.45m capital is allocated for advanced technical training kit adding to the existing Energy Central Campus Phase 1 Learning Hub project.

The Housing Renewal and Town Centre Living package of projects include:

- **Bowes Court** – an energy efficiency scheme is planned to improve these NCC properties with delivery planned to start in 2023/24.
- **Extra Care Facility** – a new extra care scheme is planned. Delivery of this project is longer term expected to be delivered in 2024-26 and initial design work is planned as the next step.
- **Richard Stannard House** - Advance Northumberland (Commercial) Limited own Richard Stannard House which is the third project awarded funding for development as the 'Town Centre Living' activity. This will involve redeveloping commercial property as high quality residential apartments for rent. This project is also expected to be delivered in longer term from 2024-2026 and consultation with affected tenants will progress as part of the project's development.

The projects represent critical components of this package to ensure the delivery of external funding awarded. As such early engagement with tenants will be beneficial to progressing schemes to delivery.

As individual business cases are developed for the above capital housing projects, they will be assured by the Council and brought to Cabinet for final approval (Advance Northumberland's Board will also need to approve the Richard Stannard House project).

Authorisation is included in the recommendations to enable the empty homes team and programme management capacity to be appointed. Authorisation is included in the recommendations for spend on project design fees up to a total of £1,993,469 to enable significant project development work to proceed. This will demonstrate to the Government the Council's commitment to delivery which was made in the submission for the funding and assist in completing detailed project reports for approval.

As accountable body, the Council is responsible for ensuring the successful delivery of the Programme and that public funding is invested effectively and appropriately, in accordance with the grant funding agreements issued by the Government. Ultimate decision-making responsibility lies with the accountable body, as set out in relevant guidance.

The assurance arrangements agreed with Government for this funding are in the context of wider funding simplification activity by UK Government. This means this part of the Energising Blyth Programme can be assured by the accountable body with regular

monitoring and reporting to Government. The funding is provided as a Section 31 unringfenced grant.

The external Town Deal Board plays an advisory role only in relation to this element of the Energising Blyth Programme and will be provided with opportunities to input into programme and project development and receive regular updates in line with internal reporting. The assurance arrangements are summarised in the report.

Developing and implementing an additional package of projects simultaneously with the existing Energising Blyth Programme and wider towns regeneration programme across the county involves fully establishing additional programme management and delivery arrangements to manage this funding effectively under the different assurance arrangements set out in this report.

Staffing and resource arrangements are set out in the report and includes a new Senior Programme Officer role funded by LUDD with a dual role in programme and project management with a focus on supporting housing projects to come forward. This will be kept under regular review given the scale and nature of the programme.

The LUDD funded activities fully support the Energising Blyth Town Investment Plan, developed by the County Council in partnership with public, community and private sector stakeholders through the Energising Blyth Town Board, sets out the strategic direction for the town's economic growth and the ambition and investment themes required to enable this to be realised. It focuses on growing, renewing and connecting the town delivering inclusive growth underpinned by clean growth objectives.

The current Energising Blyth Regeneration Programme provides a co-ordinated mechanism to support the development and delivery of the investments required by effectively integrating Council capital allocations with significant external grant funding to create a £70m portfolio to grow, renew and connect the town.

With the additional LUDD funding award added, the existing £70m Energising Blyth Programme can be expanded and communicated as a £90m (rounded) Investment Programme to grow, renew and connect the town. A summary of how the expanded Programme will be communicated is included in the report and appendices.

BACKGROUND

Introduction

1. This report focuses on the additional £20.71m funding awarded in February 2023 to Blyth through the Levelling Up Deep Dive process.
2. The new funding is for a range of activities which will be integrated and add to the existing Energising Blyth Programme and provide further impetus to transform the town including housing renewal, town centre living and measures to tackle anti-social behaviour and retail crime alongside additional investment in technical training kit at the new Energy Central Campus.
3. This report focuses on the above funding award and how this funded programme will be developed and delivered. This report then also explains how the existing Energising Blyth Programme will be expanded to communicate the new Levelling Up Deep Dive funding as part of the overall investment in the town to support delivery of the Town Investment Plan.

Levelling Up Deep Dive Process

4. In Autumn 2022 the Department for Levelling Up, Housing and Communities (DLUHC) announced that Blyth would benefit from a 'Levelling Up Deep Dive'. This process has been undertaken previously in Grimsby and Blackpool.
5. This involved the DLUHC Levelling Up Team visiting the town engaging both the County Council and a wide range of partners to identify opportunities to deliver Levelling Up Policy and support the towns 'Town Investment Plan. A range of support asks and potential funding support is then agreed.
6. This process is separate and not part of the recent national 'Levelling Up Fund' competitive bid process.
7. The DLUHC Levelling Up Deep Dive team worked closely with businesses, communities, institutions and local leaders in Blyth in order to determine priorities for change, to promote opportunity in the town.
8. Five key themes were identified from this process with potential interventions emerging: Housing, Regeneration and Community Safety, Transport, Enterprise, Skills and Health.
9. The team tested the above with the Town Deal Board and other local partners, including a roundtable and visit to Blyth with DLUHC Permanent Secretary Jeremy Pocklington. The team then worked across Government to bring together a package of support for Blyth and refined the proposals following an initial indication of likely support within Government.
10. In February 2023 as part of a visit by Rt Hon Michael Gove MP, Secretary of State for DLUHC the award of £20.71m was announced as a result of the above process.

The award is a mixture of capital and revenue supported activity and also identifies areas of future work with local partners and Government Departments to tackle key issues.

11. As part of the announcements DLUHC also announced non funded activity. This included the Government confirming it will strengthen local partnerships between Jobcentre Plus and NHS services in Blyth so more disabled people and those with health conditions are supported to start, stay and succeed in work. The Department of Health and Social Care (DHSC) is also working with Northumberland Council to support more smokers to quit, complementing the £35 million recently allocated to address health inequalities across the whole of the North East and North Cumbria Integrated Care System over the next 3 years.
12. As part of the Government visit a roundtable was held with local skills providers and major employers in clean energy, renewables and advanced manufacturing. There was a commitment to continue to work together on this agenda going forward.
13. The Levelling Up Deep Dive is seen as a forerunner to new 'Levelling Up Partnerships'. Twenty such partnerships were announced in the Spring budget and the three areas to have undertaken the deep dive process will increasingly be seen as Levelling Up Partnerships in terms of an ongoing partnership approach between local and central government utilising the funds awarded to date.
14. The award is made on the basis that the Energising Blyth Levelling Up Deep Dive Programme has a crucial role to play in the successful delivery of the Governments Levelling Up policy and Blyth Town Investment Plan agreed as part of the Town Deal process, providing an important catalyst for future investment and growth in the town.
15. The projects identified by UK Government in awarding this funding are based on a co-produced business case agreed by DLUHC and focus on delivering a transformative impact through over £20.71m investment in housing renewal, town centre living, a more welcoming and safe town centre and first class industry led skills facilities.
16. The package demonstrates Government's ongoing commitment to tackling spatial inequalities in Blyth as part of the Levelling Up agenda tackling both deep seated inequalities and unlocking the potential of the town addressing poor outcomes in a number of metrics, particularly across housing quality, inclusion, accessibility, health, living standards and skills.

Levelling Up Deep Dive Projects

17. The £20.71m Levelling Up Deep Dive award includes the following project activities which will be added to the programme (see Table 1 programme summary overleaf).

Welcoming and Safe Blyth

- **£200k** (£180k capital and £20k revenue) is allocated for the 'Safe and Welcoming Blyth' crime reduction initiative.

Housing Renewal and Town Centre Living

- **£18m capital funding** to support housing regeneration in the town centre including housing renewal and town centre living projects.
- **£1.06m revenue funding** to support housing regeneration activity and to create a multi-faceted Empty Homes Team for Blyth to address its 257 long-term empty properties, which currently leads to complaints, ASB and waste. This award includes revenue funding allocated for programme management including the Senior Programme Officer support post.

Energy Central Campus – Technical Training Kit

- **£1.45m** capital is allocated for advanced technical training kit adding to the existing Energy Central Campus Phase 1 Learning hub project.

The table below provides a summary of each project.

Table 1 - Levelling Up Deep Dive Programme Summary

Table 1 - Levelling Up Deep Dive Programme Summary	
Project/Package Description	Budget
<p>Welcoming and Safe Blyth</p> <p>This project will provide funding for an Anti Social Behaviour (ASB) package and would deliver both a Retail Crime Reduction Partnership and ‘Safe and Welcoming Blyth’ initiative in partnership with key local partners. These would include Police and local partners including through the Heart of Blyth, community safety and neighbourhood partnership, and Operation Aurora ASB partnership initiatives adding value to community health and well-being support. Northumberland County Council and the Northumbria Police envision using this funding to support the below measures, although they are still in the process of working up the detailed specific interventions with key local partners:</p> <ul style="list-style-type: none"> • CCTV and other measures that will help businesses and the police directly reduce crime as well as the fear / perception of crime • Measures that provide a boost to the business community to make the town centre and priority neighbourhoods more visually appealing, also increasing a feeling of safety and reducing perception of crime. It is anticipated that this would include ‘Business Crime Reduction Partnership’ in the town centre working with local businesses, Northumbria Police, Home Office and local partners to enable better collaboration using technology solutions between agencies and business to deal with this issue • Measures that will help the Police and youth / community sector to positively address ASB and youth disorder • Measures that provide safe spaces to engage with and address substance misuse amongst the adult population in Blyth 	<p>£180k Capital £20K Revenue</p>

<p>Housing Renewal and Town Centre Living – capital This package includes three projects.</p> <p>Housing Renewal - Two projects target housing renewal in one of the most deprived wards in Blyth and the country. This includes:</p> <p>Bowes Court – an energy efficiency scheme is planned to improve these NCC properties with delivery planned to start in 2023/24.</p> <p>Extra Care Facility – a new extra care scheme is planned. Delivery of this project is longer term expected to be delivered in 2024-26 and initial design work is planned as the next step.</p> <p>The above schemes will be developed and delivered by NCC housing contracting external suppliers for construction of the new projects.</p> <p>Town Centre Living - Richard Stannard House - The other project introduces high quality town centre living integrated with the town centres regeneration. This project is located at Richard Stannard House as a deliverable town centre living scheme strategically located at the gateway to the town centre on Bridge St. This scheme will be delivered by Advance Northumberland who own the property and will renovate the currently underutilised business premises into new high quality apartments for rent.</p> <p>Collectively these projects are designed to improve the overall quality and attractiveness of accommodation, address market failure, contribute to net zero goals and deliver placed based environmental improvements. As part of project development, all projects will involve relevant consultations and engagement with any affected tenants and other parties.</p>	<p>£18m Capital</p>
<p>Housing Renewal and Town Centre Living – revenue This part of the package involves the creation of a multi-faceted Empty Homes Team, including powers of enforcement, this will enable a greater focus on the ability to tackle the issue of empty homes in Blyth.</p> <p>This budget includes overall programme management support costs.</p>	<p>£1.06m Revenue</p>
<p>Energy Central Campus – Technical Training Kit This provides for additional technical training kit to support the offer at the new Energy Central Learning Hub on Blyth Quayside.</p>	<p>£1.45m Capital</p>
<p style="text-align: right;">Total £20.71m</p>	

COSTS AND FUNDING

18. Table 2 below shows the current funding profile split on an annual basis.

19. At this stage prior to full establishment of the programme the budget is established only at the programme level based on the programme level costs established with DLUHC. Individual project leads are in the process of developing updated business case applications which will be subject to approval by the council confirming updated costs and spend profiles.
20. As part of this process early work is needed to de risk project delivery and as such approval of budgets are requested to enable the new empty homes team and programme support officer to be appointed and early design work to be progressed as projects develop and are assured further. This includes the recommendations to:
 - a. Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to enter into internal grant funding agreement for the empty homes team revenue costs subject to confirmation of funding being in place and local assurance being followed.
 - b. Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to approve initial design fees up to the value of £1,993,469 capital across the programme.
21. Project level budgets will be confirmed as part of future reports to cabinet and project budgets established in the capital plan on this basis.
22. The table below overleaf sets out the programme level capital and revenue budget only at this stage.

Table 2 - Energising Blyth Levelling Up Deep Dive Funding - Financial Profile					
	2023/24	2024/25	2025/2026	2026/27	Total Funding
Capital Funding Summary					
Welcoming and Safe Blyth	35,000	145,000	0	0	180,000
Housing Renewal and Town Centre Living	2,674,000	6,626,000	8,700,000	0	18,000,000
Energy Central Campus Training Kit	1,450,000	0	0	0	1,450,000
Total Capital*	4,159,000	6,771,000	8,700,000		19,630,000
Revenue Funding Summary					
Revenue – Empty Homes Team and Programme Management Staffing and other costs e.g. legal and consultancy fees	353,333	530,000	176,667	0	1,060,000
Revenue – Welcoming and Safe Blyth	10,000	10,000	0	0	20,000

Total Revenue	363,333	540,000	176,667	0	1,080,000
LEVELLING UP DEEP DIVE TOTAL FUNDING	4,522,333	7,311,000	8,876,667	0	20,710,000

*This budget includes up to £1,993,469 allowance for fees including design costs. Included in the recommendations in this report is a request to Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to approve initial design fees up to this value to de risk delivery subject to assurance processes and final approval of project business cases.

LEVELLING UP DEEP DIVE PROGRAMME MANAGEMENT AND ASSURANCE ARRANGEMENTS

23. The governance structure will provide the mechanisms through which decisions will be made to support the development and delivery of the programme, including the defrayal of public funds, and the monitoring and reporting of activity, outputs, risks and issues. See Appendix 1 for the programme governance overview.

Key roles and responsibilities

24. The Energising Blyth Town Board will continue to provide the strategic direction, local insight and a collaborative stakeholder approach to shaping regeneration investments in Blyth and is the main means through which external partner organisations will influence project development and delivery. The Blyth Town Forum also continues to be an important mechanism to engage with and drive collaboration with the involvement of Town Council representatives and County Councillors alongside other public, private and community partners.
25. The Levelling Up Deep Dive assurance arrangements agreed by Government do not require formal sign off by the Town Deal Board, as is the case with the existing arrangements for the other Energising Blyth projects. As such the Town Deal Board plays an advisory only role and will receive regular updates.
26. The Council is the 'lead council' for the Levelling Up Deep Dive and will act as the Accountable Body for the Levelling Up Deep Dive external funding and as such will have overall responsibility for the effective management and defrayal of funding. The Council will regularly report on programme performance, progress, expenditure and outputs, in line with funder requirements. It will also put in place a grant funding agreement with Advance Northumberland Ltd, project lead for the Richard Stannard House scheme.
27. The Levelling up Deep Dive part of the Energising Blyth Programme is 100% funded by DLUHC. Funding will be provided to NCC in the form of a Section 31 grant paid in two instalments in 2023-24 and 2024-25.

28. DLUHC expect to have regular review meetings with the council and receive a regular delivery update including progress against project milestones. The second payment will be released upon satisfactory progress against milestones.
29. The Council will continue to report on progress with the Energising Blyth Programme via an internal Programme Board and will include reports on progress with the LUDD allocation as part of these arrangements. This Board will have overall responsibility for effective delivery of the Programme, ensuring sufficient project management resources are in place to oversee each scheme. The project leads will submit regular progress reports on each project to the Board.
30. The Board will provide oversight and strategic direction, make decisions e.g., on contractor appointments, and make recommendations on the approval of project business cases and funding allocations. Membership will include Executive Directors and Heads of Service of relevant departments (regeneration, planning, technical services, transport, and education) as well as support services (finance, legal and procurement).
31. The Council's advisory internal Housing Delivery Board will also maintain an overview and received regular progress updates regarding the housing renewal and town centre package in the wider context of the councils housing improvement programme.
32. The Council's Capital Strategy Group will make recommendations to Cabinet on the allocation of funding from the Council's capital programme to support the capital projects in the programme. The Cabinet will be the final decision-making authority, approving the Council match funding contribution to projects, as well as the individual project applications once they have been assured internally or where applicable externally through independent specialist appraisal.
33. Subject to Cabinet decision, approval will be delegated to the Executive Director for Place and Regeneration to execute all contracts relating to individual projects, with confirmation being in place of associated funding and the appropriate procurement processes being followed.
34. This will initially include the award of relevant contracts for the supply of a multi-disciplinary design team and spatial planning service to capital project development.
35. Rules 2.3 and 2.4 of the Council's Finance and Contract Procedure set out why this delegation is required, as the potential contract values will exceed those allowed. The initial contracts to be awarded will be for design work and project development that will commit expenditure to low-risk activities not normally required to be the subject of examination under the Council's Business Case and Risk Appraisal Processes.

36. It should be noted that, in order to meet grant funding timescales, the council will need to commence the procurement of design and development work on major capital projects to inform final business cases. This will inform final costs which will be included in the final project approvals presented to Cabinet.
37. The Council's s151 Officer will independently assess the sustainability, viability, and value for money of each project business case, to ensure compliance with all necessary financial regulations. This will include scrutinising and signing off business cases, financial returns, and monitoring and evaluation reports for submission to DLUHC. The Council's Audit Committee will, as required, provide a further level of assurance in the management of public finances, compliance with legal and regulatory responsibilities, and risk management.

Programme Assurance

38. The Council has a robust assurance process in place, to ensure sign-off at various stages of projects. This includes:
 - A business case (designed specifically for the LUDD funding requirements) will be developed for each DLUHC (LUDD) project appropriate to the scale and complexity of the project (projects in LUDD range from £200k to over £12m), compliant with HMT Green Book five case model, which will be assessed by the Regeneration Programmes and Investment Team and where appropriate independently appraised. An appraisal report, with key findings and recommendations will be presented to the Programme Board and Cabinet to secure approval for the business case and funding. It should be noted that the business case for the Richard Stannard House will need to be simultaneously approved by the Board of Advance Northumberland Ltd (ANL), as well as NCC Cabinet, in order to proceed.
 - Formal agreement between NCC (as accountable body) and ANL, as the Council's delivery partner setting out key project management requirements, including submission of quarterly progress reports on progress, spend, and outputs, and monthly cost reports with actual and forecast expenditure.
 - An internal grant agreement with NCC housing and grant agreement between NCC and ANL, as project sponsor/developer for the Richard Stannard House project.
 - All projects will ensure and evidence compliance with public procurement and financial regulations, as well as statutory obligations.
 - During project design, costs will be presented at the end of each RIBA stage and agreed (via gateway points) before progressing.
 - Project variances will be considered by each Project Board and escalated to the wider Programme Board as required.

- Production of regular project monitoring reports, with supporting evidence of defrayal and output achievement, to ensure each project is on schedule, and to identify any delivery issues or challenges.
- Regular budget monitoring will be undertaken with all claims validated by senior finance and performance management staff

Programme Staffing and Capacity

39. The management and resourcing of this support will be co-ordinated through the NCC Programme Board and includes:
- Strategic and delivery teams (e.g., technical services, highways, planning) who will be involved in the development, design, assurance, statutory approval, and delivery of projects.
 - Finance, legal, and procurement teams, who will provide corporate support services.
40. The Economy and Regeneration Service will provide overall programme management support, including existing resources and an additional Senior Programme Officer (band 9) post funded by LUDD for 2 years from appointment in 2023. This additional capacity will focus on bringing forward the housing projects in the package providing support and working closely with NCC housing and Advance. The service will project manage the LUDD programme workstreams and provide capacity to support:
- Commissioning and management of the consultancy teams to support site master planning in relation to housing renewal activity in conjunction with the housing team. There may be opportunities to work with other partners in Blyth to lever in other funding opportunities to deliver housing improvements linked to the LUDD package.
 - Developing a community grants approach to the £200k Welcoming and Safe Blyth initiative. It may be possible to promote this funding as part of the existing Heart of Blyth project in the town and this will be developed further in coming months to support both business and community led activities in the town.
41. The Regeneration Programmes Investment Team will ensure the projects developed are robust, represent value for money, and are compliant with any funding agreement. The team will be responsible for maintaining the Council's accountable body role for externally funded regeneration projects and programmes. The team will also co-ordinate the assurance and approval of robust business cases for the projects. This includes co-ordination of independent appraisal for project business cases and preparation and issuing of a sub-grant funding agreement to ANL where applicable.
42. The Regeneration Finance and Performance Team will ensure that arrangements

are in place to monitor budget, spend and outputs and prepare reports and claims to all funders. Outputs, as specified in each grant funding agreement, will be fully checked to ensure there is the required supporting evidence.

Project Management arrangements

43. The capital schemes have identified project leads in place as set out below:
- Welcoming and Safe Blyth – this project will be developed by a Senior Programme Officer in the Economic Growth and Regeneration Team with specialist knowledge of community grants.
 - Housing Renewal capital and revenue projects – these projects will be client managed by senior officers in NCC Housing.
 - Town Centre Living – Richard Stannard House - Advance Northumberland Limited will provide a full PM Service and lead on delivery via a PID contract.
 - Energy Central Campus technical training kit – this project will be led by the Energy Central Campus Ltd Project Manager, on behalf of the ECC Company Ltd.
44. It is important to note that the speed of the delivery requirements and scale of this programme are significant, and resourcing will be kept under regular review. The council may need to consider additional resourcing to match the scale of ambition to deliver this transformative programme and meet funder requirements.

EXPANDING THE ENERGISING BLYTH PROGRAMME

Current £70m Energising Blyth Programme

45. The existing Energising Blyth Programme was developed when Northumberland County Council and its partners were successful in attracting Future High Streets Fund (£11.1m) and Town Deal (£20.9m) funding between 2022-2026 from UK Government to deliver the Blyth Town Investment Plan (TIP) which aims to grow, renew and connect the town. This includes a focus on transforming Blyth town centre given the significant market failure evident in the area.
46. The existing £70m Energising Blyth regeneration programme is well underway with the delivery of 11 major projects in the town between 2022-2026 and is matched with identified NCC budgets in the capital programme and contributions from other funding partners including the North of Tyne Combined Authority. See Appendix 1 for the Energising Blyth Project Map.
47. The establishment of the Energising Blyth Programme was originally agreed by Cabinet in July 2021 and the Future High Streets Fund bid was agreed by Cabinet in June 2020. The Future High Streets Funded element of the Programme has a particular focus on rejuvenating the town centre and addressing market failure.

48. 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.
49. Two projects have already been completed as follows:
- Bowes St, Church St and Wanley Street improvements have now been completed beginning the process of revitalising the town centre with public realm and connectivity improvements;
 - Intervention on Northumberland Energy Park has now been completed to improve infrastructure installing a new capping beam on the deep dock supporting the area to be investment ready.
49. Major flagship schemes are getting underway this year including:
- Construction of the new Energy Central Campus Learning Hub Phase 1 is underway and set to open in Winter 2024 creating a major new facility for training and skills connecting local people to jobs in future industry. The first education partner Bede Academy has recently announced bringing new industry focused 'T Levels' to the town for the first time.
 - The first major project in the town centre is set to begin in Summer 2023 with the development of a new Culture Hub and improvements to Market Place to stimulate renewed confidence in the area also set to open in Winter 2024.
 - Further improvements to public realm and connectivity will also get underway on Bridge St in Autumn 2023 connecting the town centre to the quayside.
50. The delivery of the investment and change in the area through the Energising Blyth programme is sequential and to make a real impact on market failure evident in the town is predicated on the early success of the above major interventions.
51. Further major development in the town centre is planned through the existing programme in the longer term including additional improvements to the public realm and connectivity and new hotel, restaurant, education and innovation uses which will add to this new and exciting offer.
52. This cumulative impact will be to reposition the town centre as a place which is able to fully contribute and benefit from the wider growth and success of Blyth as a clean energy port and as a major part of the Northumberland and North East economy connected by the investment in the Northumberland Line including two stations in Blyth.

Updated £90m Energising Blyth Programme

53. The additional Levelling Up Deep Dive funding set out in this report means that the Programme can be expanded to be communicated as a £90m (rounded) Regeneration Programme to transform Blyth. The Programme continues to be funded by UK Government (now including Future High Streets Fund, Town Deal and Levelling Up Deep Dive), Northumberland County Council, North of Tyne Combined Authority and other partners.
54. The Programme continues to sit alongside a wider programme of investment including the Northumberland Line, Blyth Relief Road, Northumberland Energy Park and Heart of Blyth which whilst not part of the Programme are closely linked and contribute to the delivery of the Town Investment Plan.
55. The levelling up deep dive funding allows delivery up to 2027, as such the overall Programme timescale will now be from 2021 to 2027 rather than the current 2026 timescale.
56. The new projects all fit well within the Town Investment Plan (TIP) themes which continue to be focused on helping to deliver a:
- **Vibrant Town:** Renew the town centre with new cultural, education, leisure and residential projects around a revitalised Market Place.
 - **Growing Town:** Boost the growth of Blyth's major renewable energy industry at the Quayside, Port of Blyth and industrial sites.
 - **Inclusive Town:** Provide skills, culture and leisure activities for the benefit of local people, communities and businesses.
 - **Connected Town:** Improve walking and cycling routes and connections to public transport networks, making it easier to travel into / out of Blyth.
 - **Clean Growth Town:** All the above supported by being a leading place for delivering net zero and a just transition.
57. The updated project list set out overleaf for the Energising Blyth Programme now include 13 major projects including the new Deep Dive funded projects and packages.
58. The Energy Central Campus Learning Hub Phase 1 is already a project on the existing Energising Blyth Programme list so the LUDD funded element of this project is not added separately to the appendices overleaf. The additional funding from LUDD will be added to that project once a separate project application has been submitted, assured and approved by NCC for the additional funding awarded.
59. The expanded Energising Blyth Project List and Project Maps are set out overleaf in Appendix 2 and 3 including the new LUDD funded activities. Appendix 2 also summarises the overall development and delivery timescales for the programme going forward.

IMPLICATIONS

Policy	The project fully supports the Council's Corporate Plan, the Northumberland Economic Strategy and the Energising Blyth Town Investment Plan.
Finance and value for money	<p>This report recommends the council accepts the award of £20.71m Levelling Up Deep Dive capital and revenue funding from the Department for Levelling Up, Housing and Communities (DLUHC) as follows:</p> <ul style="list-style-type: none"> - Add £19,630,000 to the Capital Programme as an identified budget allocation for the capital projects identified in this report. - Add £1,080,000 as an identified revenue budget for the revenue funded projects and programme management arrangements outlined in this report. <p>The financial implications of these proposals are outlined in the main body of the report including the recommendation to note the staffing arrangements and potential need for Cabinet to review this at a later date. Business Cases for individual projects will be brought back to Cabinet as they are developed for a final decision to proceed.</p>
Legal	<p>Legal advice including external subsidy control advice will be sought and confirmed as part of project development and business case approval as projects move forward.</p> <p>The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 confirm that the matters within this report are not functions reserved to Full Council.</p>
Procurement	In line with all other expenditure, project spend will be subject to the Council's recognised procurement procedures. Project spend will be subject to the Council's recognised procurement procedures. Rule 4.9.1(e) of the Council's Finance and Contract Procedure Rules requires Executive approval before commencing procurement of goods or services where the value is over £2 million.
Human Resources	The programme is being managed by NCC's Economy and Regeneration Service in conjunction with internal, Advance Northumberland and Energy Central Company Ltd leads as outlined in the report. The LUDD funding includes a revenue contribution to programme management.
Property	Specific implications for NCC property will be included in project business cases for approval.
Equalities	(Impact Assessment attached)

	<p>Yes No N/A X</p> <p>The promotion of inclusive growth is a core aspiration and expectation of the delivery of the Energising Blyth Town Investment Plan, the Energising Blyth Regeneration Programme and DLUHC Levelling up missions with specific metrics included in the monitoring and evaluation framework to establish performance.</p>
Risk Assessment	<p>High level risks were established as part of the programme funding application. A risk register will be developed as part of Programme establishment and for each project as part of business case development. This will include regular updates and monitoring in place to effectively manage risk. The governance structure once embedded will increase risk management.</p>
Crime & Disorder	<p>It is anticipated that this programme will impact positively to reduce anti-social behaviour (ASB). The Welcoming and Safe Blyth project will develop strong community relations particularly with businesses, young people and families including from marginalised groups and target locations. Capital improvements will specifically build in the need to reduce ASB, which is an identified issue in this part of the town, including through a range of design features such as better lighting and a more open and visible public space. Each component project will seek to design out crime, increase perceptions of safety through improved lighting, footways and increased animation.</p>
Customer Consideration	<p>There has been extensive partner and community consultation as part of the development of the Energising Blyth Town Investment Plan and through the LUDD engagement process. The proposals that have emerged in the expanded programme respond to the feedback received about the communities and stakeholders concerns. Further engagement is planned as each project develops in conjunction with Energising Blyth Town Board and stakeholders in the town. Detailed engagement and consultation will be undertaken including with any tenants potentially affected by any project.</p>
Carbon reduction	<p>The projects outlined in this report include significant capital improvements to public space and greening of the High Street and also other locations where possible, which will have a positive environmental benefit. Designs for new buildings include a focus on energy efficiency and public realm works will incorporate sustainability benefits, where applicable and encourage active travel.</p>
Health & Wellbeing	<p>Energising Blyth Town Investment Plan includes an objective to support the development of an 'Inclusive Town' enabling positive</p>

	health and wellbeing outcomes through successful town centre regeneration. A major focus of the programme is designing a better town centre which is well equipped to support recovery from Covid-19 and be more resilient in the future, offering new destinations and potentially facilities for residents that support wellbeing.
Wards	All wards in the town of Blyth

Appendices

Appendix 1: Levelling Up Deep Dive: Programme Governance

Appendix 2: Energising Blyth Programme – Project List

Appendix 3: Energising Blyth Project Maps – Town Centre and Town Wide Project Maps

Background Papers

None

Report sign off

Authors must ensure that officers and members have agreed the content of the report:

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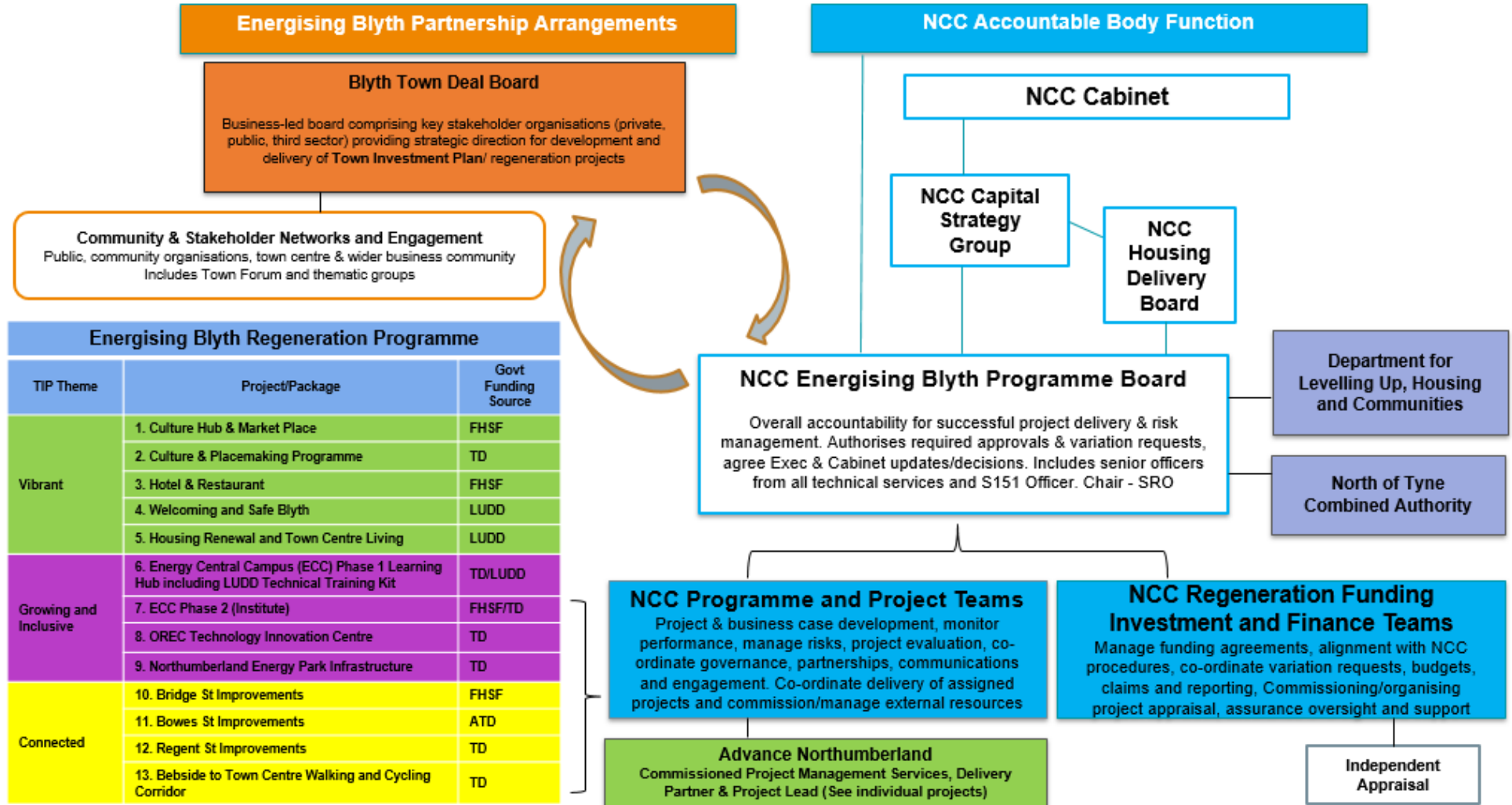
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Appendix 1: Levelling Up Deep Dive: Programme Governance Overview

Energising Blyth Levelling Up Deep Dive Governance & Assurance



Appendix 2 – Energising Blyth Programme – Project List updated May 2023

Key	Project Development & Approvals	Orange
	Project Delivery	Red
	Project Completed	Green

TIP Theme	Project/Package	UK Govt Funding Source	Summer 2023	Autumn 2023	Winter 2023	2024	2025	2026
Vibrant	1. Culture Hub & Market Place	Future High Streets Fund (FHSF)	Orange	Red	Red	Red	Orange	Orange
	2. Culture & Placemaking Programme	Town Deal (TD)	Orange	Red	Red	Red	Red	Red
	3. Hotel	FHSF	Orange	Orange	Orange	Red	Red	Red
	4. Welcoming and Safe Blyth	Levelling Up Deep Dive (LUDD)	Orange	Red	Red	Red	Red	Orange
	5. Housing Renewal and Town Centre Living	LUDD	Orange	Red	Red	Red	Red	Red
Growing and Inclusive	6. Energy Central Campus (ECC) Phase 1 Learning Hub	TD / LUDD	Red	Red	Red	Red	Orange	Orange
	7. ECC Phase 2 (Institute)	FHSF / TD	Orange	Orange	Orange	Red	Red	Red
	8. OREC Technology Development Centre	TD	Red	Red	Red	Red	Red	Orange
	9. Northumberland Energy Park Infrastructure	TD	Green	Green	Green	Green	Green	Green
Connected	10. Bridge St Improvements	FHSF	Red	Red	Red	Red	Orange	Orange
	11. Bowes St Improvements	Accelerated Town Deal (ATD)	Green	Green	Green	Green	Green	Green
	12. Regent St Improvements	TD	Orange	Orange	Orange	Red	Red	Orange
	13. Bebside to Town Centre Walking and Cycling Corridor	TD	Orange	Orange	Orange	Red	Red	Orange

Appendix 3 - Energising Blyth Project Maps – Town Centre Project Map updated May 2023

Energising Blyth Project Map

May 2023



Appendix 3 - Energising Blyth Project Maps – Town wide Project Map updated May 2023

Energising Blyth Project Map

- Location of Projects Diagram Key**
- Blyth Town Deal Boundary
 - Blyth Town Centre
 - Energy Central - Blyth Estuary Sites
 - Cycling and Walking Corridors
 - Northumberland Line Railway
 - Location of Proposed Northumberland Line Railway Stations
 - Conservation Areas

- Energising Blyth Projects**
- 1 Culture Hub and Market Place
 - 2 Culture and Placemaking Programme (across town)
 - 3 Hotel and Restaurant Town Centre Location TBC
 - 4 Welcoming and Safe Blyth (across town)
 - 5 Housing Renewal and Town Centre Living (locations TBC)
 - 6 Energy Central Campus (ECC) Phase 1 (Learning Hub)
 - 7 ECC Phase 2 (Institute) Town Centre Location TBC
 - 8 Offshore Renewable Energy Catapult (OREC) Technology Innovation Centre (TIC)
 - 9 Northumberland Energy Park Infrastructure
 - 10 Bridge Street Improvements (The Link)
 - 11 Bowes St, Church St and Wanley St improvements (Northern Gateway Phase 1)
 - 12 Regent Street Improvements (Northern Gateway Phase 2)
 - 13 Beaside to Town Centre Cycling and Walking Corridor

- Other Projects**
- 14 Northumberland Energy Park
 - 15 Blyth Clean Energy Terminal
 - 16 Minewater District Heating Network (locations TBC)
 - 17 Blyth Bus Station
 - 18 High Street Car Park and Thoroton Street Improvements
 - 19 Headway Artspace
 - 20 Commissioners Building - Maritime and Heritage Museum
 - 21 Quay Road and Roundabout Improvements
 - 22 Dun Cow Quay
 - 23 Commissioners Quay Development
 - 24 Blyth Welding and Fabrication Centre
 - 25 Cycling and Walking Priority Corridors (routes TBC)
 - 26 Blyth Relief Road (preferred route TBC)
 - 27 Moor Farm Roundabout: Located south of Blyth at A189/A19 junction



MEETING THE PUBLIC SECTOR EQUALITY DUTY

INTRODUCTION TO THE NOTE

This note outlines the role of the Public Sector Equality Duty (PSED) within the Towns Fund and provides some material to support its discharge.

INTRODUCTION TO THE PUBLIC SECTOR EQUALITY DUTY AND PROTECTED CHARACTERISTICS

The Equality Act 2010¹ set out measures to protect people from discrimination. The 'axes' on which this is defined and measured cover the nine protected characteristics:

- **Age**
- **Disability**
- **Gender reassignment**
- **Marriage and civil partnership** (note, this is a protected characteristic only in regard to eliminating discrimination)
- **Pregnancy and maternity**
- **Race**
- **Region or belief**
- **Sex**
- **Sexual orientation**

The Equality Act also sets the PSED, requiring public bodies (as defined in the Act, but for the purposes of the Towns Fund, covering all local authorities) to consider how their policies or decisions affect people who are protected under the Equality Act.

The standard set is to ensure local authorities 'have due regard' to the need to '*eliminate discrimination ... advance quality of opportunity, and ... foster good relations between different people*'. As such, it is a positive or affirmative duty, in that equality should be promoted, as opposed to a 'do not harm' duty to not worsen a situation. To support this, positive discrimination is possible.

Additionally, in 2014 Government introduced a requirement for government departments to explicitly consider the family perspective in decision making – the 'Family Test'². Whilst the Family Test only applies to government departments and not local authorities, Towns may choose to consider alongside the protected characteristics.

¹ <https://www.gov.uk/guidance/equality-act-2010-guidance>

² Government has published guidance on the Family Test. Although this is not required from local authorities, the same considerations are often part of local authority decision making and policy targeting. It is not a statutory requirement, but there is an expectation that government departments will undertake it where it is relevant and proportionate to do so. Although Government Departments are expected to document the Family Test, they are not obliged to publish them.

DISCHARGING THE PUBLIC SECTOR EQUALITY DUTY

PSED is discharged in different manners, depending on whether a specific project/programme is being assessed or it is a wider programme/strategy.

- For a specific project or programme (such as a local plan, development proposal that might require planning permission or is a particular thing in a particular place) the PSED is normally demonstrated and discharged through an equalities impact assessment (EqIA). There is no mandatory or statutory requirement to complete an EqIA, nor for a record to be kept of how equalities considerations have been taken into account. However, both are considered good practice and provide a trail for audit, challenge and defence.
- For a programme, strategy or something that covers a wider area (even nation-wide) or wider array of projects it would be more usual to wrap the PSED into a regulatory impact assessment (RIA), considered alongside other strategic considerations. (It should be noted that government RIA guidance³ does talk about the impact on places, businesses and people but does not refer explicitly to protected characteristics, and as such does not fulfil the PSED.)

Towns Fund bids are likely to comprise a range of projects and may cover a substantial geographic area. They therefore 'fall between' an EqIA and an RIA, and it is suggested that both these scales/types of assessment are required.

To support Towns in discharging the PSED, a set of two inter-related templates are provided which together provide a simple framework for considering impact on the protected characteristics as well as the Family Test (if chosen to include in the assessment):

- a project-level assessment template; and
- a programme-level assessment template.

The templates reflect the principles of EqIA and RIA and provide an integrated method for assessment and recording. Notwithstanding the templates, local authorities are responsible for the proportionality and robustness of their assessment, and may need to go beyond the templates to reflect local circumstances and/or to undertake a more detailed assessment of projects of a higher intensity or complexity.

