



# Northumberland

## County Council

**Your ref:**

**Our ref:**

**Enquiries to:** Karon Hadfield

**Email:** karon.hadfield@northumberland.gov.uk

**Tel direct:**

**Date:** 13 February 2024

Dear Sir or Madam,

Your attendance is requested at a meeting of the **COUNTY COUNCIL** to be held in **COUNCIL CHAMBER - COUNTY HALL** on **WEDNESDAY, 21 FEBRUARY 2024** at **2.00 PM**.

Yours faithfully

Dr Helen Paterson  
Chief Executive

**To County Council members as follows:-**

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

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

[NorthumberlandTV - YouTube](#)



**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  
- 20)

Minutes of the meeting of County Council held on Wednesday 17 January 2024, as circulated, to be confirmed as a true record.

### 3. DISCLOSURES 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. ANNOUNCEMENTS BY THE CHAIR, LEADER, MEMBERS OF THE CABINET, CHAIR OF AN OVERVIEW AND SCRUTINY COMMITTEE OR HEAD OF PAID SERVICE**

**5. PUBLIC QUESTIONS**

To receive questions provided on notice from and to provide answers to the public in accordance with the Council's Procedure Rules.

**6. MEMBER QUESTIONS**

To receive questions provided on notice from and to provide answers to Members of the Council in accordance with the Council's Procedure Rules.

**7. THE BUDGET**

(Pages  
21 - 428)

**7.1 Budget 2024-25 – Report under Section 25 of the Local Government Act 2003**

To provide Council Members with information on the robustness of the estimates and the adequacy of reserves in the Cabinet's budget proposals for 2024-25. Provision of this information is a legal requirement and ensures that all Members have regard to the professional authoritative advice provided by the Council's Chief Financial Officer when final budget decisions are made at this meeting.

**7.2 Budget Engagement Report**

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

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

The report seeks Council approval for the updated Budget 2024-25, Medium Term Financial Plan (MTFP) 2024-28 and 30-year Business plan for the Housing Revenue Account (HRA).

**7.4 Budget 2024-25 and Medium-Term Financial Plan 2024-28**

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

It is important to note that there may need to be some revisions to the figures following receipt of the Government's final Local Government

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

#### **7.5 Update to the Budget 2024-25 and Medium Term Financial Plan 2024-28**

The purpose of this report is to update Members with matters relating to the Budget 2024-25 which have arisen following the publication of the final Local Government Finance Settlement and publication of the Budget reports, one of which was presented to the all OSC Member Corporate Services and Economic Growth Overview and Scrutiny Committee on 29 January 2024 and the second to Cabinet on 13 February 2024.

#### **7.6 Revenues and Benefits Policies for 2024-25**

The purpose of this report is to update Members on the policies governing the administration of Revenues and Benefits and seek approval for the updates and amendments highlighted. (The policies are enclosed separately with this agenda).

#### **7.7 Council Tax 2024-25**

To provide Council Members with the financial information to enable the Council to calculate and set the Council Tax for 2024-25.

- |            |  |                         |
|------------|--|-------------------------|
| <b>8.</b>  | <b>REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE SERVICES</b>   | (Pages<br>429 -<br>458) |
|            | <b>Corporate Fraud Policies 2024-25</b>  |                         |
|            | The purpose of the report is to provide an update on the County Council's policies in relation to Corporate Fraud activity and seek approval for updated policies  |                         |
| <b>9.</b>  | <b>REPORT OF THE LEADER, CHAIR OF THE STAFF AND APPOINTMENTS COMMITTEE</b>   | (Pages<br>459 -<br>476) |
|            | <b>Pay Policy Statement of Northumberland County Council 2024/2025</b>   |                         |
|            | This report asks Council to receive and consider the report and the recommendation of the Staff and Appointments Committee that met on 8 February 2024, in respect of the proposal that the amended pay policy statement for 2024/25 is approved for adoption. |                         |
| <b>10.</b> | <b>REPORT OF THE CABINET MEMBER FOR PUBLIC HEALTH AND WELLBEING</b>  | (Pages<br>477 -<br>496) |

## **Annual Portfolio Report – Public Health and Wellbeing**

This is the Annual Report from the Cabinet Member for Public Health and Wellbeing. The report contains issues that set the context for delivery of the Portfolio. It highlights achievements over the past year and, outlines the areas of focus for the coming year.

- 11. REPORT OF THE CABINET MEMBER FOR PROMOTING HEALTHY LIVES** (Pages 497 - 516)

### **Annual Portfolio Report – Promoting Healthy Lives**

This is the Annual Report from the Cabinet Member for Promoting Healthy Lives. The report contains issues that set the context for delivery of the Portfolio. It highlights achievements over the past year and, outlines the areas of focus for the coming year.

- 12. URGENT BUSINESS** (Pages 517 - 520)

In accordance with the provisions of the local Government Act 1972 by reason of special circumstances, the Chairman of the Council is of the opinion that the following item should be considered at the meeting as a matter of urgency:

#### **Strategic Acquisition Fund**

The report seeks the approval of Council to make a £15.000 million provision in the Capital Programme, for the current year, 2023-24, for the acquisition of strategic land and/or property in support of economic growth and job creation in the County.

**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.

<b>Name:</b>		<b>Date of meeting:</b>	
<b>Meeting:</b>			
<b>Item to which your interest relates:</b>			
<b>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):</b>			
<b>Are you intending to withdraw from the meeting?</b>		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.



# Agenda Item 2

## NORTHUMBERLAND COUNTY COUNCIL

At a meeting of the **Northumberland County Council** held on Wednesday 17 January 2024 at County Hall, Morpeth at 2.00 pm.

### PRESENT

Councillor B. Flux (Chairman in the Chair)

### MEMBERS

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

### OFFICERS

Binning, G.	Chief Fire Officer
Bradley, N.	Executive Director – Adults, Ageing and Wellbeing
Denyer, L.	Deputy Monitoring Officer
Gerrard, S.	Director of Law and Corporate Governance (MO)
Hadfield, K.	Democratic Services Manager
Hunter, P.	Assistant Chief Executive
Jones, P.	Director of Environment and

Kingham, A.	Transport Executive Director – Children and Young People
Masson, N. O'Neill, G.	Deputy Monitoring Officer Executive Director - Public Health, Inequalities, and Stronger Communities
Paterson, Dr H. Reiter, G.	Chief Executive Director of Children, Young People and Families
Willis, J.	Executive Director for Resources & Transformation (S151)

One Honorary Alderman was present

**45. APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Ball, Bridgett, Dale, Dunbar, Ezhilchelvan, Foster, Gallacher, Humphrey, and Watson.

**46. MINUTES**

**RESOLVED** that the minutes of the meeting of County Council held on Wednesday, 1 November 2023, be confirmed as a true record.

**47. DISCLOSURES OF MEMBERS INTERESTS**

With regard to item 15 on the agenda (Motion), Councillor Dodd advised that he had taken advice on this matter having paid into the LGPS and as the Council's representative on the TWPF Committee. He did not have to declare a formal interest and would take part in the debate in this matter, but not vote. The Monitoring Officer confirmed to members who had paid into the LGPS that they were not precluded from taking part in the debate.

**48. ANNOUNCEMENTS** by the Chair, Leader, Member of the Cabinet, Chair of an Overview and Scrutiny Committee or Head of Paid Service.

The Chair reported that the following people, particularly connected with Northumberland received honours in HM the King's New Years Honours list:-

**Officers of the Order of the British Empire (OBE)**

Mr Brian Andrew Palmer, Stocksfield - Founder and Chief Executive, Tharsus Group Limited, for services to manufacturing and skills.

Michelle Southern, Blyth - Founder and Director, Street Paws, for services to Homeless People and their Pets.

### **Members of the Order of the British Empire (MBE)**

Mr Patrick Chapman, Hexham - for services to the Creative Industries and to Higher Education.

Dr Alice Elizabeth Ellis, Morpeth - Consultant Urologist, South Tyneside and Sunderland NHS Foundation Trust, for services to the NHS.

Gwyneth Kathleen McKenzie, Riding Mill - Team District Commissioner, Hadrian District, Scout Association, for services to Young People and to the community in Northumberland, North Tyneside and Newcastle upon Tyne.

Mr Maurice Scott Weightman, Berwick-upon-Tweed - Founding Chair and Trustee, Berwick Youth Project, for services to young people in Berwick-upon-Tweed. Mr Weightman was also a former LD Group Leader for NCC.

### **Members of the British Empire Medal (BEM)**

Mr Ronald Wright, Red Row - Fleet Technical Officer, Northumberland Fire and Rescue Service, for public service.

The Leader welcomed the Peer Review members present and wished all members a happy new year. He reported to members that the Order had been laid in Parliament to establish the Mayoral Combined Authority and things were progressing well. The timetable for the opening of the Northumberland Line had now been agreed and work had begun on the new school build in Seaton Delaval. He was also pleased to report that the new Environment and Climate Fund was already over subscribed, with funding awarded to 17 organisations for projects within their communities.

Finally, he was delighted to report that the Authority's gold award status by the Ministry of Defence Armed Forces Covenant Employer Recognition Scheme had just been revalidated for a further five years. The scheme rewarded and recognised UK employers and organisations which showed outstanding support to the armed forces community. He presented the award to Councillor Jeff Watson in his role as Armed Forces Champion and thanked all those involved in providing this excellent support, including Councillor Gordon Castle and Jackie Roll.