As well as simply discharging the PSED for its own sake, assessing how projects and the wider programme impact on different groups of people is a valuable exercise in making sure that the Towns Fund investment benefits all and is as successful as possible. Following the assessment, there may be a need for further actions, including changing aspects of the projects or even re-prioritising projects. The TFDP have developed a Project Re-Prioritisation Tool for Stage 2 of the Towns Fund, which nudges you to ensure you have considered relevant PSED implications on your projects during project confirmation stage. You can download that tool and watch a tutorial for how to use it by clicking this link:

<https://townsfund.org.uk/resources-collection/project-re-prioritisation-tool>.

³ <https://www.gov.uk/government/collections/impact-assessments-guidance-for-government-departments>

TERMS & CONDITIONS



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SAMPLE PROJECT-LEVEL ASSESSMENT TEMPLATE

A sample project-level assessment table is provided below, which follows EqIA principles to help to provide assurance that the duty has been appropriately discharged (and the outcomes recorded). Each box should be limited to around 250 words, and some may not be relevant (e.g. where there is no negative or mixed effect). The template can be completed for each project and submitted alongside the business case, as well as included in the summary document. Towns may make amendments to the template to reflect local circumstances or needs.

(Note, there is an alternative, long-form layout to this template in Appendix A, which you may find easier to complete. You might choose to use this version as a summary / comparison version.)

Name of project:	Bowes Court/Street Housing Energy Improvements
Project objectives: (describe the project's aim as it relates to protected characteristics)	Delivery of a comprehensive retrofit solution that will make the homes within Bowes Court and Bowes Street, Blyth, warm, energy efficient and damp and mould free. Refurbishment of these homes will contribute to reducing the stock of poor-quality housing in Blyth and the associated health, environmental, and economic harms this causes. It will help improve the health outcomes for residents, as well as improving energy efficiency, which will reduce energy costs for tenants and support Northumberland County Council and Government Net Zero ambitions.

Consideration	Protected Characteristics (Part 1)				
	Age	Disability	Gender reassignment	Marriage and civil partnerships	Pregnancy and maternity
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	<p>CONTEXT STATEMENT</p> <p>Northumberland County Council is the northernmost county in England, covering an area of 5,013km squared, of which 96.7% is classed as rural and a population of 316,000. Around half of the population live in the South-East of the county, which covers only 3% of Northumberland. Principal towns include Ashington, Blyth and Cramlington and are distinctly built up in character with modern housing development and industrial estates. In comparison, the rural parts of the county are very sparsely populated. The life expectancy for someone born in Northumberland has risen by three years over the past decade, from 78 years to 81 years. The median average age in Northumberland in 2021 was 48.9, with over 18s representing 85% of the population. According to mid-year population estimates published by the ONS in 2019, males account for 48.9% of Northumberland's population, while females made up 51.1% of the total. People under the age of 16 represent 15% of the population and over 65's represent 25.6% of the population. (Source: Equality Information Report 2023) Equality Information Report (northumberland.gov.uk)</p> <p>Blyth has three of the four wards (Cowpen, Blyth Town, Isabella) with the worst life expectancy in Northumberland. Quality of housing has a direct impact on the health of residents and this project will deliver improvements to homes to eradicate cold, damp, mould and condensation, leading to better health outcomes for residents in one of the most disadvantaged areas in Blyth</p> <p>42% of residents within Bowes Court and Bowes Street are within the adult social care system. Of these residents, 43% have a physical disability, 37% have mental health issues, and 20% are considered vulnerable due to issues such as domestic violence, poverty, bereavement, or cognitive decline.</p> <p>Available data on residents is currently limited therefore there is little evidence of the potential effect on protected characteristic groups. Further consultation with the residents to gather the required data will inform a full assessment.</p>				
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	Reasonable adjustments will be applied across the project to ensure effective communication for residents within this protected characteristic.	Reasonable adjustments will be applied across the project to ensure effective communication for residents within this protected characteristic.	Can deliver project without disadvantage.	Can deliver project without disadvantage.	Reasonable adjustments will be applied across the project to ensure effective communication for residents within this protected characteristic.
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	M	M	+VE	+VE	M
	Negative Impacts: <ul style="list-style-type: none"> Potential for the work to cause disruption and upheaval for older residents. 	Negative Impacts: <ul style="list-style-type: none"> Limited access to attend consultation events for those with mobility issues. 	No known negative impacts.	No known negative impacts.	Negative Impacts: <ul style="list-style-type: none"> Potential difficulties attending consultation event due to difficulties in

Consideration	Protected Characteristics (Part 1)				
	Age	Disability	Gender reassignment	Marriage and civil partnerships	Pregnancy and maternity
	<p>Positive Impacts:</p> <ul style="list-style-type: none"> The project will improve the health outcomes for residents by making the homes warm, energy efficient and damp and mould free. 	<ul style="list-style-type: none"> Potential difficulties understanding discussion for those with hearing/visual impairment. Potential difficulties with concentration for attendees with neuro-disabilities. Potential disruption to residents accessing their homes for the duration of the work. <p>Positive Impacts:</p> <ul style="list-style-type: none"> Improved living conditions for those residents that suffer from a lack of mobility which means that they spend a greater amount of time in the home. Improved living conditions for those residents that suffer from respiratory and heart conditions that are exacerbated by cold, damp and mould. 			<p>managing early childcare responsibilities.</p> <ul style="list-style-type: none"> Potential disruption to residents accessing their homes for the duration of the work. <p>Positive Impacts:</p> <ul style="list-style-type: none"> The project will improve the health outcomes for residents, including young children, by making the homes warm, energy efficient and damp and mould free.
If the effect is negative or mixed:					
Is the effect significant? <i>(add an explanation)</i>	N	N	Y / N	Y / N	N
	No – Effective communication, care and consideration to be given for the duration of the works to ensure disruption and upheaval is kept to a minimum.	No – Reasonable adjustments to ensure effective communication can be applied during the project. Careful consideration to be given in the planning stage to ensure residents retain safe access to their homes for the duration of the work.	Not applicable.	Not applicable.	No – Reasonable adjustments to ensure effective communication can be applied during the project. Careful consideration to be given in the planning stage to ensure residents retain safe access to their homes for the duration of the work.
What embedded mitigation does the project contain?	Ongoing communication with the residents for the duration of the project.	Individual home visits can be arranged for those that are unable to attend the consultation event due to mobility issues. Inclusion of family members, carer givers or friends during communication with residents can be arranged when needed. Information can be provided in alternative formats to suit the needs of the residents.	Not applicable.	Not applicable.	Individual home visits can be arranged for those that are unable to attend the consultation event due to difficulties in managing early childcare responsibilities.

Consideration	Protected Characteristics (Part 1)				
	Age	Disability	Gender reassignment	Marriage and civil partnerships	Pregnancy and maternity
What residual significant effects remain?	Not applicable.	None.	Not applicable.	Not applicable.	None.
Is there an in-combination effect across multiple protected characteristics (across both Part 1 and Part 2 of the assessment table)? <i>(e.g. the proposed project has minor effects across several protected characteristics which, when considered together, have a more significant impact)</i>	Not applicable.				
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	Not applicable.	Not applicable.	Not applicable.	Not applicable.	Not applicable.

Consideration	Protected Characteristics (Part 2)				
	Race	Religion or belief	Sex	Sexual orientation	'Family Test' (if used)
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	<p>CONTEXT STATEMENT</p> <p>Northumberland County Council is the northernmost county in England, covering an area of 5,013km squared, of which 96.7% is classed as rural and a population of 316,000. Around half of the population live in the South-East of the county, which covers only 3% of Northumberland. Principal towns include Ashington, Blyth and Cramlington and are distinctly built up in character with modern housing development and industrial estates. In comparison, the rural parts of the county are very sparsely populated. The life expectancy for someone born in Northumberland has risen by three years over the past decade, from 78 years to 81 years. The median average age in Northumberland in 2021 was 48.9, with over 18s representing 85% of the population. According to mid-year population estimates published by the ONS in 2019, males account for 48.9% of Northumberland's population, while females made up 51.1% of the total. People under the age of 16 represent 15% of the population and over 65's represent 25.6% of the population. (Source: Equality Information Report 2023)</p>				

Consideration	Protected Characteristics (Part 2)				
	Race	Religion or belief	Sex	Sexual orientation	'Family Test' (if used)
	<p>Blyth has three of the four wards (Cowpen, Blyth Town, Isabella) with the worst life expectancy in Northumberland. Quality of housing has a direct impact on the health of residents and this project will deliver improvements to homes to eradicate cold, damp, mould and condensation, leading to better health outcomes for residents in one of the most disadvantaged areas in Blyth</p> <p>42% of residents within Bowes Court and Bowes Street are within the adult social care system. Of these residents, 43% have a physical disability, 37% have mental health issues, and 20% are considered vulnerable due to issues such as domestic violence, poverty, bereavement, or cognitive decline.</p> <p>Available data on residents is currently limited therefore there is little evidence of the potential effect on protected characteristic groups. Further consultation with the residents to gather the required data will inform a full assessment.</p>				
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	Reasonable adjustments will be applied across the project to ensure effective communication for residents within this protected characteristic.	Can deliver project without disadvantage. Consideration to be given to residents within this group to ensure minimal disruption during cultural and religious holidays or practices.	Can deliver project without disadvantage.	Can deliver project without disadvantage.	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	M	+VE	+VE	+VE	+VE / M / -VE
Page 63	<p>Negative Impacts -</p> <ul style="list-style-type: none"> Residents may require written communications to be provided in alternative languages. Residents may require an interpreter during verbal communications. <p>Positive Impacts -</p> <ul style="list-style-type: none"> The project will improve the health outcomes for residents by making the homes warm, energy efficient and damp and mould free. 	No known negative impact.	No known negative impact.	No known negative impact.	
If the effect is negative or mixed:					
Is the effect significant? <i>(add an explanation)</i>	N	Y / N	Y / N	Y / N	Y / N
	No – Reasonable adjustments to ensure effective communication can be applied during the project.	Not applicable.	Not applicable.	Not applicable.	
What embedded mitigation does the project contain?	<p>Written communications can be provided in alternative languages if required.</p> <p>Verbal communications can be provided with the aid of an interpreter if required.</p>	Not applicable.	Not applicable.	Not applicable.	

Consideration	Protected Characteristics (Part 2)				
	Race	Religion or belief	Sex	Sexual orientation	'Family Test' (if used)
What residual significant effects remain?	None.	Not applicable.	Not applicable.	Not applicable.	
Is there an in-combination effect across multiple protected characteristics (across both Part 1 and Part 2 of the assessment table)? <i>(e.g. the proposed project has minor effects across several protected characteristics which, when considered together, have a more significant impact)</i>	Not applicable.				
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	Not applicable.	Not applicable.	Not applicable.	Not applicable.	

SAMPLE PROGRAMME-LEVEL ASSESSMENT TEMPLATE

Following project-level assessment, a programme-level assessment should be undertaken which considers effects on the protected characteristics across the whole portfolio of projects. A sample programme-level assessment table is provided below, to be submitted alongside the business case and included in the summary document. It is suggested that the overall assessment should be around 500 words across the assessment, although this will depend on the issues arising. As above, Towns may make amendments to the template to reflect local circumstances etc.

[Town name] Programme Level Public Sector Equality Duty (PSED) Assessment	
Consideration	Response
Summary of the main findings of project-level assessments undertaken:	
Is there an additional cumulative impact at the programme level? <i>(e.g. whether the combined impact of more than one project on protected characteristic(s) has a different or more significant effect than when considered on a project-by-project basis)</i>	

[Town name] Programme Level Public Sector Equality Duty (PSED) Assessment

Consideration

Response

Are there any other impacts of the Towns Fund programme which are not included elsewhere in the PSED assessment?

What actions (if any) have arisen from the assessment?

FURTHER INFORMATION AND GUIDANCE

- [Quick Start Guide to the Public Sector Equality Duty](#)⁴
- [Equality and Human Rights Commission Guide to Meeting the PSED in Policy and Decision-Making](#)⁵
- [Equality and Human Rights Commission Technical Guidance on Assessment](#)⁶.

⁴ <https://www.gov.uk/government/publications/public-sector-quick-start-guide-to-the-public-sector-equality-duty>

⁵ https://www.equalityhumanrights.com/sites/default/files/meeting_the_duty_in_policy_and_decision-making.pdf

⁶ https://www.equalityhumanrights.com/sites/default/files/technical_guidance_on_the_psed_england.pdf

APPENDIX A: SAMPLE PROJECT-LEVEL ASSESSMENT TEMPLATE – LONG FORM

This is an alternative, longer-form version of the project-level assessment template provided above. Each response should be limited to around 250 words, and some may not be relevant (e.g. where there is no negative or mixed effect).

The template can be completed for each project and submitted alongside the business case, as well as included in the summary document. Towns may make amendments to the template to reflect local circumstances or needs.

Name of project:	
Project objectives: (describe the project's aim as it relates to protected characteristics)	

Age

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? <i>(add an explanation)</i>	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

Disability

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? <i>(add an explanation)</i>	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

Gender reassignment

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
	Y / N

Consideration	Response
Is the effect significant? <i>(add an explanation)</i>	
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

Marriage and civil partnership (note, this is a protected characteristic only in regard to eliminating discrimination)

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? <i>(add an explanation)</i>	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

Pregnancy and maternity

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? <i>(add an explanation)</i>	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

Race

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
	Y / N

Consideration	Response
Is the effect significant? <i>(add an explanation)</i>	
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

Region or belief

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? <i>(add an explanation)</i>	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

Sex

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? <i>(add an explanation)</i>	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

Sexual orientation

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
	Y / N

Consideration	Response
Is the effect significant? <i>(add an explanation)</i>	
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

Family Test (if used)

Consideration	Response
Baseline situation <i>(describe only where different to the national average, or where otherwise relevant)</i>	
Assessment text <i>(summary of how the proposed project affects the protected characteristic)</i>	
Is the effect positive/negative/mixed? <i>(add an explanation)</i>	+VE / M / -VE
If the effect is negative or mixed:	
Is the effect significant? <i>(add an explanation)</i>	Y / N
What embedded mitigation does the project contain?	
What residual significant effects remain?	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

In-combination effects

Consideration	Response
Is there an in-combination effect across multiple protected characteristics? <i>(e.g. the proposed project has minor effects across several protected characteristics which, when considered together, have a more significant impact)</i>	
What action is required? Who will be accountable for it? <i>(this could include further mitigation measures or re-prioritisation of projects)</i>	

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Northumberland County Council

Cabinet

Tuesday, 7 May 2024

Oracle Contract Refresh

Report of Councillor(s) Wojciech Ploszaj, Cabinet Member for Corporate Services

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

1. Link to Key Priorities of the Corporate Plan

To drive Value for Money by:

- Ensuring continuity of business-critical service provision by Oracle
- Securing the best commercial position to progress the contract.
- Alignment of two existing Oracle contracts into one

2. Purpose of report

As outlined in the Constitution, any contract award of the value over £0.5m is deemed to be a key decision that requires Cabinet's approval.

This report seeks to gain Cabinet's approval to delegate authority to progress procurement for the Oracle E-Business Cloud Solution core services.

The expected value of the contract is above the £0.5m key decision threshold.

3. Recommendations

For Cabinet to:

- 3.1 Delegate authority to Executive Director – Transformation and Resources in consultation with the portfolio holder for corporate services to progress the procurement of NCC's Oracle E-Business Cloud Solution core services in accordance with the approved revenue budget allocation.

- 3.2 Delegate authority to Executive Director – Transformation and Resources in consultation with the portfolio holder for corporate services to award a contract for NCC’s Oracle E-Business Cloud Solution core services via a compliant procurement route.

4. Forward plan date and reason for urgency if applicable

15th March 2024

5. Background

- 5.1 Oracle E-Business Cloud is the current ERP (Enterprise Resource Planning) and HCM (Human Capital Management) system used by NCC that facilitates multiple processes across payroll, HR, finance, procurement.
- 5.2 The Strategic Business Case made the following recommendation: “A streamlined set of applications and information management systems will also simplify the council’s information architecture”.
- 5.3 To this end, Digital and IT, working alongside colleagues from Finance and HR have reviewed additional Oracle modules and features. NCC is currently unable to evidence the value of investing in additional Oracle functionally and decommissioning existing systems to streamline technical architecture. There is also no budget allocation for the additional modules. However, as part of the Best Use of Technology workstream of BEST, work is ongoing to optimise the functionality of core modules in order to maximise the value of the Council’s investment.
- 5.4 The current term of the contract for the provision of Oracle E-Business Cloud was entered into in 2017 for 5 years with an extension for further 2 years. It will come to an end on 14th October 2024.
- 5.5 NCC is now looking to align the Enterprise Performance Management contract within the new Oracle E- Business Cloud contract.
- 5.6 Enterprise Performance Management is a core service delivered within the Oracle platform which was procured after the Oracle E- Business Cloud contract was established. The end date for both agreements is closely aligned.
- 5.7 The procurement exercise to refresh the contract for Oracle E-Business Cloud products has not been formally commenced, however estimates have been sought from Oracle to understand associated costs and pricing models . The estimated range of costs over the 5-year contract is between £4,006,000 and £4,126,000.
- 5.8 The cost for the provision of the core ERP, HCM and EPM Oracle E-business Cloud services is included within the Digital and IT revenue budget. The annual recurrent revenue budget allocation for this is £805,000, equating to £4,025,000 over the 5 year contract.
- 5.9 Although the contract is yet to be finalised, it is expected that it will be a subject to annual inflationary increases which will be factored into the annual budget setting process.

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

- 6.1 **Do nothing** – This is not recommended. Letting the contract expire without a refresh means that NCC would have to revert to manual ways of working for key processes such as finance, procurement, or payroll, putting business as usual operations at risk and having a significant impact on service provision and resources.
- 6.2 **Procure and Award contract for Existing Core Functions**– This is recommended. Commitment to core functionality only whilst trying to secure the best commercial value.
- 6.3 **Procure and Award contract for Core and Additional Modules** – procure core functionality and additional modules ahead of contract refresh of October 2024 to streamline technical architecture. This is not recommended as NCC is not able to fully demonstrate the value of adding new functionality and there is no agreed budget available to implement the additional modules.
- 6.4 **Procure and Award contract for Core Modules to another software platform in place of Oracle E-Business Cloud** – this is not a viable option due to cost of change and level of effort required.

7. Implications

Policy	N/A
Finance and value for money	<p>As the procurement exercise has not been concluded yet the contract values contained within paragraph 5.7 are estimates. It is expected that it will be a subject to annual inflationary increases which will be factored into the annual budget setting process.</p> <p>The recurrent revenue budget allocation for Oracle E-Business Cloud is £805,000 per annum, equating to £4,025,000 over the 5-year contract.</p>
Legal	A compliant procurement exercise will be undertaken to secure a supplier of the Oracle E- Business Cloud software.
Procurement	The recommended option is to remain with an Oracle Solution, which may be procured via a compliant process in accordance with the Council’s Finance and Contract Rules.

Human resources	Not applicable
Property	Not applicable
The Equalities Act: is a full impact assessment required and attached?	No - not required at this point Given that there is no change to core service provided, there are no foreseen equalities implications.
Risk assessment	Data protection impact assessment linked with Oracle use has been created and submitted to Information Governance
Crime and disorder	Not applicable
Customer considerations	No change to current experience where applicable
Carbon reduction	No change
Health and wellbeing	Not applicable
Wards	

8. Background papers

N/A

9. Links to other key reports already published

[03.1 Strategic Business Case.pdf \(moderngov.co.uk\)](#)

10. Author and Contact Details

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Northumberland County Council

Cabinet

7 May 2024

Financial Performance 2023-24 – Position at the end of February 2024 (Provisional Outturn)

Report of Councillor: Wojciech Ploszaj, Cabinet Member for Corporate Services

Responsible Officer: Jan Willis, Executive Director of Transformation & Resources

1. Link to Key Priorities of the Corporate Plan

1.1 The Council's budget is aligned to the priorities in the Corporate Plan 2023-26 with significant investment in each of the priorities; achieving value for money, tackling inequalities and driving economic growth as well as specific funding set aside to deliver Best Value through the BEST work.

2. Purpose of report

2.1 The purpose of the report is to ensure that the Cabinet is informed of the provisional outturn for the Council against the Budget for 2023-24. Due to the timing of the statutory accounts deadline the forecast provisional outturn is based on the position at the end of February.

3. Recommendations

3.1 Members are requested to approve:

- a. the use of the Energising Blyth Deep Dive capital funds received (£19.630 million) in 2023-24 on projects the Council would have funded themselves during the financial year thus delaying the borrowing requirement to be utilised once the schemes are delivered and to allow the Executive Director of Transformation and Resources (Section 151 Officer) to sign a declaration to the Department for Levelling Up, Housing and Communities (DLUHC) confirming the funds have been defrayed.
- b. an amendment to the Capital Medium Term Financial Plan to replace the expected grant in 2024-25 (£10.930 million) and 2025-26 (£8.700 million) on the Energising Blyth Deep Dive programme with Council resource to reflect the earlier use of the expected grant.
- c. the creation of a reserve to carry forward the unspent 2023-24 Energising Blyth Deep Dive revenue funding with the balance to be identified at the end of the financial year. It is proposed that the transfer of the final value and utilisation of this reserve is delegated to the Executive Director for Place and Regeneration in consultation with the Section 151 Officer.

- d. the creation of a reserve to carry forward the unspent 2023-24 HRA Hardship Fund with the balance to be identified at the end of the financial year. It is proposed that the transfer of the final value and utilisation of this reserve is delegated to the Executive Director for Place and Regeneration in consultation with the Section 151 Officer.
- e. the creation of a reserve to carry forward the unspent 2023-24 Selective Landlord Licencing scheme funding with the balance to be identified at the end of the financial year. It is proposed that the transfer of the final value and utilisation of this reserve is delegated to the Executive Director for Place and Regeneration in consultation with the Section 151 Officer.
- f. that any balance remaining upon finalisation of the Statement of Accounts is to be transferred to the Council's General Fund (GF).

3.2 Members are requested to note:

- a. the estimated net re-profiling to the Capital Programme of £44.412 million from 2023-24 to 2024-25 to reflect estimated expenditure levels in the current financial year.
- b. the projected overspend on services of £2.874 million and the assumptions outlined in this report.
- c. the projected net underspend of £0.143 million after the utilisation of the reserves.
- d. that this forecast provisional outturn is based on the figures as at the end of February and is subject to change.
- e. the supplementary estimates at Appendix A and the required changes to the budgets.
- f. the delivery of the approved savings at Appendix B.
- g. the use of the contingency shown at Appendix L.
- h. the use of reserves shown at Appendix M.
- i. the virements requested by services shown at Appendix N.
- j. the details of capital project reprofiling shown at Appendix O.

4. Key issues

4.1 Overall Position

- 4.1.1 The report provides information and analysis on the Council's financial performance and use of resources to the end of February 2024. The Council set its budget for 2023-24 on 22 February 2023 and this report focuses on the financial performance to the end of February 2024 and the projected provisional outturn position at that point in time.

5. Projected Revenue Outturn 2023-24

- 5.1 The Council's projected revenue outturn position, within each service area is shown in summary at Section 6 of the report (figures in brackets denote an underspend); and in detail within Appendices C - K of the report.
- 5.2 The Council's overall annual revenue expenditure is managed across a number of areas:
- a. The General Fund with a net budget of £401.878 million, providing revenue funding for the majority of the Council's services.
 - b. The Dedicated Schools Grant (DSG) of £155.619 million in 2023-24, which is ring-fenced for schools funding, overseen by the Schools' Forum, and managed within the Children, Young People and Education Directorate.
 - c. Public Health, a ring-fenced grant of £17.932 million in 2023-24, must be spent to support the delivery of the Public Health Outcomes Framework and is managed within Public Health, Inequalities and Stronger Communities.
 - d. The Housing Revenue Account (HRA) with a gross expenditure budget of £42.588 million in 2023-24, is ring-fenced, and reported separately from the General Fund, and is managed within the Place and Regeneration Directorate. The HRA forecast is detailed in Appendix J.

6. General Fund

6.1 The following table provides a summary of how each Directorate is performing against the General Fund revenue budget for the 2023-24 financial year.

Service	Budget	Forecast Outturn	Variance
	£m	£m	£m
Adults, Ageing & Wellbeing	132.713	134.056	1.343
Chief Executive	35.865	36.559	0.694
Children, Young People & Education	87.957	94.532	6.575
Place and Regeneration	82.774	85.414	2.641
Public Health, Inequalities & Stronger Communities	13.898	15.616	1.718
Transformation & Resources	30.957	29.379	(1.578)
Total Services	384.164	395.556	11.392
Corporate Expenditure and Income	17.714	(3.634)	(21.348)
Total Net Expenditure	401.878	391.922	(9.956)
Budget funded by:			
Council Tax	(231.720)	(231.720)	-
Retained Business Rates (including grants)	(92.863)	(95.033)	(2.170)
Revenue Support Grant	(12.430)	(12.430)	-
Other Corporate Grants	(47.014)	(47.014)	-
Earmarked Reserves	(17.851)	(2.851)	15.000
Total Funding of Services	(401.878)	(389.048)	12.830
Net Total	-	2.874	2.874

6.2 Inflationary Pressures

6.2.1 During the preparation of the 2023-24 Budget and the Medium-Term Financial Plan (MTFP) a significant sum of money was earmarked to deal with “routine inflation” and what the Council referred to as “hyper-inflation”. It was anticipated that the hyper-inflation would continue for two years, and money was set aside in reserves to fund these additional costs.

6.2.2 The forecast position shown in section 6.1 now includes all known inflationary increases. The cost of pay awards for 2023-24 was significantly more than the 4.0% set aside in the 2023-24 budget. The shortfall in funding of £3.228 million is shown against Corporate Expenditure and Income. The £1.017 million set aside in the Exceptional Inflation Reserve at the end of 2022-23 and the use of £1.055 million, which is uncommitted the balance in the contingency, will be utilised to offset this. The £2.705 million underspend on energy hyper-inflation has been transferred to the corporate contingency and is included in the forecast for Corporate Expenditure and Income.

6.2.3 The net forecast position after the utilisation of reserves is shown below:

	£m
Overspend on services as per Section 6.1	2.874
Transfer from Exceptional Inflation Reserve	(1.017)
Transfer from Business Recovery Reserve	(2.000)
Net underspend	(0.143)

6.3 Key Movements

6.3.1 The key movements from the December position previously reported to Cabinet are summarised below:

	£m
December position (after the use of reserves)	0.510
Additional Business Rates income from the Levy Surplus account	(0.578)
Increase in the doubtful debt provision with Adult Social Care	0.615
Reversal of voluntary MRP in relation to the Strategic Acquisition Fund	(15.000)
Transfer to Strategic Management Reserve in relation to the Strategic Acquisition Fund	15.000
Other changes	(0.690)
February position (after the use of reserves)	(0.143)

7. Other General Fund Items

- 7.1 Appendix A is a schedule of all supplementary estimates, including new grants and amendments to existing grants (capital and revenue) which the Council has been awarded during January to February 2024.
- 7.2 The Council at its meeting on 22 February 2023 agreed to implement a range of savings and efficiencies totalling £17.045 million in 2023-24. A recent review of the delivery of those savings has been conducted and the results are illustrated at Appendix B.
- 7.3 Appendix L is a schedule of all items which have been released from contingency during the period January to February 2024.
- 7.4 Appendix M is a schedule of the movement in the Council's Reserves.
- 7.5 Appendix N is a schedule of virements during January to February 2024.

8. CAPITAL PROGRAMME

8.1 The Capital Programme for 2023-24 totalling £222.949 million was agreed by full Council on 22 February 2023.

8.2 The Capital Programme has changed during the year as the phasing of schemes was reviewed at the end of the previous financial year with £72.638 million re-profiled from 2022-23 to 2023-24 and £119.189 million, approved by Cabinet on 12 September 2023, 12 December 2023 and 12 March 2024, reprofiled from 2023-24 to 2024-25. In addition, further approvals totalling £72.739 million have been agreed by Cabinet for additional schemes.

8.3 The following table sets out the position as at the end of February:

Directorate	Original Budget	Approved Adjustments	Revised Budget	Expenditure to date	Forecast Expenditure	Net Variance	Over / (Under) spend	Reprofiling
	£m	£m	£m	£m	£m	£m	£m	£m
Adults, Ageing and Wellbeing	4.427	(1.244)	3.183	2.316	2.933	(0.250)	-	(0.250)
Chief Executive	2.016	0.000	2.016	1.229	1.255	(0.761)	-	(0.761)
Children, Young People & Education	32.622	(13.122)	19.500	10.729	17.048	(2.452)	(0.179)	(2.273)
Place and Regeneration	166.270	40.952	207.222	127.262	167.521	(39.701)	(3.143)	(36.558)
Public Health, Inequalities and Stronger Communities	0.800	1.039	1.839	1.744	2.079	0.240	0.240	0.000
Transformation and Resources	16.814	(1.437)	15.377	10.385	12.557	(2.820)	1.750	(4.570)
Total Programme	222.949	26.188	249.137	153.665	203.393	(45.744)	(1.332)	(44.412)
Financed by:								
Capital Receipts	5.589	0.501	6.090					
External Grants	96.863	12.024	108.887					
GF Borrowing	106.236	(4.001)	102.235					
GF Revenue Contributions (RCCO)	0.250	21.186	21.436					
HRA Contributions (MRR & RCCO)	14.011	(3.522)	10.489					

Directorate	Original Budget	Approved Adjustments	Revised Budget	Expenditure to date	Forecast Expenditure	Net Variance	Over / (Under) spend	Reprofiling
	£m	£m	£m	£m	£m	£m	£m	£m
Total Financing	222.949	26.188	249.137					

8.4 Year-to-date capital expenditure is £153.665 million with forecast expenditure of £203.393 million. The major areas of capital investment during the year to date are as follows:

- i. £91.022 million invested in transport schemes including infrastructure, traffic management, integrated transport schemes and the reintroduction of the Northumberland Rail Line.
- ii. £4.643 million invested in fleet replacement.
- iii. £15.340 million invested in the Council's housing stock.

8.5 There is a net forecast variance of £45.744 million across the 2023-24 Capital Programme comprising of £44.412 million net reprofiling from 2023-24 to 2024-25 and £1.332 million underspend. A summary of the significant variances can be found at Appendix K with an explanation of those greater than £0.250 million and a full list of reprofiling can be found at Appendix O.

8.6 It is recommended that Cabinet notes estimated net reprofiling of £44.412 million from 2023-24 to 2024-25 to reflect estimated expenditure levels in the current financial year.

8.7 The Council was awarded a Section 31 un-ringfenced grant of £20.710 million (Capital £19.630 million and Revenue £1.080 million) from the Department for Levelling Up, Housing and Communities (DLUHC) for the Energising Blyth Deep Dive Project to support a range of activities in addition to the existing Energising Blyth Programme and provide further impetus to transform the town including housing renewal, town centre living and measures to tackle anti-social behaviour and retail crime alongside additional investment in technical training kit at the new Energy Central Campus. These improvements are programmed to be undertaken during 2024-25 and 2025-26.

8.8 DLUHC have requested the Section 151 Officer signs a declaration stating the funds received in 2023-24 have been defrayed and utilised during the current financial year. As minimal expenditure has been incurred to date on the project it is proposed to utilise the capital funding against projects the Council would have otherwise funded from its own resources during 2023-24. The medium-term financial plan will require amending in 2024-25 and 2025-26 to replace the expected grant with the Councils own funds to reflect the grant received being used in advance of the delivery of the proposed projects. Over the period 2023-24 to 2025-26 there will be no change in the overall funding

requirements apart from a change in the profiling of the financing of the programme.

- 8.9 A new reserve will need to be created to transfer the unspent revenue funding at the end of the financial year so it can be used to cover the commitments during 2024-25 and 2025-26.
- 8.10 It is recommended Cabinet approve the use of the Energising Blyth Deep Dive capital funds received (£19.630 million) in 2023-24 on projects the Council would have funded themselves during the financial year thus delaying the borrowing requirement to be utilised once the schemes are delivered and to allow the Executive Director of Transformation and Resources (Section 151 Officer) to sign a declaration to DLUHC confirming the funds have been defrayed.
- 8.11 It is recommended Cabinet approve an amendment to the Capital Medium Term Financial Plan to replace the expected grant in 2024-25 (£10.930 million) and 2025-26 (£8.700 million) on the Energising Blyth Deep Dive programme with Council resource to reflect the earlier use of the expected grant.
- 8.12 It is recommended Cabinet approve the creation of a reserve to carry forward the unspent 2023-24 Energising Blyth Deep Dive revenue funding with the balance to be identified at the end of the financial year. It is proposed that the transfer of the final value and utilisation of this reserve is delegated to the Executive Director for Place and Regeneration in consultation with the Section 151 Officer.

9. Capital Receipts

- 9.1 The opening balance on the Capital Receipts Reserve at 1 April 2023 was £8.330 million (£0.093 million General Fund and £8.237 million HRA). The level of capital receipts identified to support the 2023-24 Capital Programme was £5.589 million (£1.700 million General Fund and £3.889 million HRA). The following table shows the current position regarding in year capital receipts:

Asset Disposals	General Fund £m	HRA £m
Completed and available for use in year	0.594	2.281
On the market	0.910	-
Terms Agreed	1.089	-
Contracts exchanged	1.504	-

10. TREASURY MANAGEMENT

10.1 The Treasury Management Strategy Statement for 2023-24 was agreed by full Council on 23 February 2023.

10.2 The following table summarises the Council's borrowing activity for the period January to February 2024:

	Previous Quarter	Movement – Feb 24	Current
Outstanding principal - at quarter end (£m)	680.851	24.979	705.830
Weighted average interest rate - year to date (%)	3.112	0.160	3.272
Quarter end external borrowing as % of Operational Boundary (Borrowing)	70.621	2.591	73.212
Interest paid (including accruals) (£m)	8.007	7.365	15.372

10.3 Whilst the Council has an overall cap on borrowing through an Authorised Limit, the Operational Boundary is where the Council would expect its borrowing to be. At the end of February 2024, the Council's external borrowing represented 73.21% of its Operational Boundary, which was approved as part of the Treasury Management Strategy for 2023-24. The Operational Boundary is only a guide and may be breached or undershot without significant concern, with borrowing driven by economic and market considerations as well as interest rates.

10.4 Total external borrowing has decreased by £39.548 million, from £745.378 million at the start of the year to £705.830 million at 28 February 2024. This is due to maturing existing loans. However, considering future loan maturities and new borrowing, a net additional borrowing of approximately £40.000 million is forecast in the final month of the financial year. Overall borrowing is projected to total around £745.830 million by 31 March 2024 which is around £118.000 million lower than anticipated.

The table below demonstrates that in the period to 28 February 2024 the Council has maintained gross borrowing within its authorised limit and operational Boundary.

	Authorised Limit for External Debt £m	Operational Boundary for External Debt £m	Actual 28 Feb 2024 £m
External Borrowing	1,156.913	964.094	705.830

10.5 The following table provides an analysis by type of the borrowing activity for the period January to February 2024:

Lender Category	Repayment Type	Opening Balance	Repaid – Jan – Feb 2024	New Borrowing Jan – Feb 2024	Closing Balance
		£m	£m	£m	£m
PWLB	EIP	8.001	(1.000)	-	7.001
PWLB	Annuity	0.521	(0.021)	-	0.500
Salix	EIP	0.025	-	-	0.025
PWLB	Maturity	454.704	-	35.000	489.704
Other Local Authorities	Maturity	40.000	(35.000)	26.000	31.000
Other/Market	Maturity	177.600	-	-	177.600
Total		680.851	(36.021)	61.000	705.830

10.6 Measuring the maturity structure of borrowing ensures a reasonable spread of maturing debt as a safety mechanism to ensure significant amounts of debt do not mature at a time when interest rates for refinancing the debt may be high. The following table demonstrates the maturity structure of the Council's borrowing at 28 February 2024, against the prescribed limits:

Maturity Structure	Upper Limit for 2023-24	Actual 28 Feb 2024
Under 12 months	25%	11%
1 year - 2 years	40%	3%
2 years within 5 years	60%	2%
5 years within 10 years	80%	7%
10 years and above	100%	77%

10.7 The following table summarises the Council's investment activity for the period January to February 2024:

	Previous Quarter	Movement - Jan – Feb 2024	Current
Outstanding principal - at month end (£m)	39.400	3.250	42.650
Weighted average interest rate - year to date (%)	4.917	0.045	4.962
Weighted average interest rate - current (%)	5.405	(0.095)	5.310
Interest earned (£m)	4.747	0.521	5.268

10.8 The following table provides an analysis by type of the investment activity for the period January to February 2024:

Category	Opening Balance	Repaid – Jan – Feb 2024	New Investment Jan – Feb 2024	Closing Balance
	£m	£m	£m	£m
Term Deposit Banks	-	-	-	-
Term Deposit Building Societies	-	-	-	-
Term Deposit Other Local Authorities	-	-	-	-
Money Market Funds	33.400	(119.250)	128.500	42.650
Debt Management Office (DMO)	-	-	-	-
Notice Accounts	6.000	(6.000)	-	-
Total	39.400	(125.250)	128.500	42.650

10.9 The movement in the Money Market Funds represents daily deposits and withdrawals to manage cashflow.

10.10 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 table below summarises performance against the prescribed limits for the year to 28 February 2024:

	Limit 2023-2024 £m	Actual Highest £m	Actual 28 Feb 2024 £m
Principal sums invested > 364 days	120.000	-	-

11. Transformation Fund Reserve (BEST)

11.1 The Council at its budget meeting on 23 February 2022 agreed to invest £3.000 million per annum for three years in a strategic change programme, now known as BEST.

11.2 To date several commitments have already been made against that fund as follows:

	2022-23	2023-24	2024-25	2025-26	2026-27	Total
	£m	£m	£m	£m	£m	£m
Council Investment	3.000	3.000	3.000	-	-	9.000
Commitments to 29 February 2024	0.738	3.496	3.079	1.407	0.189	8.909
Balance Available	2.262	(0.496)	(0.079)	(1.407)	(0.189)	0.091

11.3 Projects have already been approved by the Best Working Board, including for example, Fix My Street, Living Leader and the Labman management system. In addition to this, several fixed term roles have been recruited to in order that the project can progress, and the service improvements can be delivered quickly. The roles are required for a maximum of three years and approval has been given for the forecast cost of £3.657 million.

11.4 It is likely that the profiling of the commitments will extend into 2026-27. The 2023-24 expenditure and commitments to 29 February are as follows:

	Approved requests	Expenditure to 29 Feb	Commitments March	Forecast Expenditure	Forecast Variance
	£m	£m	£m	£m	£m
Opening Balance	3.000				
Total as at 29 February	3.496	1.200	2.296	3.496	(0.496)
Balance Remaining	(0.496)				(0.496)

11.5 It should also be noted that an additional £0.112 million of expenditure has been incurred in 2023-24 relating to the Depot review. This has been agreed to be funded via the Estates Rationalisation Revenue Reserve. Therefore, £0.112 million has been removed from the commitments against the Transformation Fund.

Implications

Policy	The report provides information and analysis on the Council's financial performance against budget as set in the Medium-Term Financial Plan 2023-27 which supports the priorities outlined in the Corporate Plan 2023-26.
Finance and value for money	The report is of a financial nature and the detail is contained within the body of the report.
Legal	There are no immediate legal implications arising from the recommendations within this report.
Procurement	There are no specific procurement implications within this report.
Human Resources	There are no specific human resources implications within this report.
Property	There are no specific property implications within this report.
Equalities (Impact Assessment attached)	There are no specific equalities implications within this report.
Risk Assessment	The risks associated with the budget were considered in February 2023 and were considered to be acceptable.
Crime & Disorder	There are no specific crime and disorder implications within this report.
Customer Consideration	There are no specific customer consideration implications within this report.
Carbon reduction	There are no specific carbon reduction implications within this report.
Health & Wellbeing	The Council's budget is founded on the principle of promoting inclusivity.
Wards	All wards.

Background papers

Cabinet 14 February 2023 and Council 22 February 2023: Budget 2023-24 and Medium-Term Financial Plan 2023-27

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Directorate:	Children, Young People and Education
Grant Awarding Body:	Department for Education
Name of Grant:	Dedicated Schools Grant
Purpose:	The grant is paid in support of the local authority's school budget. The grant allocation was updated in February 2024 to reflect school academy conversions since December 2023.
Value:	£2,426,680 reduction in grant
Recurrent/Non-recurrent:	Recurrent

Directorate:	Children, Young People and Education
Grant Awarding Body:	Department for Education
Name of Grant:	Early Years Covid19 Recovery: Experts and Mentors' Programme
Purpose:	The grant is to strengthen teaching in early years and address the impact of the pandemic on the youngest children.
Value:	£28,000
Recurrent/Non-recurrent:	Non- recurrent

Directorate:	Children, Young People and Education
Grant Awarding Body:	Department for Education
Name of Grant:	Early Years Financial Incentive Pilot
Purpose:	Funding provided towards the delivery of the financial incentives pilot scheme for the recruitment of eligible early years workers.
Value:	£95,741.50
Recurrent/Non-recurrent:	Recurrent for 2024-25

Directorate:	Children, Young People and Education
Grant Awarding Body:	Department for Education
Name of Grant:	Strengthening multi-agency leadership for reform
Purpose:	The grant is to support the implementation of Working Together and the Children's Social Care Framework
Value:	£47,300
Recurrent/Non-recurrent:	Non-recurrent

Directorate:	Place and Regeneration
Grant Awarding Body:	Department for Levelling Up, Housing & Communities
Name of Grant:	Homelessness Prevention Grant – 2024-25
Purpose:	To alleviate pressures on homelessness services by supporting guests into suitable sustainable accommodation
Value:	£329,740
Recurrent/Non-recurrent:	Non-recurrent

Directorate:	Place and Regeneration
Grant Awarding Body:	Office for Zero Emission Vehicles
Name of Grant:	On-Street Residential Chargepoint Scheme
Purpose:	To provide residential on-street chargepoints for plug-in electric vehicles
Value:	£68,300
Recurrent/Non-recurrent:	Non-recurrent

Performance against the 2023-24 savings targets is shown in the table below. The savings have been RAG rated based on the ability to meet the savings target within the year.

Directorate	Red	Amber	Green	Total
	£m	£m	£m	£m
Adults, Ageing & Wellbeing	-	-	4.679	4.679
Chief Executive	0.088	-	0.363	0.451
Children, Young People & Education	0.301	-	0.451	0.752
Place and Regeneration	0.449	-	3.263	3.712
Public Health, Inequalities & Stronger Communities	0.169	-	0.825	0.994
Transformation & Resources	0.069	-	1.990	2.059
Corporate	-	-	4.398	4.398
Total	1.076	-	15.969	17.045

Key

Red – saving not expected to be delivered in year

Amber – saving at risk of non-delivery in year

Green – saving delivered or expected to be delivered in year

Chief Executive

A £0.005 million increase in North East Ambulance Service income due to a potential further bay being let at West Hartford which has not been implemented. This income stream is currently being reviewed and if this will not be realised recurrently alternative options will be consider to meet this shortfall.

A reduction in the Smoke Alarms budget of £0.010 million is not forecast to be achieved due to prevention activity being maintained. This shortfall has been met in year by other underspends within this budget area. It is anticipated that this saving will be realised in future years.

An increase in fees and charges of £0.005 million relating to lettings and restaurant income at West Hartford Fire Station will not be achieved. The original proposal that room bookings would return to pre-pandemic levels has not been realised. Officers are currently undertaking a review of the restaurant and rental income streams to consider options to address this pressure.

An increase in Public Protection fees and charges of £0.068 in relation to Land Charges, Pest Control and Licensing is not forecast to be achieved due to the slowing of the housing market in the current year (Land Charges) and lower demand on the services. A review of all fees and charges comparing them to budget will be undertaken by the service.

No compensating savings have been identified for either at this point.

Children, Young People & Education

£0.285 million under-achievement in relation to the reduction in the cost of external residential placements. The saving was linked to the capital development of a new Council children's home that was originally due to open in May 2023. Delays to the capital works have led to an expected opening date of Spring 2024 and intake to the additional 4 beds will be staggered over the opening months. The running costs of the home from May 2023 had also been budgeted for and will underspend by £0.630 million based upon the revised opening date.

Place and Regeneration

£0.382 million under-achievement of Planning Fee income. The budget was increased by £0.782 million as part of the 2021-22 and 2023-24 budget setting process in anticipation of an increase to the national planning fee structure. The changes to the planning application fee system have been considered by the Department for Levelling Up, Housing and Communities (DLUHC) and Regulations reflecting the fee increase were laid before Parliament, later than expected. The proposed fee increase has been implemented in December so limited savings are anticipated to be achieved in this financial year.

An increase in income of £0.060 million for Highways Development Control is forecast not to be achieved. This was a new initiative which has not progressed as expected.

Due to a change in law from 1 January 2024 relating to charging for rubble at Household Waste Recovery Centres, the income forecast for the final quarter is anticipated to reduce and therefore £0.007 million the saving target is unlikely to be achieved.

No compensating savings have been identified at this point.

Public Health, Inequalities & Stronger Communities

A £0.045 million staff savings within Customer Services has not been realised as the move to the PlaceCube platform has been delayed. The migration, supported by the BEST workforce, began on 25 September however the anticipated customer channel shift will not be realised until 2024-25.

A £0.124 million saving expected from the Tourist Information Centres (TICs) has not been achieved due to the TICs at Craster, Seahouses and the Morpeth Chantry continuing to operate on a business-as-usual basis. A growth bid was approved at County Council in February to reinstate the Morpeth Chantry budget.

Transformation & Resources

A £0.069 million saving within Revenues and Benefits for the anticipated 20% reduction in postage costs has not yet been delivered as originally intended. However, this has been achieved within the service through other non-recurrent compensating savings. It is expected that this saving will be achieved in the future as a campaign is underway to promote an increase in online billing and to look at ways to make these bills more accessible to customers online. The Accounts Receivable Team are also looking at an initiative that involves sending out more invoices electronically which would reduce the outgoing postage costs.

Forecast Revenue Outturn - Detailed budget summary by Service

Service: Adults, Ageing & Wellbeing

Summary by Service	2022-23 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Assessment & Safeguarding	22.238	22.609	22.435	(0.174)
Integrated Commissioning	84.011	98.145	100.717	2.572
Business Support	4.315	3.158	3.057	(0.101)
In-House Provider Services	6.128	7.946	7.257	(0.689)
Executive Director	0.698	0.855	0.590	(0.265)
Total Adults, Ageing & Wellbeing	117.390	132.713	134.056	1.343

NOTES - Predicted Year End Variances of £0.250 million or more

The main reasons for the forecast position for Adults, Ageing & Wellbeing are outlined below:

- a. Assessment & Safeguarding is forecast to underspend by £0.174 million. This is due to the following:
 - i. Staffing-related budgets are forecast to underspend by £0.381 million as a result of vacant posts;
 - ii. Non-staffing related budgets are forecast to underspend by £0.148 million; and,
 - iii. The delay in the redesign of the Telecare service will result in £0.355 million of the 2021-22 approved saving not being achieved again this financial year. Option proposals for the redesign of the service will be presented to Cabinet for approval in 2024-25.
- b. Integrated Commissioning is forecast to overspend by £2.572 million. This is due to the following:
 - i. There continues to be an upward trend in the growth in demand for services to support vulnerable people with complex care needs. The service is on track to deliver the cost reduction required to meet the 2023-24 saving target of £3.000 million but are unlikely to eradicate the pressure stemming from the balance of the prior year unachieved saving; and,
 - ii. A review of the adult social care outstanding debt has resulted in an increase of £0.615 million to the doubtful debt provision. This is included in the forecast position.
- c. In-House Provider Services is forecast to underspend by £0.689 million. This is due to the following:
 - i. Staffing-related budgets are forecast to underspend by £0.249 million because of vacant posts;
 - ii. Transport related expenditure including client transport costs are forecast to underspend by £0.181 million; and,

- iii. Income from North East and North Cumbria Integrated Care Board for clients who have been assessed as being eligible for Continuous Health Care (CHC) or S117 funding under the Mental Health Act is anticipated to be £0.259 million more than budget.
- d. Executive Director is forecast to underspend by £0.265 million. This is due to the following:
 - iv. Staffing related budgets are forecast to underspend by £0.187 million.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

Forecast Revenue Outturn - Detailed budget summary by Service

Service: Chief Executive

Summary by Service	2022-23 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Chief Executive	0.344	0.330	0.272	(0.058)
Fire and Public Protection	22.119	23.335	24.374	1.039
Strategy and Communications	1.104	1.164	1.161	(0.003)
Law and Corporate Governance	6.309	6.418	6.598	0.180
Workforce	4.168	4.618	4.154	(0.464)
Total Chief Executive	34.044	35.865	36.559	0.694

NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Chief Executive are outlined below:

- a. Fire and Public Protection is forecast to overspend by £1.039 million due to:
 - i. There is a forecast overspend on pay of £0.148 million. Comprising of;
 - A forecast overspend on overtime of £0.389 million as a result of a significant increase in operational incidents, compounded by staffing shortages caused by sickness, a shortage of skills and to accommodate staff attendance at risk critical training courses.
 - Underspends from vacant posts of £0.463 million which are partly offset by sickness cover of £0.223 million;
 - ii. There is a forecast overspend on data lines, computer hardware and land line telephones of £0.336 million due to a number of contractual and inflationary increases which have been identified as a budget pressure within the 2024-25 budget setting process.
 - iii. Vehicle SLA budgets are forecast to overspend by £0.151 million mainly due to the agreement with Tyne and Wear Fire Authority for the repair and maintenance of Fire vehicles. This contract is demand led due to vehicles becoming damaged and having accidents. A higher number of accidents than in previous years along with higher than anticipated inflationary increases has led to the overspend.
 - iv. Within Building Control there is an overspend of £0.175 million forecast. This is mainly as a result of a shortfall in Building Regulation Fees income due to changes in the housing market. Legislative changes mean that reviewing applications and carrying out site visits take more time. The service and level of fees charged is to be reviewed going forward.
- b. Law and Corporate Governance is forecast to overspend by £0.180 million due to:

- i. Legal Services are forecasting a £0.155 million overspend relating to staff regrades, plus the cost of the temporary Director of Law and Corporate Governance of £0.067 million prior to the Senior Management restructure, offset by vacancies of £0.141 million; and,
 - ii. External legal fees are forecast to overspend by £0.104 million due to an increase in fees, and an increase in the number of complex childcare cases.
- c. Workforce is forecast to underspend by £0.464 million due to:
- i. Human Resources, Learning & Organisational Development, Corporate Union and Postgraduates are forecast to underspend £0.316 million due to vacant posts; and,
 - ii. New Apprenticeship Programme there is a forecast underspend of £0.163 million. There is £0.018 million underspend forecast in staffing due to vacancies and £0.184 million underspend from Learners Allowances. This is due to no further apprentices being recruited before the end of the year and only one out of ten apprentice posts which are allocated to young adults who are classed as looked after children currently being filled.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

Forecast Revenue Outturn - Detailed budget summary by Service

Service: Children, Young People and Education

Summary by Service	2022-23 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Children, Young People and Families	50.226	54.146	59.080	4.934
Education, SEND & Skills	34.980	33.811	35.452	1.641
Total Children, Young People and Education	85.206	87.957	94.532	6.575
Dedicated Schools Grant	(1.532)	158.053	158.443	0.390

NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Children, Young People and Education are outlined below:

- a. Children, Young People and Families is forecast to overspend by £4.934 million due to:
 - i. There is a £5.695 million overspend on external residential care placements. There are currently 57 residential placements, 3 independent supported living arrangements and 4 emergency provision placements. This position is exacerbated by an increase in the average cost of placements due to market conditions with demand outstripping supply, and in some cases the increasingly complex needs of the young people. This is a national problem faced across many local authorities;
 - ii. A saving of £0.285 million was proposed for 2023-24 which will not be achieved. This was linked to the opening of 4 new beds in a residential children's home. The home is now ready and awaiting an imminent Ofsted inspection and an additional 6 beds are planned for 2024-25 which will ease the cost pressure of using external providers;
 - iii. There is an expected overspend of £1.156 million on foster care allowances (both in-house and independent agencies) adoption allowances and special guardianship allowances (SGO). Whilst there has been some growth in the number of SGO allowances, the pressure has arisen due to a mandatory inflation increase of 12.43% on the allowances that was announced after the Council set its budget for 2023-24 and exceeded the estimated inflation by 7%. This is offset by an underspend of £0.198 million on Independent Fostering agency placements;
 - iv. The new children's home was originally due to open in May 2023, but this is now expected to be Spring 2024 with staff in post and awaiting the Ofsted inspection required to open. This will result in an underspend of £0.613 million on the running costs of the home which offsets the saving that will not be achieved on external placements;
 - v. Kyoeloe House is expected to run at an underspend of £0.474 million. This assumes the unit will maintain occupancy levels of 10 beds for March and follows an increase in the bed price for the 2023-24 financial year, and,

- vi. There is a forecast overspend of £1.001 million on supported accommodation. There is currently a shortage of suitable placements across the county which has led to an increase in short-term emergency provision for young people aged 16+;
 - vii. There is additional grant of £0.633 million related to Unaccompanied Asylum-seeking Children grant and Turnaround grant funding which will be used to meet existing expenditure across the service;
 - viii. There is a forecast underspend on the Northumberland Families service of £0.686 due to a combination of vacant posts and grant funding which has been used to meet the cost of several posts;
 - ix. There is an expected overspend of £0.425 million across the service on client transport. This results from a combination of increased demand for the service and the current high inflationary environment; and,
 - x. There is an underspend on staffing of £0.319 million on several vacancies across the Quality Assurance service.
- b. Education, SEND & Skills is forecast to overspend by £1.641 million due to:
- i. An overspend of £0.960 million on the cost of Special Education Needs (SEN) transport for the 407 routes currently transporting 1,738 pupils and escorts. Current estimates are less than expected at Northumberland special schools and higher at both mainstream schools and independent education provision. This has generated an increase in the forecast overspend as the average cost of routes to mainstream and independent provision is higher than to special schools due to the economies of scale possible; and,
 - ii. Mainstream transport is forecast to underspend by £0.144 million due to a slight decrease in average contract costs and a bank holiday at Easter falling in this financial year.
 - iii. An overspend on the Education Psychology team of £0.614 million. The team complete the assessments for all Education and Health Care Plans which is a statutory duty of the council. Due to difficulty in recruiting to vacant posts and increased demand for assessments the service has had to use agency staff to meet increased levels of demand.
- c. The Dedicated Schools Grant is forecast to overspend by £0.390 million which will be met by a transfer from the DSG reserve, this is due to:
- i. The forecast overspend on SEN top-ups is £1.387 million based on expected growth of 16% for the 2023-24 academic year across both mainstream and special schools in the authority;
 - ii. An overspend on independent school placements of £0.649 million with an additional 3 placements since December along with the impact of inflation; and,
 - iii. There is an underspend of £0.649 million on staffing across the central SEN support teams, due to vacancies throughout the year.
 - iv. An underspend of £0.351 million on the Inclusion budget. Whilst the cost of transport to is expected to overspend by £0.161 million, this is offset by an underspend on alternative provision of £0.188 million and over achievement of income recovered from schools of £0.286 million.

- v. The school contingency budget of £0.318 million will not be called upon this year but will be added to the reserve to meet future costs linked to the school re-organisations in both the Coquet and Berwick partnerships.

Note - The difference between the figures shown in the table and the explanations above consist of several minor variations within each area.

Forecast Revenue Outturn - Detailed budget summary by Service

Service: Place and Regeneration

Summary by Service	2022-23 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Economic Development and Growth	5.653	6.003	5.618	(0.385)
Environment and Transport	71.455	74.678	76.692	2.014
Housing and Planning	5.435	2.093	3.103	1.011
Total Place and Regeneration	82.543	82.774	85.414	2.640

NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for the Place and Regeneration Directorate is outlined below:

- a. Economic Development and Growth is forecast to underspend by £0.385 million mainly due to staffing underspends of £0.229 million in Regeneration, £0.037 million in Asset Management and £0.066 million in Culture as a result of vacant posts.
- b. Environment and Transport is forecast to overspend by £2.014 million due to:
 - i. Highways and Transport are forecast to overspend by £0.004 million with the most significant variances as follows:
 - Network Management is forecast to underspend by £0.458 million due to an over-recovery of income on Streetworks permits, Section 74 overrun charges and fixed penalty notices;
 - Parking Services is forecast to underspend by £0.460 million due to an over-recovery of income from parking charges, penalty charge notices and concessions income received from vendors utilising spaces within certain car parks;
 - There has been works required due to the deterioration of the highway network and continued surface water flooding of highways which has resulted in a predicted overspend for highway maintenance of £0.491 million, however £0.250 million will be funded from the Severe Weather Reserve; and,
 - Highways Development Management is forecast to overspend by £0.460 million mainly due to an under recovery of income and partially offset by savings in staff costs from vacant posts. Progress has been made in generating fee income and it is estimated that £0.930 million income will be received in the current financial year. However, the schemes involved in delivering this income are being analysed to ascertain when the works will be undertaken by the Council, and to date this has identified that £0.650 million should be accounted for in 2023-24 and £0.280 million accounted for in 2024-25. This under recovery in year is partially offset by savings on staffing of £0.140 million.

- ii. Neighbourhood Services is forecast to overspend by £2.010 million with the most significant variances as follows:
 - The Waste PFI Contract is forecast to overspend by £1.650 million. From 1 January 2023, the Environment Agency banned the disposal of upholstered furniture containing Persistent Organic Pollutants (POPs) from recycling or landfill. The additional cost to handle this separately from other bulky waste is estimated at £0.316 million but work is being undertaken to explore how this can be mitigated. In addition, there are potential liabilities which have been identified with the Waste PFI contract totalling £1.239 million;
 - There is an anticipated shortfall in income of £0.397 million from Blyth Crematorium due to the impact of a private crematorium opening; and,
 - Waste Services is forecast to overspend by £0.131 million. This is mainly due to a salary overspend of £0.557 million which is a combination of costs associated with the additional bank holiday for the King's coronation and overtime and agency to cover sickness, however income from waste fees and charges has exceeded the budget by £0.685 million. In addition, there are vehicle hire, repairs and SLA costs of £0.294 million in excess of the budget.
- c. Housing and Planning is forecast to overspend by £1.011 million mainly due to:
 - i. £0.800 million underachievement of planning fee income. The income budget was increased by £0.782 million as part of the 2021-22 and 2023-24 budget setting process in anticipation of an increase to the national planning fee structure. The changes to the planning application fee system have been considered by the Department for Levelling Up, Housing and Communities (DLUHC) and regulations reflecting the fee increase were laid before Parliament, later than expected. The proposed fee increase has been implemented in December so only partial savings are anticipated to be achieved in this financial year; and,
 - ii. £0.220 million underachievement of Planning Performance Agreements.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

Forecast Revenue Outturn - Detailed budget summary by Service

Service: Public Health, Inequalities and Stronger Communities

Summary by Service	2022-23 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Public Health	0.064	0.165	0.165	-
Stronger Communities	23.138	13.733	15.451	1.718
Total Public Health, Inequalities and Stronger Communities	23.202	13.898	15.616	1.718

NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for Public Health, Inequalities and Stronger Communities is outlined below:

- a. Public Health is forecast to break even:
 - i. The terms of the main grant allow unspent allocations to be carried over into the next financial year. Public Health carried forward a reserve of £5.540 million to financial year 2023-24. It is anticipated that £0.991 million of the reserve will be utilised in year to provide additional services to reduce poverty and health inequalities.
 - ii. The budget also includes an unallocated saving of £0.250 million which will be achieved by utilising the Public Health grant to fund activity currently funded by other Council services.
- b. Stronger Communities is forecast to overspend by £1.718 million due to:
 - i. A £0.169 million forecast overspend is forecast for the Tourist Information Centres (TIC) at Craster, Seahouses and the Morpeth Chantry. The Centres were included in the savings proposal for 2023-24 however, Craster and Seahouses are both continuing to operate on a business-as-usual basis until March 2024 at the earliest. A growth bid has been submitted for Morpeth Chantry within the 2024-25 budget;
 - ii. A £0.095 million forecast overspend within Registrars due to an overspend on staffing costs and an underachievement on wedding income and related fees;
 - iii. A £0.193 million forecast underspend across Coroners and the Business Support Team, which is mainly due to an underspend on Body Conveyancing and Medical Fees and staffing vacancies;
 - iv. A figure of £2.000 million has been forecast to provide additional support to Active Northumberland in recognition of significant inflationary pressures in 2023-24. This figure is in addition to the support committed through the annual Management Fee. A report to Cabinet on 12th March 2024 detailing the financial performance of the Council to the end of

December approved the use of £2.000 million from the Business Recovery Reserve, which was set aside to assist local businesses with post pandemic recovery, to fund this support. This will allow Active Northumberland to maintain reserves at a sufficient level to facilitate an orderly closure of the business and transition to the new leisure provider; and,

- v. A £0.386 million forecast underspend within Customer Services mainly due to £0.335 million underspend on staffing vacancies.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

Forecast Revenue Outturn - Detailed budget summary by Service				
Service: Transformation and Resources				
Summary by Service	2022-23 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Audit and Risk Management	0.838	0.896	0.803	(0.093)
Digital & IT	10.375	11.858	11.745	(0.113)
Executive Director of Transformation and Resources	46.422	2.769	2.799	0.030
Finance and Procurement	5.139	6.530	5.159	(1.371)
Strategic Change & Service Improvement	4.620	8.904	8.873	(0.031)
Total Finance	67.394	30.957	29.379	(1.578)

NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for Transformation and Resources is outlined below:

Digital and IT is forecast to underspend by £0.113 million due to:

- i. Part year staffing vacancies totalling £0.245 million across the service which are expected to be filled during 2023-24;
- ii. £0.088 million forecast underspend is due to two large refunds received in year from the mobile phone providers EE and O2. This is being partially offset by a £0.059 million forecasted overspend on telephone land line charges; and,
- iii. £0.093 million forecast overspend on non-staffing due to increased consultancy fees expected to bridge a temporary skills gap within the service.

Finance and Procurement is forecast to underspend by £1.371 million due to:

- a. Commissioning and Procurement forecast to underspend by £0.533 million due to:
 - i. £0.122 million forecast underspend relates to in year staffing vacancies which have been filled by agency staff throughout 2023-24. A staffing restructure is in progress to address these in 2024-25;
 - ii. A forecast underspend of £0.320 million relates to the Commercial Team which is mainly due to £0.221 million over-recovery of Feed-In tariff income.
- b. Transactional Services is forecast to underspend by £0.728 million due to:
 - i. A forecast underspend of £0.243 million relating to Revenue and Benefits is due to staff vacancies of £0.343 million, most of which are expected to be filled within the year. There is also

- an additional £0.148 million grant funding that has been received for New Burdens. This is offset by £0.140 million overspend on postage;
- ii. Within Cost of Benefits there is a forecast net overspend in relation to Rent Allowance and Rent Rebate payments and claimed subsidy of £0.144 million. This forecast is due to the payments made in relation to the increased application of Supported Exempt Accommodation schemes which attract only 60% subsidy from the Department for Work and Pensions (DWP);
 - iii. Forecast additional income of £0.110 million from Oxygen Finance Fiscal following a review of duplicate supplier payments; and,
 - iv. An underspend of £0.133 million is forecast within Cashiers and Income Management mainly due to saving in renegotiating contracts;
 - v. An underspend of £0.183 million is forecast which relates to staffing due to part year vacancies in Payroll, Accounts Payable, Systems Administration teams and Cashiers and other teams; and,
 - vi. £0.116 million forecast overachievement of Payroll internal recharges to services to cover administration costs for providing the staff salary sacrifice lease car scheme. A review is currently underway to access how all salary sacrifice schemes are being managed.
- c. Strategic Change & Service Improvement is forecast to underspend by £0.03 million due to:
- i. Property repairs and maintenance is forecast to overspend by £0.275 million. This overspend is being managed by only carrying out essential repairs and maintenance for the remaining months of 2023-24; and,
 - ii. A forecast underspend of £0.199 million on staffing within Service Improvement and Best Value is predominantly due to staff vacancies with most posts filled in 2023-24.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

Forecast Revenue Outturn - Detailed budget summary by Service

Service: Corporate Expenditure and Income

Summary by Service	2022-23 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Corporate Items	(7.944)	22.765	21.823	(0.942)
Treasury Management	(26.442)	(23.243)	(25.901)	(2.658)
Capital Financing	93.046	18.192	0.444	(17.748)
Corporate Funding	(470.047)	(401.878)	(389.048)	12.830
Total Other Corporate Expenditure & Income	(411.387)	(384.164)	(392.682)	(8.518)

NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for Corporate Expenditure and Income is outlined below:

- a. Corporate Items is forecast to underspend by £0.942 million mainly due to:
 - i. £0.140 million forecast overspend relating to the Apprenticeship Levy. This cost has increased due to the Council's total pay bill increasing as a result of the pay award. There has been a pressure included within the 2024-25 budget for this;
 - ii. £0.813 million forecast underspend on the General Contingency budget made up of an overspend of £3.147 million due to the pay award funding shortfall offset by £2.802 million underspend on utilities hyper-inflation and an £1.157 of general uncommitted balance; and,
 - iii. An in-year overachievement of the senior management restructure saving of £0.332 million due partly to the delay in recruitment to some posts.
- b. Treasury Management is forecast to underspend by £2.658 million due to:
 - i. The Council's budgeted investment income return for 2023-24 was originally £2.800 million. Due to the significant increase in interest rates in the first half of the year, and the higher than anticipated level of balances available for investment, returns to date have already achieved the budgeted level. It is estimated that investment interest received by year end will be £5.446 million, resulting in a forecast over-achievement of investment income of around £2.658 million.
- c. Capital Financing is forecast to underspend by £17.748 million due to:
 - i. Total external borrowing has decreased by £64.527 million, from £745.378 million at the start of the year to £680.851 million at 31 December 2023. This is due to maturing existing loans. However, considering future loan maturities and new borrowing, a net additional borrowing of approximately £130.975 million is forecast in the final quarter of the financial year. Overall borrowing is projected to total around £811.826 million by 31 March 2024 which is around

£52.000 million lower than anticipated. Although savings resulting from the reduced levels of borrowing will be partly offset by the higher-than-expected interest rates payable on those new loans taken out within the year, it is expected to generate an overall underspend of around £1.797 million; and,

- ii. The budget for Minimum Revenue Provision (MRP) is forecast to underspend by £15.946. £15.000 million is due to the reversal of voluntary MRP which was set aside during 2022-23 for the early repayment of debt. Approval for this was agreed by County Council in February 2024 within a report relating to the creation of the £15.000 million Strategic Acquisition Fund. This report also approved the subsequent transfer of £15.000 million to the Strategic Management Reserve to replenish this reserve following usage to fund the Strategic Acquisition Fund and this is shown against Corporate Funding below. The remainder of the underspend is due to slippage in the 2022-23 capital programme which was not factored into the original MRP estimate.
- d. Corporate Funding is forecast to overspend by £12.830 million due to:
 - i. £1.592 million additional Business Rate income including Section 31 Grants and Renewable Energy.
 - ii. £0.578 million additional Business Rates income from the Levy Surplus account which the government announced as part of the final Local Government Finance Settlement.
 - iii. A £15.000 million contribution to the Strategic Management Reserve to replenish this reserve following usage to fund the Strategic Acquisition Fund.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

Forecast Revenue Outturn - Detailed budget summary by Service

Service: Housing Revenue Account

Summary by Service	2022-23 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Housing Management	6.312	7.032	6.639	(0.393)
Housing Special	0.891	1.034	1.138	0.104
Repairs and Maintenance	9.540	9.423	9.794	0.371
Housing Capital Works	0.494	0.631	0.728	0.097
Other HRA Services	13.663	14.483	14.195	(0.288)
HRA Income	(30.175)	(32.916)	(32.589)	0.327
Total HRA Expenditure & Income	0.725	(0.313)	(0.095)	0.218

NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast variance for the Housing Revenue Account are as follows:

- a. Housing Management is forecast to underspend by £0.393 million mainly due to part year vacancies.
- b. Repairs and Maintenance is forecast to overspend by £0.371 million. The main reasons are:
 - i. £1.245 million is due to the use of external contractors on more specialised areas of work including surveyors' inspections, provision of expert reports and completion of remedial works in relation to damp and disrepair. The Repair and Maintenance team are looking to create a team dedicated to Housing Disrepair to identify and address issues more quickly to avoid the potential for claims. The team will proactively discourage any potential claims. The team will be funded through posts already within the structure; and
 - ii. There is a forecast underspend of £0.687 million on salaries due to part year vacancies and includes agency staffing costs.
- c. Other HRA Services is forecast to underspend by £0.288 million. The main reasons are:
 - i. Interest payable on HRA borrowing has increased by £0.273 million. This is due to the internal borrowing rates payable to the general fund, which are based on the 30-year PWLB rates. They are forecast to increase from 4.5% to 5.306% following a rise in the Bank of England base rate;
 - ii. Interest received on balances is forecast to increase by £0.850 million. This is due to an increase in the 3-year Sterling Overnight Index Average (SONIA) rate which is forecast to average at 4.84% for the current year. The budget was set at an interest rate of 3.0%; and,

- iii. Depreciation has increased by £0.334 million following an upward revaluation of Council dwellings by the Council's external valuers.
- d. HRA Income is forecast to underachieve by £0.327 million mainly due to dwelling rent income. Voids are currently running at 3.73% rather than the budgeted figure of 3.0%.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

Key Capital Movements by Service

Service: Adults, Ageing & Wellbeing – Forecast variance (£0.250) million		
Summary by Project	Under/ Overspend	Reprofiling
	£m	£m
Disabled Facilities Grant	-	(0.250)
Total	-	(0.250)

NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast variance for Adults, Ageing & Wellbeing is outlined below:

- a. The level of work expected to complete before the end of the financial year that is funded by the Disabled Facilities Grant is slightly lower than anticipated.

Service: Chief Executive – forecast variance (£0.735) million		
Summary by Project	Under/ Overspend	Reprofiling
Project	£m	£m
Fire and Rescue - Fleet	-	(0.761)
Total	-	(0.761)

NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast variance for Chief Executive is outlined below:

- a. The forecast reprofiling of the fleet budget is in relation to vehicles which have been ordered but are now not expected to be delivered by 31 March.

Service: Children, Young People and Education – Forecast variance (£2.452) million		
Summary by Project	Under/ Overspend	Reprofiling
	£m	£m
Basic Needs Programme	(0.048)	-
Children's Homes	-	(0.530)
High Needs Provision Capital Allocation	0.249	-
Kyloe House	-	(0.173)
Legacy Projects	(0.086)	-
NCC Contributions	(0.060)	-
Northumberland Skills	(0.137)	-
School Led (DFC and EECA)	(0.097)	-
School Redevelopments	-	(1.570)
Total	(0.179)	(2.273)

NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast variance for Children's Services are outlined below:

- a. Children's Homes – The variance of £0.530 million relates to the Multi Site Residential Homes project. 4 suitable properties have been identified and offers have been accepted; however, these purchases will not be completed in the 2023-24 financial year. It was anticipated that 2-3 of the properties would be acquired in year, but due to unforeseen delays in the legal and planning processes, this will no longer be possible.
- b. School Redevelopments - The updated spend profile for Coquet Schools redevelopment work has shifted expenditure into 2024-25 due to the time taken to formally enter contractual arrangements. It will have no effect on the overall timeline of the programme.

Service: Place and Regeneration – forecast variance (£39.701) million		
Summary by Project	Under/ Overspend	Reprofiling
Project	£m	£m
A1068 Shilbottle Road Junction Improvements	-	(0.080)
Affordable Homes Programme	-	(0.141)
Alnwick Playhouse – Replacement of Lighting Rig	-	(0.072)
Ashington High Street Innovation Programme	-	(0.676)
Ashington Town Centre Renewal and Strategic Sites Programme	-	(0.606)
Bedlington Town Centre Redevelopment Phase 1 and 2	-	(0.240)
Blyth Sports Centre	(0.078)	-
Borderlands – Carlisle University	-	(1.990)
Car Parks	-	0.005
Changing Places Toilet Upgrade	-	(0.158)
Choppington Mineral Rights	(0.300)	-
Climate Change Capital Fund	-	(0.187)
Climate Change – West Sleekburn Horticultural Skills Unit Ground Source Heat Pump	-	(0.130)
County Hall Refurbishment	0.308	-
Depot Rationalisation	-	(0.158)
Destination Tweed	-	(0.250)
Energising Blyth Programme	-	(7.288)
Fleet Replacement Programme	-	(1.138)
Flood and Coastal Erosion Risk Management (FCERM) – Bingfield	0.002	-
FCERM – Blenkinsopp	-	(0.050)
FCERM – Branton	-	(0.071)
FCERM – Hepscoth Flood Alleviation Scheme	-	(0.010)
FCERM – Next Generation Flood Resilience	-	(0.429)
FCERM – Seaton Delaval	(0.045)	-
FCERM – Spa Well Groundwater, Spittal	-	(0.028)

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FCERM – Wark	(0.047)	
Great Northumberland Forest	-	0.120
Great Northumberland Forest – Storm Arwen	-	(0.250)
Great Northumberland Forest – Tenant Led Pilot	-	(0.422)
Greensfield Farm, Alnwick	-	(0.333)
Hexham High Street Action Zone	-	(0.600)
Hexham The Shambles	-	(0.030)
Homes England Grant Recovery (re Right to Buy)	(0.075)	-
Kielder Observatory Contribution	-	(0.002)
Leisure Buildings – Essential Remedials	(0.240)	-
Lyndon Walk	-	(0.083)
Loan to NELEP – Ashwood	(0.240)	(0.077)
Local Transport Plan – Additional Grant	-	(1.200)
Major Repairs Reserve	1.069	-
Northumberland Small Business Service	-	(0.100)
Parks Enhancement Programme – Isabella Heap Park, Blyth	(0.022)	-
Port of Berwick Grant	-	(0.050)
Property Stewardship Fund – Astley Park Depot	-	(0.180)
Property Stewardship Fund – Backlog M&E and Fabric	-	(0.475)
Property Stewardship Fund – Dene Park Windows	-	(0.184)
Property Stewardship Fund – Gilesgate	-	(0.025)
Property Stewardship Fund – Public Toilet Refurbishment	-	0.032
Property Stewardship Fund – Woodhorn Lift Replacement	-	(0.178)
Prudhoe Waterworld Improvements	-	(0.065)
Public Sector Decarbonisation – Ground Source Heat Pumps	(0.298)	-
QEII Commemoration Schemes	-	(0.043)
Riverbrook Gardens Development Affordable Homes	-	0.041
Rural Asset Multiplier Programme	-	(0.200)

Rural Business Growth Scheme	(0.916)	-
Storm Arwen Damage Recovery	-	(0.040)
Strategic Acquisition Fund	-	(15.000)
Strategic Regeneration Projects – Wooler Visitor Infrastructure	-	(0.199)
Strategic Regeneration Projects – Reivers Trail	-	(0.113)
Sustainable Warmth Grant – Home Upgrade Grant Phase 1 (HUG 1)	0.016	-
Sustainable Warmth Grant – Home Upgrade Grant Phase 1 (HUG 2)	-	(3.205)
Sustainable Warmth Grant (LAD 3)	(0.727)	-
Todstead Landslip	(2.000)	-
Union Chain Bridge	0.539	-
Winter Weather Stations	(0.070)	-
Yourlink Refurbishment	(0.019)	-
Total	(3.143)	(36.558)

NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast variance for Place and Regeneration are outlined below:

- a. Ashington High Street Innovation Programme due to delays in the appointment of the design team;
- b. Ashington Town Centre Renewal and Strategic Sites Programme due to delays in the appointment of the design team;
- c. Borderlands – Carlisle University due to waiting for DLUHC to release the funds to the Council. DLUHC have agreed to release £2.900 million with an element of this due to be paid to the University;
- d. Choppington Mineral Rights - The mineral rights for the whole development were purchased in 2019-20 so no more are required to be purchased for future requirements;
- e. County Hall Refurbishment – additional work identified during the project that was not included in the original scope of works such as creating the new Coroner’s Court and the required Covid adaptations to the project;
- f. Destination Tweed due to the Borderlands business case being submitted in March with expenditure commencing in 2024-25;
- g. Energising Blyth Programme with work continuing on the construction of the Energy Central Campus and the commencement of work on the Culture Centre and Market Place improvements with the enabling works being completed ahead of the construction works commencing. Business cases on other elements of the programme are being prepared and finalised for approval;

- h. Fleet Replacement Programme due to the challenging market conditions continuing. A number of vehicles that were expected for delivery in March will now not be delivered until after 31 March. There is no impact on service delivery as the existing fleet are still being maintained and utilised;
- i. FCERM – Next Generation Flood Resilience. The project encountered a delayed start while approvals were received from the Environment Agency. Despite the delayed start the project will still be delivered within the approved timescale;
- j. Great Northumberland Forest – Storm Arwen and Tenant Led Pilot. Grants have been awarded with payments commenced. Poor weather conditions during the planting season have delayed progress and the erection of the required fencing in places;
- k. Greensfield Farm, Alnwick – purchase of the homes by the Council is now expected in October 2024;
- l. Hexham High Street Action Zone in relation to the public realm works due to a delayed start and recent weather conditions hindering progress;
- m. Local Transport Plan – Additional Grant. The Council received an additional £2.768 million from the Department for Transport following the Chancellor’s Autumn Statement with the schemes being delivered in 2024-25 due to programme lead in times;
- n. Major Repairs Reserve due to increased prices and additional works relating to storm damage which is being funded from the balance on the Major Repairs Reserve;
- o. Property Stewardship Fund – Backlog M&E and Fabric with schemes identified to be competed in 2024-25 once designs have progressed and approvals have been received;
- p. Public Sector Decarbonisation – Ground Source Heat Pumps. The scheme has now been completed with only five of the six proposed schemes progressing;
- q. Rural Business Growth Scheme has underspent due to the level of applications received. There were fewer applications received than originally envisaged due to the requirement of recipients having to find match funding from their own resources and a reluctance for this due to the current economic conditions some businesses operate in. The scheme has now concluded with the final claims submitted to the funders;
- r. Strategic Acquisition Fund with the fund approved by the County Council on 22 February but is now expected that any expenditure from the fund will be incurred in 2024-25;
- s. Sustainable Warmth Grant (HUG2) to ensure continuity of delivery of the scheme in 2024-25;
- t. Sustainable Warmth Grant (LAD3) due to a reduction in the number of homes (173 to 107) being supported by the programme as a result of the time taken to procure the assessors and contractors;
- u. Todstead Landslip has underspent due to works being completed for lower than originally anticipated. The scheme is expected to complete in Spring 2024 with the road reopening following the stabilisation of the embankment and preventing future cracking of the road surface at the location. Due to the £2.000 million underspend only £3.000 million of the £5.000 million allocation from the Severe Weather Reserve is required; and,
- v. Union Chain Bridge scheme is currently £0.539 million overspent in 2023-24. Discussions with the contractor have failed to reach a settlement on the final account position and in the absence of agreement being reached this matter has now been referred for independent adjudication, the outcome of which is expected during May. A final reconciliation will then be required following the

outcome of this process to identify any shortfall in funding to be shared between the Council and Scottish Borders Council.

Service: Public Health, Inequalities and Stronger Communities – forecast variance £0.240 million		
Summary by Project	Under/ Overspend	Reprofiling
Project	£m	£m
Provision of Leisure Facilities within Morpeth	0.240	-
Total	0.240	-

NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast variance for Public Health, Inequalities and Stronger Communities are outlined below:

- a. Morpeth Leisure Centre is now complete and open to the public. The forecast £0.240 million overspend is due to additional car parking drainage works which will be funded from the Essential Leisure Remedial Works budget.

Service: Transformation and Resources – forecast variance (£2.820) million		
Summary by Project	Under/ Overspend	Reprofiling
Project	£m	£m
Loans to Third Parties	-	(4.500)
Broadband Phase 2 Gainshare Extension	1.750	(0.070)
Total	1.750	(4.570)

NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast variance for Transformation and Resources are outlined below:

- a. Loans to third parties is forecasting £4.500 million reprofiling due to schemes being delayed.
- b. Broadband Phase 2 Gainshare Extension is forecast to overspend by £1.767 million. A payment of £1.723 million has been made to Building Digital UK re the Broadband Phase 2 Gainshare agreement which is to be funded from the latest gainshare payment received from BT (£3.707 million). which will show in the budget once the additional external funding for 2023-24 has been approved via a supplementary estimate. In addition, £0.044 million of the additional gainshare payment received from BT is planned to be utilised to support the implementation of new functionality in a core corporate IT system, enabling Northumberland County Council to fulfil a

statutory obligation for pensions. £0.070 million forecasted to be spent on broadband connectivity in 2023-24 has now been delayed until early 2024-25.

Items approved from the Council's Contingency

The following items have been approved from the Council's contingency during January to March 2024.