## **49. PUBLIC QUESTIONS**

No public questions had been received.

## **50. MEMBER QUESTIONS**

**Question 1 from Councillor Fairless Aitken to Councillor Ploszaj**

In Hexham our HSHAZ - Heritage Scheme, directed and funded by NCC, is in the final stages of completion - and it's looking fabulous – thank you, our High Street is coming alive again.

However, there is one glaring omission from this - the old bus station - which has been empty and sitting in a state of disrepair for the last seven years.

During my by-election in December 2021 - £5m was promised for this by our local MP, it is still in the budget and waiting to be spent. The property is currently on the market through owners, Dysart, for £1.5m and residents in the town are desperate for it to be bought back & repurposed. So I am asking here today - would it be possible to purchase the bus station and fully complete the High Street Heritage Action Zone? Or is this not 'best value' for our town?

Councillor Ploszaj replied that he was also very keen that the former bus station site was progressed. The site was not owned by the County Council but regular meetings were held with the site owners, Dysart about the bus station site and he understood there was interest in a potential development of the site. When a planning application was submitted, it would be publicised and a presentation given to the Town Council. He agreed to keep Councillor Fairless Aitken and other local members updated with any progress. At the moment, the price for the site was beyond the independent valuation which had been received.

Councillor Fairless Aitken asked whether it would be possible, in order to progress matters, to serve a Section 215 on the site frontage which was an eyesore. Councillor Ploszaj advised that he would need to discuss this with the Head of Planning and provide a written response.

## **Question 2 from Councillor Hill to Councillor Pattison**

What is your honest assessment of the availability and effectiveness of mental health support services in the Berwick area ?

Councillor Pattison replied that one in four people in the UK had experienced mental health issues in the last year, so the question was an important one. The assessment was that there was a strong offer of mental health support in Berwick that measured up well compared to provision across the County and the region.

The regional NHS Mental Health Trust (CNTW) had a community treatment team based in Berwick town centre that included Consultant Psychiatry, Community Psychiatric Nursing support and psychology. The team worked closely with GP services and the adult social care north mental health team providing a multi-disciplinary approach to assess mental health care needs and consider appropriate interventions or therapies for support.

They also had a team that supported adults who experienced difficulties related to trauma. Additionally, NHS trailblazers was an excellent website detailing mental health support across Northumberland.

Where appropriate, the Council commissioned domiciliary care, supported living and residential care services in the Berwick area that were used by people with mental health conditions.

She also referred to the work of the voluntary sector, offering mental health support including services such as the Northumberland Recovery College, neurodivergent and dementia groups as well as support for younger people aged 13 to 25 through the Berwick Youth Project. This was in addition to mental health support options available to schools.

Whilst she felt there was a good range of support available, there was always capacity to improve the offer with partners and she welcomed any feedback members might have. This could be something the Health and Wellbeing Overview and Scrutiny Committee could look into with partners.

Councillor Hill responded that having heard concerns from residents, she could not share this optimistic view. She asked if Councillor Pattison would come to Berwick to meet with herself and residents to discuss these concerns further. Councillor Pattison agreed to do this with the Executive Director. She then referred to the new Safe Haven opening in Ashington which members may not have been aware of. This included a virtual waiting room where people could directly access a mental health professional.

### **Question 3 from Councillor Wallace to Councillor Horncastle**

Not only are locals unable in many cases to find homes along the Northumberland coastline due to the explosion of second homes, those who are fortunate to live there must have been extremely worried about additional coastal erosion happening during recent storms.

Does the Cabinet Member not believe the County Council should meet with its partners such as the Crown, National Trust, AONB, NIFCA and the Environment Agency? Can we be seen to take the lead in co-ordinating the protection of our communities living on the coastline, ensuring resident's homes and jobs are safe, by looking at the various solutions to the eternal problem of coastal erosion and share those solutions with our resident.

Councillor Horncastle agreed that coastal erosion was a key issue nationally for coastal communities. In Northumberland, the Council's Flood and Coastal Erosion Risk Management team was an active part of the North East Coastal Group. This group brought together all relevant Councils together with the Environment Agency and other partners to manage coastal erosion issues.

Alongside this, the approach to coastal flooding and erosion was developed and documented through the Northumberland and North Tyneside Shoreline Management Plan which was led jointly by the Environment Agency and Northumberland County Council's Flood and Coastal Erosion Team. The Plan was currently being reviewed and an updated version would be presented to the County Council later this year.

Recent storms along the coast had resulted in visible changes to sand levels along parts of the coast and it was expected that beaches would recharge with sand over time. He was not aware of the recent storms having created any significant erosion risks to homes along the Northumberland coast. However, additional post storm surveys had been commissioned via the North East Coastal Group at locations including Cambois, Lynemouth and Newbiggin so the impact of such events could be understood.

He also mentioned the Council's success in delivering many actions on erosion and securing funding for coastal management schemes, such as the restoration of Seahouses Harbour Pier and protecting and reinforcing the harbour wall at Little Shore in Amble to safeguard homes and businesses.

This was an important issue for coastal communities and he hoped the answer reassured members that this was something the Council treated seriously and was playing a full part in addressing.

Councillor Wallace responded that it did give him some reassurance but it was the public who needed this reassurance the most. This was the first he had learned that coastal erosion was being looked at in the Cambois area. It was clear that damage was being caused by these storms and he welcomed any role he could play. He asked that he be kept informed so he could let residents know what was happening.

Councillor Horncastle responded that the County Council and other agencies undertook exercises on a regional basis so could take appropriate action when such incidents occurred. Regarding the sand issue, he was informed that this would recharge itself. Modelling was done regularly so if there was any risk to communities, they would be informed.

#### **Question 4 from Councillor Nisbet to Councillor Riddle**

The home zone in Croft ward in Blyth has been neglected for the last 5yrs with me allocating small schemes to patch it up. For 6yrs I have placed it on the LTP and its been knocked back over and over. What other routes exist to get this work done for residents?

Councillor Riddle thanked Councillor Nisbet for her question but could not agree that the Home Zone at Croft had been neglected. The area had continued to receive all the appropriate routine and regular maintenance services including sweeping, weed spraying, grass cutting, highway inspection and repair.

The Council had to prioritise the use of its LTP funding across the whole highway network. Officers had considered additional requests that had been put forward for improvements and additional maintenance over time relative to other needs elsewhere. This year over £70,000 had been spent on a resurfacing scheme for Maddison Street and patching repairs had been carried out to parts of Disraeli Street and Durban Street. The Council was also taking forward housing renewal and improving neighbourhoods as part of the £90m Blyth Town Investment Plan. This would include street works and public realm.

Councillor Nisbet responded that it was the roads which were the issue. She had spent a large part of her member small schemes funding on the works at Durban and Disraeli Streets. Traffic was now much heavier on these streets as well as Wright Street and something needed to be done.

Councillor Riddle replied that he would come and visit with an officer but reassured Councillor Nisbet that everything was being done which could be.

## **Question 5 from Councillor Robinson to Councillor Horncastle**

There is a very important part of Bedlington heritage missing, namely the Hartford Hall gates. These gates have a Grade II\* listing by English Heritage and I believe there are only two sets in the country that have that recognition, these being one.

I also believe they are now in the possession of this County Council and there was a project talked about some years ago to see them renovated. My question is what is happening to them?

Councillor Horncastle responded that the Hartford Hall Gates were Grade II\* listed structures. They were manufactured at Coalbrookdale for exhibiting at the Vienna Universal Exhibition of 1873, after which they were purchased for Hartford Hall. The gates were removed for repair (without the benefit of Listed Building Consent) in 2004; some repairs were completed but works stalled due to escalating costs. The Estate went into administration in 2009 and in 2014 the workshop which held the gates refused to store them any longer. The Council was unable to find another organisation able to take them on in their current condition so, as a last resort, had taken custody of them whilst a solution was found.

Historic England funded a condition report which, at the time (2013) estimated repair costs of c£390,000, annual maintenance costs of £2,550 and maintenance repainting costs of £25,000 every 15 years. These figures would now be significantly higher.

Since then, Historic England had funded the cleaning, recording and stable packaging of the gates for long term storage and they were now securely stored in a Council depot. Discussions regarding the possibility of a museum taking them into their collection stalled whilst legal ownership of the gates was established.

This had been a complex and lengthy process as the gates went first to Bona Vacantia and then to Crown Estates, who confirmed they would not act as owner. At the moment, the gates were securely packaged and stored and the Council was starting to re-open discussions with the museum.

Councillor Robinson asked whether it would be possible to get a team together to identify some funding to have this work done. These gates were the very best examples of their type and their significance and importance in the region should be celebrated. He urged that some positive action be taken.

Councillor Horncastle understood but reminded members that they did not belong to the Council and any such team would need to be experts in this field. He would discuss the current position with the Head of Planning.

## **51. REPORT OF THE CABINET MEMBER FOR LOOKING AFTER OUR COMMUNITIES**

### **Annual Portfolio Report – Looking after our Communities**

The Annual Report from the Cabinet Member for Looking after our Communities contained issues that set the context for delivery of the Portfolio. It highlighted achievements over the past year and outlined the areas of focus for the coming year.