Recurrent Funding	2023-24	2024-25
	£	£
Realignment of HRA recharge	102,880	102,880
Stronger Communities pay award	9,710	9,710
Members pay award	(100,700)	(100,700)
Total amount returned to Contingency recurrently	11,890	11,890

Non-Recurrent Funding	2023-24	2024-25
	£	£
Total amount drawn from Contingency non-recurrently	-	-

Non-Recurrent Funding earmarked for release in March	2023-24	2024-25
	£	£
Elections General Manager	(60,000)	-
Economic Development and Growth staffing	(25,820)	-
Members Local Improvement schemes	(49,420)	-
Members Allowance scheme	(47,900)	-
Hyper-inflation underspend	2,705,080	-
Total amount returned to Contingency non-recurrently	2,521,940	-

Movement in the Council's Reserves

	Opening Balance at 1 April 2023*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2024
	£m	£m	£m	£m
General Reserves/Balances				
General Fund	(50.955)	-	-	(50.955)
Total General Reserve	(50.955)	-	-	(50.955)
Ring-Fenced Reserves/Balances				
Housing Revenue Account	(29.147)	-	0.972	(28.175)
Major Repairs (HRA)	(9.855)	(10.387)	11.693	(8.549)
HRA Capital Investment	(1.740)	-	0.153	(1.587)
Total Earmarked HRA Reserves	(40.742)	(10.387)	12.818	(38.311)
Specific Reserves/Balances				
Capital Grants Unapplied	(63.478)	-	-	(63.478)
Capital Receipts	(0.093)	-	-	(0.093)
Capital Receipts - HRA	(8.237)	-	(0.510)	(8.747)
Total Specific Reserves/Balances	(71.808)	-	(0.510)	(72.318)

	Opening Balance at 1 April 2023*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2024
	£m	£m	£m	£m
Earmarked Reserves				
ADC Section 106	(0.002)	-	0.002	-
Balances held by Schools	(8.941)	8.341	(6.298)	(6.898)
Borderlands Energy Masterplan	(0.808)	-	-	(0.808)
Business Recovery Reserve	(2.322)	-	2.322	-
Collection Fund Smoothing	(1.944)	-	1.944	-
Community Led Housing	(0.605)	0.044	0.010	(0.551)
Contain Outbreak Management	(0.260)	0.260	-	-
Council Commissioned Services	(7.520)	-	2.652	(4.868)
Council Transformation Fund	(17.144)	-	3.268	(13.876)
Council Tax Hardship & Discount Scheme	(6.588)	-	4.817	(1.771)
Dedicated Schools Grant	(4.501)	2.434	1.235	(0.832)
Economy & Regeneration Investments	(0.050)	-	-	(0.050)
Empty Dwelling Management Order	(0.077)	-	(0.017)	(0.094)
Estates Rationalisation	(6.257)	0.489	1.268	(4.500)
Exceptional Inflationary Pressures	(1.017)	-	1.017	-
FPF Admin Grant	(0.033)	-	-	(0.033)
FRS HMICFRS Improvement	(0.026)	-	0.018	(0.008)
Firefighters' Immediate Detriment	(0.200)	-	-	(0.200)
Food Waste	(0.058)	0.058	-	-
Haltwhistle Repairs Reserve	(0.036)	-	(0.042)	(0.078)
Highways Commuted Maintenance Funds	(1.127)	0.054	-	(1.073)
Highways Maintenance Investments	(0.225)	-	0.225	-
Homes for Ukraine	(4.586)	-	4.586	-

	Opening Balance at 1 April 2023*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2024
	£m	£m	£m	£m
Insurance	(7.822)	-	0.500	(7.322)
Legal Challenge	(1.071)	-	0.315	(0.756)
NCC Economic Regeneration	(0.138)	-	(0.032)	(0.170)
Open Spaces Maintenance Agreements	(0.094)	0.011	-	(0.083)
Parks and Green Spaces	(0.250)	-	0.250	-
Planning Delivery	(1.078)	-	0.040	(1.038)
Problematic Empty Properties	(0.047)	-	0.015	(0.032)
Recruitment & Retention	(0.439)	-	-	(0.439)
Regeneration Additional Capacity Reserve	(0.405)	-	0.125	(0.280)
Regeneration Development Reserve	(2.952)	0.266	0.185	(2.501)
Repair and Maintenance	(0.250)	-	-	(0.250)
Replacement of Defective Street Lanterns	(2.930)	-	0.510	(2.420)
Restructuring Reserve	(0.838)	0.152	0.010	(0.676)
Revenue Grants	(20.353)	6.735	0.509	(13.109)
School Libraries	(0.007)	-	(0.020)	(0.027)
Sealodge	(0.010)	-	(0.036)	(0.046)
Section 106	(14.697)	0.001	(4.525)	(19.221)
Severe Weather	(7.500)	1.023	3.320	(3.157)
Social Fund	(0.493)	-	-	(0.493)
Sports Development	(0.297)	-	0.010	(0.287)
Storm Arwen	(0.193)	0.008	0.085	(0.100)
Strategic Management Reserve	(49.708)	0.025	(4.125)	(53.808)
Transformation of the Revenues & Benefits Service	(0.215)	-	-	(0.215)
Violence Reduction	(0.039)	-	(0.155)	(0.194)

	Opening Balance at 1 April 2023*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2024
	£m	£m	£m	£m
Winter Services	(2.000)	-	0.250	(1.750)
Women's Safety in Public Places	(0.022)	-	0.022	-
Total Earmarked Reserves	(178.175)	19.901	14.260	(144.014)
Total Usable Reserves	(341.680)	9.514	26.568	(305.598)

	Opening Balance at 1 April 2023*	Movement in Provision	Commitments	Forecast Closing Balance at 31 March 2024
	£m	£m	£m	£m
Provisions				
Redundancy	(0.545)	0.531	0.014	-
NNDR Appeals	(5.212)	-	(2.092)	(7.304)
Estates Rationalisation Project	(0.577)	-	0.450	(0.127)
Compensation Claims	(0.080)	-	0.013	(0.067)
Contractor Claims	(0.330)	0.213	0.117	-
Total Provisions	(6.744)	0.744	(1.498)	(7.498)
Total Reserves & Provisions	(348.424)	10.258	25.070	(313.096)

*Provisional un-audited opening balance figure

Virements January to February 2024

Directorate	Reason for Virement	Virement from	Virement to	£
Revenue				
Chief Executive	Tier 3 & 4 restructure adjustment	Policy Team	Economy and Regeneration	15,030
Chief Executive	Transfer of Safer Northumberland Partnership salary	Community and Environmental Health	Safer Neighbourhood Partnership	14,590
Children, Young People and Education	Budget to support the running costs of the Family Hub buildings which are now managed within Transformation and Resources	Northumberland Family Service	Transformation and Resources: Integrated Services	88,950
Capital				
Place and Regeneration	Replacing the existing heating system at Sleekburn Horticultural Skills Unit with a low carbon Ground Source Heat Pump.	Climate Change Capital Fund	Sleekburn Horticultural Skills Unit	130,000

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Scheme	2023-24	2023-24	2023-24	2023-24 Comments	2023-24	2024-25	2025-26	2026-27	2027-28
	Original budget	Approved adjustments	Provisional reprofiling		Revised budget	Revised budget	Revised budget	Revised budget	Revised budget
	£	£	£		£	£	£	£	£
Adults, Ageing and Wellbeing									
Adult Social Care Capital Fund	-	-	-		-	331,185	-	-	-
Disabled Facilities Grant	4,058,073	(1,558,073)	(250,000)	The level of work expected to complete before the end of the financial year that is funded by the Disabled Facilities Grant is slightly lower than anticipated.	2,250,000	4,828,012	2,000,000	2,000,000	-
Person Centred Care Information System (SWIFT)	-	100,600	-		100,600	402,400	-	-	-
Sealodge Wet-room, Creswell	-	30,870	-		30,870	-	-	-	-
Telecare Digital Switch	-	547,000	-		547,000	-	-	-	-
Tynedale House Fire Doors	368,550	(363,550)	-		5,000	365,002	-	-	-
	4,426,623	(1,243,153)	(250,000)		2,933,470	5,926,599	2,000,000	2,000,000	-
Chief Executive									
FRS Berwick Fire Station Health & Safety Works	500,000	(500,000)	-		-	500,000	-	-	-
FRS Fire Control and Communications Equipment	-	59,531	(3,792)	Based on the delivery of the scheme.	55,739	1,003,792	1,000,000	-	-
FRS Fleet Requirement	1,387,629	500,770	(735,163)	Reprofiling of the budget in relation to vehicles which have been ordered but are not expected to be delivered by 31 March.	1,153,236	1,571,163	1,007,000	1,001,500	900,292
FRS Officer Support Vehicles (Blue Light Scheme)	56,392	(56,392)	-		-	-	-	-	-
FRS Risk Critical Equipment	72,080	(3,843)	(22,500)	Based on the requirements of the service.	45,737	358,200	121,500	328,438	343,000
	2,016,101	66	(761,455)		1,254,712	3,433,155	2,128,500	1,329,938	1,243,292
Children, Young People & Education									
Basic Need - Other	-	561,312	-		561,312	721,654	-	-	-
Berwick Partnership Schools	250,000	(250,000)	275,993	Technical Advisors have been procured in 2023-24 to ensure the programme is delivered within timescale.	275,993	4,812,773	3,765,934	25,960,000	12,980,000
Children's Homes Provision (3 no. 4-Bed)	1,434,773	(834,773)	-	The reprofiling relates to the Multi Site Residential Homes project. Four suitable properties have been identified and offers have been accepted; however, these purchases will not be completed in the 2023-24 financial year. It was anticipated that two to three of the properties would initially have been acquired in the current financial year, but due to unforeseen delays in the legal and planning processes, this will no longer be possible.	600,000	775,045	-	-	-
Children's Homes Provision (6 no. 1-Bed) - Purchase of six residential properties	-	530,000	(530,000)		-	730,000	-	-	-
Choppington Primary Artificial Pitch	205,000	(205,000)	-		-	205,000	-	-	-
Cleasewell Hill SEND Capacity	-	248,335	-		248,335	-	-	-	-
Coquet Partnership Redevelopment	9,132,931	(4,817,342)	(1,847,334)	The updated spend profile for Coquet Schools redevelopment work has shifted expenditure into 2024-25 due to the time taken to formally enter into contractual arrangements. It will have no effect on the overall timeline of the programmes.	2,468,255	18,066,960	15,342,114	5,899,817	147,495
Corbridge Middle School - 3G Pitch	492,666	(492,666)	-		-	490,601	-	-	-
Devolved Formula Capital	829,780	(14,267)	-		815,513	591,570	591,570	591,570	-
Family Hub Grant	-	63,000	-		63,000	59,000	-	-	-
Gilbert Ward Academy	-	1,057,675	-		1,057,675	-	-	-	-
KEVI New Build Sports Block	-	-	-		-	2,871,000	3,165,817	-	-
Kyloe House	189,735	367,118	(173,023)	There are several grant funded schemes at Kyloe House which are currently ongoing. The reason for the variance is that one of the larger schemes, the construction of a new 'High Dependency Unit' has been delayed due to issues with the contractor. The scheme was expected to be completed in 2023/24 but this is now unachievable, as a new Procurement process had to be completed to find a new contractor.	383,830	688,879	-	-	-
Kyloe House - New Recreation Area	-	-	-		-	251,283	-	-	-
Mobile Classroom Replacement Programme	524,071	759,909	-		1,283,980	675,721	-	-	-
Morpeth First School	-	56,664	-		56,664	-	-	-	-
New Hartley First School (Classroom)	-	50,000	-		50,000	-	-	-	-
Northumberland Skills ICT Hardware & Network Refresh	-	-	-		-	224,000	-	-	-
Pegswood Cemetery Lodge	-	-	-		-	150,000	-	-	-
Port of Blyth- Welding and Fabrication Skills Centre	-	529,798	-		529,798	-	-	-	-
Purchase of house to accommodate a disabled child	-	-	-		-	500,000	-	-	-
RDA relocation from Tranwell (Pegasus Centre)	-	203,273	-		203,273	-	-	-	-
School Condition Programme (SCIP) - Remedials / General Programme	2,928,930	455,068	-		3,383,998	2,481,117	2,750,000	2,750,000	2,750,000
School Led - Energy Efficiency Capital Allocation	-	1,235,260	-		1,235,260	50,400	-	-	-
Seaton Valley Federation of Schools	13,849,515	(9,841,012)	-		4,008,503	35,504,756	7,721,102	1,310,291	-
Special Educational Need (SEN) Capacity Growth	2,400,000	(2,400,000)	-		-	-	6,474,500	5,775,710	3,691,790
West of County Schools Restructure	384,878	(384,878)	1,116		1,116	383,762	-	-	-
	32,622,279	(13,122,526)	(2,273,248)		17,226,505	70,233,521	39,811,037	42,287,388	19,569,285

Scheme	2023-24	2023-24	2023-24	2023-24 Comments	2023-24	2024-25	2025-26	2026-27	2027-28	
	Original budget	Approved adjustments	Provisional reprofiling		Revised budget	Revised budget	Revised budget	Revised budget	Revised budget	
	£	£	£		£	£	£	£	£	
Place and Regeneration										
A197 Bothal Terrace Ashington						-	200,000	-	-	-
A1068 Shilbottle Road Junction Improvements	950,000	(850,000)	(80,000)	Traffic modelling has being undertaken to satisfy National Highways requirements with a design to be finalised following the National Highways response to the modelling. The scheme has been delayed due to workload and resourcing issues, with construction expected to commence in February/March and continue into 2024-25.	20,000	1,470,518	-	-	-	
Acquisition of Wansbeck Square Site	-	1,365,000	-		1,365,000	-	-	-	-	
Affordable Homes	7,467,180	(6,399,024)	(140,805)	Several schemes having commenced but due to increased prices in construction, there have been delays in some projects while revised models have been updated and approved. For other schemes, work is in progress with demolition being finalised and groundwork preparation beginning to be ready for project commencement in 2024-25.	927,351	16,580,514	12,742,412	3,300,000	2,760,000	
Affordable Homes - Riverbrook Gardens Development	-	966,300	41,700	All of the units are now being completed in 2023-24.	1,008,000	-	-	-	-	
Alnwick Playhouse - Replacement of Lighting Rig	-	100,000	(71,754)	The replacement of the lighting rig has commenced with the final grant due to be released in 2024-25.	28,246	71,754	-	-	-	
Amble Bord Waalk	-	8,688	-		8,688	-	-	-	-	
Amble HUSK Bungalows	-	-	-		-	2,493,497	-	-	-	
Ashington High Street Investment Programme	841,894	100,954	(676,289)	Due to delays in the appointment of the design team.	266,559	1,562,115	-	-	-	
Ashington North East Quarter Re-development Phase 2	2,435,802	(2,435,802)	-		-	100,000	-	-	-	
Ashington Town Centre infrastructure	-	-	-		-	-	500,000	3,000,000	-	
Ashington Town Centre Renewal of Strategic Sites Programme	-	800,000	(606,000)	Due to delays in the appointment of the design team.	194,000	12,679,858	14,832,355	24,000	-	
Bedlington Town Centre Redevelopment Phase 1 & 2	590,578	609,422	(240,477)	A new contractor was appointed following the collapse of Tolent with slower than anticipated progress made on site;	959,523	1,985,860	-	-	-	
Berwick Culture and Creative Zone	-	-	-		-	100,000	-	-	-	
Berwick Gateway	-	-	-		-	50,000	-	-	-	
Blyth Relief Road	1,498,000	552,026	-		2,050,026	8,866,836	37,706,723	-	-	
Blyth Sports Centre Solar PV	-	78,050	-		78,050	-	-	-	-	
Blyth to Bebside Cycle Corridor	192,532	159,146	(302,580)	Works are progressing on the implementation of Energising Blyth schemes.	49,098	3,564,909	3,244,739	-	-	
Blyth Town Centre Northern Gateway (Phase 1)	-	306	-		306	-	-	-	-	
Blyth Town Centre Northern Gateway (Phase 2)	97,211	65,430	(150,128)	Works are progressing on the implementation of Energising Blyth schemes.	12,513	1,684,413	1,681,925	-	-	
Borderlands - Berwick Maltings	851,000	1,002,437	-		1,853,437	13,243,321	7,487,358	498,291	-	
Borderlands - Carlisle Station	3,987,000	(3,987,000)	-		-	6,961,279	1,000,000	-	-	
Borderlands - Carlisle University	-	4,890,071	(1,990,071)	Due to waiting for DLUHC to release the funds to the Council. DLUHC have agreed to release £2.900 million with an element of this due to be paid to the University;	2,900,000	19,539,746	23,682,615	-	-	
Borderlands - Destination Tweed	-	250,000	(250,000)	The business case is due to be submitted to Borderlands in March with expenditure commencing in 2024-25.	-	1,000,000	-	-	-	
Borderlands - Lildorei	500,000	500,000	-		1,000,000	-	-	-	-	
Borderlands Place Plans	-	-	-		-	-	2,500,000	11,500,000	1,500,000	
Changing Places - Toilet Upgrades	-	202,600	(157,600)	Schemes at Berwick Woolmarket and Druridge Bay Country Park will be constructed by 30 June 2024.	45,000	157,600	-	-	-	
Choppington Mineral Rights	300,000	-	-		300,000	-	-	-	-	
Chronically Sick and Disabled Persons Grants	691,000	(189,713)	-		501,287	516,000	531,000	546,000	561,000	
Climate Change Capital Fund	-	317,490	(317,490)	The unallocated balance in 2023-24 is being reprofiled to be used on sustainability, solar and ground source heat pump projects currently being devised for delivery in 2024-25.	-	2,096,610	2,639,324	-	-	
Community Housing Fund	643,451	(602,426)	-		41,025	678,781	-	-	-	
County Hall Refurbishment	600,000	(381,797)	-		218,203	515,000	3,900,000	-	-	
County Hall Solar Car Port	2,700,000	(643,056)	-		2,056,944	-	-	-	-	
County Hall Solar PV	-	-	-		-	98,939	-	-	-	
Cowley Road Depot Refurb & Car Park	2,000,000	(2,000,000)	-		-	24,005	281,881	2,346	1,505,517	
CP - Car Parks General	320,000	(170,000)	5,000	To support the delivery of three car park schemes namely Corbridge, Bellingham and the old library site in Newbiggin;	155,000	1,662,380	-	-	-	
Cramlington	-	-	-		-	500,000	1,000,000	2,000,000	-	
Cramlington S106 Improvements	300,000	(280,000)	-		20,000	297,359	-	-	-	
Cycle Stands (Emergency Active Travel Fund)	-	14,780	-		14,780	-	-	-	-	
Depot Rationalisation	158,000	-	(158,000)	Schemes have been on hold pending the outcome of the recent depot review.	-	713,861	282,198	1,315,501	51,000	
Electric Vehicle Charger Installation	400,000	250,000	-		650,000	316,939	-	-	-	
Energising Blyth - Commissioners Quay Car Park	-	555,000	(55,000)	Acquisition of the car park is expected by 31st March 2024.	500,000	55,000	-	-	-	
Energising Blyth - NEP1 & Battleship Wharf	-	27,626	-		27,626	-	-	-	-	

Scheme	2023-24	2023-24	2023-24	2023-24 Comments	2023-24	2024-25	2025-26	2026-27	2027-28
	Original budget	Approved adjustments	Provisional reprofiling		Revised budget	Revised budget	Revised budget	Revised budget	Revised budget
	£	£	£		£	£	£	£	£
Energising Blyth Acquisitions / Delivery Costs	3,375,000	(4,135,461)	760,461	Work continuing on the construction of the Energy Central Campus and the commencement of work on the Culture Centre and Market Place improvements with the enabling works currently being completed ahead of the construction works commencing. Business cases on other elements of the programme are being prepared and finalised for approval.	-	4,403,805	7,384,969	-	-
Energising Blyth Culture Centre and Market Place	7,307,140	(4,191,212)	(1,928,822)		1,187,106	12,356,387	372,553	-	-
Energising Blyth Energy Central Campus Phase 1	6,002,085	5,909,886	(4,034,271)		7,877,700	5,513,583	170,084	-	-
Energising Blyth Energy Central Campus Phase 2			-		-	(68,991)	-	-	-
Energising Blyth Future High Street Fund (FHSF)	1,723,580	(623,427)	(1,100,153)		-	5,762,498	-	-	-
Energising Blyth Gasholder Site	-	-	-		-	-	-	-	-
Energising Blyth Keel Row Shopping Centre	-	2,127,783	-		2,127,783	-	-	-	-
Energising Blyth Levelling Up Deep Dive - Energy Central Campus Training Kit	-	-	-		-	1,450,000	-	-	-
Energising Blyth Levelling Up Deep Dive Funding - Housing Renewal and Town Centre	-	-	-		-	9,300,000	8,700,000	-	-
Energising Blyth Levelling Up Deep Dive Funding - Welcoming and Safe Blyth	-	-	-		-	180,000	-	-	-
Energising Blyth Strategic Acquisitions					-	252,000	-	-	-
Energising Blyth The Link	1,468,507	(201,134)	(477,939)	Work continuing on the construction of the Energy Central Campus and the commencement of work on the Culture Centre and Market Place improvements with the enabling works currently being completed ahead of the construction works commencing. Business cases on other elements of the programme are being prepared and finalised for approval.	789,434	1,880,758	-	-	-
Energising Blyth Town Deal 2022-2026	5,879,240	(5,383,686)	-		495,554	10,037,197	3,739,214	-	-
England Coastal Path (Additional Funds)	-	61,000	-		61,000	-	-	-	-
England Coastal Path (Bamburgh to Scottish Borders)	-	81,443	-		81,443	-	-	-	-
FCERM - Beadnell	687,000	(687,000)	-		-	155,000	1,805,000	-	-
FCERM - Bingfield A68 Surface Water	-	12,932	-		12,932	-	-	-	-
FCERM - Blenkinsopp Flood Alleviation Scheme	-	50,000	(50,000)	Works have been procured and will commence in 2024-25.	-	134,270	-	-	-
FCERM - Branton Surface Water	70,000	1,000	(71,000)	The detailed design currently progressing with construction expected to commence during Autumn subject to landowner agreement and affordability;	-	91,261	-	-	-
FCERM - Brumwell Court & Guessburn					-	12,000	162,000	-	-
FCERM - Chathill	-	110,976	-		110,976	-	-	-	-
FCERM - Cresswell Coastal Management	38,000	(38,000)	-		-	476,000	-	-	-
FCERM - Haydon Bridge	-				-	108,000	788,000	-	-
FCERM - Hepscoth FAS	289,000	(259,000)	(10,000)	The detailed design is progressing alongside discussions with Network Rail and Local Landowners. It is expected the scheme will commence in 2024-25 subject to landowner agreement and scheme affordability.	20,000	468,458	-	-	-
FCERM - Kirkwell Cottages	140,000	(140,000)	-		-	145,824	-	-	-
FCERM - Loansdean	45,000	(45,000)	-		-	45,000	-	-	-
FCERM - Lynemouth Bay Landfill Encapsulation	50,000	520,405	-		570,405	4,037,184	-	-	-
FCERM - Meggie's Burn	6,000	(6,000)	-		-	6,000	33,000	11,000	-
FCERM - Next Generation Flood Resilience	-	1,950,000	(429,001)	The project encountered a delayed start while approvals were received from the Environment Agency. Despite the delayed start the project will still be delivered within the approved timescale.	1,520,999	1,910,001	1,049,000	1,125,000	-
FCERM - Otterburn	-	3,000	-		3,000	53,593	-	-	-
FCERM - Ovingham Surface Water	-	7,000	-		7,000	95,756	-	-	-
FCERM - Pilgrims Way SW	57,000	(47,000)	-		10,000	117,287	-	-	-
FCERM - Red Row	-	10,000	-		10,000	51,779	-	-	-
FCERM - Seaton Delaval	65,000	105,379	-		170,379	-	-	-	-
FCERM - Spa Well Groundwater, Spittal	30,000	-	(28,000)	The works are due to be carried out in 2024-25 subject to affordability.	2,000	28,000	-	-	-
FCERM - Stocksfield & Riding Mill	-				-	26,000	314,000	-	-
FCERM - Wark	-	46,584	-		46,584	-	-	-	-
FCERM - Wylam SW	-	-	-		-	-	-	-	96,000
Felton - HUSK	-	-	-		-	-	-	-	-
Fleet Replacement Programme	5,021,977	218,023	(1,138,000)	Reprofiling due to the challenging conditions the service is still currently operating within. A number of vehicles that were expected for delivery in March will now not be delivered until after 31 March. There is no impact on service delivery as the existing fleet are still being utilised;	4,102,000	7,078,592	7,507,000	8,488,000	1,000,000
Fly Tipping Intervention	-	33,025	-		33,025	-	-	-	-
Great Northumberland Forest	551,579	(251,579)	120,000	Reprofiling in relation to the main scheme, Storm Arwen Recovery and the Tenant Led Pilot due to some schemes now completing in 2024-25 and poor weather conditions preventing the	420,000	2,215,294	16,579	-	-

Scheme	2023-24	2023-24	2023-24	2023-24 Comments	2023-24	2024-25	2025-26	2026-27	2027-28
	Original budget	Approved adjustments	Provisional reprofiling		Revised budget	Revised budget	Revised budget	Revised budget	Revised budget
	£	£	£		£	£	£	£	£
Great Northumberland Forest - Storm Arwen Recovery	-	300,000	(250,000)	erection of the required fencing;	50,000	700,000	-	-	-
Great Northumberland Forest - Tenant Lead Pilot		866,000	(422,360)		443,640	1,056,360	-	-	-
Greensfield Farm Alnwick		333,000	(333,000)	The payment mechanism for the acquisition of the properties has now been finalised with payment due in 2024-25.	-	630,000	-	-	-
Hexham - the Shambles	-	50,000	(30,000)	The scheme has commenced with completion in 2024-25.	20,000	280,000	-	-	-
Hexham High Street Action Zone	1,452,347	1,756,502	(600,000)	Reprofiling in relation to the public realm works due to a delayed start and recent poor weather.	2,608,849	700,000	-	-	-
Hexham Town Centre Redevelopment	-	-	-		-	-	-	-	-
Highway Maintenance and Pothole Repair Fund	-	3,872,000	-		3,872,000	5,770,500	5,268,000	-	-
Highway Maintenance Investment in U and C roads and Footways	-	650,159	-		650,159	4,450,000	-	-	-
Highways Laboratory Expansion	445,000	(130,000)	-		315,000	300,000	-	-	-
Hirst Area Containerisation of Waste	-	178,000	-		178,000	-	-	-	-
Homes England Grant Recovery (re RTB)	75,000	-	-		75,000	75,000	75,000	75,000	75,000
HRA Energy Efficiency	500,000	(500,000)	-		-	500,000	500,000	-	-
HRA Miscellaneous / Other	75,000	-	-		75,000	93,000	80,000	80,000	80,000
Kielder Observatory	-	2,459	(2,459)	Final payment of grant due to be made in 2024-25.	-	2,459	-	-	-
Leisure Buildings - Essential Remedial	613,207	318,262	-		931,469	1,000,000	-	-	-
Leisure Buildings - Essential Remedial - Concordia Air Handling Units	119,181	-	-		119,181	-	-	-	-
Leisure Buildings - Essential Remedial - Concordia Glass and Roof Replacement	567,612	(92,612)	-		475,000	165,000	-	-	-
Leisure Buildings - Essential Remedial - Prudhoe Waterworld Improvements	-	90,000	(65,000)	A design team has recently been appointed with a view to commencing works in the early part of 2024-25 financial year;	25,000	1,415,000	-	-	-
Leisure Buildings - Essential Remedial - Prudhoe Waterworld Softplay	-	-	-		-	60,000	-	-	-
Leisure Buildings - Essential Remedial - Prudhoe Waterworld Wet Change	-	-	-		-	160,000	-	-	-
Levelling up Fund for Rapid Electric Vehicle Chargers	-	-	-		-	156,000	-	-	-
Levelling Up Funds - Bedlington East to West	-	72,134	-		72,134	3,910,000	3,748,000	-	-
Levelling Up Funds - Hexham to Corbridge	-	103,485	-		103,485	4,590,000	4,225,000	-	-
Loan to NELEP - Ashwood	518,725	285,249	(76,540)	Based on the current cashflow.	727,434	1,411,609	-	-	-
Local Authority Housing Fund	-	2,190,455	-		2,190,455	-	-	-	-
Local Authority Treescape Fund	-	27,909	-		27,909	-	-	-	-
Local Cycling and Walking Infrastructure	3,962,244	(2,179,579)	-		1,782,665	3,864,000	-	-	-
Longframlington Affordable Housing Units	-	280,671	-		280,671	-	-	-	-
Longhorsley Flood Alleviation Scheme	-	-	-		-	40,000	12,000	-	-
LTP - Local Transport Plan	23,563,000	2,564,424	(1,200,000)	The Council received an additional £2.768 million from the Department for Transport following the Chancellor's Autumn Statement with the schemes being delivered in 2024-25 due to programme lead in times.	24,927,424	28,689,619	23,426,000	23,426,000	-
Lyndon Walk (Dementia Bungalows)	-	168,000	(82,872)	The demolition and groundworks will be undertaken in the current financial year with reprovion expected in 2024-25.	85,128	1,646,668	1,063,795	-	-
Major Repairs Reserve	10,829,000	(681,218)	-		10,147,782	10,600,000	10,700,000	10,700,000	10,600,000
Members Local Improvement Schemes	1,505,000	(619,084)	-		885,916	2,418,037	1,035,000	1,035,000	1,035,000
Morpeth Leisure Centre Solar PV	-	84,000	-		84,000	-	-	-	-
New DfT Challenge Fund Bid Support - Steel Structures	-	74,000	-		74,000	26,000	-	-	-
New Hartley S106 Improvements	100,000	53,795	-		153,795	-	-	-	-
Northumberland Line	44,390,239	20,920,788	-		65,311,027	17,386,829	7,500,000	-	-
North East Bus Service Improvement Plan	-	50,000	-		50,000	71,000	-	-	-
Northumberland Small Business Service	-	100,000	(100,000)	The first panel has been held with approved schemes starting to commence due to a small delay in the start-up of the scheme.	-	500,000	-	-	-
Parks Enhancement / Green Spaces Programme	-	-	-		-	600,000	400,000	-	-
Parks - Parks Enhancement Programme	150,000	(150,000)	-		-	-	-	-	-
Parks - Cleasewell Hill Park	-	72,000	-		72,000	168,000	-	-	-
Parks - Gallagher Park	-	19,000	-		19,000	-	-	-	-
Parks - Parks Enhancement Programme - Improvements to Main gateway into Ridley Park, Blyth	-	-	-		-	26,000	-	-	-
Parks - Parks Enhancement Programme - Blyth Beach Works	-	110,000	-		110,000	-	-	-	-
Parks - Parks Enhancement Programme - Druridge Bay Country Park Water Works	-	38,000	-		38,000	-	-	-	-
Parks - Parks Enhancement Programme - Isabella Heap	-	103,967	-		103,967	-	-	-	-
Parks - Parks Enhancement Programme - Prudhoe Eastwood Park	-	126,196	-		126,196	-	-	-	-
Parks - Parks Enhancement Programme - Replacement of Boating Pontoon in Wansbeck Riverside Park	-	120,000	-		120,000	-	-	-	-

Scheme	2023-24	2023-24	2023-24	2023-24 Comments	2023-24	2024-25	2025-26	2026-27	2027-28
	Original budget	Approved adjustments	Provisional reprofiling		Revised budget	Revised budget	Revised budget	Revised budget	Revised budget
	£	£	£		£	£	£	£	£
Parks - Plessey Woods Bouldering Park	-	-	-		-	159,000	-	-	-
Parks - Parks Enhancement Programme - Valley Park Scheme	-	119,500	-		119,500	-	-	-	-
Parks - Parks Enhancement Programme - Warkworth Beach Scheme	-	12,000	-		12,000	-	-	-	-
Parks - QEII Commemoration Schemes	370,175	4,600	-		374,775	49,400	-	-	-
Parks - Queen Elizabeth II Memorial Garden, Bedlington Cemetary	-	43,459	(43,459)	Works have commenced but due to inclement weather are expected to conclude in 2024-25.	-	43,459	-	-	-
Ponteland Broadway and Callerton Lane Section 106	-	15,000	-		15,000	60,217	-	-	-
Port of Berwick Grant	-	50,000	(50,000)	Reprofiling to allow for the completion of the resurfacing works.	-	50,000	-	-	-
Portland Park - Grant to Advance Northumberland	3,000,000	(3,000,000)	-		-	668,548	-	-	-
Powburn Depot Recycling Facility	-	-	-		-	133,833	94,850	247,786	-
Property Stewardship Fund - Astley Park Depot	100,000	100,000	(180,000)	The scheme is proceeding as it is not affected by the recent depot review. The estimated cost of the works is greater than the available budget with options being explored to cover the shortfall prior to commencement of the works;	20,000	180,000	-	-	-
Property Stewardship Fund - Backlog M&E and Fabric	1,180,473	(605,299)	(475,174)	The unallocated balance in 2023-24 is being reprofiled to be used on projects earmarked for delivery in 2024-25.	100,000	2,300,174	-	-	-
Property Stewardship Fund - Bearl Depot Drainage and New Build	301,561	(290,417)	-		11,144	311,087	48,186	24,322	-
Property Stewardship Fund - County Hall Fire Detection System	-	185,000	-		185,000	-	-	-	-
Property Stewardship Fund - County Hall Print Room Refurbishment	-	125,000	-		125,000	-	-	-	-
Property Stewardship Fund - Cowley Road Depot Internal Refurbishment	-	-	-		-	-	-	-	-
Property Stewardship Fund - Dene Park Windows	-	184,000	(184,000)	The specification is currently being revisited with delivery expected in 2024-25.	-	184,000	-	-	-
Property Stewardship Fund - Gilesgate	-	25,000	(25,000)	Works are due to commence in 2024-25.	-	100,000	-	-	-
Property Stewardship Fund - Powburn Depot Roof	119,636	(119,636)	-		-	119,636	-	-	-
Property Stewardship Fund - Public Toilet Refurbishment	325,000	63,192	32,231	Supporting the implementation of toilet refurbishments	420,423	482,671	258,240	-	-
Property Stewardship Fund - Woodhorn Heapstead	-	-	19		19	726,506	571,000	-	-
Property Stewardship Fund - Woodhorn Lift Replacement	-	228,000	(177,876)	Some urgent health and safety works have been completed ahead of the lift being replaced in 2024-25.	50,124	177,876	-	-	-
Property Stewardship Fund - Woodhorn Walker Fan Building	100,000	(100,000)	-		-	100,000	-	-	-
Public Sector Decarbonisation	-	366,169	-		366,169	-	-	-	-
Roads	-	-	-		-	-	-	-	-
Rural Asset Multiplier	-	200,000	(200,000)	The panel has now met and approved some projects with commencement now expected in 2024-25;	-	200,000	-	-	-
Rural Business Growth	546,678	369,224	-		915,902	-	-	-	-
Salt Barns	1,223,275	(1,208,169)	-		15,106	1,335,042	-	-	-
Social Housing Decarbonisation Fund	-	1,540,485	-		1,540,485	-	-	-	-
Storm Arwen Recovery	100,000	-	(40,000)	Reprofiling in relation to the Holy Island causeway bridge.	60,000	108,221	-	-	-
Strategic Acquisition Fund	-	15,000,000	(15,000,000)	The fund was approved by County Council on 22nd February with expenditure now expected in 2024-25.	-	15,000,000	-	-	-
Strategic Employment Sites Enabling Works	-	-	-		-	5,000,000	-	-	-
Strategic Regeneration Projects	3,391,611	(3,391,611)	-		-	5,540,000	1,560,415	-	-
Strategic Regeneration Projects - Alnwick Cobbles Streetscaping Scheme	-	20,000	-		20,000	-	-	-	-
Strategic Regeneration Projects - Reivers Trail	-	150,000	(112,500)	Based on current cashflow for the project.	37,500	112,500	-	-	-
Strategic Regeneration Projects - Royal Border Bridge Floodlighting Scheme	-	10,000	-		10,000	-	-	-	-
Strategic Regeneration Projects - Wooler Visitor Infrastructure	-	350,000	(198,321)	Further works are being identified for implementation during 2024-25.	151,679	392,321	-	-	-
Sustainable Warmth Competition – Local Authority Delivery Phase 3(LAD3)	-	2,103,444	-		2,103,444	-	-	-	-
Sustainable Warmth Competition – Home Upgrade Grant	-	3,330,000	(3,205,310)	To ensure continuity of delivery of the scheme into 24-25;	124,690	3,205,310	-	-	-
Temporary Homelessness Accommodation	-	245,000	-		245,000	-	-	-	-
The Living Barracks	-	-	-		-	-	-	-	700,792
Todstead Landslip	6,316,000	2,540,760	-		8,856,760	-	-	-	-
Tyne Mills Depot, Hexham	-	405,000	-		405,000	110,987	162,372	3,683	6,480
West Sleekburn Horticultural Skills Unit - GSHP	-	-	-		-	130,000	-	-	-
Winter Maintenance Software	-	11,978	-		11,978	-	-	-	-
Winter Services Weather Stations	-	106,998	-		106,998	-	-	-	-
Wooler Parking Project	-	-	-		-	106,000	-	-	-
Yourlink Refurbishment	-	19,036	-		19,036	-	-	-	-
	166,269,720	40,952,120	(36,557,840)		170,664,000	298,657,499	206,781,787	67,401,929	19,970,789
Public Health, Inequalities & Stronger Communities									
Berwick Swan Leisure Centre	800,000	659,052	-		1,459,052	-	-	-	-
Concordia Leisure Centre	-	-	-		-	1,048,376	503,525	-	-
Haltwhistle Football Project	-	-	-		-	46,486	-	-	-
Library Service New Vehicle	-	-	-		-	225,000	-	-	-
Northumberland Playzones	-	-	-		-	300,000	-	-	-

	2023-24	2023-24	2023-24	2023-24	2023-24	2024-25	2025-26	2026-27	2027-28
Scheme	Original budget	Approved adjustments	Provisional reprofiling	Comments	Revised budget	Revised budget	Revised budget	Revised budget	Revised budget
	£	£	£		£	£	£	£	£
Provision of Leisure Facilities within Morpeth	-	379,617	-		379,617	-	-	-	-
Wentworth Sport Centre			-		-	796,854	444,135	-	-
Willowburn Sport Centre			-		-	1,338,521	956,882	-	-
	800,000	1,038,669	-		1,838,669	3,755,237	1,904,542	-	-
Transformation & Resources									
Air Conditioning	-	-	-		-	159,340	-	-	-
Broadband Phase 2 Gainshare Extension	-	70,000	(70,000)	Scheme has been delayed until 2024-25.	-	682,325	-	-	-
Capita One/SAAS	-	49,920	-		49,920	-	-	-	-
Capital Contract Price Inflation	5,500,000	(4,034,214)	-		1,465,786	5,000,000	-	-	-
CISCO Infrastructure	400,000	(319,000)	-		81,000	562,179	100,000	-	-
Cloud Migration	200,000	(200,000)	-		-	-	-	-	-
Community Broadband	-	279,180	-		279,180	4,141,820	-	-	-
Craster Mast	-	5,000	-		5,000	50,080	-	-	-
Desk Top Refresh - Phase 3			-		-	750,000	350,000	1,100,000	1,100,000
Desk Top Refresh - Phase 2	150,000	928,095	-		1,078,095	950,000	750,000	-	-
Hardware Infrastructure	-	2,000	-		2,000	238,637	360,000	-	685,000
IT Backup and Recovery	-	-	-		-	-	-	-	-
Library Kiosks	-	5,101	-		5,101	-	-	-	-
Loans to Third Parties (e.g. Advance Northumberland, Other Organisations)	6,895,206	1,271,229	(4,500,000)	Reprofiling due to schemes being delayed.	3,666,435	28,964,725	20,000,000	6,000,000	6,000,000
Local Full Fibre Network	-	16,972	-		16,972	82,823	-	-	-
Member i-pads	-	40,660	-		40,660	-	-	-	-
Mobile Phone Refresh	-	-	-		-	215,000	215,000	215,000	-
Network Infrastructure Modernisation	-	-	-		-	953,333	953,333	953,334	-
Northumberland WAN and Full Fibre	3,668,710	-	-		3,668,710	2,331,290	100,000	-	-
Office 365 Implementation	-	10,000	-		10,000	-	-	-	-
Oracle Upgrade		44,000	-		44,000	44,000	-	-	-
Repayment to Building Digital UK (BDUK)	-	-	-		-	-	-	-	-
Schools Broadband	-	326,230	-		326,230	-	-	-	-
Server Infrastructure	-	68,000	-		68,000	54,363	-	-	-
	16,813,916	(1,436,827)	(4,570,000)		10,807,089	45,179,915	22,828,333	8,268,334	7,785,000
	222,948,639	26,188,349	(44,412,543)		204,724,445	427,185,926	275,454,199	121,287,589	48,568,366



Northumberland County Council

Cabinet

Tuesday, 7 May 2024

Loan to Branxton Parish Council

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 (S151)

1. Link to Key Priorities of the Corporate Plan

This report is linked to the “Achieving Value for Money” value in the Corporate Plan 2023-26.

2. Purpose of report

This report provides details of a potential loan facility to Branxton Parish Council of up to £1,300 in support of their 2024-25 budget.

3. Recommendations

3.1 Cabinet is recommended to:

- a) Approve a loan facility of up to £1,300 to Branxton Parish Council subject to the following:
 - Branxton Parish Council agreeing to the proposed terms and conditions;
 - Branxton Parish Council confirming the amount required following the outcome of donations from residents; and
 - The Council’s legal team completing a legal agreement with Branxton Parish Council in advance of any loan drawdown.

4. Forward plan date and reason for urgency if applicable

This report was added to the forward plan on 8 April 2024.

5. Background

- 5.1 Branxton Parish Council is a Parish Council in Northumberland covering the parish of Branxton.
- 5.2 Branxton Parish Council became inquorate during 2023-24 due to the resignation of a Parish Councillor. As a result the Parish Council were unable to set their 2024-25 budget and Precept in time to meet submission deadlines to the Council.
- 5.3 On 6 March 2024 a candidate was elected unopposed and the Parish Council is now quorate. There will be a shortage of funds to cover the running costs in 2024-25 due to the Parish Council not receiving a precept.
- 5.4 At present the Parish Council has a useable bank balance of £491 and the predicted expenditure for 2024-25 is £1,561, this leaves a cash shortfall of £1,070. The Parish Council require cash funds of up to £1,300 to cover the shortfall and leave a balance of £230 for any unforeseen expenditure.
- 5.5 The Parish Council is requesting donations from residents equivalent to what would've been the precept charge for 2024-25 (£20.58 per resident, based on band D). If all residents choose to donate then this would cover the cash requirements for 2024-25. As a contingency, the Parish Council have requested a loan from Northumberland County Council, up to a maximum of £1,300. If all residents choose to donate then no loan will be required and if no residents donate then the full loan value of £1,300 will be required.
- 5.6 Due to the proposed loan being used for revenue purposes there is no requirement for the Parish Council to seek approval from the Secretary of State.
- 5.7 The loan repayments will be deducted directly from Branxton Parish Council's 2025-26 precept payments from the Council, which will be made in April and September 2025. In order to have sufficient funding available to make the repayments the Parish Council will increase their precept in 2025-26 by a corresponding amount.
- 5.8 The proposal was approved at Risk Appraisal Panel on 25 April 2024.

6. Financial appraisal

- 6.1 No financial appraisal has been carried out as the loan repayments will be deducted from the precept. The precept form for 2025-26 will be reviewed to ensure the precept has been increased sufficiently to enable Branxton Parish Council to make the loan repayments.

7. Key risks

- 7.1 Given that the repayments will be deducted directly from the precept the risks associated with this loan are minimal. There is a risk of non-repayment of the loan if the Parish Council became inquorate again, however as the maximum loan value is £1,300 Northumberland County Council's exposure is minimal.

8. Subsidy control

- 8.1 The provision of a loan at less than market rate will constitute a Subsidy. The Subsidy Control Act 2022 came into force from 4 January 2023, with the rules applying to

awards of financial assistance made by public authorities to businesses and any other organisations engaged in economic activity.

- 8.2 There are two routes to subsidy control compliance:
- a) If the loan is offered at a rate that is the equivalent to that which a commercial investor would offer then there will be no advantage to a specific enterprise, such that the definition of a subsidy is not met and therefore there would be no Subsidy if the loan is offered at this rate. Any rate lower than this will constitute a Subsidy.
 - b) Under section 36 Subsidy Control Act 2022, an enterprise (Branxton Parish Council) can receive up to £315,000 by way of minimal financial assistance over the applicable period. The applicable period is the elapsed part of the current financial year together with the two immediately preceding financial years. In order to rely upon this Branxton Parish Council would need to sign a declaration and the Council and Branxton Parish Council comply with the requirements set out in section 37 Subsidy Control Act 2022. This is a process the Council is familiar with. For this exemption the subsidy would be calculated with reference to the interest rate that could have been achieved on the market, compared to the interest charged, with the saving being the subsidy.
- 8.3 It is proposed to charge the Parish Council an interest rate of 6.56%. This is deemed to be comparable to a market rate of interest therefore there are no subsidy implications.
- 8.4 The interest rate of 6.56% would cover Northumberland County Council's cost of borrowing to fund the loan.

9. Loan terms and conditions

- 9.1 The loan will have the following terms and conditions:
- a) Branxton Parish Council can commence drawdown of the loan once the Council's legal department are in receipt of the signed legal agreement between the Council and Branxton Parish Council; and the other conditions of the loan agreement are met.
 - b) Maximum loan value of £1,300.
 - c) Repayment of principal and interest will be deducted from the precept by the Council in 2025-26. The repayments will be deducted equally over two precept payments, the first in April 2025 and the second in September 2025.
 - d) Branxton Parish Council may repay the Loan in whole or in part at any time prior to the end of the loan term. In doing so they will provide notification in writing to the Council no less than 5 working days prior to the prepayment. Where necessary a revised payment schedule will be produced by the Council and issued to the Borrower.
 - e) The interest rate will be the 6.56% fixed rate over the term of the loan.
 - f) Note the loan will not be secured or guaranteed.
 - g) Compliance with the Subsidy Control Act 2022, by the identification of a complaint solution.

10. Legal power to grant the loan

- 10.1 The legal powers which enable the Council to enter into this Agreement and to make the loan available, are under the Localism Act 2011.

11. Implications

Policy	The loan proposal is in line with the “Achieving Value for Money” value in the Corporate Plan 2023-26.
Finance and value for money	<p>Branxton will repay the loan in line with the payment scheduled issued by the Council. Interest on the loan will be charged at the rate of interest of 6.56%%.</p> <p>As the loan is a revenue loan and the interest receivable will cover any resulting interest payable there is no budget requirement.</p>
Legal	<p>The proposal will be subject to a signed legal agreement. A compliant subsidy control solution will be identified prior to the loan agreement being entered into (and therefore funding drawn down) to ensure ongoing compliance with the Subsidy Control Act 2022.</p> <p>All other legal implications have been addressed within the body of this report.</p>
Procurement	None
Human resources	None
Property	None
The Equalities Act: is a full impact assessment required and attached?	<p>No - no equalities issues identified</p> <p>No equality issues identified</p>
Risk assessment	The risks of this proposal are outlined in the report.
Crime and disorder	None
Customer considerations	None
Carbon reduction	None

Health and wellbeing	None
Wards	Wooler;

12. Background papers

Not applicable

13. Links to other key reports already published

Not applicable

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Northumberland County Council

Cabinet

Tuesday, 7 May 2024

Public and Community Transport Health Needs Assessment

Report of Councillor(s) Cllr Veronica Jones, Cabinet Member for Tackling Inequalities

Responsible Officer(s): Gill O'Neill, Executive Director for Public Health (DPH), Inequalities & Stronger Communities

1. Link to Key Priorities of the Corporate Plan

This report is relevant to the following priorities in the NCC Corporate Plan 2023-26:

Achieving value for money: improving public and community transport networks helps improve our residents' physical and mental health and access to education and employment. This should reduce demand on services and encourage economic contribution. It will also encourage use of current transport networks, ensuring that services which NCC is already funding are utilised to greater capacity to ensure better return on investment.

Tackling inequalities: access to private transport is closely linked to socio-economic status and other domains of inequality. Ensuring robust, accessible, and affordable public and community transport networks reduces the impact of these inequalities and aids individual independence and resilience. Partnerships with the VCSFE sector also increase community capacity and resilience.

Driving Economic Growth: improved transport networks increase residents' ability to access education and employment opportunities, so that they are more able to contribute economically

2. Purpose of report

This report aims to identify what is currently provided in terms of public and community transport across Northumberland, what is needed by the people of Northumberland and where the gaps are.

3. Recommendations

Recommendations for Cabinet are:

1. To endorse the action plan detailed in the attached appendix document of the full report
2. To lobby nationally for a continuation of the £2 cap fare to keep transport affordable for all residents
3. To present a call to action to the newly formed North East Combined Authority (NECA) highlighting key issues around transport in rural areas

4. Forward plan date and reason for urgency if applicable

Not applicable

5. Background

Good public and community transport networks are vital in keeping people physically and mentally healthy, in work and socially connected. Transport networks affect our health directly through noise and air pollution, and indirectly by influencing how active we are during the day. They are vital in allowing us to attend healthcare services, to find and keep a job and to see our friends and family.

The way in which we travel has changed significantly over the last 70 years. Northumberland has (like the rest of the UK) seen an increase in reliance on cars and decrease in the use of existing public transport (PT) networks. In a county which contains many rural and farming communities a certain level of car usage will always be inevitable. However, the lack of alternatives to a car are resulting in households either in 'forced' car ownership (where they buy or maintain a car despite financial struggles) or, if they cannot afford a car at all, being unable to fully meet their needs.

There has been a renewed national, regional and local focus on the importance of public and community transport networks, including a recent announcement by national government which promised a £19.8 billion investment into transport as part of the Network North plan. However, the focus of such investments on urban spaces such as cities and towns risks neglecting the needs of rural counties like Northumberland. This health needs assessment (HNA) aims to advocate for these needs, by identifying what is currently provided in terms of public and community transport across Northumberland, what is needed by the people of Northumberland and where the gaps are.

6. Reasons for the recommendations

Need has been identified by analysing existing literature, quantitative data collected by government bodies and service providers, and communities' own expressions of need via focus groups. Bringing these data sets together has given us the following key insights:

- ***Transport plays a significant role in how people access healthcare.***

While local healthcare services such as General Practices and pharmacies tend to be more easily accessible, infrequency of services or poor connections mean people can be travelling for hours for even brief appointments. These issues were even worse for hospital appointments in centres such as Newcastle, Hexham and Ashington.

Many community transport (CT) providers offer an element of patient transport, but these services are increasingly under strain as demand for them increases within the community and the NHS. Many CT providers also have eligibility criteria that mean certain demographics are unable to use them.

People with disabilities and those providing unpaid care are more likely to require regular access to healthcare services. Our most rural areas are still seeing a high proportion of residents who identify as having a disability and being limited a lot. These people are more likely to need PT and CT networks and yet less likely to live in areas with a frequent, reliable service.

- ***Transport significantly impacts how likely people are to find, get and keep a job.***

In the UK someone with access to a car is almost four times more likely to be employed than someone relying on PT alone. Employers in Northumberland also cite transport as a key factor in their difficulties to recruit, particularly in more rural areas. Employability schemes can only support travel costs short-term and other means of support such as means-tested welfare benefits do not take the extra costs of travelling from a rural area into account. This makes it difficult for applicants outside of urban areas to attend job interviews or to maintain employment.

A lack of evening services impacts people's ability to undertake shift work which falls outside of the standard '9 to 5' pattern. This particularly impacts the two largest employment sectors in Northumberland which are the health sector and accommodation and food services.

- ***The financial impact of travel is felt differently across Northumberland and forms a key challenge in maintaining and growing current networks.***

Many residents in Northumberland are subject to the 'rural premium', i.e. the inherently increased costs of living rurally. Prices for bus and coach travel have risen fastest among all modes of transport and now fall well above inflation.

Financial factors also contribute to the fragility of many community transport services. Rising costs of fuel, buying and maintaining vehicles and other costs such as insurance are placing services under strain. Short-term funding cycles that prize innovation can also make the running of a long-term, stable and sustainable service more difficult.

- ***A lack of transport leads to social isolation.***

A lack of evening services (particularly from central hubs such as Newcastle out to rural areas) impact not only employment but social opportunities too. Young people in particular find it difficult to access social and leisure opportunities as they are unable to get home. We know that social isolation has a significant impact on physical and mental health and is directly linked to people's risk of dying earlier than expected.

- ***Current transport networks risk widening inequalities.***

Differences in transport provision risk widening inequalities between rural and urban residents in terms of access to healthcare, employment and social opportunities. Current public transport systems present certain barriers to passengers with extra needs that make it less likely that they are able to travel independently. These accessibility 'blind spots' need to be addressed to ensure all passengers are best placed to use existing services. This includes the provision of up-to-date information in accessible formats (including large font, braille, online and paper copies at bus stops), as well as the option for personal support in the form of ticket offices and PT staff trained in supporting passengers with extra needs.

- **Considering the sustainability of current and future public and community transport networks is key.**

We heard how vital and valued both public and community transport networks are across Northumberland. While many people still rely on public transport networks a drop in patronage and cuts made to local government funding have already resulted in a reduction in services and are placing the wider system under threat. Community transport provides a valuable service but also faces challenges, including fragmentation across the patch and difficulties in securing funding and a consistent volunteer base.

Moving forward we need both public and community transport networks to be robust as they meet different needs in the community. We will always need public transport to support our working age and commuting populations, as well as allowing elderly residents or residents with extra needs to retain their independence for as long as possible. Community transport will always be necessary for passengers who need the kind of door-to-door support that public transport cannot provide, as well as communities (such as in the most rural areas) for whom a bespoke service makes the most sense in terms of efficiency and cost.

7. Implications

Policy	Proposed priorities and actions support the priorities of the Northumberland Inequalities Plan, the Northumberland Joint Health and Wellbeing Strategy and the Council's Corporate Plan. Recommendations seek to align other organisational strategies and plans.
Finance and value for money	There are no direct financial implications associated with this report. It is not anticipated that additional funding will be required to implement the report recommendations. Existing funding will be utilised where possible and opportunities to maximise external funding opportunities will be pursued.
Legal	None
Procurement	No existing requirements for procurement, though some recommendations may require organisations to consider procurement implications.
Human resources	None
Property	None
The Equalities Act: is a full impact	A full impact assessment has not been undertaken for this report.

assessment required and attached?	Ensuring robust, accessible and affordable public and community transport networks will help to reduce inequalities.
Risk assessment	None
Crime and disorder	None
Customer considerations	Positive impact for residents' use of public and community transport services.
Carbon reduction	Positive impact as a result of modal shift away from private vehicle use.
Health and wellbeing	Improved health for all residents and reduced health inequalities via better access to healthcare services, employment and social opportunities.
Wards	(All Wards);

8. Background papers

Not applicable

9. Links to other key reports already published

[Northumberland Joint Health and Wellbeing Strategy 2018-2028](#)

[Northumberland Local Plan 2016-2036](#)

[The Northumberland Inequalities Plan \(2022 – 2032\)](#)

10. Author and Contact Details

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Objective	Allocated to	Timeframe
Work with healthcare partners to identify and address transport factors in missed appointments and increase public transport use among staff.		
Improve patients' awareness of assistance with transport available (including access to and understanding of reclaiming travel expenses via the Healthcare Travel Cost Scheme (HTCS)) to reduce Did Not Attend rates and increase the percentage of patients with outpatient appointments who utilise the HTCS.	Northumbria Healthcare Foundation Trust (NHFT)	6-12 months
Develop mechanism for patients to raise transport issues, including a clear pathway for raising and addressing transport issues relating to accessing appointments.		
Develop and promote public transport opportunities for staff, resulting in evidence of increased public transport usage in the staff Annual Travel Survey.		
Raise awareness of community transport as a travel option to appointments including better integration of platforms such as Frontline into materials utilised by NHFT.	NHFT, Northumberland County Council Public Health (NCC PH)	
Recognise the interconnected nature of transport and work		
Consider how plans to increase visitors to the county will also provide transport options for future employees of the tourism industry.	NCC Employability	6-12 months
Work with employers, anchor organisations and the North East Combined Authority to understand and address transport to work issues.		
Re-assess commissioning requirements to reflect the importance of transport when working with business partners, including liaising with commercial providers to review public transport investment opportunities for routes to work and training.		1-2 years
Embed an understanding of, and partial responsibility for, how employees reach work within employers' recruitment and retention practices.		
In-depth data analysis of public transport network		
Share principles of route allocation with local Bus Board and determine if these need to be formalised.	NCC Transport	6 months
Highlight rural transport needs within regional work		
Feed into the Transport North East Transport Plan to ensure that it reflects the needs of rural Northumberland, resulting in a draft for presentation to the new North East Mayor.	NCC Transport	12 months
Create a clear position statement to be co-agreed with other rural local authorities (such as Durham) and presented to Transport North East.	NCC PH	6 months
Longer term funding for CT focused on evaluation alongside innovation		
Provide advice and guidance to assist Community Transport in the development of business cases including sharing statistics to help with evidence-base for proposals.	NCC Transport, NCC PH	12 months
Collaboration between LA and VCSFE partners as well as between VCSFE partners		
Identify a county-wide Voluntary Community Sector (VCS) link through Thriving Together to sit on the Bus Board to encourage co-produced solutions.	NCC Transport	3 months
Develop a document for stakeholders detailing what the NCC role, commercial operator role and VCS transport role is.		6 months

Work with Thriving Together to encourage a more strategic outlook on transport within the VCSFE and to facilitate a united voice in communicating transport issues.	NCC Transport, NCC PH, Thriving Together	6-12 months
Take a place-based approach to transport interventions		
Appoint a Bus Ambassador to collect information on local need and deal with individual concerns and queries.	NCC Transport	1-3 months
Appoint a Bus Champion to liaise with groups (such as schools, employers, VCS groups) and promote public transport options.		
Increase awareness of concessionary passes / transport support via welfare benefits		
Pursue opportunities to increase the number of concessionary passes in circulation, including work with internal and external partners (e.g. healthcare, revenue and benefits, VCS).	NCC Transport	6-12 months
Mitigate the impact of COVID on concessionary pass user travel by increasing messaging around benefits of bus travel.	NCC Transport, NCC PH	
Standardise the concessionary offer across the region to allow for coordinated marketing.	NCC Transport	1-2 years
Ensuring accessibility 'quick wins'		
Review the NCC contract standards for operators to ensure greater emphasis placed on accessibility requirements, and aim for better alignment between regional local transport authorities to ensure standard requirements region-wide.	Transport North East, NCC Transport	1-2 years
Arrange a consultation with the commercial market regarding accessibility requirements.		
Utilise Bus Service Improvement Plan (BSIP) funding and collaborate with Town and Parish Councils to improve accessibility infrastructure.	NCC Transport	6 months

Health Needs Assessment of Public and Community Transport

January 2024



Author

Dr Kaat Marynissen

Acknowledgements

I would like to extend my heartfelt thanks to the many organisations and individuals who gave up their time to speak to myself and colleagues about the way they organise, use and experience public and community transport in our county. There are too many to name individually but your contributions were invaluable. Thank you also to the many colleagues in Northumberland County Council and the North Northumberland Voluntary Forum who helped me in collecting data, discussing findings and gently guiding me back to core issues when I fell down yet another rabbit hole.

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List of abbreviations

BSIP: Bus Service Improvement Plan

CT: community transport

GP: General Practice

HNA: health needs assessment

LGBTQ+: Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, and Ace sexualities

NHS: National Health Service

PT: public transport

Executive summary

Good public and community transport networks are vital in keeping people physically and mentally healthy, in work and socially connected. Transport networks affect our health directly through noise and air pollution, and indirectly by influencing how active we are during the day. They are vital in allowing us to attend healthcare services, to find and keep a job and to see our friends and family.

The way in which we travel has changed significantly over the last 70 years. Northumberland has (like the rest of the UK) seen an increase in reliance on cars and decrease in the use of existing public transport (PT) networks. In a county which contains many rural and farming communities a certain level of car usage will always be inevitable. However, the lack of alternatives to a car are resulting in households either in 'forced' car ownership (where they buy or maintain a car despite financial struggles) or, if they cannot afford a car at all, being unable to fully meet their needs.

There has been a renewed national, regional and local focus on the importance of public and community transport networks, including a recent announcement by national government which promised a £19.8 billion investment into transport as part of the *Network North* plan. However, the focus of such investments on urban spaces such as cities and towns risks neglecting the needs of rural counties like Northumberland. This health needs assessment (HNA) aims to advocate for these needs, by identifying what is currently provided in terms of public and community transport across Northumberland, what is needed by the people of Northumberland and where the gaps are.

Need has been identified by analysing existing literature, quantitative data collected by government bodies and service providers, and communities' own expressions of need via focus groups. Bringing these data sets together has given us the following key insights:

- ***Transport plays a significant role in how people access healthcare.***

While local healthcare services such as General Practices and pharmacies tend to be more easily accessible, infrequency of services or poor connections mean people can be travelling for hours for even brief appointments. These issues were even worse for hospital appointments in centres such as Newcastle, Hexham and Ashington.

Many community transport (CT) providers offer an element of patient transport, but these services are increasingly under strain as demand for them increases within the community and the NHS. Many CT providers also have eligibility criteria that mean certain demographics are unable to use them.

- ***Transport significantly impacts how likely people are to find, get and keep a job.***

In the UK someone with access to a car is almost four times more likely to be employed than someone relying on PT alone. Employers in Northumberland also cite transport as a key factor in their difficulties to recruit, particularly in more rural areas.

A lack of evening services impacts people's ability to undertake shift work which falls outside of the standard '9 to 5' pattern. This particularly impacts the two largest

employment sectors in Northumberland which are the health sector and accommodation and food services.

- ***The financial impact of travel is felt differently across Northumberland and forms a key challenge in maintaining and growing current networks.***

Many residents in Northumberland are subject to the 'rural premium', i.e. the inherently increased costs of living rurally. Prices for bus and coach travel have risen fastest among all modes of transport and now fall well above inflation.

Financial factors also contribute to the fragility of many community transport services. Rising costs of fuel, buying and maintaining vehicles and other costs such as insurance are placing services under strain. Short-term funding cycles that prize innovation can also make the running of a long-term, stable and sustainable service more difficult.

- ***A lack of transport leads to social isolation.***

A lack of evening services (particularly from central hubs such as Newcastle out to rural areas) impact not only employment but social opportunities too. Young people in particular find it difficult to access social and leisure opportunities as they are unable to get home. We know that social isolation has a significant impact on physical and mental health and is directly linked to people's risk of dying earlier than expected.

- ***Current transport networks risk widening inequalities.***

Differences in transport provision risk widening inequalities between rural and urban residents in terms of access to healthcare, employment and social opportunities. Current public transport systems present certain barriers to passengers with extra needs that make it less likely that they are able to travel independently. These accessibility 'blind spots' need to be addressed to ensure all passengers are best placed to use existing services.

- ***Considering the sustainability of current and future public and community transport networks is key.***

We heard how vital and valued both public and community transport networks are across Northumberland. While many people still rely on public transport networks a drop in patronage and cuts made to local government funding have already resulted in a reduction in services and are placing the wider system under threat. Community transport provides a valuable service but also faces challenges, including fragmentation across the patch and difficulties in securing funding and a consistent volunteer base.

Moving forward we need both public and community transport networks to be robust as they meet different needs in the community. We will always need public transport to support our working age and commuting populations, as well as allowing elderly residents or residents with extra needs to retain their independence for as long as possible. Community transport will always be necessary for passengers who need the kind of door-to-door support that public transport cannot provide, as well as communities (such as in the most rural areas) for whom a bespoke service makes the most sense in terms of efficiency and cost.

Chapter 1: Aims and objectives

What is a health needs assessment?

A health needs assessment (HNA) aims to review a health issue within a population in a systematic way. It identifies what needs to be prioritised and where resources should be allocated to best address health inequalities in that population.(1) This HNA will present how transport impacts health, with health defined broadly across three sections:

- i) Health through access to healthcare services including General Practice (GP) surgeries, pharmacies, and hospitals.
- ii) Health through economic opportunities. This includes access to school, training or work. It also includes the impact on the financial health of individuals, families and communities.
- iii) Health through access to leisure and social opportunities. This includes access to leisure facilities such as the gym or cinema, as well as access to organised social groups and activities. It also includes people's ability to visit their family and friends.

Why transport?

The focus of this HNA came from previous work in our communities looking at inequalities, which found that perception of transport varied across our county. Transport can have a potentially hidden impact on health inequalities because it is complex and difficult to quantify its impact. And yet we know that good transport networks are crucial in maintaining the physical and mental wellbeing of our residents. This can be directly, by allowing people to be more active and social, or indirectly by increasing their chance of getting and keeping a job. The importance of transport is being increasingly recognised through national, regional and local policy. As we determine what future transport networks should look like it is important to recognise that rural transport considerations are different from urban needs in many ways, and to build and sustain networks which meet needs for both.

What will this HNA tell me?

This report aims to identify what is currently provided in terms of public and community transport across Northumberland, what is needed by the people of Northumberland and where the gaps are. Chapter 2 will start with an overview of why public and community transport was chosen as a focus, including current policy changes on a county, regional and national level. The next chapter discusses the methodology of how data was gathered, including how the scope was determined, details of key sources and the role which engagement with communities played in identifying key findings. Chapter 4 details what we already know about how transport impacts the three areas of health outlined above, using knowledge gathered from reports, academic literature and routinely collected data. Chapter 5 presents transport demands within Northumberland, as well as current public and community transport networks. This is followed by the key findings of our engagement with the community, which are distilled into six distinctive areas of need. Chapter 7 presents the core recommendations of this report and recommended actions to be taken forward.

Defining ‘public transport’ and ‘community transport’

In this report ‘public transport’ (PT) refers to forms of transport which are in principle available to all members of the public, run on fixed routes and charge fares. In Northumberland this mainly refers to buses and trains. References to ‘public transport’ also includes spaces which are key to the operation of public transport services such as bus stops, bus and train stations.

‘Community transport’ (CT) refers to community-led transport schemes which tend to be established in response to unmet local transport needs.(2) Such schemes embody a wider aim than just moving people between locations. Instead the focus is on building a sense of community and belonging alongside increasing people’s ability to engage with their community through education, employment, healthcare services or social activities.(2) Community transport can take many forms including voluntary driver schemes, patient transport services, dial-a-ride schemes, school transport, wheels to work and group hire services.

Other modes of transport such as taxis fall outside of these definitions, but remain an important aspect of the transport picture. Where these are mentioned they are therefore identified specifically.

Defining ‘health inequalities’

Health inequalities are unfair and avoidable differences in health across a population and between different groups within a population.(3) This can include how long people live (life expectancy), how long they live in good health (healthy life expectancy), the health conditions they may experience and what care is available to them.(3)

Our health is impacted by almost every aspect of our lives. A healthy society is like a sturdy building, and we need good quality ‘building blocks’ to construct it. A thriving community needs stable jobs, good pay, quality housing, good education and good transportation systems. Health inequalities show that in many of our communities there are certain blocks missing. This report aims to identify where these gaps are, and how we can address them.

Chapter 2: Why was this HNA undertaken?

National context

In their recent announcement of the new *Network North* plan, national government acknowledged the constraints that current public transport infrastructure places on the economies and people of the North. The plan details an investment of £19.8 billion into the North to improve connectivity within and between towns and cities, as well as improving everyday local journeys through increased bus services and better roads. While such investment is welcome, it should be noted that the focus of this investment is on urban spaces, which risks neglecting the needs of rural economies such as those in Northumberland. A £2.5 billion fund to transform local transport in 14 rural counties may help to address this, though which rural counties will be included is yet to be announced.(4)

Regional context

Transport North East has highlighted the role that transport plays in both population and planetary health in the *North East Transport Plan (2021-2035)*, which provides a strategic framework for a more co-ordinated and integrated transport system. Its key objectives include:

- Making travel in the North East net carbon zero to help tackle the climate emergency
- Overcoming inequality and growing the economy of the region
- Promoting health by encouraging active travel and improving air quality
- Making sustainable travel such as cycling and walking more appealing, greener and an easier alternative
- Improving transport safety and security(5)

Local context

Transport was highlighted as a key wider determinant of health priority within the *Northumberland Joint Health and Wellbeing Strategy (2018 – 2028)*. Particular issues included the scarcity of public transport impacting both daily living costs of households as well as access to services. The ensuing key priority is to 'ensure local transport policy provides resilient, flexible and sustainable transport options across the county, particularly in rural areas'.(6, p.17)

The *Northumberland Local Plan (2022)* recognises the unique challenges that the county faces in terms of connecting remote rural communities and an increased dependence on car travel. It mentions potential extensions of the current public transport system including linking Ponteland to the Tyne and Wear metro system, as well as protecting partly operational routes such as the South Tynedale Railway and Aln Valley Railway for future rail use. The Plan states that priority should be given to active travel (e.g. walking and cycling) and public transport in order to support health and sustainable development.(7)

The Northumberland Inequalities Plan (2022 – 2032) also highlighted transport as a primary theme to emerge from 12 locality events across the county. As Northumberland County

Council (NCC) moves to consider all issues it addresses through an inequalities lens, it is therefore key to understand how access to and use of transport influences health and provides advantage or disadvantage for people in our communities.

Policy support

Following the National Bus Strategy, Transport North East have set out a regional Bus Service Improvement Plan (BSIP). This plan has key objectives including reducing carbon emissions and improving air quality, helping to grow the local economy and ensuring everyone in the region can access employment, education and other opportunities.(8) Read more about the NE BSIP here: [TNE-BSIP-Nov-25-2.pdf \(transportnortheast.gov.uk\)](#)

Work is also being undertaken on re-opening the 'Northumberland Line'. This includes making the existing rail freight line between Newcastle Central station and Ashington accessible to passengers. The aim is for a continuous service that takes around 35 minutes from each endpoint, and has stops in Blyth, Newsham and Seaton Delaval amongst others.(9) Passenger services are projected to start in the summer of 2024.(9)

The above demonstrates a renewed national, regional and local focus on the importance of public and community transport networks and the role they play in supporting population health. Due to the density of current transport networks in larger towns and cities, these are often the first focus of plans to improve transport, as seen in the recent *Network North* announcement. However, this risks neglecting the needs of populations and economies in rural counties such as Northumberland. This HNA was undertaken to establish exactly what the needs across Northumberland are and how they are best addressed. This ensures that true 'levelling up' extends beyond the borders of our cities and supports everyone to access what they need to stay in good physical, mental and social health, regardless of where they live.

Chapter 3: Methodology

What did we focus on and why?

Due to the size of Northumberland and timescales of this work, we unfortunately could not focus on all areas of the county in equal depth. Our priorities were based on feedback from locality events held as part of the Inequalities Plan work, as well as what existing literature tells us about the impact of rurality on access to transport. As a result this report has three main strands of focus:

Rurality and need

The primary focus is on identifying challenges and solutions in access to transport in our more rural and sparsely populated areas, predominantly in the North and West. While fewer people live in these areas, the challenges of the geography here can impact our most vulnerable communities in a significant way. We also know that certain groups who tend to live rurally (such as older people) can face unique challenges and may become more dependent on public and community transport as they age.

In line with our primary focus we worked to generate a *depth* of understanding of transport and health in North and West Northumberland. This was achieved mainly through a range of conversations with transport providers and users in these areas. Further details of this are found below.

County-wide needs

While exploring the above, we heard from multiple sources that even in areas where there is a greater density of public transport provision lots of key issues and challenges remain. Our secondary focus was therefore on capturing these issues and including them in our overall analysis. This allows for a *breadth* of understanding in how issues can impact our communities across the county. The recommendations of this report are therefore recommendations for the whole of Northumberland. Challenges faced by Northumberland are also those faced by other counties with a mixture of densely populated and more rural areas. The outcomes of this report can therefore be rolled out more widely, hopefully informing regional and even national considerations of transport systems in rural settings.

Vulnerable groups

Improving our public and community transport systems improves the health and wellbeing of everyone. However, there are certain groups who we know are more reliant on such transport. As a result they are more likely to be impacted by any challenges or issues surrounding it, and more likely to feel the benefit of any improvements. Communities who we know are more reliant on public and community transport include: those with high healthcare needs, carers, people with physical or mental disabilities, women, young people, refugee or asylum seeker communities and the elderly. These groups fall into what is often referred to as the 'four domains of inequality' (see Figure 1). We deliberately reached out to groups and organisations working with these communities to capture their insights. Where possible we also focussed on people without access to a car or whose access to a car was

precarious. This was due to the growing evidence that ‘forced’ car ownership (i.e. where households maintain a car despite financial struggles) is increasing, as well as acknowledging that those without access to a private vehicle are most vulnerable to changes to community and public transport networks.

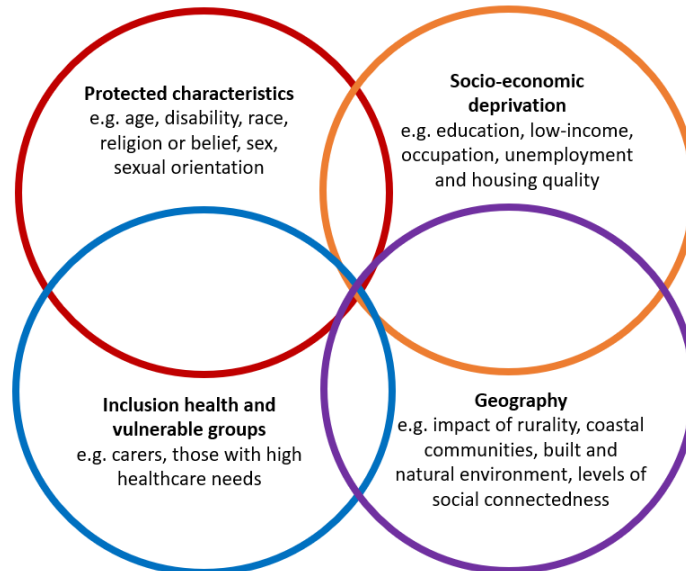


Figure 1. Four domains of inequality (adapted from *Health disparities and health inequalities: applying All Our Health*).⁽¹⁰⁾

What did we not include and why?

While we know that active travel (such as cycling and walking) can have a significant impact on health, we did not focus on this specifically in this report. This is because in areas of significant rurality the distance travelled means active travel is often not a viable option for most regular journeys (such as shopping, commuting and social engagements). It is also not an option for many within the vulnerable groups identified above. However, we recognise the importance of active travel and applaud the renewed focus on this in the North East through the new *North East Active Travel Strategy* ([Read the North East Active Travel Strategy](#)).

How did we collect our data?

This report uses a range of evidence to assess need and support its conclusions and recommendations. We have reviewed current literature on transport and health to help guide our focus and priorities. Where available, ‘routine’ data (meaning data that is routinely collected by an organisation or the government) has been used to quantify a particular issue. An example of this may be national statistics on the number of people living with disability across our county. We have collaborated closely with other teams within the Council, as well as external partners in both the third and commercial sectors, to visually map current service provision.

However, many elements of transport are too complex to capture in numbers, graphs and maps alone. The main contribution to this report has therefore been the voice of our communities. Many organisations and individual gave up their time to speak to us about the way they use and experience public and community transport in our county. It is their insight which has informed the key themes of needs which are described later.

What are the limitations of this work?

While we attempted to engage with as many communities across the ‘domains of inequality’ as possible, time and capacity limitations means we will not have captured the voice of all groups in equal detail. It is possible that the voices of those with the highest level of unmet need are under-represented, as people who struggle to access good transport networks will likely also struggle to engage with the community groups where most focus groups took place.

Despite these limitations, this report draws on multiple sources of data to construct an evidence-based argument. Our recommendations are built on triangulating the three elements of evidence from existing research, quantitative data and our residents’ voice. Chapter 4 starts with the first of these, by summarising what we already know about the links between transport and health in existing studies.

Chapter 4: What do we know about transport and health?

How has how we travel changed?

The way in which people in Britain travel has changed significantly over the last 70 years. In 2019 the average distance travelled per person was three times higher than in 1952.(11) This is predominantly due to a huge increase in the use of private transport. While the average distance travelled by car has increased tenfold, average distances travelled by bus have more than halved.(11) In 2021, 88% of passenger kilometres travelled in Great Britain were made by cars, vans and taxis.(12) In Northumberland bus patronage fell dramatically due to the COVID-19 pandemic and has so far not recovered to pre-pandemic levels (see Figure 2).(12)

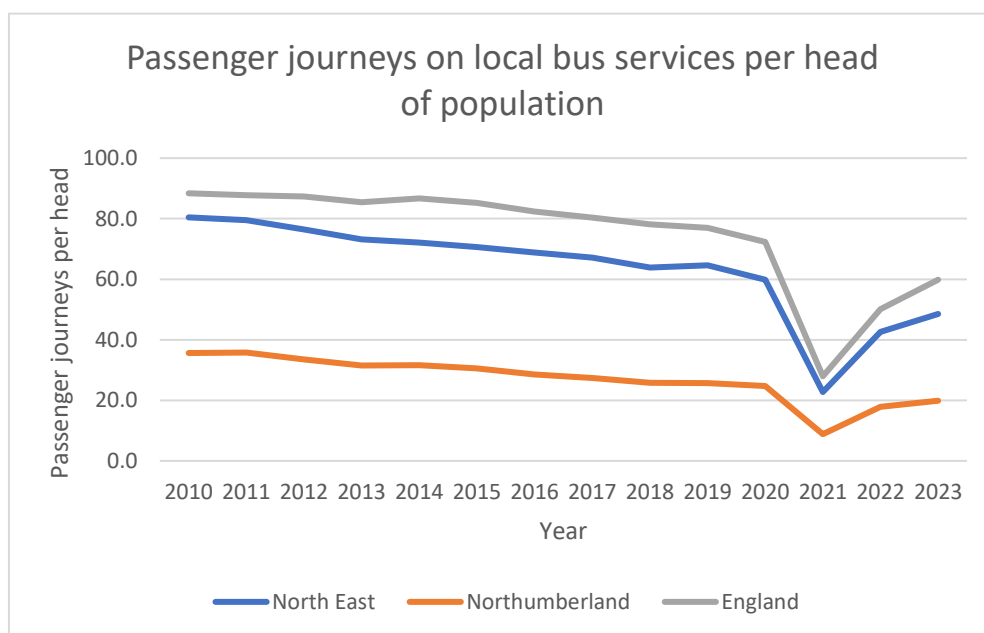


Figure 2. Passenger journeys on local bus services per head of population in Northumberland, the North East and England.(13)

Like the rest of the nation, Northumberland is a car dependent county. 80.3% of households in Northumberland have one or more cars or vans according to the more recent census.(14) Our society's reliance on cars increases the risk for many of 'forced' car ownership, where households buy or maintain a car despite financial struggles.(15) A car was frequently seen as the best route out of poverty as it opened up more job opportunities, as well as being a cheaper mode of transport relative to public transport.(15) The majority of people are in favour of reducing private vehicle use but feel they don't have a viable alternative.(11) Car dependency can further undermine the public transport network, leading to a vicious cycle, where reliance on cars results in reduced public transport options and vice versa.

How does transport affect health?