Councillor Stewart presented the report and detailed the key points for members. There were a number of member comments including:-

- Councillor Dunn welcomed the news of the 16 CCTV cameras which seemed to have been a great success. She suggested they be rolled out further and a proper budget identified for them. She was interested to know what could be done for those areas which were not deemed as “hotspots” including her own ward. She referred to a fly tipping issue which was not on County Council land and which the Council would not get involved with. She did not think this was acceptable and asked what options there were now for action, other than the Parish Council taking responsibility for moving it. Councillor Stewart responded that fly tipping took place everywhere. He agreed that further cameras could be looked at to identify where additional funds could be sourced from. He encouraged Councillor Dunn to make contact if she wasn't getting satisfactory answers to her queries.
- Councillor Morphet referred to the Council response to the avian flu outbreak. Wildlife health impacted on human health and as the prevention of disease was better than cure, he asked that officers look at the possibility of partnering with local and national wildlife organisations on the prevention of disease outbreaks in wildlife. Councillor Stewart agreed to take this forward.
- Councillor Hunter asked whether the Fire Service still did home visits to check smoke alarms as well as the educational visits to schools. Councillor Stewart confirmed this was the case and 91% of visits last year had resulted in a positive outcome. Staff were also going into schools in association with the Prince's Trust.

**RESOLVED** that the report be noted.

## **52. COMMUNITIES AND PLACE OVERVIEW AND SCRUTINY COMMITTEE – INTERIM REPORT TO COUNCIL**

Council was asked to receive a report from the Chair of the Communities and Place OSC. The report was presented by Councillor Oliver. He commented on the wide geographic representation of very proactive members on the Committee and he thanked officers and Cabinet members who had come to Committee over the year. He referred to some of the key points, including the new ways in which Scrutiny was now working and the major issues which the Committee had looked at, and he detailed some of the areas of focus for the forthcoming year.

Questions from members included:-

- Councillor Fairless Aitken asked whether there would be a commitment to replacing those trees which had been lost to Ash die back on a like



for like basis as there were quite a few in her ward. Councillor Oliver responded that this could be raised with officers when it came back to Scrutiny.

- Councillor Robinson referred to the tree management strategy and asked whether this would cover trees in residential areas which were causing problems. Councillor Oliver responded that the policy did include an enforcement process where a tree posed a risk, but generally it recognised that they were an important part of the landscape and should be left alone.
- Councillor Grimshaw commented on the great work done by Kris Westerby on Fix My Street. She acknowledged that this service had proved popular and hoped that there was sufficient resource to meet the demand on it. She also expressed concerns about homelessness, and the effect on this of the increasing number of landlords selling their rental properties. She asked how many properties the Council had to house the homeless, and was concerned about them having to be homed somewhere that was not suitable for their needs. Councillor Oliver responded that all of these points were picked up when the Action Plan was considered.
- Councillor Hunter also welcomed the Fix My Street facility and hoped that it would be properly monitored to prevent the progress emails coming out. Councillor Oliver agreed this was an important point about integrating the reporting systems and would be looked at over this year.
- With regard to Fix My Street, Councillor Dickinson commented that residents were getting responses advising that an issue was the responsibility of the parish council and then it didn't go any further. He suggested that Scrutiny might look at how this could be linked into parish councils. He also raised the issue of when local members or the resident were told that a job had been closed off when it actually hadn't due to timings or targets, and asked if this could be looked at. Councillor Oliver agreed to pick these points up in the review.

**RESOLVED** that the report be received.

## **53. REPORT OF THE LEADER**

### **Introduction of Corporate Safeguarding Policy**

The report outlined the recommendation to introduce a Corporate Safeguarding policy. The policy would be established in addition to the existing policies and procedures operated within the Adults, Ageing and Wellbeing, and the Children, Young People and Education Directorates.

The policy would apply to all officers, volunteers, contractors and Councillors and made it clear how the Council undertook its legal commitments in regard to safeguarding to children and adults.

The Leader introduced the report and explained the background to it. It would allow issues to be reported more easily and to be responded to. He moved the recommendations which were seconded by Councillor Hill.

- Councillor Swinburn asked if it were possible for some kind of guidance to be issued to members and the public about the signs of abuse which may not easily be recognised or were less obvious. The Leader responded that the report referred to training and awareness for staff and could be rolled out to members.
- Councillor Hill referred to the recent tragic case in Skegness where the family had been known to Social Services and which provided a reminder to people to act on concerns.
- Councillor Dickinson also supported this and agreed awareness was vital to ensure that the signs and symptoms were understood. He felt the training should be made mandatory for all members given its importance. The Leader agreed and suggested that it be included in the forthcoming safeguarding training.
- Councillor Cartie agreed all members should be trained and suggested that the voluntary sector should also be given access to it. She also commented that there was no reference to human trafficking which was an essential component of the child protection policy. The Leader responded that this would be taken on board, and regarding the voluntary organisations which were not involved with the Council, this could be considered after the training of staff, members and volunteers associated with the Council had been completed.
- Councillor Grimshaw felt that scamming of vulnerable people should also be covered in the training and the Leader agreed that it could.
- Councillor Morphet supported the policy but commented that paragraph 6.3 needed revision to provide some clarity. The Leader agreed this would be looked at.
- Councillor Murphy did not feel that the suggestion in paragraph 6.3 to not intervene was helpful. It was not in the spirit of the policy and should be looked at again.

The Leader thanked members for their comments. He asked members to agree the policy today with the proviso that all members would be contacted with responses to the points which had been raised. If any concerns remained, then it would come back to Council. There was no dissent to this.

**RESOLVED** that Council approve the introduction of the policy and agree that it apply to all officers, volunteers, contractors and Councillors with effect from 1 April 2024.

## **54. REPORT OF THE LEADER**

### **Corporate Parenting**

The report updated and engaged members on progress with implementing the Council's statutory responsibilities for corporate parenting of our cared for and care experienced children and young people.

The report was presented by the Leader. He stressed the importance of the role for every member and proposed to bring a regular update report to Council.

**RESOLVED** that members note the progress made in the last twelve months.

**55. REPORT OF THE CABINET MEMBER FOR LOOKING AFTER OUR COMMUNITIES**

**Northumberland Fire and Rescue Service Inspection Report**

His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) undertook a third full inspection of Northumberland Fire and Rescue Service (NFRS). The report provided an Executive Summary.

The report was presented by Councillor Stewart and he detailed the key points, stressing that the result was something to be proud of.

**RESOLVED** that Council note the outcome of the Inspection Report.

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

**Council Tax Support Scheme 2024-25**

The report sought approval for the local Council Tax Support Scheme for 2024-25 to continue to provide support at a maximum level of 92% of council tax liability.

The report was presented by Councillor Wearmouth and he detailed the key points. He moved the report, which was seconded by the Leader.

Councillor Dunn asked whether the DWP grant was expected to come in after March 2024. She also sought confirmation that the extra help would be £100 per household compared to £200 previously. Councillor Wearmouth advised that last year the figure had been £175, and £200 the year before. However, it was anticipated that the Government would provide some extra funding, though this would not be confirmed until after the budget was set, and would have to be looked at afterwards.

Councillor Dickinson commented that this policy had been debated for a number of years,. His Group had failed to change minds but would prefer to have something rather than nothing for residents. His Group would therefore support it on the basis that the same assurances would be given around the expected funding and from the S151 Officer.

On the recommendations being put to the vote there voted FOR: a substantial majority; AGAINST: 3; ABSTENTIONS: 0.

It was therefore **RESOLVED** that the Council Tax Support Scheme, attached to the published report on the Council website, be adopted as the Council's local scheme for 2024-25.

**57. REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE RESOURCES**

**Community Governance Review Stamfordham Parish**

Council was asked to consider the outcome of a Community Governance Review in the County.

The report was presented by Councillor Wearmouth and he moved the recommendations, which were seconded by Councillor Jones as the local member. Councillor Jones commented that the Parish included both Stamfordham as well as some outlying villages and isolated houses. The ward dividing line was unnecessary and created confusion, and seven parish councillors covering the whole of the parish made more sense.

**RESOLVED** that:-

- (a) Stamfordham Parish Council should not be divided into wards for the purpose of electing Councillors; and
- (b) the Monitoring Officer be authorised to make, sign and seal the appropriate Orders by virtue of the powers contained in the Local Government and Public Involvement in Health Act 2007.

**58. REPORT OF THE DEPUTY LEADER AND CABINET MEMBER FOR CORPORATE RESOURCES**

**Independent Chair of Standards Committee**

The report updated members on the progress of the recruitment process for a new independent Chair of Standards Committee and asked for the current Chair to be appointed for a period of one year to enable the recruitment process to be completed.

The report was presented by Councillor Wearmouth and he set out the background to the current position. He moved the report's recommendations which were seconded by the Leader.

Councillor Dickinson asked what the issue had been in finding a new Chair for the Committee and whether there was a particular theme coming back from the Panel. Councillor Wearmouth replied that it had been felt that the applicants had not had the necessary skills.

**RESOLVED** that Mr Joe Jackson be appointed to the position of Independent Chair of Standards Committee for one year, or if sooner, until a new Independent Chair can be recruited.

## 59. MOTION

### Motion No. 1

The motion from Councillor Morphet which had been received by Democratic Services on 3 January 2024, was set out in the agenda as follows:-

#### ***To Encourage the Tyne & Wear Pension Fund to Divest From Fossil Fuels***

*The Local Government Pension Scheme is a national pension scheme for those working in local government or for other participating employers. It's administered in England and Wales by 86 local pension funds, one of which is the Tyne & Wear Pension Fund (TWPF) - with which Northumberland Pension Fund merged in 2020. The TWPF is administered by South Tyneside Council. The TWPF Pensions Committee is responsible for the control of the pension fund and meets quarterly. It has eight members from South Tyneside Council, one each from North Tyneside Council, Newcastle City Council, Gateshead Council, City of Sunderland Council and Northumberland County Council, three from trades unions and three from local employers.*

#### ***This Council notes that:***

- Climate change poses an existential threat to human civilisation, and the importance of limiting warming to 1.5 degrees Celsius over pre-industrial levels is widely accepted.*
- Northumberland County Council declared a climate emergency in 2019, and has set targets for both the council and the county to be carbon neutral by 2030.*
- The County Council's Climate Change Action Plan 2021-23 estimates that hitting these targets will generate 11,000 good green jobs.*
- The County Council's Corporate Plan 2023-26 states that "Everything we now do takes account of the impact it will have on our planet" and goes on to say that "As one of the largest employers in the county, we can become a leading example.. on carbon neutral approaches" and that we can "Provide practical examples of how to become a net zero employer which can be picked up.. by other employers in the county".*
- The burning of fossil fuels makes by far the largest contribution to climate change, accounting for over 75% of greenhouse gas emissions.*
- Fossil fuel companies have intentionally delayed action on climate change in order to continue "business as usual".*
- The TWPF currently has at least £461m invested in fossil fuels. This is 5.1% of its total portfolio and well above average for UK local government pension funds.*

- *The TWPF 2022-23 Annual Report says that the County Council paid £32m in Employer Contributions, effectively investing £1.6m of tax payers' money in fossil fuels in just one year.*
- *Investing in fossil fuels is incompatible with the County Council's climate emergency declaration and carbon neutral pledges.*
- *In 2015, the Governor of the Bank of England said that the action needed to keep to even 2 degrees Celsius of warming would "render the vast majority of existing fossil fuel reserves stranded" and "literally unburnable". Fossil fuels are becoming an increasingly risky investment.*
- *It's the TWPF's fiduciary duty to protect its beneficiaries from the effects of climate change by avoiding a) investments that are becoming high risk as a result of climate change and b) investments that exacerbate climate change. Failure to do so will cause a worsening of climate change and an increased investment risk.*
- *The TWPF could invest the County Council's Employer Contributions in local initiatives that benefit both people and planet.*
- *Six pension funds in the Local Government Pension Scheme have already committed to fossil fuel divestment - most recently Wiltshire Pension Fund, which is administered by Wiltshire Council and states that "We do not see a long term place for fossil fuel investments in our portfolios and will work towards being fully divested from these companies by 2030".*
- *Dozens of UK local authorities (including Manchester City Council and Cambridgeshire County Council) have passed motions encouraging their local government pension funds to divest from fossil fuels.*
- *In 2017, UNISON passed a motion to start a campaign for Local Government Pension Scheme fossil fuel divestment.*
- *Gateshead Council has recently passed a motion asking the TWPF to review their investments in fossil fuels and invest in companies that will minimise climate risk.*
- *North Tyneside Council has recently passed a motion urging the TWPF to explore the possibility of shortening the timeframe for total divestment from fossil fuels.*

***This Council resolves to:***

- *Ask its Pensions Committee representative to encourage the TWPF to divest from fossil fuels completely by 2030.*

- *Ask its Pensions Committee representative to encourage the TWPF to engage more closely with its beneficiaries on climate change.*
- *Ask its Pensions Committee representative to provide an annual report on their involvement with the TWPF to the most appropriate County Council committee.*

A revised motion had been circulated to members on 12 January 2024 as follows and copies were available in the Chamber showing the changes:-

*The Local Government Pension Scheme is a national pension scheme for those working in local government or for other participating employers" It's administered in England and Wales by 85 local pension funds, one of which is the Tyne & Wear Pension Fund (TWPF) with which Northumberland Pension Fund merged in 2020. The TWPF is administered by South Tyneside Council. The TWPF Pensions Committee is responsible for overall investment strategy and meets quarterly. It has eight members from South Tyneside Council, one each from North Tyneside Council, Newcastle City Council, Gateshead Council, City of Sunderland Council and Northumberland County Council, three from trades unions and three from local employers. The pension fund's investment managers are responsible for individual investment decisions.*

*This council notes that:*

- *Climate change poses an existential threat to human civilisation, and the importance of limiting warming to 1.5 degrees Celsius over pre-industrial levels is widely accepted.*
- *Northumberland County Council declared a climate emergency in 2AL9, and has set targets for both the council and the county to be carbon neutral by 2030.*
- *The County Council's Climate Change Action Plan 2021-23 estimates that hitting these targets will generate 11,000 good green jobs.*
- *The County Council's Corporate Plan 2023-25 states that "Everything we now do takes account of the impact it will have on our planet" and goes on to say that "As one of the largest employers in the county, we can become a leading example.. on carbon neutral approaches" and that we can "Provide practical examples of how to become a net zero employer which can be picked up.. by other employers in the county".*
- *The burning of fossil fuels makes by far the largest contribution to climate change, accounting for over 75o/o of greenhouse gas emissions.*
- *Fossil fuel companies have intentionally delayed action on climate change in order to continue "business as usual".*
- *As of 31/3/23 the TWPF had £239m invested in fossil fuels, which is approximately 2% of its total portfolio.*
- *The TWPF 2022-23 Annual Report says that the County Council paid £32m in Employer Contributions, effectively investing over f 600,000 of tax payers' money in fossil fuels in just one year.*
- *Investing in fossil fuels is incompatible with the County Council's climate emergency declaration and carbon neutral pledges.*
- *In 2015, the Governor of the Bank of England said that the action needed to keep to even 2 degrees Celsius of warming would "render the vast majority of*

*existing fossil fuel reserves stranded" and "literally unburnable". Fossil fuels are becoming an increasingly risky investment.*

- *The TWPF has a fiduciary duty to consider investment risk, and a duty to avoid high risk investments such as those in fossil fuels.*
- *The TWPF could invest the County Council's Employer Contributions in local initiatives that benefit both people and planet.*
- *The TWPF's Climate Change Policy commits it to transitioning its investment portfolios to net zero greenhouse gas emissions by 2050 or sooner and to reduce emissions by 50 to 60% by 2030 based upon a 2019 baseline. However, all six of the TWPF's member councils have committed to becoming carbon neutral by 2030 at an organisational and/or geographical level. Divesting from fossil fuels by 2030 would help the TWPF to reach net zero by 2030 and better align itself with the policies of its member councils.*
- *Gateshead Council has recently passed a motion asking the TWPF to review their investments in fossil fuels and invest in companies that will minimise climate risk.*
- *North Tyneside Council has recently passed a motion urging the TWPF to explore the possibility of shortening the timeframe for total divestment from fossil fuels.*
- *Dozens of UK local authorities (including Manchester City Council and Cambridgeshire County Council) have now passed motions encouraging their own local government pension funds to divest from fossil fuels.*
- *UNISON has also passed a motion to start a campaign for Local Government Pension Scheme fossil fuel divestment.*
- *Six pension funds in the Local Government Pension Scheme have already committed to fossil fuel divestment - most recently Wiltshire Pension Fund, which is administered by Wiltshire Council and states that "We do not see a long term place for fossil fuel investments in our portfolios and will work towards being fully divested from these companies by 2030".*

*This council resolves to:*

- *Ask its Pensions Committee representative to encourage the TWPF to divest from fossil fuels by 2030.*
- *Ask its Pensions Committee representative to encourage the TWPF to engage more closely with its beneficiaries (those people with a TWPF pension) on climate change.*
- *Ask its Pensions Committee representative to provide an annual report on their involvement with the TWPF to the most appropriate County Council committee.*

This amended motion was moved by Councillor Swinbank and seconded by Councillor Fairless Aitken. Councillor Swinbank advised that the amendments had been made after consultation with the S151 Officer to clarify the figures and to add context to the motion.

- Councillor Swinburn asked what specific fossil fuel investments had been made and if the TWPF decided to divest itself of these investments, would the Council have any control over who purchased them because the new investor could then do whatever they wanted with them. Councillor Swinbank responded the majority of the investments were in oil and gas. Regarding divestments, it would be for the TWPF to set the investment strategy.