Transport affects the health of people across society in multiple ways. It can affect it directly, for example through the impact of air pollution. Noise pollution can also lead to higher levels of stress, sleep deprivation and anxiety, high blood pressure and heart disease and even worsening cognitive function in children.(11) Transport also affects health directly

through road safety, with car drivers and passengers accounting for the greatest number of casualties and fatalities in road collisions.(11)

Transport can also affect our health indirectly. Active travel – such as walking and cycling – can help people to get the levels of exercise they need to maintain a healthy weight and reduce the risk of health conditions such as heart disease, cancer, type 2 diabetes and depression.(11) Using public transport means people are also more active than driving.(16) Transport also affects health indirectly by allowing people to access healthcare services, work or school/training and recreational facilities such as cinemas, as well as friends and family. Building a transport system which supports all these elements is particularly key for those who cannot or do not drive and are therefore more vulnerable to health, economic and social exclusion. This includes young people, elderly people, those with disabilities and those who cannot afford to buy or maintain a car. In these groups, a healthy public and community transport network encourages independence, as well as improved wellbeing and quality of life.(17, 18)

Transport and access to healthcare services

We know that delays in accessing medical care results in worse health outcomes. Not having timely access to a General Practice (GP), hospital or pharmacy can mean that chronic diseases are less well managed and there is a delay in the recognition, diagnosis and treatment of new health issues.(19) Poor access to pharmacies and medication refills impacts people's ability to take their medication consistently and appropriately.(19) Transportation issues are a commonly cited reason for missed GP and hospital appointments.(20, 21) In 2021/22 the NHS saw around 7.8million missed appointments.(22) With each missed appointment costing the NHS around £30, this equates to a total cost of around £234 million.(23) A Healthwatch poll in 2022 also showed the impact of the rising cost of living, with the number of people who avoided booking an NHS appointment due to the cost of travel almost doubling to 11%.(24)

Missed appointments and delayed care can have a significant impact on the mental and physical health of our most vulnerable people. A 2019 study found that those with a greater number of long-term health conditions also had a greater risk of missing medical appointments, meaning that those who may need the greatest amount of medical attention are more likely to miss out.(25) The risk of missing an appointment was greater for those with long-term health conditions related to mental health, particularly if mental health issues included alcohol and psychoactive substance misuse.(25) Crucially, repeated missed appointments were associated with a much higher risk of an early death. For people with long-term physical conditions missing two or more appointments in a year meant they were three times more likely to die prematurely than those who had not missed any. For people with mental-health related conditions they were eight times more likely to die prematurely.(25)

The Northumbria Healthcare Trust has made use of technology such as telemedicine (i.e. remote appointments) to overcome challenges of rurality since 2013, for example by reviewing fractures in a virtual clinic to save patients travelling in over long distances.(26) In 2022-23 the percentage of tele consultations in Northumbria Healthcare Trust where patients did not attend (DNA) was also significantly lower at 4.2% than the percentage of

face-to-face appointments missed (10.3%).(27) This indicates that telemedicine may be an excellent addition to the type of appointment offered in order to increase attendance. However, while virtual consultations can have a positive impact on how effective and timely care is there is still a lack of evidence on the impact it has on patient safety, equity and patient-centredness.(28) Certain groups are also less likely to use digital services or be potentially disadvantaged. This includes groups who we know to already be more vulnerable in our healthcare system including adults aged over 65 and living alone, people of minoritised ethnicities, people with low computer literacy and those from lower socio-economic groups.(29) Remote consultations are recognised by both patients and doctors to have certain advantages, but the demand for in-person appointments is still high.(30-32)

In 2022/23 the percentage of patients who did not attend an outpatient appointment was higher in Northumberland (8.4%) than the national average (7.7%).(27) This may be due to the size of the county, which means that patients are frequently travelling great distances to attend appointments. A recent analysis of a GP surgery in Ashington demonstrated that the large catchment area meant increased travel time and some users reporting that they struggled to afford the bus fare.(33)

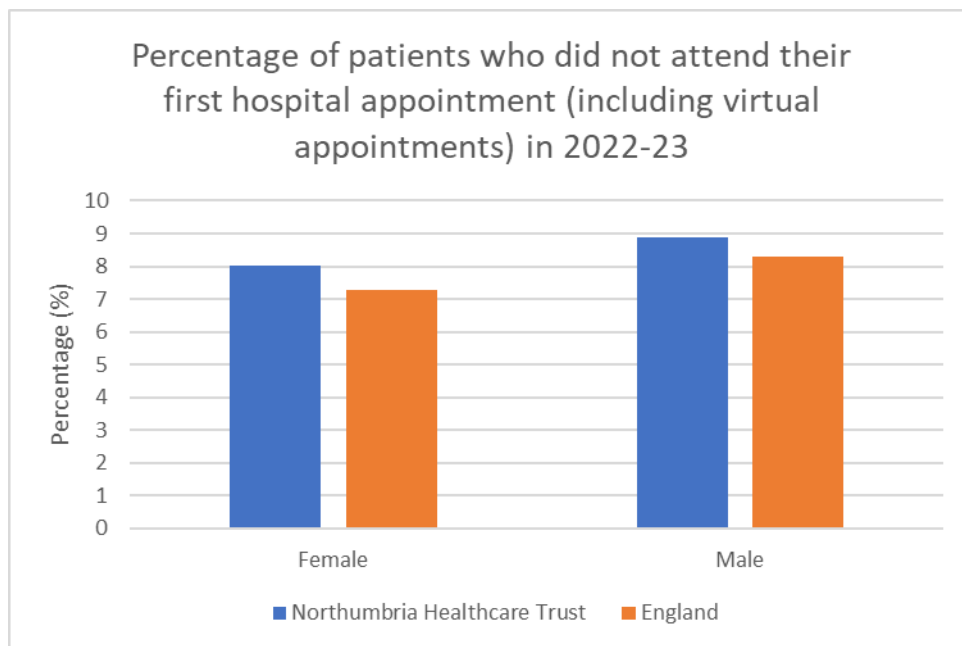


Figure 3. Percentage of patients who did not attend their first hospital appointment (including virtual appointments) in 2022-23.(27)

Transport and access to economic opportunities

Access to work

Being employed is associated with improved mental wellbeing (34) and improved health, particularly mental health.(35, 36) Transport has been shown to play a crucial role in people’s ability to get and maintain a job. Better access to public transport increases someone’s chances of becoming employed.(37) This is particularly important for those who may not have access to a private vehicle (such as those living in lower income households and younger and older non-drivers) or those living in areas where public transport is scarcer (such as rural areas or deprived urban areas).(37)

Transport policy could play a bigger role in reducing poverty by making it easier for low-income households to access work.(38) Issues such as bus reliability can make people more reluctant to change services as part of their commute. This results in certain areas being 'cut off' as commuter zones, even if they have lots of employment opportunities.(38)

The nature of work impacts travel options that people will have. Low-waged work limits the amount people can spend on travel. One study also found that people felt public transport options often don't allow them to undertake 'atypical' work, such as part-time, temporary or 'flexi' employment or 'zero hours' contracts.(38) Poor transport connections were highlighted as a particular challenge in a recent analysis of coastal communities, where unemployment and part-time employment rates are higher.(39)

Commuters in Northumberland have to travel greater distances than most of the rest of the North East. In 2021 over a quarter (28%) of workers had to travel 10km or more to work.(40) The percentage of workers travelling 20km or more was the highest in the North East.(40) It is no surprise then that car dependency is high, with over half (54%) of workers commuting in a car or van.(40)

Access to education

Inadequate access to transport is also a significant barrier to access and achievement in higher education.(41) Kenyon found that 'non-traditional students' may not be able to relocate to attend university.(41) This demographic tends to include mature students, Black and Asian students, women and those living in council flat areas.(41) For these students barriers in the form of transport availability, reliability, cost and travel time means that they are more likely to be excluded from higher education opportunities. The study also found that investing in virtual education is not the answer, as students considered virtual education second-rate and felt that it excluded them from other essential aspects of the student experience (such as social contact and access to sporting opportunities).(41) Data has also shown that in England at secondary school level schools that are more geographically isolated are more likely to under-perform.(42)

The way children get to school has changed significantly in the last two decades. In 2002-3 60% of children in the North East aged 5-16 walked to school, whereas in 2022 this had almost halved to 36%.(43) However, while a higher percentage of children travel to school by car, a higher percentage also use public transport such as a local or private bus.(43) This shows that public transport still plays a crucial role in almost a third (28%) of school trips.(43)

Impact of transport cost

Households in the North East household spend more of their weekly budget on transport than the UK average. In 2020/21 the average household spent around 4% of their household weekly spend on petrol and diesel and the equivalent of 5.8% on vehicles.(44) Both are higher than the UK equivalents (3.4% and 5.1% respectively).(44) This higher share of expenditure means that recent high rates of inflation for petrol and diesel have a particularly large impact in the region. Households also spend a higher percentage of

income on bus and coach fares, though less on rail, likely due to the limited rail network in the county.(44)

While owning a car makes finding and keeping a job easier, the economic stress that forced car ownership (FCO) can have on households is significant. Although households with FCO tend to have lower levels of material deprivation they have higher levels of in-work poverty (when a working person's income, after housing costs, is less than 60% of the national average, meaning they don't earn enough to meet the cost of living)(45) and fuel poverty than households without a car.(46) This means that even though such households tend to have a higher income, their levels of economic strain are similar to lower-income and more materially deprived households.(46)

Transport and access to social opportunities

Transport plays a key role in addressing the health impacts of social isolation. Social isolation has been shown to have a significant impact on physical and mental health. People who are socially isolated are more likely to smoke and less likely to exercise, and are at higher risk of depression and anxiety.(47) Due to the impact on their health they are at a higher risk of death than those who are more integrated in their communities.(48)

Over a fifth (21.3%) of people who live in the North are at risk of social exclusion due to issues with the transport system, known as transport-related social exclusion (TRSE).(49) TRSE means that people cannot achieve the high level of mobility needed to participate fully and meaningfully in society. While key destinations such as supermarkets appear relatively accessible, people report struggling to access social opportunities such as childcare, leisure opportunities and caring responsibilities.(49) Experiences of public transport also ranked highly in those who subjectively felt more socially excluded.(49) Unreliability and uncertainty around public transport options, as well as increased travel time due to delays or distance travelled all impacted how much people felt able to rely on their network of family and friends, or access formal care facilities.(49)

Transport and inequalities

The impact of transport on access to healthcare does not affect everyone equally. People in our poorer communities face higher transport barriers to accessing healthcare than those in our wealthier communities.(19)

Those aged over 65 can find it difficult or very difficult to travel to a hospital, particularly if they have extra accessibility needs such as being a wheelchair user.(50) Making public transport accessible to this age group is particularly important as older people who use public transport often have been shown to have improved lower limb muscle strength and physical fitness.(51) As a result they can stay in better health and more independent for longer. Factors such as socioeconomic status and age can overlap, making elderly people from deprived areas even more vulnerable.(52)

Women are more likely to travel by public transport across almost all age groups and are also more likely to be a car or van passenger rather than driver.(53) This suggests that they are less likely to have access to their own vehicle and are more reliant on public transport, making them more vulnerable to poor public transport networks.

Some people, including minoritised ethnicities and LGBTQ+ individuals may be wary or fearful of using public transport or feel that they don't belong in public transport. This is sometimes referred to as spatial exclusion.(49) Income inequalities may also make them more vulnerable to economic barriers.

LGBTQ+ individuals are also more likely to experience spatial exclusion, particularly those perceived to be transgender.(49)

Those with disabilities frequently experience issues around accessibility. This can be due to physically inaccessible spaces for wheelchair users, or inaccessibility in the presentation of travel information for those who are hard of sight or hearing, or who are neurodiverse.(49)

The importance of intersectionality

When considering what may make people more likely to experience health inequalities we should always bear in mind that one person may be subject to various 'axes of inequality'. For example, they may be both a woman and of a minoritised ethnicity, or they may be both LGBTQ+ and have a disability. The way in which multiple forms of inequality or disadvantage can compound is known as intersectionality. It is important that we consider how the different ways in which people can be marginalised will impact their ability to access and use transport networks, and how we can address these different forms of marginalisation.

Chapter 5: Transport demand and current provision

When looking at transport we need to understand what our county and its communities look like, as well as how and why people travel. Assessing current use of public and community transport systems can be difficult, as relatively little routine data is collected. The following section draws together the information collected regularly by bodies such as the Department for Transport and commercial services. It also presents the results of internal analysis of bus and rail services undertaken within NCC.

As the main focus of this report is on inequalities, the data presented focuses on the four key 'domains of inequality' mentioned earlier: geography, socio-economic status, protected characteristics of passengers and vulnerable groups of passengers.

What do our communities look like?

Geography

Within Northumberland the majority of the county is classified as 'rural'. Figure 4 shows the classification of areas with the public bus and rail transport network overlaid. We can see that the most rural areas (rural village and dispersed in a sparse setting) are concentrated in the North and West. Visually we can see that these areas also have fewer public transport services.

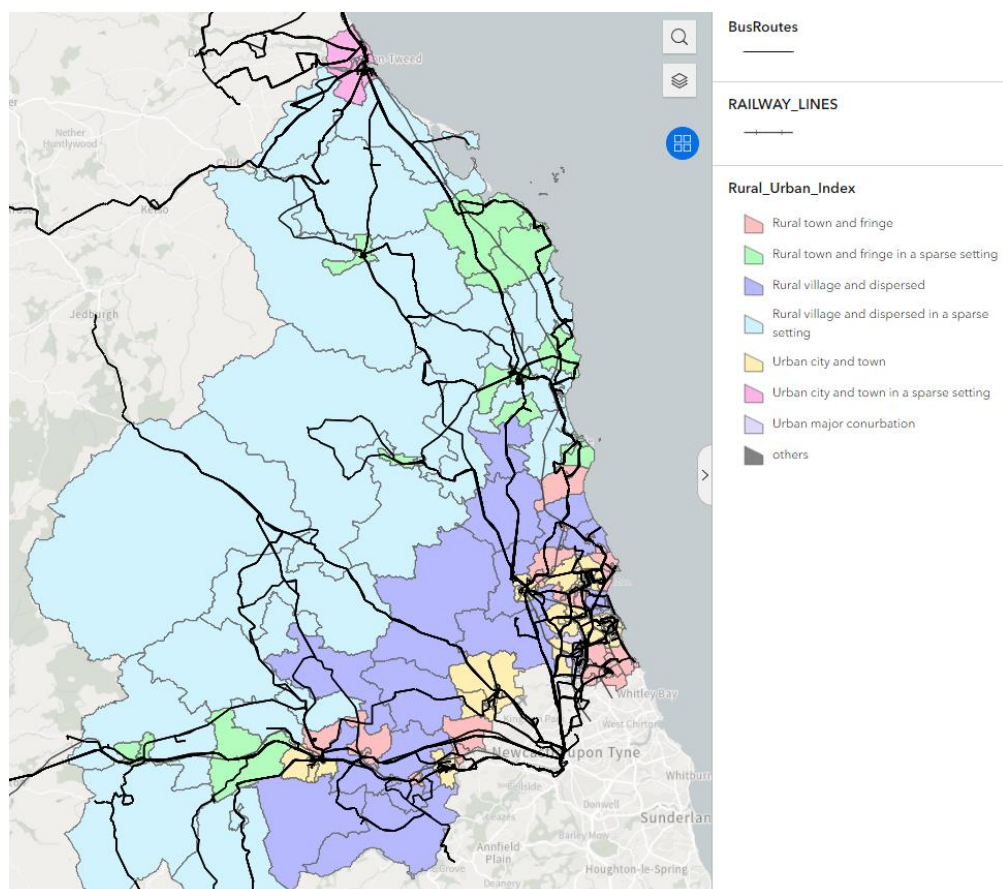


Figure 4. Map of the public transport network within Northumberland with base layer of rural/urban index.

A lack of access to public transport will leave communities more reliant on private transport. This could lead to a 'chicken and egg' situation, where reliance on private transport leads to reduced patronage of public transport and consequently a decrease in commercially viable services. The resulting reduction in services then leaves people even more reliant on cars. This supposes, however, that those without access to a rich network of public transport have alternative private transport available. Figure 5 shows that this is not the case. In some of our most rural areas up to 28% of households do not have access to a private vehicle. This means that in some areas almost a third of our communities are left reliant on public transport, community transport or the goodwill of friends, family and neighbours to allow them to access the healthcare, employment and social opportunities that keep them well. A caveat to this is that due to the low numbers of people living in some areas, this percentage may only equate to small numbers of people.

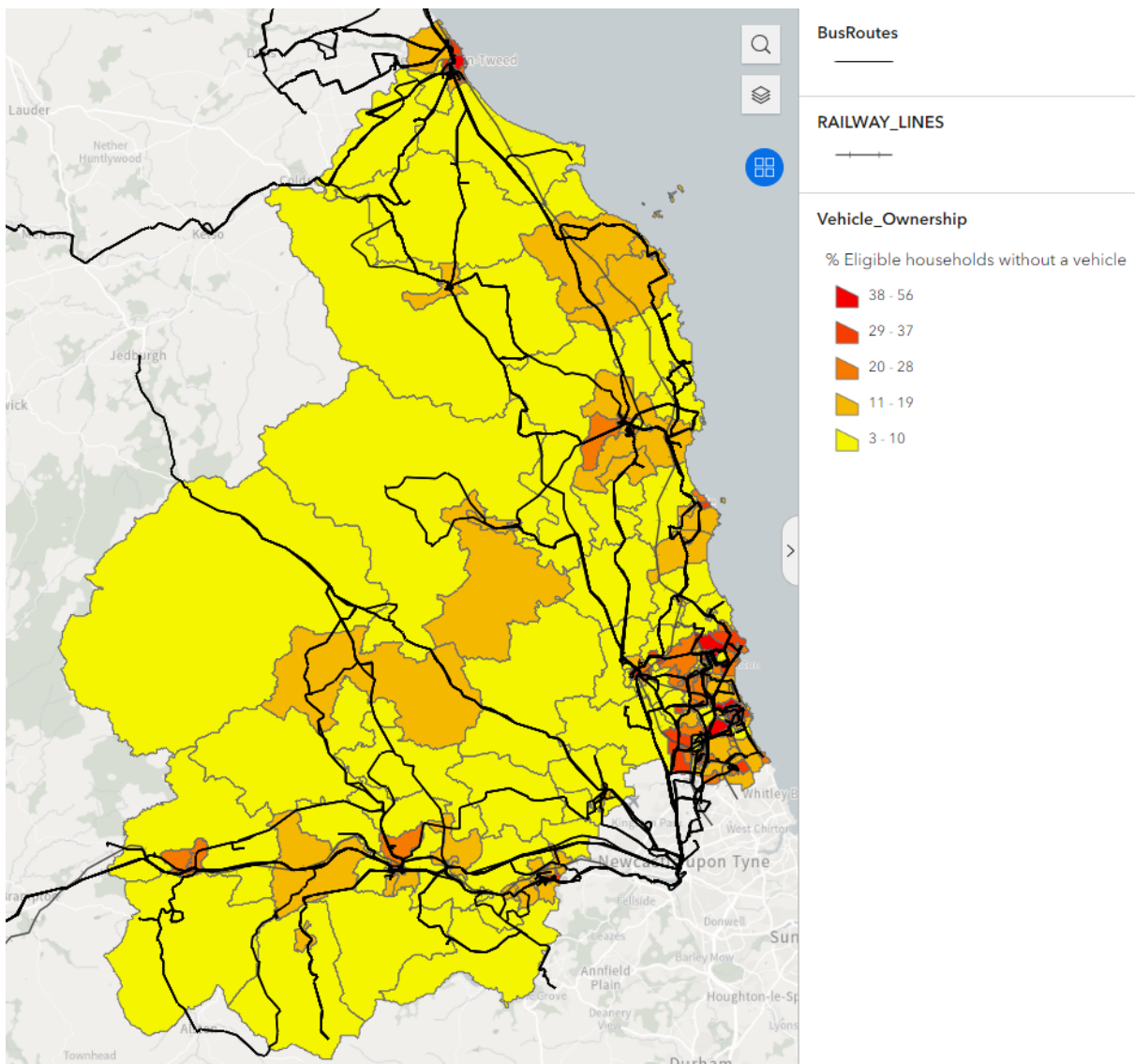


Figure 5. Map of the public transport network within Northumberland with base layer of percentage of households without access to a private vehicle.

Socio-economic status

In 2019, 12.6% of the population in Northumberland was income-deprived.(54) Deprivation does not only refer to economic factors and employment. Deprivation scores also consider a household’s level of education, health and disability status and quality of housing. In 2019 Northumberland’s deprivation score fell slightly above the England average, though it was the lowest of all local authorities in the North East, as shown below.

Area ▲▼	Recent Trend	Count ▲▼	Value ▲▼
England	–	-	21.7
North East region	–	-	28.0
Middlesbrough	–	-	40.5
Hartlepool	–	-	35.0
South Tyneside	–	-	31.5
Sunderland	–	-	30.6
Redcar and Cleveland	–	-	29.8
Newcastle upon Tyne	–	-	29.8
Gateshead	–	-	28.2
County Durham	–	-	26.8
Stockton-on-Tees	–	-	25.8
Darlington	–	-	25.7
North Tyneside	–	-	22.3
Northumberland	–	-	22.1

Source: English indices of deprivation 2019, Ministry of Housing, Communities & Local Government

Figure 6. Deprivation scores by North East local authority, 2019.(55)

While this is reassuring, we know that overall deprivation scores for an area can mask significant differences within that area. In Northumberland, almost a fifth (19.8%) of neighbourhoods were in the 20% *most* income-deprived neighbourhoods in England.(54) In contrast, 22.8% of neighbourhoods were the 20% *least* income-deprived in England.(54) The gap between the least deprived areas and most deprived areas was 45.8%, as shown in Figure 7.(54) This means that in areas of most deprivation almost 50% more people are deprived, showing that deprivation is very concentrated in a few neighbourhoods.



Range and population weighted average of income deprivation levels for neighbourhoods within Northumberland

Figure 7. Income deprivation gap for Northumberland, 2019.(54)

Figure 8 shows the deprivation scores of different areas across the county. The index of multiple deprivation (IMD) ranks areas across the country into deciles, from 1 to 10. The first decile indicates the least deprived 10% of neighbourhoods, while the 10th decile indicates the most deprived 10% of neighbourhoods. Therefore the darker the purple, the

more deprived the neighbourhood. A lot of deprivation clusters in urban areas such as Blyth or Berwick-upon-Tweed. However, we still have areas of high deprivation in rural settings where the provision of public transport is less densely clustered. This means that communities who may have less resources to buy or maintain a private vehicle may also have less access to public transport networks. This increases the risk of either forced car ownership (where running a car comes at the expense of other basic needs) or means people here struggle to access opportunities.

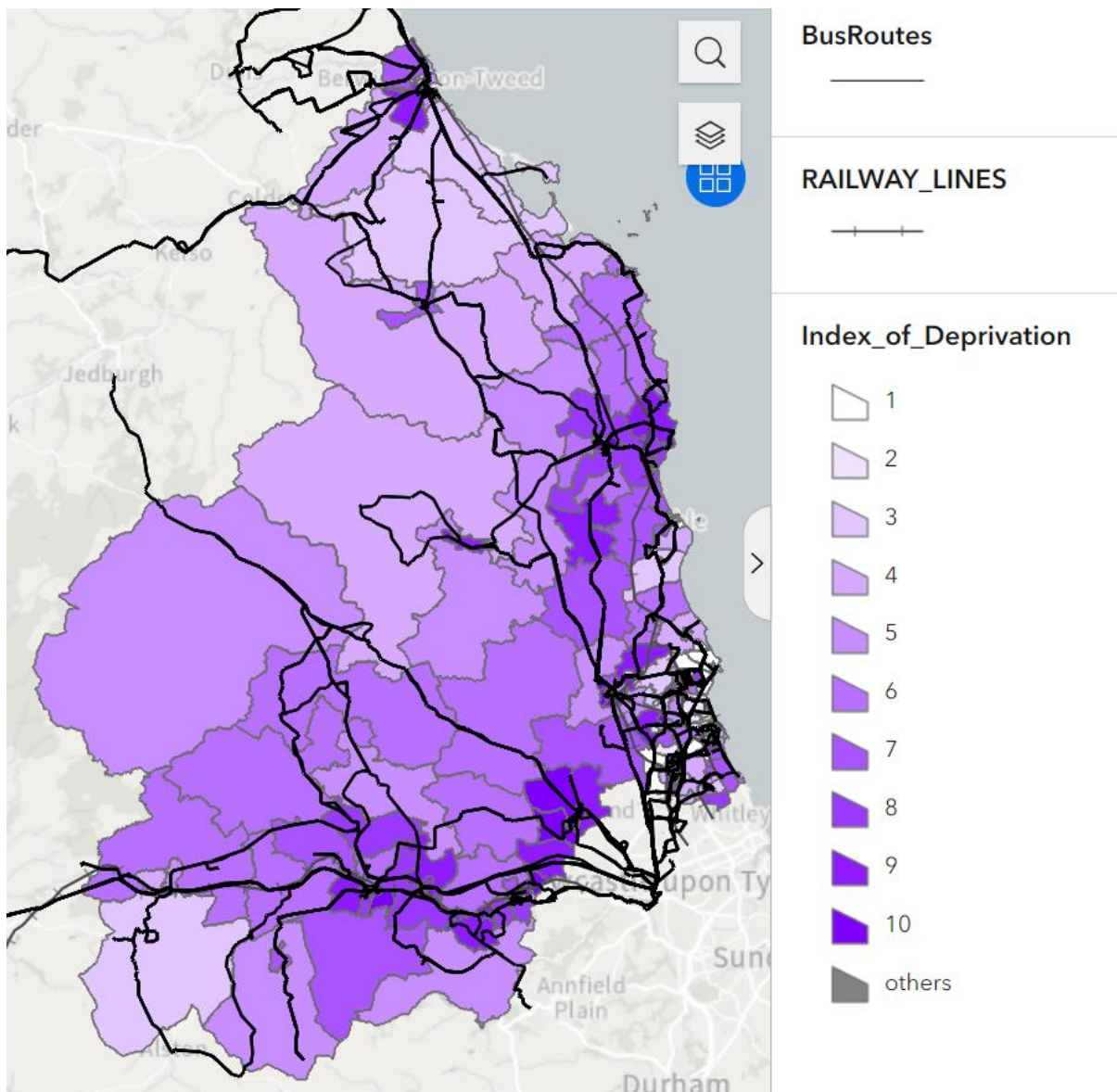


Figure 8. Map of the public transport network within Northumberland with base layer of index of multiple deprivation (IMD) score.

One outcome of certain areas having both high levels of deprivation and lower levels of public transport networks could be a difficulty in finding or accessing employment. In 2023 Northumberland's employment rate for those aged 16 to 64 was 70.1%, lower than the regional average.(56) In 2023 unemployment in Northumberland decreased from 4.6% to

3.6%, echoing a similar decrease across the North East.(56) The Claimant Count (i.e. the number of people claiming unemployment-related benefits) was also lower in Northumberland than other local authorities in the North East (see Figure 9).

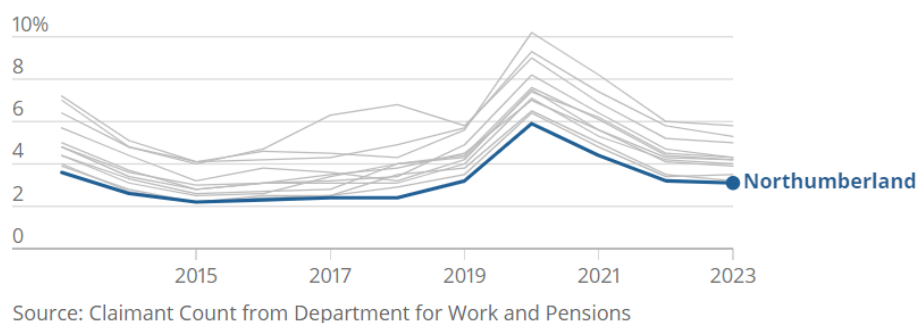
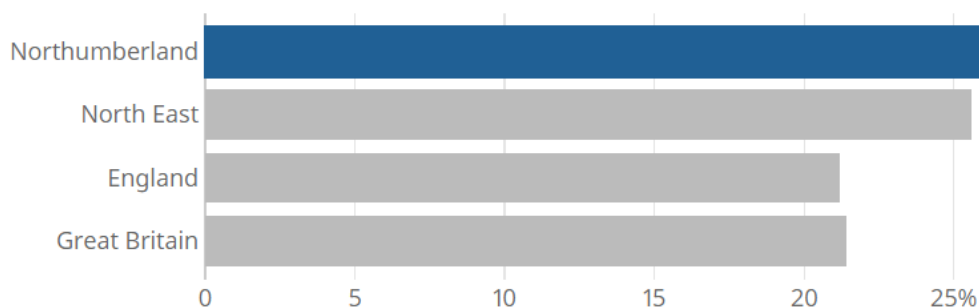


Figure 9. Claimant count (%) for areas in the North East, 2013-2023.(56)

However, an increasing percentage of the population are classed as ‘economically inactive’. This means they are not in employment but have not been seeking work in the previous 4 weeks or were unable to start work within the next 2 weeks. This could include retirement or being long-term sick or disabled. Economic inactivity in Northumberland is higher than across the North East and Great Britain, as seen in Figure 9. Reasons for this are explored under ‘protected characteristics’ below.

Residents aged 16 to 64 years (%), year ending June 2023



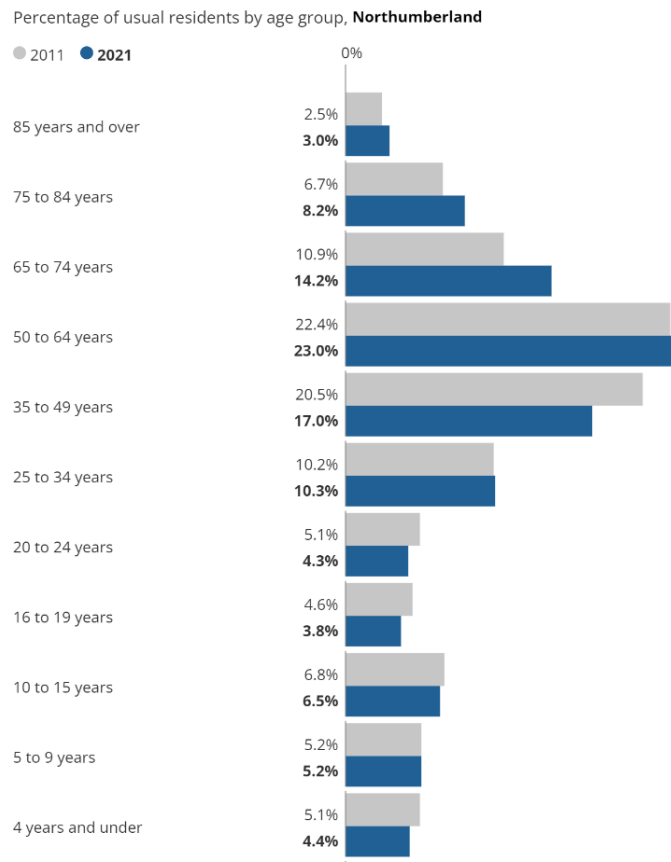
Source: Annual Population Survey from the Office for National Statistics

Figure 10. Economic inactivity in Northumberland, the North East and England for residents aged 16 to 64 years (%), 2023.(56)

Protected characteristics of passengers

i) Age

The population of Northumberland is getting older. Results from the 2021 Census show that the average age in Northumberland increased by 3 years, from 45 to 48 years. This makes it the highest average age in the North East and almost a decade higher than the average age in England (40 years).(57) Figure 11 shows how between 2011 and 2021 the percentage of residents aged between 50 and 74 years increased, while the percentage of those aged 35-49 years decreased. Almost half (48.4%) of residents were aged over 50 years.(58)



Source: Office for National Statistics – 2011 Census and Census 2021

Figure 11. Percentage of usual resident by age group in Northumberland, 2011-2021.(57)

Trends in Northumberland reinforce what can be seen across the UK: more and more older people are living outside of city and town centres.(59) An ageing population has implications for the public and community transport systems. As people become older they are at higher risk of developing health conditions which can preclude driving. This includes physical health conditions (e.g. reduced eye-sight through conditions such as macular degeneration) and mental health conditions (e.g. increased risk of dementia). Reliance on spouses can be difficult as partners age too. This means communities become more dependent on public and community transport, as well as informal networks such as family and friends.

ii) Sex

In 2021 Northumberland residents numbered slightly more women (51%) than men (49%). Men and women have been shown to travel differently, with women typically making more frequent, shorter journeys due to domestic and caring responsibilities.(60) Public transport networks in Northumberland mimic the standard model in the UK which prioritises long distance journeys from the outskirts into city and town centres during peak hours. This fails

to meet the mobility needs of women and other groups who do not conform to a standard ‘commuter’ pattern such as children and teenagers, the elderly, informal workers and those with varied work patterns such as shift workers.

iii) Disability

In 2021 8.3% of Northumberland residents were identified as being disabled and limited a lot.(57) This was a slight decrease from 9.4% in 2011. A higher percentage of people also rated their health as ‘very good’. While this is good news, we must bear in mind that once again averages can hide disparities within the county. Figure 12 shows the public transport network overlaid over a map indicating the percentage of residents who were identified as being disabled and limited a lot in their activities. While higher percentages are clustered in urban areas in the southeast it shows that in some rural areas with few PT services over 1 in 10 people (11.2%) were disabled and limited a lot. A lack of transport provision can impact these people in two ways: their disability may mean they are less likely to be able to drive a private vehicle, making them more reliant on PT and CT networks. Their disability may also mean they have to access services such as healthcare services more often, so that their demand for transport is greater.

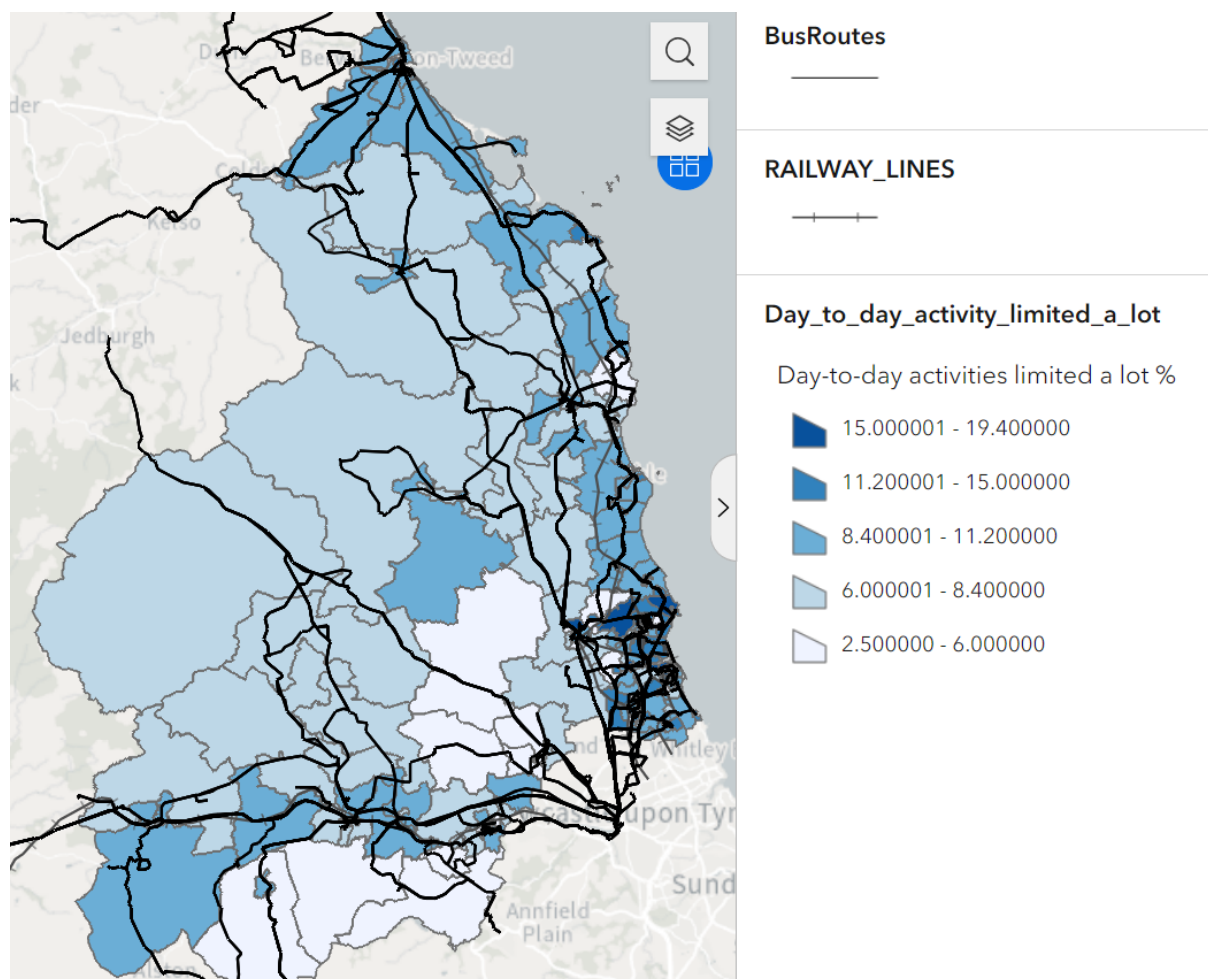


Figure 12. Map of the public transport network within Northumberland with base layer percentage of residents who were disabled and limited a lot.

Vulnerable groups

i) Unpaid carers

Unpaid carers contribute the equivalent of 4 million paid care workers to the social care system.(61) They play a hugely significant role in keeping the most vulnerable members of our society well. However, carers are themselves a vulnerable group. Caring responsibilities can have a direct impact on a person's health including higher levels of stress, disturbed sleep, increased financial strain and ignoring their own health needs in order to prioritise the needs of the person they are caring for.(61) Unpaid care is more likely to be undertaken by women and those from minority ethnicity backgrounds. There is also a higher percentage of people providing unpaid care in the most deprived areas of England than the least deprived.(61) We know that these three groups also tend to rely more on community and public transport. Good transportation systems are therefore vital in providing access to key pillars of support for both carers and the person they are caring for, such as access to healthcare services and opportunities for social activities and respite.

In 2021 the North East had the largest proportion of people providing unpaid care (10.1%) and also had the largest proportion of people providing 50 or more hours of unpaid care per week (3.4%).(61) Figure 13 shows the proportion of people providing unpaid care for 1 or more people in household with a long-term health problem or disability. Again we can see that some areas with a high proportion of unpaid carers appear to have relatively few public transport links.

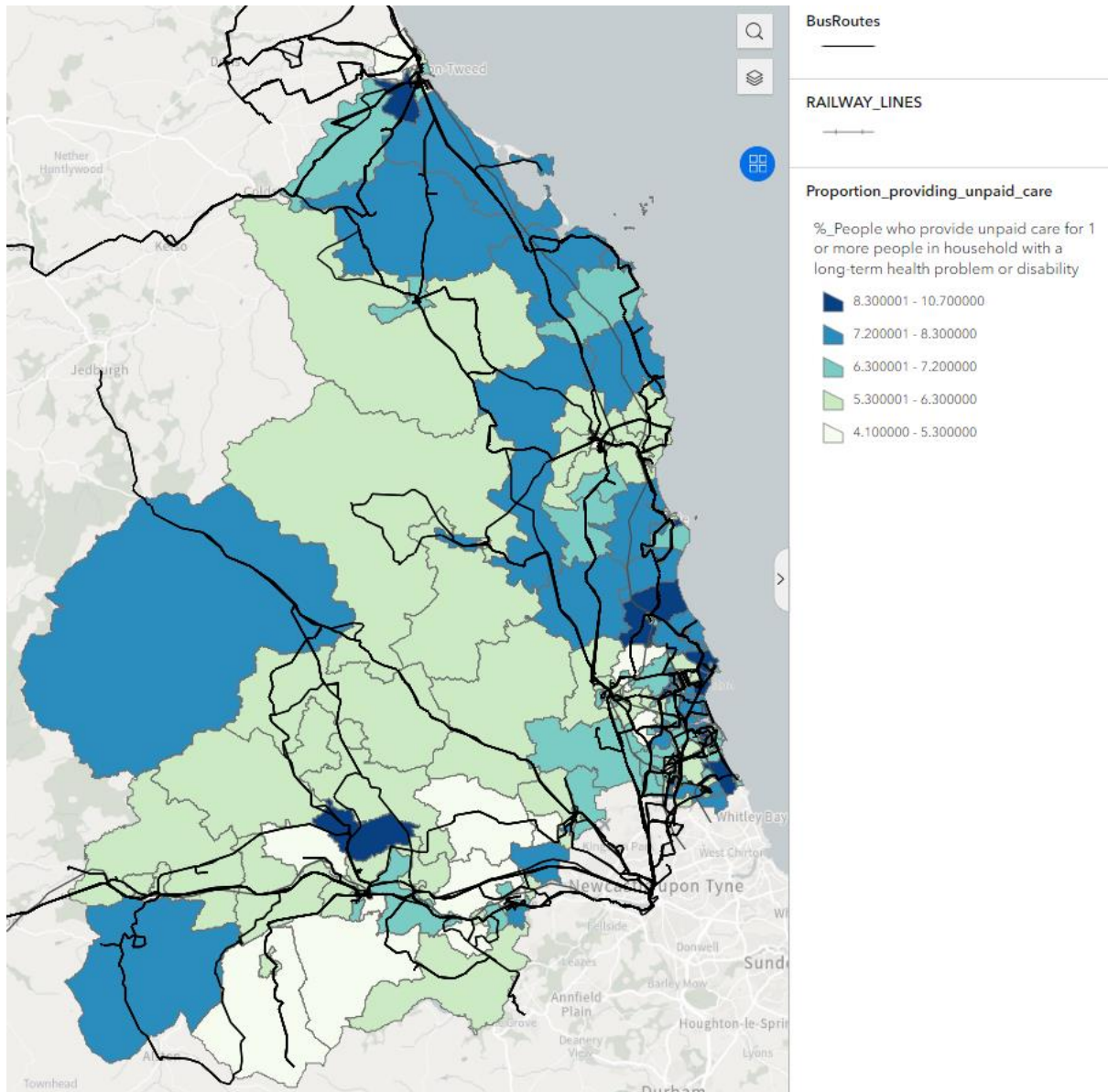


Figure 13. Map of the public transport network within Northumberland with base layer percentage of residents who provide unpaid care.

How and why do people travel in Northumberland?

How are people travelling in Northumberland?

Use of local bus networks has been declining steadily since 2010. As seen in Figure 14, 2019-21 saw a sharp decline in patronage, largely due to restrictions surrounding the COVID pandemic. While patronage is picking up again, it is still not at pre-2019 levels.