- The Leader commented on the work done on climate change so far and the environment policy which he was very proud of, but his Group felt that no measures should be taken which would impact on those in receipt of pensions now and in the future. Whatever the Council's decision, it would have little bearing on the TWPF as it had its own strategy.
- Councillor Dickinson referred to some of the measures which the TWPF had undertaken in regarding to climate change investments and asked what the difference was if any to what was proposed in the motion. He agreed no action should be taken to destabilise the Fund. He was confident from the feedback he got from the Fund and the Council's representatives that the impact on the environment and the fossil fuel industry was being considered, but until there was a firm action plan to allow a safe move away from these minimal investments, his Group could not support a motion to accelerate this, potentially risking the Fund.
- Councillor Wearmouth asked what was actually meant by divestment of fossil fuels and what was trying to be captured. Councillor Swinbank responded that it was companies whose main business was fossil fuels – exploration, production and refining of fossil fuels. His understanding was that the TWPF did in fact invest in such companies.
- Councillor Robinson commented that the motion only encouraged the TWPF to take this action and annual reports were already received in any case. This was just an understanding and nothing for members to be concerned about.
- Councillor Oliver agreed that the country needed to move away from fossil fuels and that it was important to recognise that the UK was one of the leaders in this direction of travel, and that these oil and gas companies were very large investors in renewable energy activities. If the Council moved too quickly there could be an adverse impact on the economy such as had been seen as a result of the war in Ukraine. He agreed with the principle but did not feel it was up to the Council to determine the matter, so he would not be supporting the motion.
- Councillor Murphy commented that the Pension Board had a statutory obligation to invest wisely and not invest in poorly performing areas of business so if disinvesting meant losing money, then they wouldn't be able to do that. This did not support the arguments of the Conservative and Labour Groups. She felt that motion was itself quite weak but she agreed with the principle of encouraging investment in other areas.
- Councillor Kennedy commented this was the third version of the motion members had had in a week. The original motion contained a number of errors and circulating a further version of the motion at the last minute did not represent effective communication. However, he would support the motion as it only asked the Council to "encourage". Hexham Town Council had passed a similar motion recently which had been much shorter, but effectively said the same thing.
- Councillor Hill remarked that it was always disappointing when an important issue such as this was raised, but from the wrong angle. Public sector pensions faced a financial timebomb and there were real issues to tackle, but this was not one of them. Nor did she feel there was much public interest in it as politicians thought, and she would not be supporting it.
- Councillor Watson commented that the Pension Fund was always a complicated issue. The Council had one representative on a Board of 12 which was an inherent part of the Border to Coast Pension Partnership and

which oversaw a Fund of £43 billion. He felt the motion was verbose, inaccurate and meaningless because what it asked for was already being done, and he could therefore support it.

- Councillor Morphet responded that this was not the third version of the motion, but the second which made some minor changes to the original. The paper copy circulated in the Chamber simply showed those tracked changes. The points made about fossil fuel companies engaging in renewables came down to the argument about whether they could be trusted or not. Fossil fuel companies had in the past deliberately spread misinformation and delayed action on climate change so he did not think they could be trusted. The TWPF had £239m invested in fossil fuels as of 31 March 2023 and were continuing to invest in fossil fuel companies who had announced their intention to explore for new fossil fuel reserves and/or to expand production. The figures which had been included in the first version of the motion had been from UK Divest and after discussion with the S151 Officer, they had decided to go with the official figures.
- Councillor Castle commented that the closer this was examined, the weaker it got. "Encourage" suggested the decisions should be left with those who made the decisions and he supported this. This was a complex matter and should be left with the experts, and he supported the principle of encouraging those experts to lower their investments in fossil fuels, where this could be done.
- Councillor Dodd spoke as the Council's representative on the TWPF Committee. The TWPF was worth about £12 billion and invested in many concerns both locally and across the globe. The figures which had been included in the motion were misleading. The TWPF had a plan to get to net zero. The Fund currently paid out £30m per month to retired employees which represented around 25% of Northumberland households and made a significant contribution to the economy of the County. He had received advice from TWPF that as a representative, supporting the motion would be clear breach of his fiduciary duties. He would therefore abstain from the vote.
- Councillor Hardy advised that, as Councillor Dodd's substitute he would not vote either but he felt the motion was very weak. The TWPF was already encouraging investment in other areas and he reiterated Councillor Dodd's point that the Fund was in transition. Fossil fuels were still essential in everyday life and to run the economy.
- Councillor Renner Thompson commented that he did not have an issue with the long term aim of the net zero policy but disinvestment was not the way to achieve it because this meant less public control. Oil and gas revenue was worth £10billion to the UK Government annually, it reduced reliance on foreign dictators and was responsible for 280,000 British jobs so he could not support the motion.

Councillor Fairless Aitken supported the motion because it was brave and idealistic. She acknowledged the errors in some of the detail but felt that the Council needed to move forward with this change from the bottom up and nudge those further up the decision making chain. The motion sent a message and it was the spirit which was important.

Councillor Swinbank commented that 2023 had been the warmest year on record and was now 1.4 degrees Celsius higher than the baseline figure. 2015-23 had been the nine warmest years on record and CO2 levels continued to rise. The

pledges made by countries across the world as part of the Paris Agreement would lead to a position where temperatures were 2.5 to 2.9 degrees higher by 2100 which was not far away. The motion encouraged TWPF to divest from fossil fuels by 2030 rather than 2050. The Northumberland target as part of its Climate Change Action Plan was net zero by 2030 and this had been put in for a reason because it was the area under the curve which was important. He acknowledged the fiduciary duty to the Pension Fund but this also meant a need to consider the risks of the investment and these were greater than members thought they were. Sooner or later the fossil fuel companies would find themselves with stranded, or irrecoverable, assets and managed divestment was the sensible way out. He urged members to support the motion.

On the motion being put to the vote there voted FOR: 10; AGAINST: 16; ABSTENTIONS: 27. The Chair therefore declared the motion lost.

.....  
Chair of the County Council

.....  
Duly Authorised Officer

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## Northumberland County Council

### COUNTY COUNCIL

21 FEBRUARY 2024

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### Budget 2024-25 – Report under Section 25 of the Local Government Act 2003

Report of: Jan Willis, Executive Director of Transformation and Resources (Section 151 Officer)

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#### Purpose of Report

1. To provide Council Members with information on the robustness of the estimates and the adequacy of reserves in the Cabinet's budget proposals for 2024-25. Provision of this information is a legal requirement and ensures that all Members have regard to the professional authoritative advice provided by the Council's Chief Financial Officer when final budget decisions are made at this meeting.

#### Recommendation

2. That Members have regard to this report and the opinions contained and set out in the report when considering and approving the Budget and the level of Council Tax for 2024-25.

#### Background

3. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and to appoint a S151 Officer, also known as a Chief Financial Officer (CFO), to have responsibility for those arrangements.
4. Local authorities decide every year how much they are going to raise from council tax. Decisions are based on a budget that sets out the estimates of what the Council plans to spend on each of its services in the forthcoming year in order to deliver the strategic objectives set out in the Council's Corporate Plan.
5. The decision on the level of the council tax is taken before the financial year begins and it cannot be changed during the year, so allowance for risks and uncertainties that might increase service expenditure above that planned, must be made by:
  - a. making prudent allowance in the estimates for each of the services and

- b. ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient or unexpected events occur that were not anticipated when the budget was compiled.
- 6. Section 25 of the Local Government Act (LGA) 2003 requires that when a local authority is considering its Budget and setting its Council Tax for the forthcoming financial year, its Chief Financial Officer must report to Full Council on:
  - a. the robustness of the estimates made for the purposes of the Council Tax requirement calculations and
  - b. the adequacy of the proposed financial reserves allowed for in the budget proposals.
- 7. Section 25 of the LGA 2003 also requires members to have regard to this report in making their decisions in relation to the Budget and the setting of Council Tax for 2024-25.

### **Members Awareness and Training in relation to the Budget Setting Process**

- 8. Two policy conferences relating specifically to the Budget have taken place during the year which provided a training opportunity for all Members and where Members were:
  - a. made aware of the budget process for the 2024-25 General Fund and Housing Revenue Account Budgets,
  - b. advised and reminded of their responsibilities as Members with regard to the budget setting process,
  - c. advised and reminded of the roles and responsibilities of the Council's Officers with regard to the budget setting process,
  - d. provided with budget training,
  - e. advised of the financial challenges facing the Council,
  - f. advised of the Budget consultation process,
  - g. advised of the underlying assumptions and estimated level of efficiencies required for the 2024-25 Budget and Medium-Term Financial Plan 2024-2028 (at the time of the conferences) as well as the progress made in identifying efficiencies to balance the Budget, and
  - h. provided with the opportunity to ask questions in relation to the budget setting process.

### **Robustness of Estimates**

- 9. Service groupings have been building detailed budgets throughout the budget setting process. This includes identification of unavoidable service pressures (recurrent and non-recurrent) and inflationary and demographic changes that need to be reflected in the base budget next year. Reports have been presented to Cabinet and Corporate Services Overview and Scrutiny Committee

throughout the year as part of the budget planning process (and the current year's financial monitoring process).

10. The 2024-25 budget proposals are based on extensive analysis and assurances from Executive Directors and their Service Management Teams plus their finance support staff. Cabinet Members have worked closely with their Executive Directors throughout the process.
11. Overview and Scrutiny Members were able to challenge and question the Cabinet Members and Executive Management Team on budgets, performance and proposals at an all-Member Corporate Services and Economic Growth Overview and Scrutiny Committee on 29 January 2024.
12. Local area committee members, the Trade Unions, Business Ratepayers and their representatives have also had the opportunity to be consulted on the proposals. The feedback from these consultations, alongside the outcomes from the consultation undertaken with the wider public via an online survey that was made available on the Council's website, is included in the Budget report.
13. The Council has faced significant financial challenges because of high inflation levels during 2023-24. This has impacted on the price of goods and services purchased. Alongside this the 2023-24 pay award averaged 5.26% compared to the allowance of 4.00% which was included in the base budget. These significant budget pressures in 2023-24 have all been included in the latest monitoring report which will be provided to Cabinet on 12 March 2023. The quarter 3 forecast includes fortuitous income by way of business rates from the allocation of the surplus from the Government's levy account and is currently showing a projected underspend of £0.078 million.
14. The significant inflationary and demand led pressures, particularly in the Children's Social Care and home to school transport budgets, have resulted in total additional recurrent base budget pressures of £14.823 million being included in the 2024-25 budget build process. As part of the Local Government Finance Settlement, Government has overall provided £8.881 million of additional grant funding next year for Adult and Children's social care pressures.
15. The final Local Government Finance Settlement included additional Social Care Grant funding of £3.169 million (included in £8.881 million) when compared to the provisional Settlement. Appendix A to the Update to the Budget 2024-25 and Medium-Term Financial Plan 2024-2028 report demonstrates how this grant overall will be utilised to fund both Adult and Children's social care costs. However, it has recently been advised that the additional Social Care Grant is also intended to be used to fund the additional costs incurred by local authorities for home to school transport. The financial pressures in the 2024-25 budget for home to school transport are estimated to be £2.964 million.
16. In addition to the significant demand-led recurrent pressures mentioned above, the Council is also experiencing significant non-recurrent pressures which are funded from the Strategic Management Reserve. Careful consideration needs

to be given to those non-recurrent pressures which over time could become recurrent, for example, various local services pilot schemes. This could present a risk for both the revenue and the capital budgets and requires careful management and planning.

17. Government has provided the same council tax raising powers to local government as it did for the 2023-24 budget and expects local authorities to take up these tax raising powers (general council tax and adult social care precept) to help meet the inflationary and other pressures the sector is facing.
18. The base council tax referendum limit has been set at 2.99% and an additional 2.00% adult social care precept can be utilised in 2024-25. In total therefore the Council can increase council tax in 2024-25 by 4.99% without triggering the requirement to hold a local referendum.
19. With a 4.99% council tax increase (4.59% overall), having taken into account tax base growth and £10.834 million of budget savings, the Council will still be required to utilise £16.504 million of the Strategic Management Reserve in order to balance the 2024-25 budget. The reserve will only be used to fund non-recurrent items of expenditure. Other earmarked reserves totalling £5.154 million will also be utilised in 2024-25. Utilising earmarked reserves to balance budgets at this level is not a sustainable budget strategy in the medium to longer term.
20. Every 1.00% increase in the council tax increase generates approximately £1.930 million of additional resources. Therefore, the additional 2.99% council tax increase generates additional income of £5.771 million for the Council which is needed during this period of significant base budget pressures. A failure to increase the council tax in line with the proposals set out in the budget report would either require services to identify more efficiencies or increase the requirement to use the Strategic Management Reserve. Given the cumulative impact on the council tax base it would also make the task of balancing the budget in future years even more difficult, resulting in the need for additional efficiencies and potentially cuts to Council services.
21. The following table highlights the council tax collection rates, and the Council's share of the surplus or deficit council tax collected for the last three years (plus year to date):

	<b>Collection Rate (current)</b>	<b>Collection Fund Surplus / (Deficit)</b>
	<b>%</b>	<b>£ million</b>
2020-21	97.02	(1.489)
2021-22	97.41	2.882
2022-23	97.26	1.406
2023-24 (to 31.12.23)	81.45	4.149



22. Council tax staff continue to collect outstanding council tax for prior years so the collection rates shown will increase over time. For 2018-19 the collection rate currently stands at 99.56% and for 2019-20 it is 99.31%.
23. During the development of the 2024-25 Budget extensive work has also been carried out to produce an indicative Medium Term Financial Plan (MTFP). A range of broad assumptions have been utilised and robustly challenged as part of the MTFP process.
24. The most significant areas of risk contained in the Budget 2024-25 and MTFP are as follows:
  - a. Council tax income from the Adult Social Care Precept. The MTFP assumes that as part of the 2025-26 local government settlement, local authorities will be able to increase the ASCP by 2.00% in 2025-26, but this will not be confirmed until December 2024. This equates to £4.975 million per annum for the Council (including the increase in Tax Base for 2025-26 shown in the MTFP).
  - b. Inflation, particularly pay inflation. For every 1.00% increase in pay inflation an additional £1.790 million will be required.
  - c. Interest rates. For every 1.00% change in the interest rate assumptions used, there would be a net change of £1.170 million.
25. The assumptions contained in the 2024-25 Budget and MTFP 2024-25 to 2027-28 have over a number of months been robustly challenged. This includes comparisons with other authorities, both in the north east and nationally. Of particular concern is the significant uncertainty beyond 2024-25, with more difficult financial settlements widely expected from 2025-26 onwards when the Chancellor of the Exchequer will face some very tough choices over taxation levels and public expenditure restraint given the level of borrowing nationally at this time. If public spending reductions are implemented from 2025-26 and local government remains unprotected from these then the forecasts included in the MTFP will need to be revised.
26. A table showing the assumptions in the budget and the potential risks and the financial impact of those risks is shown at Appendix 1.
27. For 2024-25 efficiencies of £10.834 million have been identified and are being proposed in order to balance the budget (and for 2025-26 £14.939 million). Executive Directors will continue to review and assess the risks of the proposed efficiencies up to and including implementation of the proposals. Any efficiency proposal considered to represent a risk should be taken through the Council's risk appraisal process by the relevant Executive Director.
28. Executive Directors are confident at this point in time that the proposals they have identified are deliverable. If circumstances change and Executive Directors identify that a proposed and agreed efficiency is no longer deliverable, or has unacceptable equality impacts that cannot be mitigated, they will be

required to identify alternative and compensating measures which they will agree with their relevant Cabinet Member. Any such occurrences will be reported in the quarterly financial monitoring report to Cabinet so that all Members are aware.

29. Further work is needed for years 2026-27 to 2027-28 to identify additional efficiencies, with a forecast efficiency requirement of £30.158 million across that period, but in my professional view the Council has taken all reasonable and practical steps to identify and make provision for the County Council's commitments in 2024-25 in order to achieve a balanced budget next year and that the use of £16.504 million of the Strategic Management Reserve to balance the budget is justified.
30. Whilst Executive Directors have all provided assurance that the savings identified in their area can be delivered, it is possible that plans may change. If they do, and Executive Directors cannot deliver the saving in the way in which it was originally envisaged then the Executive Director will either propose a new plan or deliver a non-recurrent saving in year until a recurrent saving can be identified and achieved. Members will be advised of progress in relation to savings in the quarterly financial monitoring reports to Cabinet.
31. With regard to the BEST savings identified in the Schedule of Efficiencies, work is underway with the Council's delivery partner validating those savings and the timing of the delivery of those savings. Members will be advised of progress in the quarterly financial monitoring reports to Cabinet and in regular BEST updates.
32. Work will commence immediately and in earnest to develop strategies to tackle the efficiency requirement for financial years 2026-27 and 2027-28 to ensure there is no long-term reliance on the use of reserves to balance the budget. Detailed delivery plans will be required from Services to demonstrate that any efficiencies proposed can be delivered.
33. The Budget report recommends that those efficiencies identified for both 2024-25 and 2025-26 are agreed. It would be sensible to commence implementation and delivery of all identified efficiencies and drive out the efficiencies early to minimise the risk of non-deliverability in future years.
34. Whilst it is anticipated at this point in time that all of the efficiencies identified in the Budget report are deliverable, it is sometimes the case that the planned efficiency is either not deliverable within the required timescale or is not achievable at all. In these instances, the relevant Executive Director and/or the Executive Management team will work together to identify compensating savings (which may be non-recurrent), to fill the gap.
35. Members will also note that a significant proportion of the efficiencies are attributable to the BEST initiative, particularly in 2025-26. A considerable amount of work is underway with the Council's delivery partner, Deloitte, to verify that those efficiencies are deliverable within the required timescale and

detailed business cases will be developed in the coming months to provide that assurance.

36. The ambitious Capital Programme also presents a potential financial risk to the Council. The Council has seen the cost of supplies, materials, wages and contractors soar in the last few years and it is often difficult to accurately predict what the final cost of a major capital project will be. The Capital Programme presented in the Budget report shows the best available estimates at this point in time. If tender costs received are higher than those estimated, then Members will be advised via the report from the Capital Strategy Group. Members should also be aware that if the costs are significantly different to those shown in the Capital Programme that it may be necessary to place some of the capital schemes on hold or reprofile them into future years. The plan going forward is to present a 10-year capital programme which will allow to Council to adopt a longer planning horizon for capital investment decisions.
37. The Council has seen the cost of borrowing increase significantly in the last few years. The Corporate Finance Team works closely with the Council's Treasury Management Advisors to borrow and invest funds at the optimum time. They not only take out new loans to fund the overall Capital Programme, they also replace loans which are expiring. The strategy over the last few years has been to use "internal borrowing" as interest rates for external borrowing have been high, but this will prove to be more difficult in the future as the Council consumes its reserves. The impact of a 1.00% change in interest rates in the new borrowing requirement for 2024-25 is an additional cost of £1.168 million.