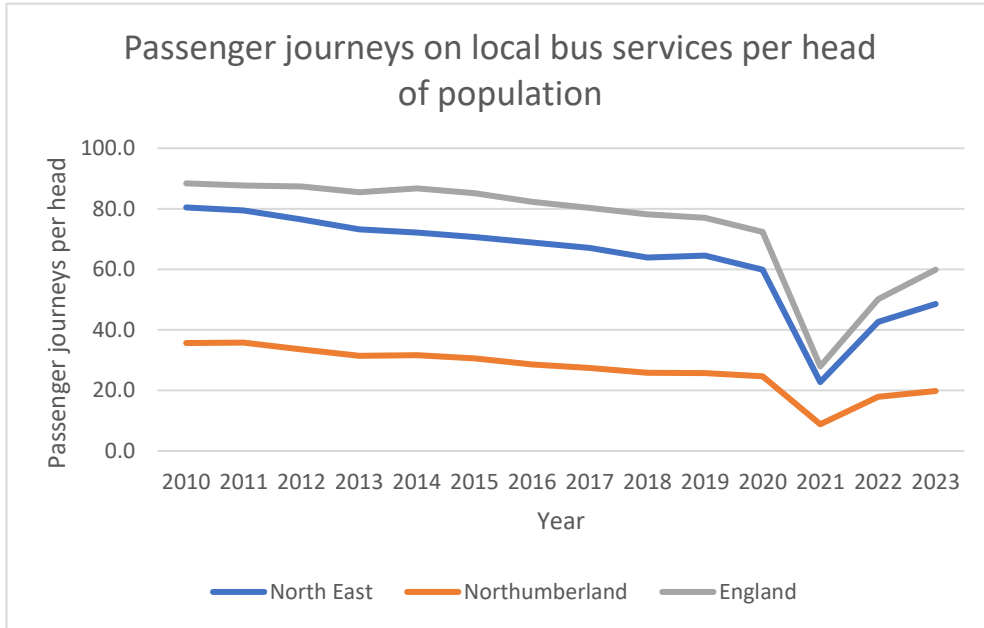


Figure 14. Passenger journeys on local bus services per head of population in Northumberland, the North East and England.(13)

Those who travel by bus in Northumberland tend to do so regularly, with the majority travelling 5 or more days a week (Figure 15).

Frequency of bus travel (%)

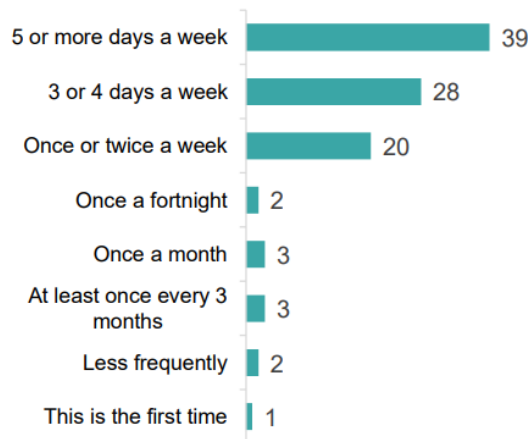


Figure 15. Frequency of bus travel in Northumberland, 2023.(62)

Who is using public and community transport in Northumberland?

Bus users in Northumberland are more likely to be female (51% of users) and aged over 70 years (30%).(62) Travel patterns show that men are more likely to travel during peak periods, while women form the greater proportion of passengers in off-peak periods.(62) This reflects what we saw in the literature, which is that men are more likely to use PT to

commute while women may use it more for domestic or care-taking activities throughout the day.

While the numbers of people using the bus has fallen, the proportion of elderly and disabled people bus passengers has remained reasonably stable over the past decade. Though there has been a slow decline in the proportion of these passengers travelling in the North East generally (see Figure 16), Northumberland continues to have a higher than national average amount of elderly and disabled bus patrons. In 2023 over a third (35%) of passenger journeys on local bus services in Northumberland were undertaken by concessionary pass holders.

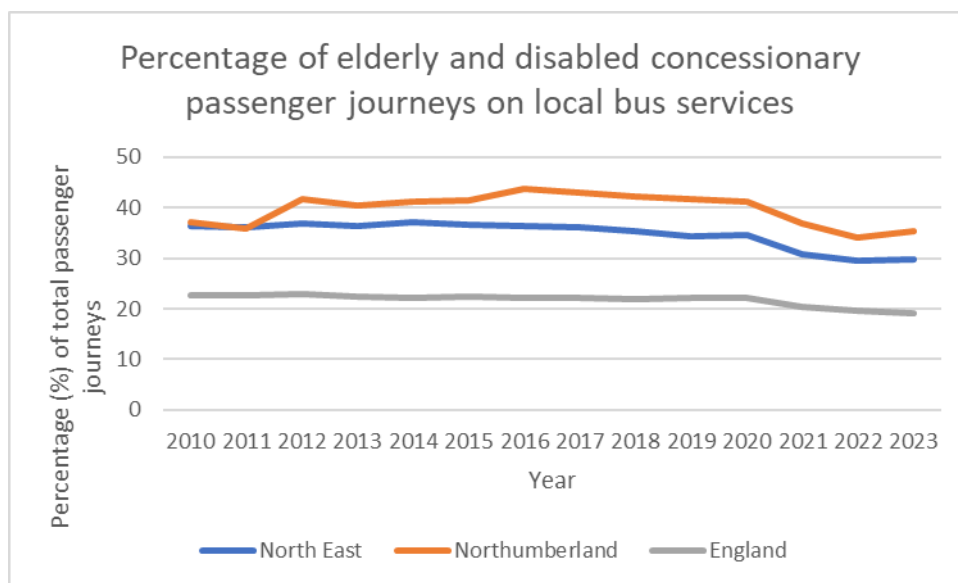


Figure 16. Percentage of elderly and disabled concessionary passenger journeys on local bus services in Northumberland, the North East and England.(13)

Why are people using public and community transport in Northumberland?

In 2023 a survey of 321 bus users in Northumberland found that the most common purpose of their journey was shopping (32%) followed by commuting for work (24%) and accessing leisure opportunities (18%).(62) For those aged 26-59 commuting for work constituted almost half (48%) of their journeys.

For all bus users 49% responded that their main reason for taking the bus was that they did not have the option for travelling by other means. Perhaps surprisingly this reason was more common among fare-paying passengers than among free pass users, particularly among women and those aged 26-59.(62) Over a third (38%) reported difficult access to a car, which meant that they themselves didn't drive or have access to a car, and also did not have anyone else to ask to drive them.(62) This again highlights the great reliance that many people in our county place on publicly available transport networks.

What do our public transport networks look like?

i) Rail networks

The rail network within Northumberland is seen in Figure 17 below. As can be seen there is some provision for coastal communities and some larger towns in the West only.

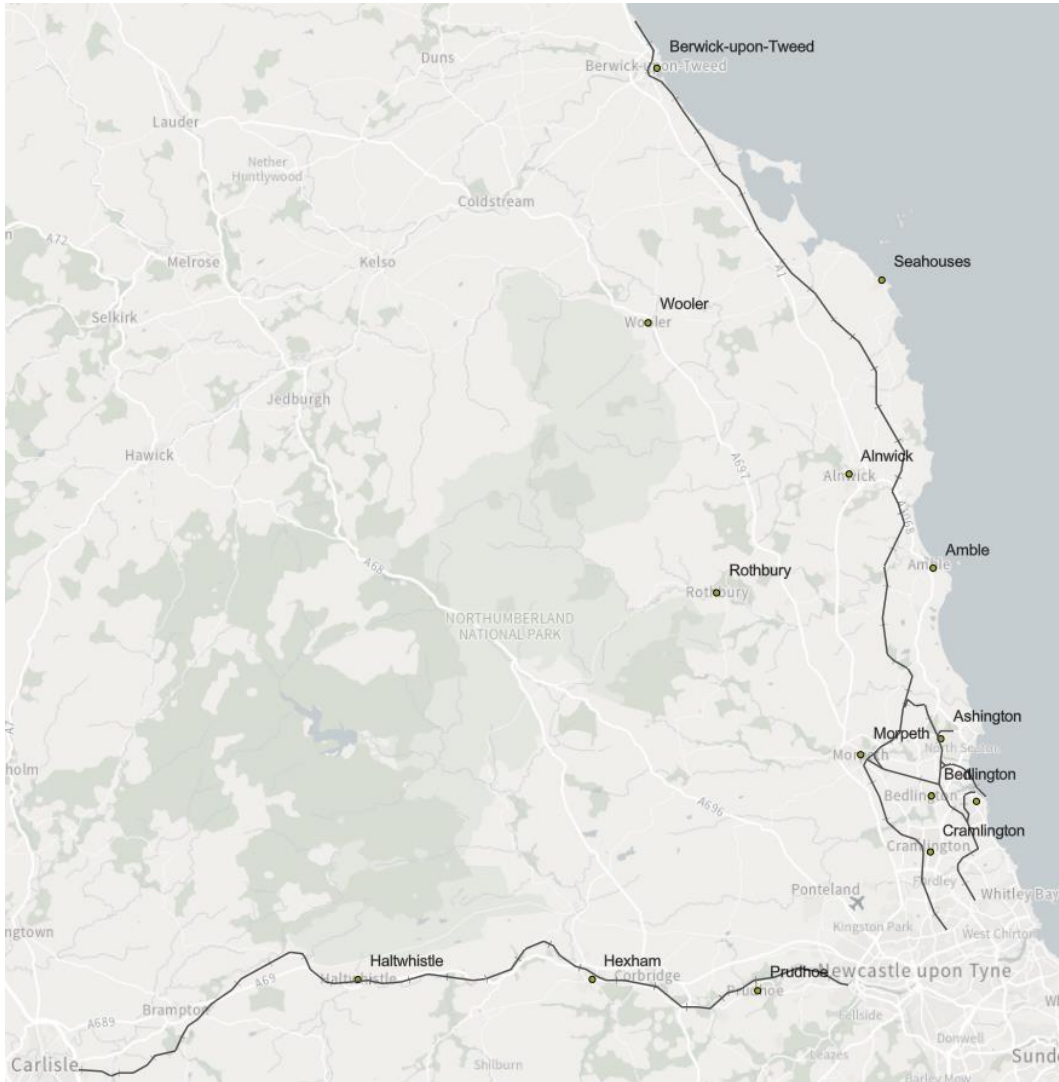


Figure 17. Map of the rail network in Northumberland as of December 2023.

ii) Bus networks

Figure 18 demonstrates the bus networks within the county. These appear to supply most larger towns.

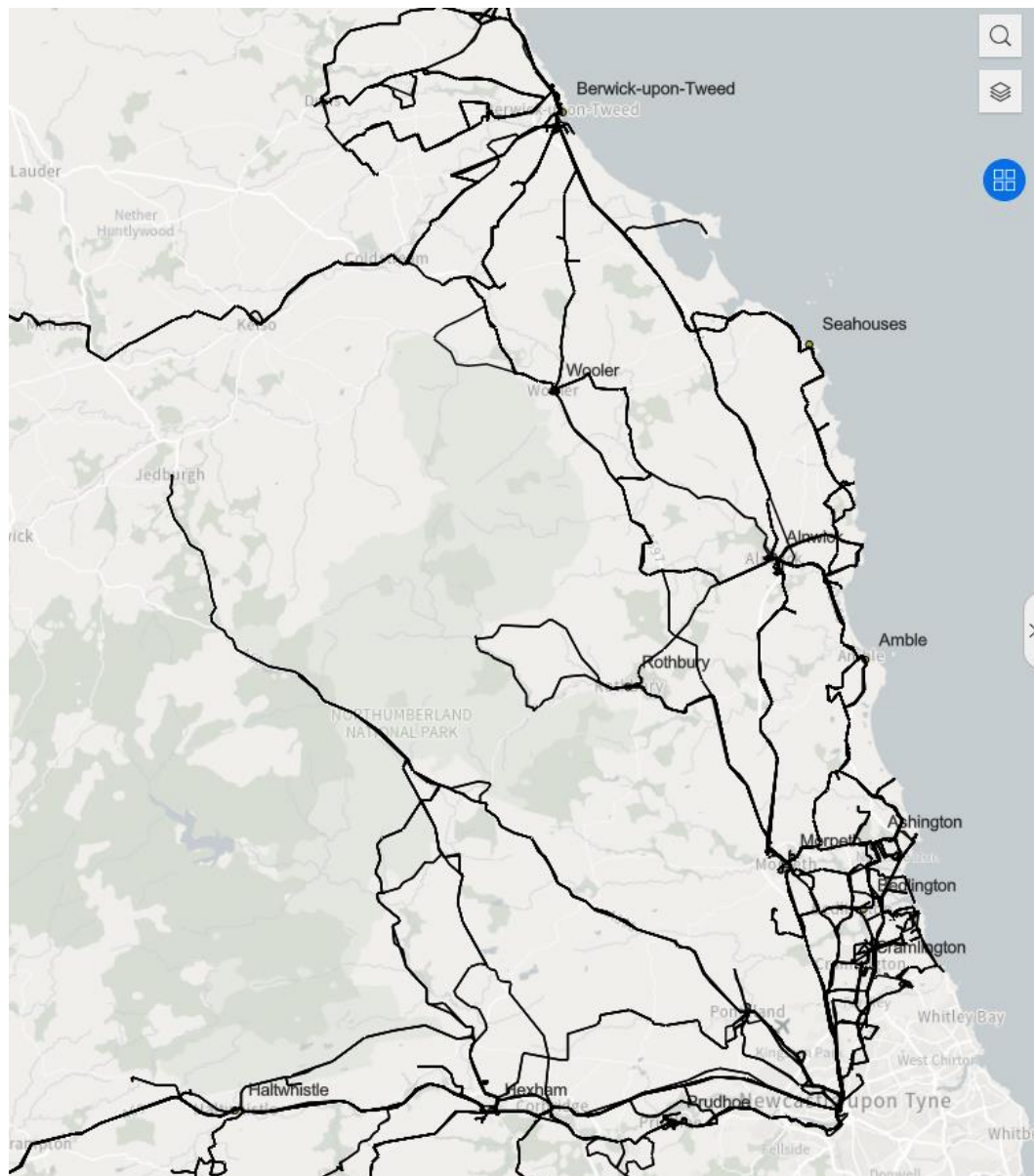


Figure 18. Map of the bus network in Northumberland as of December 2023.

Access to key amenities

Figure 19 plots key institutions such as schools, General Practices, and pharmacies onto the existing public transport network. While most pharmacies appear to fall along service routes, several GPs and schools do not have an obvious public transport link, which could make them difficult to access for households with no access to a private vehicle.

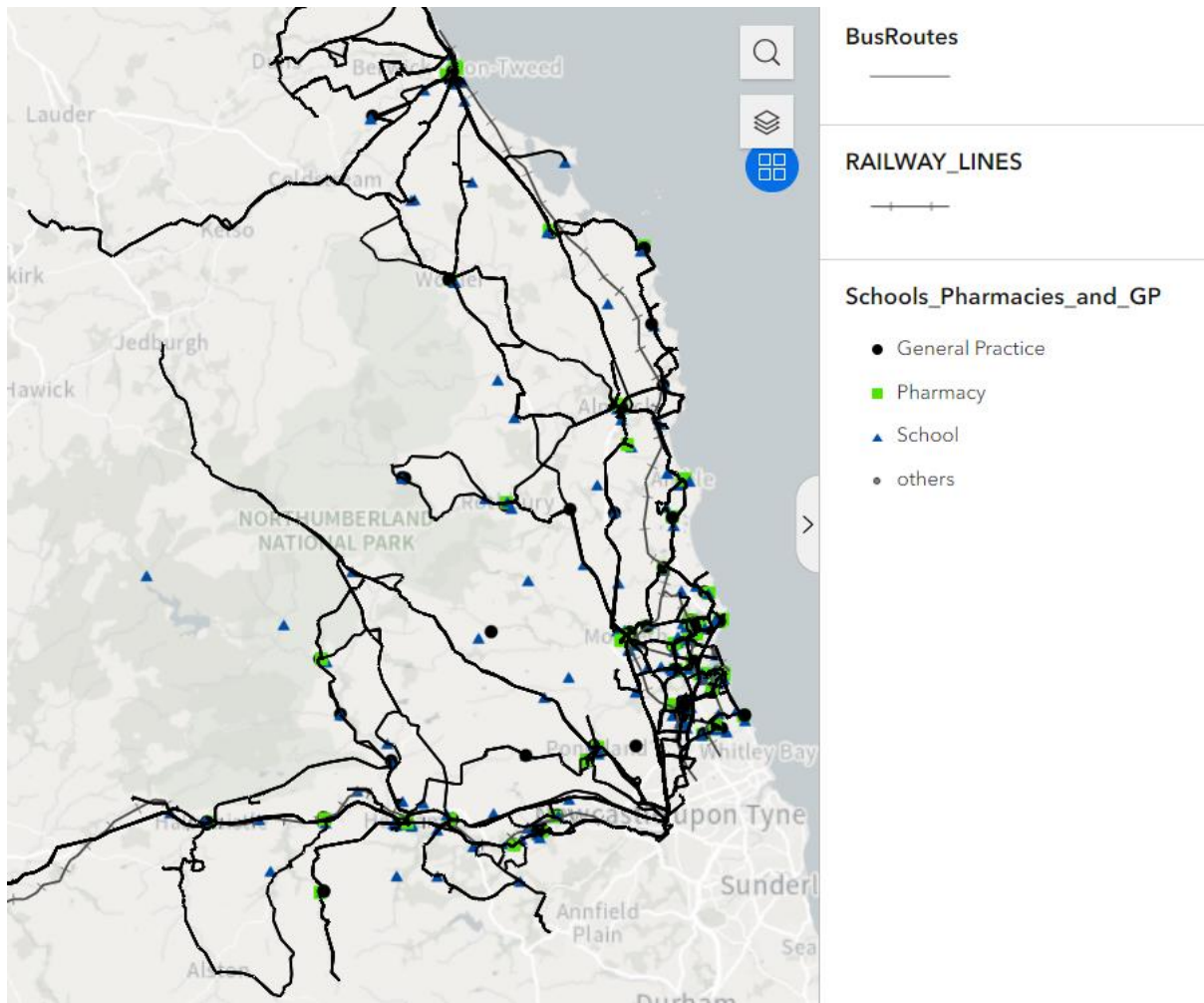


Figure 19. Map of the public transport network within Northumberland with proximity to General Practices, schools and pharmacies, as of December 2023.

Frequency and timing of services

The existence of a service alone does not tell us much about how this practically supports travel. Further analysis demonstrates differences in service frequency that show that urban areas and coastal routes have more frequent bus service provision than rural areas inland. This is seen below in Figure 20, and more clearly when each category of frequency is considered separately, as in Figures 21-24.

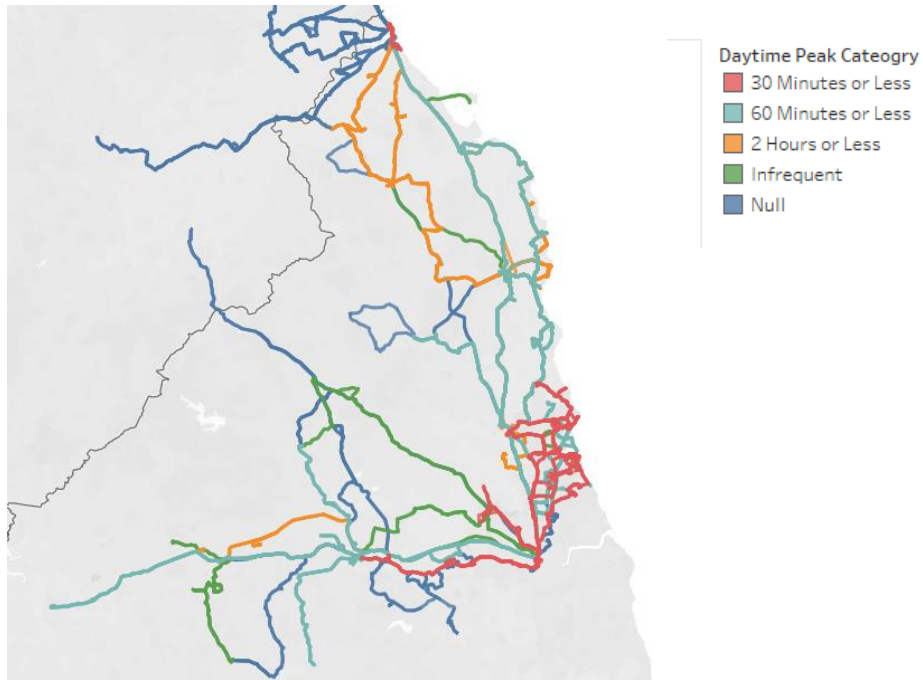


Figure 20. Bus network in Northumberland by frequency of daytime peak service, as of December 2023.

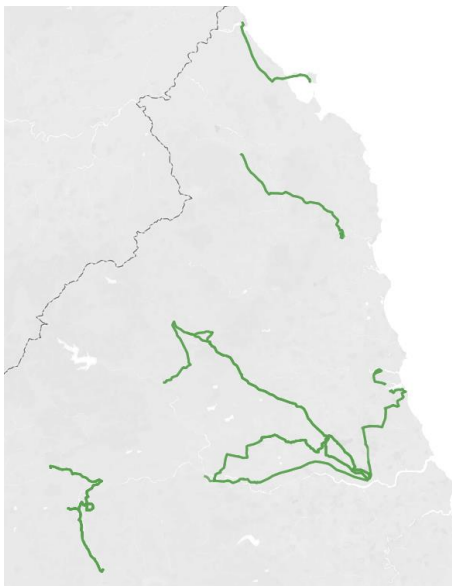


Figure 21. Bus networks in Northumberland operating infrequently at peak daytime hours, as of December 2023.



Figure 22. Bus networks in Northumberland operating at 2 hours or less at peak daytime hours, as of December 2023.



Figure 23. Bus networks in Northumberland operating at 60 minutes or less at peak daytime hours, as of December 2023.

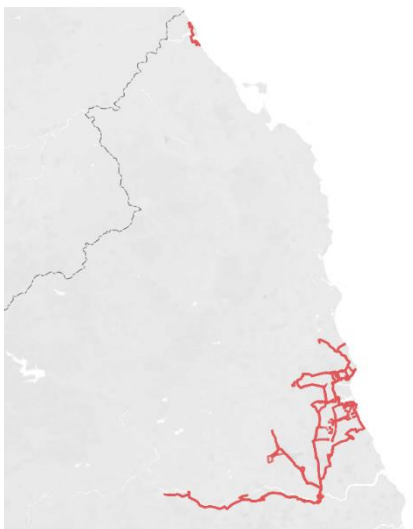


Figure 24. Bus networks in Northumberland operating at 30 minutes or less at peak daytime hours, as of December 2023.

Analysis of current services also highlights a lack of evening services outside of urban areas. Figure 25 shows that once again urban centres in the southeast and the main 'arteries' of the coastal road and link between Newcastle and Carlisle have evening services, while many rural areas do not. This could limit access to both employment and social opportunities that require people to travel outside of the 9 to 5 working day.

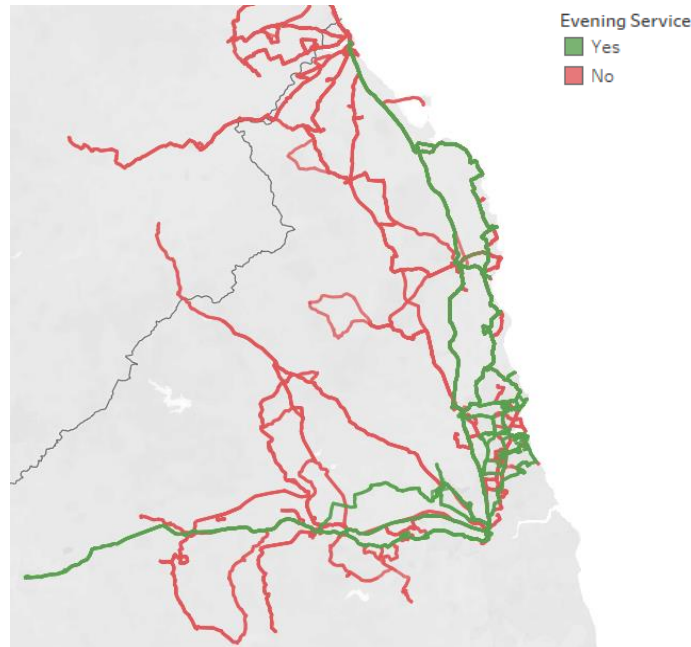


Figure 25. Bus network in Northumberland by provision of evening service, as of December 2023.

Potential fragility of services

Most rural routes are also supported by the local authority, as seen in Figure 26 below. The impact of the COVID pandemic can also be seen in Figure 27, which demonstrates an increased number of previously commercially viable routes in urban areas which became supported by NCC after 2020.

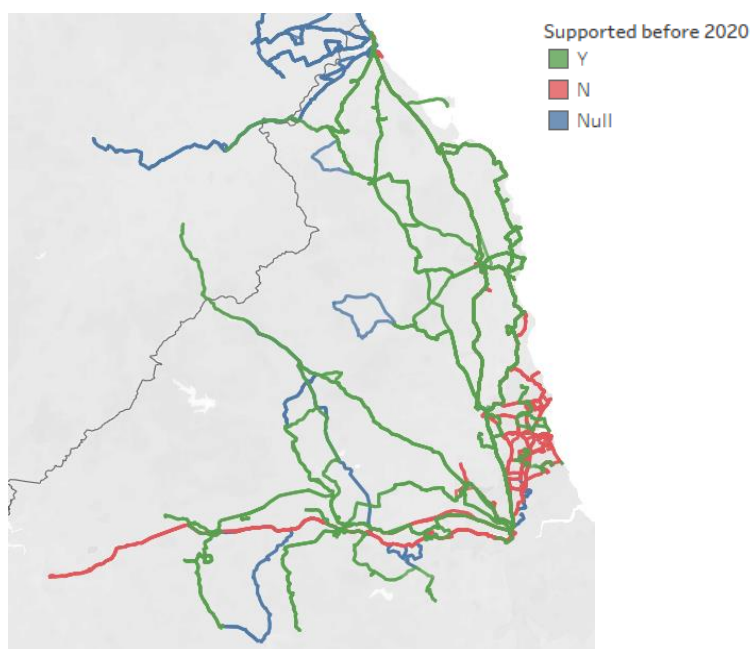


Figure 26. Bus network in Northumberland supported by NCC pre-2020.

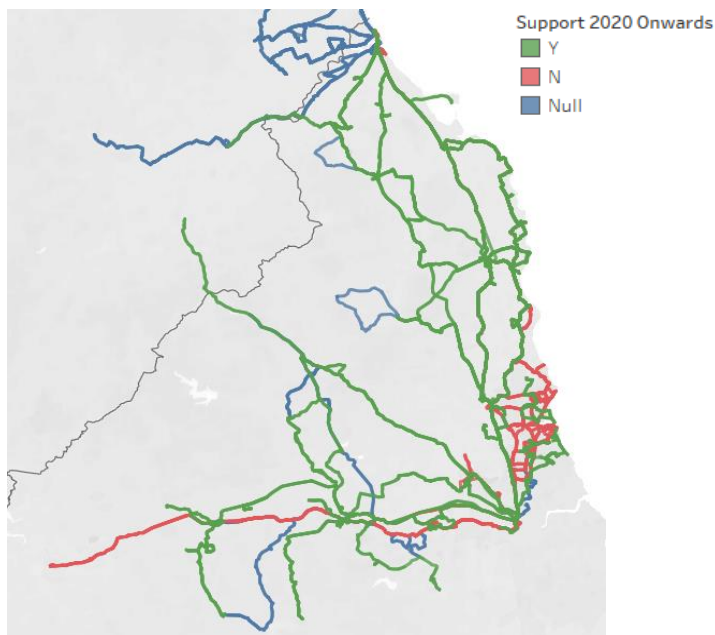


Figure 27. Bus network in Northumberland supported by NCC from 2020 onwards.

Local authority (i.e. NCC) support can make routes more vulnerable to service changes or cuts due to funding changes. With central government grants being cut by 40% in real terms from 2009/10 to 2019/20 (63) local authorities are being required to economise, which could impact transport service provision.

What do our community transport networks look like?

Many communities in Northumberland have recognised the need for more transport options and have established community transport schemes to meet this need. It would be impossible to accurately map all of the schemes that are available. The table below attempts to capture the main providers of community transport in our county and the services they offer (accurate at time of writing in December 2023). Some are run by charitable organisations whereas others (such as the North East Ambulance Service) are commissioned by large organisations such as the NHS.

Figure 28 is a visual representation of each organisation’s scope of service within the county. Many providers told us that in principle they operate county-wide. However the map represents the area within which the majority (~75%) of their transport provision takes place. This is a more helpful indication of which services may be best placed to cater to a specific geographical area.

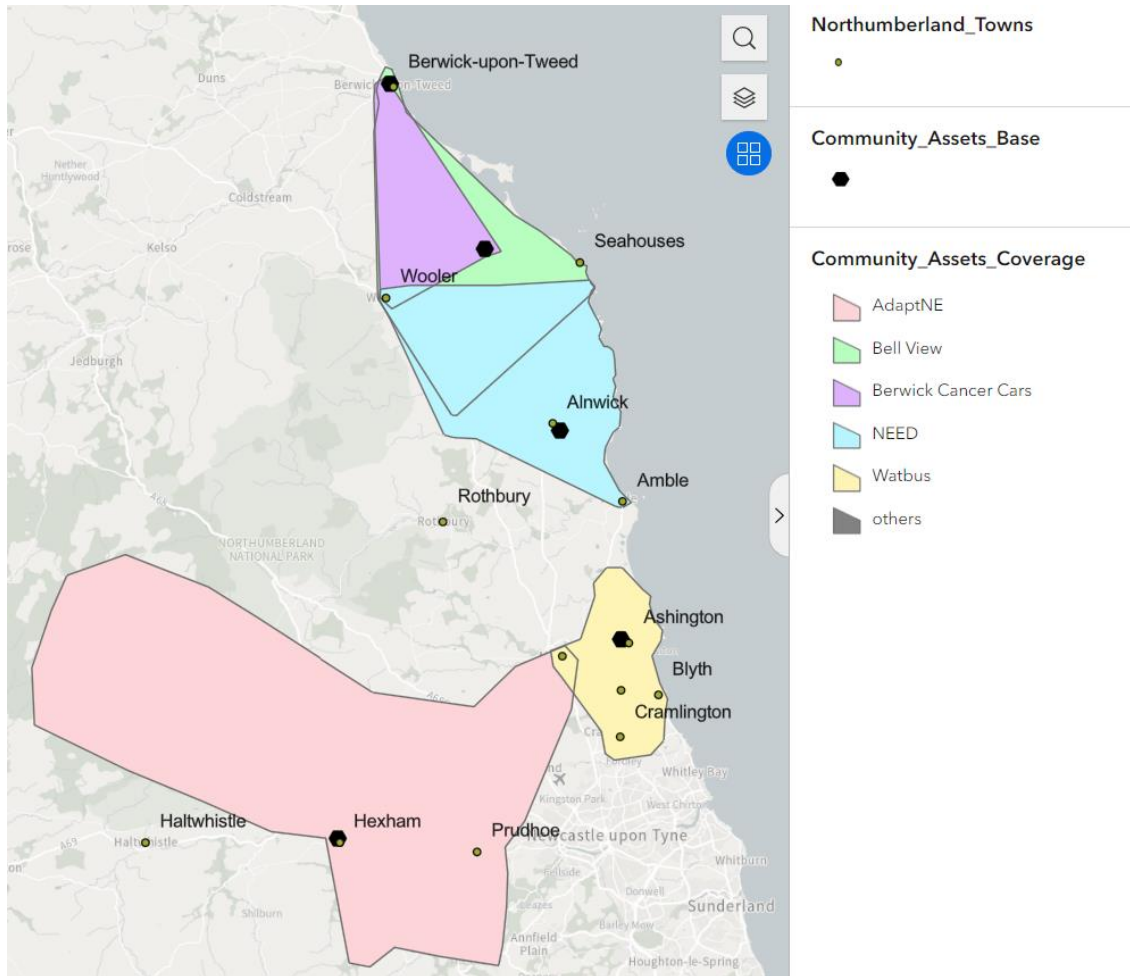


Figure 28. Map of community transport provision within Northumberland by provider as of December 2023.

Table 1 provides more details about the services that each provider offers and to whom. It demonstrates that there are a range of models both in terms of transport provided, who is eligible and how providers fund services.

Name of community transport provider	Service(s) offered	Who can use this service?	Do passengers have to pay?	How is the service funded?	Challenges to and potential fragility of services
Watbus	<p>22 vehicles including wheelchair accessible vehicles.</p> <p><i>Out 'n' About</i> scheme run with volunteer drivers to facilitate individual journeys to GP / hospital appointments.</p>	No restrictions	Yes for Out 'n' About journeys, though kept low-cost.	<p>School contracts</p> <p>Passenger contributions to services</p>	<p>Prioritisation of innovation in funding cycles can make sustainable funding difficult.</p> <p>Reduced patronage due to impact of COVID on passenger confidence.</p> <p>Lack of communication between CT providers.</p>
Berwick Cancer Cars	6 cars, run with volunteer drivers. Provide transport to and from hospital appointments relevant to cancer services.	Anyone with a diagnosis of cancer living in the Belford, Berwick or Wooler areas	No	Donations	<p>Prioritisation of innovation in funding cycles can make sustainable funding difficult.</p> <p>Lack of communication between CT providers.</p> <p>Difficulty in volunteer recruitment.</p> <p>Increasing costs (e.g. car storage, driver insurance).</p>

Bell View	<p>6 vehicles, all wheelchair accessible.</p> <p>Provide regular services including weekly shopping runs from Belford to Berwick.</p>	No restrictions	No	<p>Donations</p> <p>Grant funding</p>	<p>Increasing costs (e.g. maintenance of the fleet).</p> <p>Difficulty in volunteer recruitment.</p> <p>Prioritisation of innovation in funding cycles can make sustainable funding difficult.</p> <p>Lack of communication between CT providers.</p>
North East Ambulance Service (NEAS)	<p>Patient transport provided Monday-Friday 8am-6pm. Pre-booked by passengers for outpatient appointments.</p>	Those with an appointment living >30miles away from a hospital	No	NHS funded	<p>Difficult to meet increase in demand due to increased pressures from same-day discharges / support with emergency care.</p> <p>Lack of time to coordinate with other CT providers.</p> <p>Increasing costs (e.g. staff wages).</p>

Adapt North East	<p>10 dial-a-ride (DAR) services (Monday-Friday) which people can book onto.</p> <p>Minibus hire:</p> <ul style="list-style-type: none"> - with Adapt NE driver (Monday and Friday) - with own driver (anytime at varying rates) <p>Getabout Scheme providing advice for those struggling to get around Northumberland (Phone 01434 600599 for more details)</p>	No restrictions	For DAR services passengers must be an Adapt NE member (£7/year). Concessionary passes accepted.	Grant funding Passenger membership	<p>Prioritisation of innovation in funding cycles can make sustainable funding difficult.</p> <p>Increasing costs (e.g. fuel, maintenance of fleet).</p>
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North East Equality & Diversity (NEED)	6 DAR services (Monday-Friday) which people can book onto. Car and driver scheme for individual appointments including social (e.g. shopping, hairdresser) and healthcare (GP, dentist, hospital)	No restrictions	For DAR services passengers must be a NEED member (£24/year). Concessionary passes accepted. For the car and driver scheme passengers pay and costing is zonal (Zone A: Alnwick to zone D: beyond Amble, Ellingham and Framble)	School contracts NEAS contract Passenger membership Passenger contributions to services	Timetabling restrictions due to home-to-school contracts. Increasing costs (e.g. fuel, maintenance of fleet). Lack of awareness of services can leave them under-utilised.
Daft as a Brush	Transport of cancer patients to the Freeman/RVI Hospitals. Operate region-wide.	Only those who have been referred by their Oncologist.	No	Donations	Increasing costs.

Table 1. Summary of community transport service providers within Northumberland as of December 2023.

What does the above tell us about need?

We can see from the data that public transport networks are sparser in rural areas and have been decreasing over the last decade. Use of these networks has also fallen, particularly following the COVID pandemic. The geographical spread of the major community transport providers demonstrate good coverage of most of the county. However, this may mask a more limited capacity. While a service may theoretically cover a large area, a small fleet or lack of drivers (either volunteer or paid) may preclude that service from meeting the need of communities across the patch.

While the above data can inform some of our understanding of public and community transport in Northumberland, it cannot tell us the full story of what people need. To gain a

more in-depth insight into this we must turn to the results of our communities' voice, as covered in the next chapter.

Chapter 6: Community identified transport needs

The previous chapter has detailed some of the data we have about Northumberland, its residents and how they travel. This gives us some of the picture of how public and community transport is used but often cannot tell us why people choose to travel in one way over another, or what is most important to them. This chapter focuses on the findings of our focus groups and one-on-one conversations with passengers and transport providers of Northumberland. People told us what they valued about the current community and public transport systems, what they found challenging and what they need in the future. Across the county we heard of the need for reliable, flexible, affordable and accessible transport, which takes people from and where they need to go. These key needs are explored in more detail below.

6.1 Reliability

A common theme regarding public transport was the lack of reliability impacting passengers' ability to make it in time to appointments and other opportunities. This issue was largely focussed on buses, which people reported were often cancelled or did not turn up. Some (though fewer) respondents also reported similar issues with trains. This lack of reliability meant that people did not feel able to rely on public transport to make key appointments such as healthcare appointments. This often resulted in two outcomes: some reported having to resort to other transport options such as taxis when buses did not arrive, which was often expensive. Others stated that the lack of reliability meant they had stopped using public transport services altogether. As seen in Chapter 5, the number of passenger journeys per head not yet back up to pre-COVID pandemic levels. This move away from possible public transport routes means that these routes are less likely to be commercially sustainable and therefore in danger of being lost entirely.

Another key aspect of reliability which will be covered more under the theme of 'accessibility' was people's ability to access accurate and up to date information. This was seen as particularly important for passengers who are neurodiverse and for whom unexpected changes or delays to a journey could result in extra anxiety.

Within community transport issues around reliability were often tied to worries about sustainability of the service. Some community transport initiatives reported reduced services due to a dwindling number of users or losses of volunteer drivers. Key challenges to sustainability included:

- Lack of consistent funding and challenges in securing repeat funding. Many CT providers spoke of funding bodies prizing innovation in funding bids, which made it difficult to secure long-term funding for the same scheme. Some providers spoke of funding bodies often wanting evaluation of schemes as a part of the bid. They felt this might deter smaller providers, who may feel they lack the capacity or knowledge to run such evaluation schemes. As the majority (89%) of charities in Northumberland have an income of less than £100,000 and are therefore

counted as small charities,(64) the majority of CT providers will also fall into this category. Some providers had mitigated the impact of short funding cycles by developing a stable form of income in the form of home-to-school or patient transport contracts. This allowed them to subsidise other strands of community transport and keep costs to passengers low or non-existent.

- Difficulty in recruiting or retaining volunteers. Some providers shared that they felt the COVID pandemic had impacted their volunteer base by pausing the active recruitment cycle, resulting in a smaller pool of available volunteers than previously. The demographic of the volunteer pool could also provide particular challenges. For example, any driver aged over 70 years may need revalidation for certain vehicles, which costs more time and money.
- Rising costs of vehicles, fuel and other costs such as insurance were seen as a significant challenge for most CT providers. This is explored further under the 'affordability' section.

6.2 Flexibility

Flexibility of CT and PT offers was another key need identified in discussions. This can be further subdivided into travel time and timetabling.

6.2.1 Travel time

The flexibility of PT options was often seen to be significantly limited by the time it took people to travel between places. Poor connections between services often resulted in increased time spent waiting. This was reportedly exacerbated in rural areas such as the North and West outside of Hexham, where greater geographical distances to services also increased travel time. Multiple people spoke of travel times making PT totally unviable for certain appointments, with one respondent reporting that accessing a 30-minute medical appointment via PT would result in a 6hrs round trip.

There are current examples of work to help reduce travel time for PT passengers. The new Bus Service Improvement Plan (BSIP) will see the introduction of dedicated bus lanes to help give buses priority and prevent delays due to congested traffic.

As community transport is often provided in private vehicles travel time was less of a concern. However, providers still spoke of the strain that long distances placed on their services. Vehicles would often be undertaking a single journey for several hours, leaving it unavailable for others. This was often raised in the context of access to healthcare services, when secondary care centres (such as hospitals) or specialist services (such as specific counselling or wig services for cancer patients) are often based in large urban centres and therefore far away from rural areas.

6.2.2 Timetabling

A recurring concern with timetabling was a lack of evening services. This was a particular concern for young people, whose access to leisure and social opportunities was limited by

their inability to take PT home from hubs such as Newcastle, Hexham and Carlisle. A lack of evening services also impacted communities' access to services such as support meetings for recovery from addiction, which were seen to be as vital to maintaining health as access to a pharmacy or GP.

Quote: 'If I don't attend meetings I get really unwell' (CNTW)

Infrequent services and a lack of evening services means PT options are often incompatible with shift work. Shift working is defined as 'working outside the hours of 7am to 7pm in your main job'.(65) In 2021, the largest employer in Northumberland was the health sector, while the second largest was accommodation and food services (such as hotels and restaurants).(66) Both of these employment sectors have large numbers of employees who work outside of the standard '9 to 5'. We also know that shift workers are more likely to be young (aged 16-24) and from lowest income households.(65) This means that those most likely to work non-standard hours are also most likely to be dependent on public transport to commute. Transport is frequently mentioned by employers as a key issue in poor recruitment, as explored in the 'affordability' section.

Employment in largest North East sectors, North East local authorities

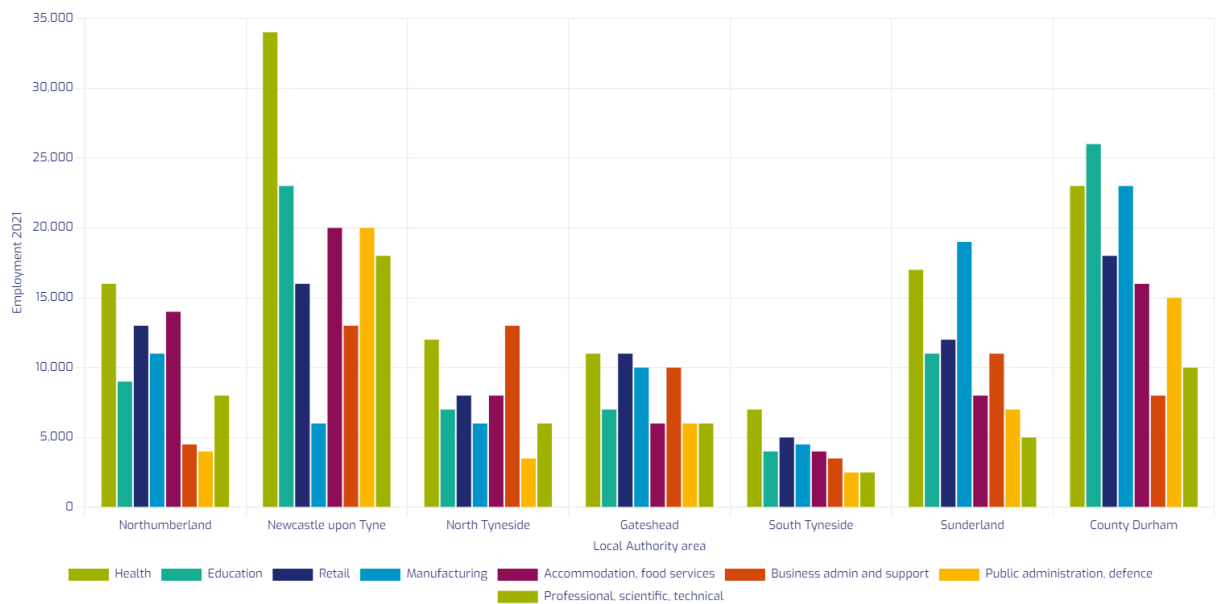


Figure 29. Employment sectors in the North East by local authority, 2021.(66)

People shared that infrequent PT services often resulted having to choose between arriving very early for appointments and engagements or being late. This was another frequent factor in reports that attending even short appointments (such as a 15minute GP appointment) would result in a 'day trip'.

As well as the timetabling itself, it was a lack of access to up-to-date and accurate information which many felt was a real concern. A lack of up-to-date online timetables and 'real time' information (including inaccuracies on platforms such as online apps) made it difficult for passengers to keep up with changes and plan their journey accordingly. A positive exception to this was online apps used for train travel, which were seen to provide accurate and timely updates to issues such as train delays. Lack of access to information is explored in further detail within the 'accessibility' section.

In general, CT options were seen as more flexible and bespoke than PT alternatives. Often offering a 'door to door' service through schemes such as 'dial a ride', community transport providers are able to replicate the convenience of a car more closely than most public transport networks. However, CT is not immune to issues around flexibility. A shortage of vehicles or drivers can limit what services they provide, so that people have to wait longer for a service or share a journey between multiple passengers. For CT aimed at improving access to healthcare services their need to plan journeys and limited capacity can impact their ability to provide transport for same-day appointments. Patient transport services may need to be booked within a certain timeframe in the morning, so that passengers who call their GP at lunchtime and receive a same-day appointment may not be able to attend. The COVID-19 pandemic increased many pressures on the NHS, with 2023 seeing a record rise in waiting lists for hospital treatment and waiting times for ambulances.(67) There are also ongoing challenges with patient flow within hospitals, with ongoing pressures in social and community care resulting in delayed discharges.(68) Such pressures are affecting community transport provision in two key ways: increased demand on services such as the North East Ambulance Service (NEAS) for facilitating same-day discharges and supporting non-critical transfers to A&E means their capacity for outpatient transport is reduced. Furthermore, we heard that waiting list pressures means a greater proportion of appointments are offered at short notice, making planning patient transport more difficult.

Community transport services are also limited in improving passengers' access to employment opportunities. Due to other commitments such as home-to-school runs the availability of many CT services is limited within school run hours, which frequently coincide with peak commuter times. Many CT providers also do not provide transport outside of standard working hours, meaning they are not a viable alternative for people needing to travel to and from work. Finally, a number of CT services are aimed specifically at passengers within certain demographics, such as those with physical disabilities or accessing certain services such as cancer care. While such eligibility criteria are an understandable approach to managing limited capacity, it means that many working-age people may not be eligible to use such services. The high-demand nature of transport for employment (i.e. daily trips) means most CT providers would also not be able to meet this demand alongside other commitments.

6.3 Affordability

The rising cost of transport is a concern amongst both passengers and organisations running community transport initiatives. In 2022 a census of almost 11,000 people in the UK showed

that the majority (61%) were ‘very concerned’ about the price of petrol and diesel.(69) With Northeast households spending a greater percentage of their weekly household outgoing on transport than elsewhere in the UK,(44) they are particularly vulnerable to fuel inflation. While motor fuel prices fell in the 12 months leading up to October 2023,(70) this is unlikely to compensate for the general increase in transport costs. Research by the Health Foundation shows that since 2015 transport costs have increased across all forms of public transport. Bus and coach fares have been particularly affected; in January 2023 bus fare in the UK were 59% higher than in January 2015, placing them well above overall inflation.(71) Private transport costs have also increased in this time, including a 25% increase in the cost of purchasing a vehicle.(71) The impact of these costs on smaller CT organisations was reflected in our data.

Prices for bus and coach travel rose faster than other modes of transport over the last 8 years

Change in transport components of the monthly Consumer Price Index (CPI) since January 2015: UK, 2015–2023



 The Health Foundation
© 2023

Source: Health Foundation analysis of Office for National Statistics, Consumer Price Inflation index time series, 2015–2023.

Figure 30. Transport costs in comparison to the Consumer Price Index (CPI).(71)

The cost of public transport was a significant barrier to using it for many respondents. People spoke of the climbing cost of having to take multiple buses, particularly in the absence of having a concessionary bus pass. The unreliability of PT often resulted in people having to use other modes of transport (such as taxis) to get to their destination, resulting in increased cost to them.

Cost of PT was also often raised as a significant barrier to finding and retaining work. People reported that the financial impact of travelling to certain employment opportunities was simply not sustainable. For those seeking work whilst receiving welfare benefits the impact of transport costs to work could even result in a net loss in household income, so that

remaining out of work was financially the more logical choice. Some employability schemes may support job seekers with transport costs in initial months of employment. However when such support falls away they often cannot continue to fund transport themselves and have to give up their place. This can limit what employment opportunities are available, particularly for those more reliant on public transport such as young people or those with disabilities. It will also disproportionately affect those who live in rural areas and further away from places with a higher number of job opportunities, such as Newcastle. Financial support in the form of both means-tested and non-means-tested benefits do not explicitly take potential financial costs into account. Means-tested benefits (e.g. for support during unemployment) are not tied to location, so that a recipient living in Wooler will receive the same income as their counterpart in Newcastle. Non-means-tested benefits (e.g. for disability) are also determined according to the extent to which the applicant is affected in daily life and do not take location or potential commute distance into account. As a result, the percentage of household income that jobseekers in rural areas are likely to spend on transport for job interviews and daily commuting is likely to be far higher. It is more likely that they are unable to access desirable job opportunities (i.e. within the field they have trained for / are interested in) or any job opportunities at all. Cost of transport has been identified as a particular issue for young people aged 16-24, who may be accessing education or training or entering the job market. A recent study found that young people travel less than any other age group and that the gap is widening.(72) Reliance on public transport had significant effects on a young person's chances of being employed, ability to access services and likelihood of going out socially, as shown in the figure below. As young people are more likely to not be in employment or on a low income they are more vulnerable to the cost of public transport and less likely to have access to support in the form of cycle to work schemes or similar.

***Quote: 'The study found that having a car makes it 3.8 times more likely that someone is employed, twice as likely that someone can access services and 1.7 times more likely that someone can go out socially.'*(72)**

The impact that cost of transport has on recruitment is an issue for employers as well as employees. An internal report by Advance Northumberland, who support employers within Northumberland, found that the majority (53%) of businesses required support with recruitment. Rurality and transport played a significant part in this, with reports of businesses easily employing staff in urban areas such as Blyth struggling to fill vacancies for similar roles in rural areas such as North Northumberland.(73)

In terms of tackling the need for affordable transport, many respondents across demographics spoke positively of current initiatives such as the £2 cap fare for those aged over 21 (with a £1 single fare for those aged 21 and under). This was very popular, particularly with younger people and adults with neurodiversity, both of whom felt encouraged to travel and maintain independence. In 2023 a survey of over 300 respondents in Northumberland found that the majority (57%) were 'very satisfied' with bus journey's

value for money, largely due to cost in relation to distance travelled. The extent to which the £2 cap fare influenced this was not captured.

Concessionary passes such as the ‘Railcard’ for rail travel and bus passes for those aged over 65 and those with disabilities were also spoken of highly. The Disabled Person’s Companion Pass (which allows those who may be unable to travel alone to allow a carer, relative or friend to accompany them for free) was also seen as a valuable form of support, especially by neurodiverse young people.

While concessionary passes were greatly valued by respondents, we heard of issues which limited their impact. A key barrier was not knowing that such passes were available, who was eligible or how to apply. Many people reported relying on word-of-mouth to find out about passes or the application process, which risks those who are more socially isolated not accessing the support they need. Young people reported reasonably good advertising of schemes such as the ‘Get Round for £1’ initiative. The impact of ticket office closures was raised by multiple groups and is explored further in the ‘accessibility’ section.

A further concern with PT were restrictions on when bus passes can be used, though Northumberland has already taken steps to overcome this barrier. Nationally bus passholders can only travel for free from 9.30am-11pm Monday to Friday and all-day on Saturdays, Sundays and bank holidays. Within Northumberland the times during which passes are valid have been extended. Currently holders of older people’s passes can travel all day from 9am on Monday to Friday (with no evening restrictions) and all day Saturdays, Sunday and bank holidays. Older people can also travel before 9am on journeys boarding in Northumberland, if they have a hospital appointment letter proving they need to travel earlier. Holders of disabled people’s and companion passes can travel free all day any day.⁽⁷⁴⁾ Northumberland County Council has also agreed additional benefits for free travel on some cross-border routes into Scotland, when the journey either starts or ends in England. Further details of this are available on the NCC website.

Outside of Northumberland	Within Northumberland
<i>Older person’s pass</i> 9.30am – 11pm Monday to Friday All day Saturday, Sunday, and bank holidays	<i>Older person’s pass</i> All day from 9am Monday to Friday (no evening restrictions). Can travel before 9am on journeys boarding in Northumberland with hospital appointment letter. All day Saturday, Sunday, and bank holidays
<i>Disabled person’s pass</i> 9.30am – 11pm Monday to Friday All day Saturday, Sunday, and bank holidays	<i>Disabled person’s pass</i> All day any day

Table 2. Conditions of use for concessionary travel passes outside of and within Northumberland.

Issues of affordability within community transport focused largely on the rising cost of buying, maintaining and running a vehicle. This was frequently the main challenge to ensuring services remained affordable for passengers and sustainable overall. Providers also reported rising costs with other elements of providing a CT service such as insurance, driving licences and driver training, vehicle storage and for some the cost of employing a transport co-ordinator to plan an increasing volume of journeys. Some providers subsidised their community-orientated services by taking on 'home-to-school' transport contracts or hiring out vehicles to NEAS, which provided them with a stable source of income. However not all organisations had the capability to do this, meaning that rising costs resulted in increased prices for end users, or a reduced service. One organisation which provides access to activities for young people reported hosting more activities locally to reduce transport costs. While this likely made their model more sustainable they also reported an impact on engagement, as many young people are less interested in activities where they are and want to engage with things outside of what they know.

6.4 Reach

Reach of public and community transport is closely tied to current provision discussed in the previous chapter. Communities' needs around reach were distilled into two key factors: whether transport came to where they needed to be collected from and reached where they needed to get to.

6.4.1 Comes to where needed (pick up)

People felt that rural areas were generally underserved by public transport networks. This could limit where people who were dependent on PT felt able to move to, as living outside of well-connected central areas risked their access to a whole range of services. Many referred to the lack of commercial viability for services in rural areas where the population (and therefore number of potential passengers) was far lower. This perception is supported by the data. In 2023 the County Council's Network (of which Northumberland is a member) reported that since 2010 the vehicle mile equivalent of more than one in four bus services have been cut.⁽⁷⁵⁾ The decline in bus availability has impacted passengers numbers, with rural and county areas witnessing the biggest percentage decline (-44%) in 2022 compared to 2010.⁽⁷⁵⁾ When a route is deemed unviable from a commercial operator, as many rural routes are, local authorities step in and subsidise the service. However, with new analysis revealing councils in rural and county areas have a £420m (50.7%) shortfall in their local transport budgets, the number of council-supported miles in county areas has fallen dramatically by almost 60%.⁽⁷⁵⁾ Commercial services have also increasingly stopped services since the onset of the COVID pandemic, which saw bus passenger numbers in rural areas fall by over a third.⁽⁷⁵⁾ The report concludes that many bus services were already in a state of 'managed decline' but that this has been accelerated by the pandemic.

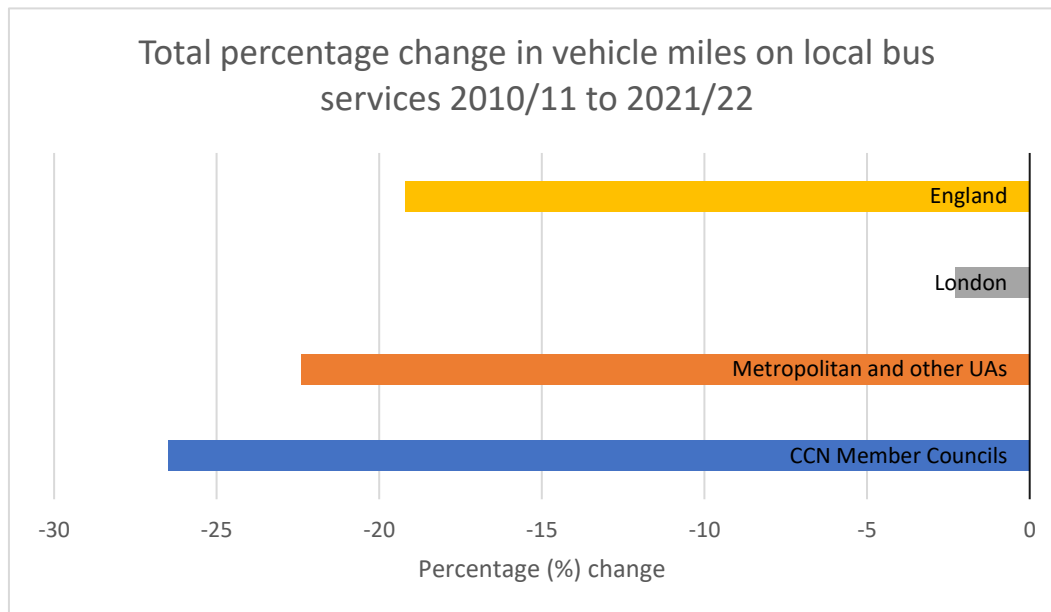


Figure 31. Total percentage change in vehicle miles on local bus services 2010/11 to 2021/22 by local authority type.(75)

6.4.2 Goes to where needed (drop off)

Many respondents spoke of strong links to central locations such as Newcastle and Hexham. This included praise for local rail networks such as the Newcastle-Haltwhistle line. However, connectivity ‘horizontally’ was felt to be poor, particularly when travelling westwards. People spoke of poor connections even between areas geographically close to each other, such as Cramlington and Ashington. Passengers also felt there were poor connections between different forms of public transport, for instance few bus services with railway stations as destinations. For those unable to drive this was seen as another barrier to their ability to travel independently throughout the region and the country. A lack of access to specific services such as pharmacies impacted people’s ability to engage with essential healthcare services, such as being titrated on replacement medications for substance misuse disorders.

Quote: [the buses] never quite take you where you need to go’ (Headway respondent)

In terms of both pick up and drop off the reach of community transport was felt to be wider and more flexible than that of public transport. Many community transport providers effectively offered a county-wide service, though they tended to provide most transport within a smaller ‘patch’ of Northumberland, as shown in Chapter 5.

The flexible and bespoke service that CT offered was particularly appreciated by passengers who were more in need of a ‘door to door’ service. Many patrons spoke of the extra support that they received on such services which meant they were able to travel, and this is

explored further within the 'accessibility' section. However, it should be noted that while CT organisations provide good coverage of the county between them, there are several demographics who are typically not eligible for their services. This includes young people and large portions of the working population. CT providers were also constrained by service capacity, which could limit how much groups were able to use them. One group reported that their members were too geographically scattered for community transport to be a viable option in getting to and from events. Rising costs (as highlighted earlier) have also resulted in a number of providers scaling back services.

6.5 Safety

Concerns around safety could be further sub-divided into the perception of personal safety on transport and issues around safeguarding.

6.5.1 Perceived personal safety

The importance of feeling safe while travelling came up largely when talking about public transport. Young people in particular felt that having safe-feeling communal spaces such as bus stations was key to encouraging people to use public transport. Feeling unsafe due to dirty or ill-lit spaces or anti-social behaviour was named as a key barrier to travelling, particularly by bus. The presence of an official person such as a conductor made young people feel safer. The importance of personal contact was highlighted by several other groups too. As well as making people feel safer, the presence of a person was seen as crucial to receiving support for other issues such as ticketing, as explored in the 'accessibility' section.

Personal safety was also mentioned in relation to bus stops. Bus stops on main roads or around sharp corners made people feel close to dangerous traffic flow. This was particularly the case when accessibility issues such as visual impairment made judging traffic flow and distance difficult or impossible. In 2023 70% of bus users in Northumberland rated their personal safety at a bus stop as 'good', slightly below the national average.(62) Personal security whilst on the bus itself was much improved, with only 1% of respondents rating it as 'poor'.(62)

A lack of feeling safe had also impacted people's ability to use community transport in the wake of the COVID pandemic. Several providers reported a drop in ridership even after lockdown restrictions had been lifted, which they attributed to passengers' increased anxiety over sharing small spaces with others.

6.5.2 Safeguarding

As community transport providers frequently work with more vulnerable communities safeguarding practices are essential. While all providers recognised the importance of safeguarding this could also present some barriers. The cost and time needed to train volunteers in safeguarding procedures or undertake checks such as the Disclosure and Barring Service (DBS) (to check someone's criminal record) meant that some organisations were limited in the number of volunteers they could recruit. In other instances safeguarding

issues meant that organisational staff were not able to use their own cars to transport passengers, but the cost of a separate transport fleet did not make this a viable option. Some CT providers did manage to keep training costs down by doing much of this ‘in house’.

6.6 Accessibility

Making public transport as accessible as possible is crucial in allowing all those who cannot or do not want to drive to retain their independence. Accessibility is influenced by many factors, including the availability and cost of transport as discussed earlier. This section focusses on two specific aspects of accessibility that were raised frequently; the need to support passengers with extra needs who face extra barriers when travelling, and the need for access to up-to-date and accurate travel information.

6.6.1 Supporting passengers with extra needs

We heard that across both public and community transport one of the best ways to support passengers with extra needs to travel is to enable personal support from another human being. ‘Extra needs’ here refers to individuals who may have physical disabilities, mental disabilities, reduced mobility or need extra emotional support. People spoke highly of friendly and helpful staff on services such as buses and the metro. The latest report of Northumberland bus services found that bus drivers received the highest satisfaction score of all elements of a bus journey, and that this was particularly the case in rural areas.⁽⁶²⁾ While praising current staff, respondents also highlighted the importance of training all PT staff in how to support passengers with extra needs.

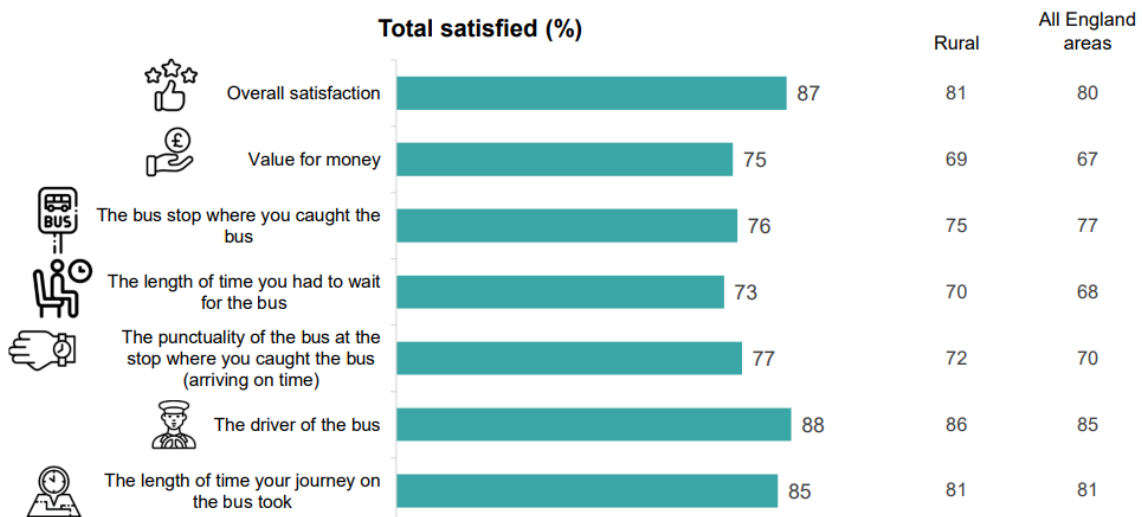


Figure 32. Summary of satisfaction with bus services within Northumberland, 2023.⁽⁶²⁾

The more bespoke and personal nature of much community transport meant that passengers often felt more supported and seen. CT was seen as providing more than just

transport, but also being a conduit to personal connection and community. Community transport services could often support passengers in a way that public transport services cannot accommodate. This included door-to-door services with wheelchair-accessible vehicles, or drivers helping passengers to board a vehicle or even with their shopping. On public transport passengers who cannot travel alone can apply for a Companion Pass to allow a carer, relative or friend to accompany them.⁽⁷⁴⁾ However this currently only applies to those with a Disabled Person's concessionary pass and therefore may not capture everyone who needs support.

Quote: 'not just transport but a human face' (Headway respondent speaking about community transport service)

While this extra level of support is invaluable for some, some respondents emphasised their desire to remain as independent as possible. Many were eager to utilise public transport over community transport but felt that there were specific barriers which made this challenging or impossible. Respondents with visual impairment reported a lack of audio cues on buses (where the next stop is announced verbally) which made it difficult for them to determine where they were in their journey. This is supported by a survey in 2023 which found that over half of Northumberland bus journeys lacked audio announcements (52%) or electronic displays of the next stop (54%).⁽⁶²⁾ Limited spaces for buggies or wheelchairs on buses can prevent some passengers from boarding if the space is already filled. A lack of staff was also seen as a particular barrier. This was especially the case in train stations, where people reported struggling with ticket machines or needing further help or information and having no-one to ask.

Some of these needs will hopefully be addressed in the near future. The UK government's *Inclusive Transport Strategy* in 2018 set out an ambition to roll out audible and visible announcements to almost all local bus services across Great Britain.⁽⁷⁶⁾ An update in 2020 announced potential Regulations and guidance to be released later in the year but has so far not been updated.⁽⁷⁷⁾ Recent plans to close rail ticket offices were also halted in response to public consultation.

6.6.2 Access to information

The majority of groups discussed the importance of up-to-date and accurate information regarding public transport. This was also deemed particularly important for passengers with neurodiversity, where unexpected changes to timetabling could cause extra distress. Needs around access to information included:

- Timetables in accessible formats such as large fonts or braille for visually impaired people.
- Up-to-date paper timetables at bus stops and train stations for people who did not have access to the internet
- Timely updates on the progress of transport. Systems such as app updates were rated positively for train travel but were reported as non-existent or inaccurate for buses.

In 2023 only 55% of bus users rated the information provided at bus stops as 'good', with more than 1 in 10 describing it as 'very poor'.(62)

Within CT some providers spoke of a lack of communication between different community transport providers. This prevented collaborative working and made coverage across different informal 'boundaries' difficult. Lack of communication was also contributed to a lack of capacity, with providers too busy running the service to be able to determine potential avenues of collaboration. CT providers also spoke of many potential passengers not knowing their services existed or thinking that such services were only limited to a specific group of people. Better access to information regarding what CT services exist and who is eligible to use them is therefore also crucial.

Chapter 7: Discussion and recommendations

What has this HNA found?

The previous chapters have delved into the data we hold around transport in Northumberland to present a picture of current use, a mapping of current public and community transport services and an insight into the key needs of our communities. Bringing these data sets together has given us the following key insights:

- ***Transport plays a significant role in how people access healthcare.***

We saw in Chapter 5 how most General Practices and pharmacies fall along existing public transport service routes. However, infrequency of services or poor connections mean people living in rural areas reported travelling for hours for even brief appointments. These issues were even worse for hospital appointments in centres such as Newcastle, Hexham and Ashington as they increased the distance people needed to travel and number of connections they had to link up.

Many community transport providers offer an element of patient transport, but these services are increasingly under strain as demand for them increases within the community and the NHS. Many CT providers also have eligibility criteria that mean certain demographics are unable to use them.

People with disabilities and those providing unpaid care are more likely to require regular access to healthcare services. Our most rural areas are still seeing a high proportion of residents who identify as having a disability and being limited a lot. These people are more likely to need PT and CT networks and yet less likely to live in areas with a frequent, reliable service.

- ***Transport significantly impacts how likely people are to find, get and keep a job.***

Among younger bus users (i.e. under 65yrs) in Northumberland commuting to work was the most common reason for travel. And yet in the UK someone with access to a car is almost four times more likely to be employed than someone relying on PT alone. In Chapter 6 we saw how employees in Northumberland cite transport as a key factor in their difficulties to recruit, particularly in more rural areas. Employability schemes can only support travel costs short-term and other means of support such as means-tested welfare benefits do not take the extra costs of travelling from a rural area into account. This makes it difficult for applicants outside of urban areas to attend job interviews or to maintain work.

A lack of evening services also impacts people's ability to undertake shift work which falls outside of the standard '9 to 5' pattern. This particularly impacts the two largest employment sectors in Northumberland which are the health sector and accommodation and food services. As Northumberland's tourism industry continues to grow, we need to create PT networks that support local employment in the hotels and restaurants that this gives rise to.

- ***The financial impact of travel is felt differently across Northumberland and forms a key challenge in maintaining and growing current networks.***

Many residents in Northumberland are subject to the 'rural premium', i.e. the inherently increased costs of living rurally. This includes spending more money on food from local shops (rather than chain stores found in larger town centres) as well as spending more on transport. Prices for bus and coach travel have risen fastest among all modes of transport and now fall well above inflation. It is unsurprising then that measures designed to tackle the cost of travel (such as the £2 cap fare and concessionary passes) were the most popular among focus groups.

Financial factors also contribute to the fragility of many community transport services. Rising costs of fuel, buying and maintaining vehicles and other costs such as insurance are placing services under strain. We heard how short-term funding cycles that prize innovation can make the running of a long-term, stable and sustainable service more difficult, with many providers either scaling back or needing to seek stable funding elsewhere such as in school or patient transport contracts.

- ***A lack of transport leads to social isolation.***

A lack of evening services (particularly from central hubs such as Newcastle out to rural areas) impacted not only employment but social opportunities too. Young people in particular found it difficult to access social and leisure opportunities as they were unable to get home. We know that social isolation has a significant impact on physical and mental health and is directly linked to people's risk of dying earlier than expected. We saw this clearly in reports of social networks which were also closely tied to supporting people with health conditions, as attendees at Northumberland Recovery Partnership shared how lack of access to Fellowship network meetings in the evening impacted their ability to manage their addiction.

- ***Current transport networks risk widening inequalities.***

We have seen how the differences in transport provision risk widening inequalities between rural and urban residents in terms of access to healthcare, employment and social opportunities. Current public transport systems also present certain barriers to passengers with extra needs that make it less likely that they are able to travel independently. These accessibility 'blind spots' need to be addressed to ensure all passengers are best placed to use existing services. This includes the provision of up-to-date and accessible information in accessible formats (including large font, braille, online and paper copies at bus stops), as well as the option for personal support in the form of ticket offices and PT staff trained in supporting passengers with extra needs.

- ***Considering the sustainability of current and future public and community transport networks is key.***

Most importantly, we heard how vital and valued both public and community transport networks are across Northumberland. While many people still rely on public transport networks a drop in patronage and cuts made to local government funding have already resulted in a reduction in services and are placing the wider system under threat. Community transport provides a valuable service but also faces challenges, including

fragmentation across the patch and difficulties in securing funding and a consistent volunteer base.

Moving forward we need both public and community transport networks to be robust as they meet different needs in the community. We will always need public transport to support our working age and commuting populations, as well as allowing elderly residents or residents with extra needs to retain their independence for as long as possible. Community transport will always be necessary for passengers who need the kind of door-to-door support that public transport cannot provide, as well as communities (such as in the most rural areas) for whom a bespoke service makes the most sense in terms of efficiency and cost.

How do people's needs differ?

When considering the above a picture has also evolved of distinct gradients of need. Not everyone's needs are the same, or equally acute. Three broad categories of need have been summarised in the form of 'personas' below. These personas are not based on real people but use the themes identified in the previous chapters to capture the key factors at play in determining the level of unmet need faced by our communities.

Needs met through other means: Robert and Ali

- Robert retired to Wooler and owns his own car. He drives to go shopping or see family and friends, and when unwell he can afford a taxi to take him to and from GP appointments.
- Ali lives in Blyth and works in the local area. Though they do not drive, they can access local shops, pharmacies and their GP either by walking or via the frequent bus services in town. Evening services means they are also able to visit friends and return later in the evening.

Both Robert and Ali still stand to benefit from improved public and community transport networks. Robert may prefer to use the bus in order to stay more active and to reduce his carbon footprint, while Ali may prefer improved transport links out of Blyth to surrounding towns such as Ashington. However, both have their core needs met through other means. Their need is not non-existent but is met for the most part.

Needs met with fragile systems: Sahira and Dylan

- Sahira lives with her family in Bellingham and works in Hexham. She drives and shares a car with her partner, though they are finding that the cost of fuel and insurance is making it more and more difficult to make ends meet.
- Dylan is retired and lives alone in Rothbury. They are visually impaired and unable to drive, and don't have any family or friends nearby to ask for lifts. Dylan uses a local community transport provider who helps them get to appointments and to go shopping once a week. However, an increase in demand and lack of long-term funding means the service is under strain and increasingly competitive to access.

Sahira and Dylan are meeting their needs currently, but both are in precarious positions. They risk losing access to vital services if there are no alternatives available or their current transport networks are not supported.

Needs unmet: Leigh and Jordan

- Leigh has just graduated from university and has moved back to their parental home in Kirknewton. They are trying to find work but do not have access to a car or close friends or family who can offer to take them to and from work. They did find a job at a hotel in Wooler but a lack of evening bus services made it impossible for them to get home and they could not afford a taxi.
- Jordan lives in Longhorsley with their partner. Due to mobility issues they are unable to drive and find it difficult to use public transport. Their partner recently gave up driving due to a health condition. Jordan is reliant on the local corner shop for food, which is placing increased strain on their finances. Their lack of reliable transport means they frequently miss healthcare appointments and are becoming increasingly socially isolated.

Leigh and Jordan are currently unable to access the public and community transport networks that would allow them to stay in good physical, mental and social health. Their individual situations mean they are also unable to meet their needs through alternative means such as private transport. Their needs are therefore the most acute and should be the primary focus of improvements made to transport networks.

How can we improve public and community transport going forward?

As has no doubt become clear, transport is an incredibly complex issue and there is no one simple answer. The following recommendations do not contain a 'silver bullet'. Instead, they strive to create conditions so that the current transport networks can move out of a state of survival and into a new era. As we head into a future where our rural communities live longer, where the way we work often falls outside of a traditional '9 to 5' pattern and where rising costs mean that many households are choosing or are forced to give up their car, we need a robust transportation network that ensures that every resident in Northumberland is equally supported in staying healthy.

Recommendations to prioritise transport as a key factor in sustaining good health

1. Work with healthcare partners to identify and address transport factors in missed appointments. This includes:
 - Ensuring current offers for transport support are communicated to the relevant audience, through media such as the Gateway app or reimbursement of travel expenses scheme. Embed this communication into current MECC initiatives.
 - Identifying gaps in the transport offer and assess commissioning and funding arrangements more collaboratively between the VCSFE, Local authority, secondary and primary care
 - Address overall demand to travel by promoting the use of the patient portal to allow eligible patients to access tele-medicine where appropriate.
2. Recognise the interconnected nature of transport and work.

- Work with commissioners and providers of employment support services to prioritise addressing transport as a barrier to long-term employment.
 - Work with employers to consider the impact of transport barriers on recruitment difficulty and identify measures to overcome these barriers e.g. concessionary passes, specific employee transport, place-based approaches to sharing transport resource, car sharing schemes, cycle to work schemes
3. Include priorities identified into Joint Health and Wellbeing strategy.
 4. Maximise devolved powers and funding in emerging North East Mayoral Combined Authority to support its aims of better integration and better connectivity to reduce inequalities. This includes presenting findings of this report to the Integrated Care System (ICS) Executive board.

Recommendations to ensure sustainability of public transport network

5. Undertake an in-depth data analysis of public transport network to highlight future areas of need.
6. Highlight rural transport needs within regional work e.g. North East Transport Plan refresh
7. Lobby for continuation of schemes such as £2 cap fare.
8. Invest in digital platforms for public transport which can feed information into the new connected information system proposed within the North East Bus Service Improvement Plan.

Recommendations to ensure sustainability of community transport network

9. Create opportunities for longer term funding which focusses on evaluating and continuing what works within existing community transport schemes, alongside prioritising innovation in funding bids.
10. Collaboration between LA and VCSFE partners as well as between VCSFE partners across the patch to encourage stronger relationships within and between communities. This includes prioritising social value in procurement bids to the Local Authority to build stronger relationships between organisations and communities.

Recommendations to support those at highest risk of transport-related exclusion

11. Take a place-based approach to community transport which provides CT that meets the need of those communities and allows scaling up of CT provision.
12. Increase awareness of concessionary passes / transport support via welfare benefits
13. Ensuring accessibility 'quick wins', such as:
 - Increased bus driver training for carrying passengers with extra needs.
 - Ensuring audio announcements on all bus services are functional and turned on.
 - Providing clear timetables at bus stops and in railway stations in an accessible size and type font. Also providing better access to accessible information online and in physical spaces.

Who should take these recommendations forward and in what timescale?

Recommendation	Who is responsible?	Does this require extra funding?	What level of priority is it?	Within what timescale should it be enacted?
1 Work with healthcare partners to identify and address transport factors in missed appointments	Healthcare partners	No	Medium	Long-term
2 Recognise the interconnected nature of transport and work	Employers, NCC (Employment support services) Combined Authority DWP	No	Medium	Long-term
3 Include priorities identified into JHWBS	NCC (Public Health)	No	High	Short-term
4 Maximise devolved powers and funding in emerging North East Mayoral Combined Authority	Combined Authority	No	High	Long-term
5 In-depth data analysis of public transport network	NCC (Transport)	No	Low	Long-term
6 Highlight rural transport needs within regional work	Transport North East	No	High	Short-term
7 Lobby for continuation of the £2 cap fare	NCC	No	High	Short-term

8 Invest in digital platforms for public transport	Commercial public transport services NCC (Transport)	Yes	High	Long-term
9 Longer term funding for CT focussed on evaluation alongside innovation	Funders and commissioners VCSFE partners NCC	Yes	High	Long-term
10 Collaboration between LA and VCSFE partners as well as between VCSFE partners	VCSFE partners (including Thriving Together) NCC (NCT)	No	Medium	Long-term
11 Take a place-based approach to community transport	VCSFE partners and community groups NCC (NCT)	No	Medium	Long-term
12 Increase awareness of concessionary passes / transport support via welfare benefits	NCC (Transport, Employability) Transport North East DWP	No	Medium	Medium-term
13 Ensuring accessibility 'quick wins'	NCC (Transport) Commercial public transport services	Yes (minimal)	High	Short-term

Definition of priority

In this context 'priority' has been determined by both achievability and potential impact on communities:

'High priority' recommendations are those which may have a significant impact on communities and are deemed to be achievable within the set time frame.

'Medium priority' recommendations may be those with a potentially significant impact but added complexity, or those with a reduced level of potential impact.

'Low priority' recommendations can inform future work but may not immediately affect practice or policy.

Definition of timescales

Short-term: within 3-6 months

Medium-term: within 6-12 months

Long-term: within 12-24 months

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Northumberland County Council

Cabinet

Tuesday, 7 May 2024

Nominations to Outside Bodies

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

Responsible Officer(s): Stephen Gerrard, Director of Law and Corporate Governance

1. Link to Key Priorities of the Corporate Plan

The report links to all of the priorities in the 2023-26 Corporate Plan by establishing representation on external bodies to enable the discharge of business relating to the non-executive functions of the Council in accordance with the corporate priorities.

2. Purpose of report

To agree Cabinet's nominations to outside bodies.

3. Recommendations

- 3.1 That Cabinet agree its nominations to the bodies detailed in the appendix attached to this report

4. Forward plan date and reason for urgency if applicable

This report does not require a key decision

5. Background

- 5.1 There are a number of organisations which are independent from the Council, but have an impact on its service areas. In order that the Council can maintain effective partnerships with these organisations, elected councillors are nominated by Cabinet to sit on the various committees or boards that are responsible for them.

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

- 6.1 The recommendations reflect the Council's obligations to outside bodies

7. Implications

Policy	The proposals ensure the Council conforms with its Constitution and legislation
Finance and value for money	None
Legal	The proposals ensure the Council conforms with its Constitution and legislation
Procurement	None
Human resources	None
Property	None
The Equalities Act: is a full impact assessment required and attached?	No - not required at this point
Risk assessment	None
Crime and disorder	None
Customer considerations	None
Carbon reduction	None
Health and wellbeing	None
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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Appointed by Cabinet (23.04.2024)

Organisation	Cllr Appointed 1	Cllr Appointed 2	Cllr Appointed 3	Cllr Appointed 4	Cllr Appointed 5
Advance Northumberland	Guy Renner-Thompson	John Riddle	Jeff Watson	Jeff Reid	Steven Bridgett
ANEC Limited – Leaders’ and Elected Mayors’ Group	Glen Sanderson	Richard Wearmouth			
ANEC Limited – North East Cultural Partnership	Jeff Watson				
ANEC Limited – Resources Task and Finish Group	Richard Wearmouth				
Collaborative Procurement Sub-Committee of the Association of North East Councils	Wojciech Ploszaj				
Council of Management of Counties Furniture Group	Barry Flux				
County Councils Network - Council	Glen Sanderson	Richard Wearmouth	Barry Flux	Guy Renner-Thompson	
Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust - Council of Governors	Wendy Pattison				
Industrial Communities Alliance	Brian Gallacher	Kath Nisbet (sub)			
LGA - Fire Commission	Gordon Stewart				
LGA - General Assembly	Richard Wearmouth	Barry Flux	Guy Renner-Thompson		
LGA - Group Leaders	Glen Sanderson	Scott Dickinson			
LGA - Leaders	Glen Sanderson				
LGA Coastal Special Issues Group	Guy Renner-Thompson				
National Association of Councillors	Catherine Seymour				
NEREO	Richard Wearmouth	Wojciech Ploszaj	Guy Renner-Thompson	Jeff Watson	
NEREO Executive Committee	Richard Wearmouth				
Newcastle Airport Consultative Committee	Richard Dodd				
Newcastle Airport Holding Company	Glen Sanderson	Richard Wearmouth(alternate)			

Appointed by Cabinet (23.04.2024)

North East Migration Partnership	Guy Renner-Thompson	Wendy Pattison			
North Pennine Dales LEADER Local Action Group	Colin Horncastle				
Northumberland Tourism	Jeff Watson				
Northumbria Healthcare NHS Foundation Trust Governing Body	Veronica Jones	Gordon Stewart			
Safer Northumberland Partnership	Gordon Stewart				
The Joint OSC for the NE & NC ICS & North & Central ICPs	Paul Ezhilchelvan	Kath Nisbet	Veronica Jones	Barry Flux (alternative)	
Woodhorn Charitable Trust	Catherine Seymour				