### **Adequacy of Reserves**

38. The Chartered Institute of Public Finance and Accountancy's (CIPFA) Local Authority Accounting Panel (LAAP) has a guidance note on Local Authority Reserves and Balances (LAAP Bulletin 77) to assist local authorities in this process. This guidance is not statutory, but compliance is recommended in CIPFA's Statement on the Role of the Finance Director in Local Government. It is best practice to follow this guidance.
39. The guidance however states that no case has yet been made to set a statutory minimum level of reserves, either as an absolute amount or a percentage of the Council's budget. Each local authority should take advice from its Chief Financial Officer and base its judgement on local circumstances.
40. Reserves are held for the following main purposes, some of which may overlap:
  - a. as a working balance and to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves;
  - b. as a contingency and to provide resilience to cushion the impact of unexpected events or emergencies – this also forms part of general reserves;

- c. as a means of building up funds known as 'earmarked reserves' and creating capacity to meet known or predicted funding requirements.
41. The CIPFA Guidance highlights a range of factors in addition to cash flow requirements that councils should consider including:
  - a. the treatment of inflation;
  - b. the treatment of demand led pressures;
  - c. efficiency savings;
  - d. partnerships;
  - e. the general financial climate, including the impact on investment income.
42. The guidance also refers to reserves being deployed to fund recurring expenditure and indicates that this is not a long-term or sustainable option.
43. The Accounting Code of Practice requires unapplied grants or partnership funds to be carried over at the year-end in an earmarked reserve. This can often skew the level of balances held from year to year, particularly where funding for the upcoming years commitments is paid early.
44. The Council continues to face significant uncertainty in relation to the future levels of Government funding – in fact, it is difficult to recall a period in recent times when there is so much uncertainty in relation to local government funding especially in relation to how funding will be distributed.
45. The outcome of the Fair Funding Review will not be known until at least 2025-26 and the outcome from that will dictate how funding will be allocated to individual local authorities. At this stage there remains a significant risk that the outcome of the review may not be favourable to Northumberland and a risk that the review is deferred further or may not even happen at all. The budget proposals include a number of prudent assumptions that are described in detail in the main budget report.
46. The Council is also continuing to face significant ongoing budget pressures. There are significant and continuing pressures in social care services (Adults and Children) and home to school transport. In addition, the current high levels of inflation, the large increase in the National Minimum Wage and the requirement to carry out a Fair Cost of Care process for adult care all continue to place significant pressures upon the budget. Whilst the MTFP modelling includes estimates of future cost pressures for these areas, Council needs to be aware that further sustained pressures in these areas remain a significant risk.
47. There continue to be risks associated with the ongoing review of Business Rates and the requirements of the Local Council Tax Reduction Scheme, where the cost-of-living crisis may mean that more residents are eligible for the reduction and the money set aside is insufficient. Council is recommended to agree the Hardship Scheme proposed for 2024-25 for those residents who are benefit claimants. This will be funded from the residual money available in the Council

Tax Hardship and Discount Scheme Fund Reserve which was established for 2023-24 but has not all been utilised. This Reserve will be exhausted in 2024-25 and residents will feel the impact more in 2025-26 if the cost-of-living crisis has not eased which will put more pressure on the Local Council Tax Reduction Scheme.

48. There are two reserves in Appendix 3 of the Budget report where the forecast balance shown is a deficit in future years and they therefore present a budgetary risk:

a. Balances held by Schools Reserve

There are currently 18 schools in deficit with deficits ranging from £0.005 million to £1.128 million. The school with the largest deficit currently is in the process of academisation. On this occasion the Council is required to fund the deficit, and this has been included in the Budget as a non-recurrent pressure to be funded from the Strategic Management Reserve. The figures in the schedule show the worst-case scenario and anticipate that 55 schools will be in deficit by 31 March 2027 with deficits ranging from £0.004 million to £2.064 million. The Corporate Finance Team in conjunction with the Director of Education, SEND and Skills are working with those schools that are either in deficit or forecasting deficit budgets and developing plans to reduce or eliminate the deficit.

Schools are experiencing inflationary pressures in the same way that the Council is and are dealing with pay awards that are not fully funded by the Dedicated Schools Grant (DSG) which they receive.

b. Dedicated Schools Grant Reserve

The DSG is divided into four notional blocks:

- Schools Block
- Central School Services Block
- High Needs Block; and
- Early Years Block

Virement between the four notional blocks of up to 0.50% is possible. Schools Forum have approved the full 0.50% transfer from the schools' block to the high needs block for 2024-25 which is an additional £1.125 million to support budget pressures for children with additional needs.

However, even after this injection of funds from the schools' block there is significant pressure on the High Needs Block which is the main reason why a DSG deficit is predicted by 31 March 2025. A root and branch review of the DSG high needs block and how it is utilised is ongoing in order to bring this reserve back into balance. It is possible that this may result in additional pressures which will need to be funded by the Council.

Members of Schools Forum are actively engaged in the work to manage the demands and expectations of the DSG.

Members should also note that this issue is not unique to Northumberland. This is a national issue, and the Government has introduced a statutory override which allows councils to keep ballooning deficits on spending for children with special educational needs and disabilities off their balance sheets for the financial years 2023-24 to 2025-26.

In June 2022, the Government launched the £85.000 million Delivering Better Value in SEND programme, which involves specialist advisors probing the data of 55 councils to try and cut their DSG deficits.

The professional accounting body the Chartered Institute of Public Finance and Accountancy (CIPFA) is a partner in the programme providing project management, change management and financial modelling capacity.

The programme is running alongside the Department for Education's 'safety valve' support scheme that offers bailouts for the councils with the largest SEND spending deficits, in return for them implementing stringent reforms.

Approximately 40 councils are expected to receive safety valve funding, meaning that the two programmes together will include about two thirds of councils with responsibility for SEND.

Northumberland is not involved in the Programme or the safety-valve support scheme due to the High Needs fund being managed well. The Department for Education is utilising the methods employed by the team in Northumberland across other local authorities with DSG deficits.

49. The Schedule of Reserves contained within Appendix 3 demonstrates that the financial standing of the Council is sustainable and therefore the Council can at this point in time withstand a significant revenue shock.
50. The level of reserves over the last 5 years plus the estimated balance at the end of the current financial year is shown at Appendix 2.
51. With these risks in mind, it is recommended that the County Council:
  - a. adopts the policy for reserves included in the main budget report;
  - b. sets aside sufficient sums in earmarked reserves as it considers prudent;
  - c. aims to maintain General Reserves in the medium term of between 5% and 7.5% of the Gross Budget Requirement which in cash terms is between £46.421 million and £69.631 million. Whilst the level of general reserves at 31 March 2024 is expected to exceed £69.631 million the planned use of the Strategic Management Reserve should bring the general reserve total within the 5.00% to 7.50% range.

52. Earmarked reserves have been established to provide resources for specific purposes. Of these reserves, the use of schools' balances is outside of the control of the Council.
53. The recommended budget for 2024-25 requires the utilisation of £16.504 million of the Strategic Management Reserve in order to balance the budget.

### **Opinion**

54. In my professional view, if the Council was to accept:
  - a. the Cabinet's recommended Council Tax increase of a 2.99% base Council Tax increase and
  - b. a 2.00% increase for the Adult Social Care Precept and
  - c. funding for unavoidable service pressures and investments and
  - d. proposals for efficiencies and
  - e. proposals for capital investmentthen the level of risks identified during the budget process, alongside the authority's financial management arrangements and the review of reserves, suggests that the level of reserves is adequate.

### **Conclusions**

55. In forming my opinion on the budget proposals put forward by Cabinet I have carefully considered the financial management arrangements and control frameworks that are in place, the underlying budget assumptions, the adequacy of the service planning process, the financial risks facing the Council and the adequacy of the Councils' reserves.
56. Members are advised to have regard to this statement when approving the budget and the level of Council Tax for 2024-25.

## IMPLICATIONS ARISING OUT OF THE REPORT

**Policy:** The report supports the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Economic Growth.

**Finance and value for money:** The financial implications of the 2024-25 Budget and MTFP 2024-28 are detailed within the main budget report. The Section 151 Officer is confident that the budget is balanced and that all risks have been identified.

**Legal:** Section 25 of the Local Government Act 2003 requires that when a local authority is considering its budget and setting its council tax for the forthcoming financial year, its Chief Financial Officer must report to Full Council on:

- a. the robustness of the estimates made for the purposes of the council tax requirement calculations;
- b. the adequacy of the proposed financial reserves allowed for in the budget proposals.

This report fulfils the Section 151 Officer's obligations.

Section 25 of the LGA 2003 requires members to have regard to this report in making their decisions in relation to the budget and the setting of the council tax for 2024-25.

**Human Resources:** There are no human resources implications within this report.

**Property:** There are no property implications within this report.

**Equalities:** Not applicable.

(Impact Assessment attached)

Yes  No  N/A

**Risk Assessment:** The risks are contained within this report and the Budget 2024-25 and Medium-Term Financial Plan 2024-28 report.

**Carbon Reduction:** There are no carbon reduction implications within this report.



**Crime & Disorder:** There are no crime and disorder implications within this report.

**Customer Considerations:** There are no customer consideration implications within this report.

**Health & Wellbeing** There are no health and wellbeing implications within this report.

**Wards:** All wards.

<b>Date</b>	<b>Report to</b>	<b>Report</b>
17 January 2024	Full Council	Approval of the Council Tax Support Scheme for 2024-25
12 December 2023	Cabinet	Setting of the Council Tax Base 2024-25
21 February 2024	Full Council	Budget 2024-25 and Medium-Term Financial Plan 2024-2028
21 February 2024	Full Council	Update to the Budget 2024-25 and Medium-Term Financial Plan 2024-2028

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Area	2024-25				2025-26				2026-27				2027-28				Totals	
	Budget Reduction - 1.00%	Budget Increase - 1.00%	Budget Reduction - Other (Specify)	Budget Increase - Other (Specify)	Comments	Budget Reduction - 1.00%	Budget Increase - 1.00%	Budget Reduction - Other (Specify)	Budget Increase - Other (Specify)	Comments	Budget Reduction - 1.00%	Budget Increase - 1.00%	Budget Reduction - Other (Specify)	Budget Increase - Other (Specify)	Comments	Budget Reduction	Budget Increase	
	£m	£m	£m	£m		£m	£m	£m	£m		£m	£m	£m	£m		£m	£m	
<b>Corporate Grants</b>																		
Revenue Support Grant	-	-	-	-	Final Local Government Settlement received. No change to the funding.	0.140	0.140	-	0.280	Funding is not increased in line with the forecast included in MTFP (2.00%). Normally uprated by September CPI. Also modelled a 1.00% change in the funding.	0.143	0.143	-	0.286	Funding is not increased in line with the forecast included in MTFP (2.00%). Normally uprated by September CPI. Also modelled a 1.00% change in the funding.	0.146	0.146	
Rural Services Delivery Grant	-	-	0.433	-	Additional allocation for 2024-25 announced on 5 February. Included in revised MTFP which assumes this increase is recurrent	0.032	0.032	-	-	Assumes 1.00% change. Also assumes the additional allocation in 2024-25 is non recurrent	0.032	0.032	-	-	Assumes the 1.00% change in the 2025-26 allocation is maintained	0.032	0.032	
New Homes Bonus	-	-	-	-	Final Local Government Settlement received. No change to the funding.	-	-	-	0.721	Assumes the funding allocation reduces due to the allocation methods used to distribute funding between eligible councils, and the number of New Homes brought into use reducing in Northumberland, or other local authorities increase their number of New Homes brought into use. The reduction reflects pre 2024-25 funding allocation (£0.961 million)	-	-	-	-	No impact on the Council's Medium Term Financial Plan. This grant is not forecast beyond 2024-25	-	0.721	
Improved Better Care Funding	-	-	-	-	Final Local Government Settlement received. No change to the funding.	0.125	0.125	-	-	Assumes 1.00% change	0.125	0.125	-	-	Assumes the 1.00% change in the 2025-26 allocation is maintained	0.125	0.125	
Social Care Grant	-	-	3.169	-	Additional allocation for 2024-25 announced on 24 January 2024. The MTFP assumes that this increase is recurrent.	0.290	0.290	-	28.990	Assumes that the additional allocation in 2024-25 is non-recurrent. Also models the possible cessation of this grant with no replacement funding, pending the outcome of Social Care reforms. This funds recurrent costs. Also models a 1.00% change	0.290	0.290	-	28.990	Models the possible cessation of this grant with no replacement funding, pending the outcome of Social Care reforms. This funds recurrent costs. Also models a 1.00% change	0.290	0.290	
Adult Social Care Discharge Fund	-	-	-	-	Final Local Government Settlement received. No change to the funding.	-	-	-	-	No impact on the Council's Medium Term Financial Plan. This grant does not fund recurrent costs and is not forecast to be received beyond 2024-25	-	-	-	-	No impact on the Council's Medium Term Financial Plan. This grant does not fund recurrent costs and is not forecast to be received beyond 2024-25	-	-	
Adult Social Care Market Sustainability & Improvement Fund	-	-	-	-	Final Local Government Settlement received. No change to the funding.	0.067	0.067	-	6.656	Models the possible cessation of this grant with no replacement funding, pending the outcome of Social Care reforms. Also models a 1.00% change	0.067	0.067	-	6.656	Models the possible cessation of this grant with no replacement funding, pending the outcome of Social Care reforms. Also models a 1.00% change	0.067	0.067	
Services Grant	-	-	0.042	-	Additional allocation for 2024-25 announced on 24 January 2024.	-	-	-	-	The Medium-Term Financial Plan assumes this funding will cease beyond 2024-25.	-	-	-	-	The Medium-Term Financial Plan assumes this funding will cease beyond 2024-25.	-	0.042	
<b>Sub Total Corporate Grants</b>	<b>-</b>	<b>-</b>	<b>3.644</b>	<b>-</b>		<b>0.654</b>	<b>0.654</b>	<b>-</b>	<b>36.647</b>		<b>0.657</b>	<b>0.657</b>	<b>-</b>	<b>35.932</b>		<b>0.660</b>	<b>0.660</b>	
<b>Significant Value Other Funding Items</b>																		
Change in Business Rates Income	0.415	0.415	-	-	Business Rate contributions to the General Fund from the Collection Fund are fixed via the Governments National Non Domestic Rates 1 form (NDR1). However, this assumes that the net Business Rates position for 2023-24 changes by 1.00%, therefore the 2023-24 Collection Fund surplus currently forecast within the Council's MTFP in 2024-25 changes.	0.480	0.480	-	-	Growth/reduction of 1.00% in net Business Rates income. This is the Council's 50.00% share only. The Council's share of net rates is approximately £48,000 million	0.960	0.960	-	-	Growth/reduction of 1.00% in net Business Rates income. Assumes the 2025-26 1.00% change took place. This is the Council's 50.00% share only. The Council's share of net rates is approximately £48,000 million	1.450	1.450	
Change in Council Tax Income - General	0.347	0.347	-	-	The Council Tax precept to the General Fund from the Collection Fund is fixed annually, however this assumes that the forecast Council surplus for 2023-24 on the Collection Fund changes by 1.00%, therefore changing the surplus forecast within the Council's 2024-25 budget.	2.063	2.063	-	-	Increase or Decrease in Council Tax inflationary uplift of 1.00%. The forecast includes 2nd Homes Premium (current MTFP £213.595 million, after 1.00% reduction £211.532 million, £215.658 after 1.00% increase)	4.238	4.238	-	-	Assumes the 1.00% change in 2025-26. Plus the increase or decrease in Council Tax inflationary uplift of 1.00%. The forecast includes 2nd Homes Premium (current MTFP £219.339 million, after 1.00% reduction £215.101 million, £223.577 million after 1.00% increase)	6.502	6.502	
Change in Council Tax - Adult Social Care Precept (ASCP)	-	-	-	-	No change, the Collection Fund precept for 2024-25 is fixed	-	-	2.348	-	Assumes a decrease in ASCP of 1.00%. Assumes referendum limit is 2.00%. Unlikely that referendum limit will be increase above 2.00% which is currently used in the 2025-26 MTFP (current MTFP £39.082 million, after 1.00% reduction £36.734 million)	-	-	0.084	-	Assumes a decrease in ASCP of 1.00% in 2025-26. Plus 1.00% increase in 2026-27. (Net position shown). There is currently no inflationary increase built into the 2026-27 budget (current MTFP £39.363 million, after changes highlighted £39.447 million)	-	2.616	
Change in the Council Tax taxbase	-	-	-	-	The Tax Base used for the following year is fixed in October 2023	-	-	1.086	1.086	Assumes 2024-25 Tax base change of +/- 25.00% (270 Band D equivalent properties). Assumes revised Tax Base from 2024-25 is used as the starting position for 2025-26 then a change of +/- 25.00% in the Tax Base growth for 2025-26 (230 Band D equivalent properties)	-	-	1.553	1.553	Assumes the revised Tax Base from 2025-26 is used as the starting position, then Tax Base change for 2026-27 +/- 25.00% (203.6 Band D equivalent properties)	-	1.991	
<b>Sub Total Other Funding</b>	<b>0.762</b>	<b>0.762</b>	<b>-</b>	<b>-</b>		<b>2.543</b>	<b>4.891</b>	<b>1.086</b>	<b>1.086</b>		<b>5.198</b>	<b>5.198</b>	<b>1.637</b>	<b>1.553</b>		<b>7.952</b>	<b>7.952</b>	
<b>Pay Inflation</b>	<b>1.790</b>	<b>1.790</b>	<b>-</b>	<b>-</b>	1.00% change. Budget based on 4%.	<b>1.862</b>	<b>1.862</b>	<b>-</b>	<b>-</b>	1.00% change	<b>1.936</b>	<b>1.936</b>	<b>-</b>	<b>-</b>	1.00% change	<b>2.014</b>	<b>2.014</b>	
<b>Totals</b>																		
																<b>5.615</b>	<b>110.488</b>	

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Area	2024-25				Comments	2025-26				Comments	2026-27				Comments	2027-28				Totals		
	Budget Reduction - 1.00%	Budget Increase - 1.00%	Budget Reduction - Other (Specify)	Budget Increase - Other (Specify)		Budget Reduction - 1.00%	Budget Increase - 1.00%	Budget Reduction - Other (Specify)	Budget Increase - Other (Specify)		Budget Reduction - 1.00%	Budget Increase - 1.00%	Budget Reduction - Other (Specify)	Budget Increase - Other (Specify)		Budget Reduction - 1.00%	Budget Increase - 1.00%	Budget Reduction - Other (Specify)	Budget Increase - Other (Specify)	Budget Reduction	Budget Increase	
	£m	£m	£m	£m		£m	£m	£m	£m		£m	£m	£m	£m		£m	£m	£m	£m	£m	£m	
<b>Significant Value Recurrent Pressures and Growth</b>																						
Significant Cost Increase for Additional External Residential Placements	-	-	1.560	1.560	Based on 5 placements at an average cost of £0.006 million per week	-	-	1.560	1.560	Based on 5 placements at an average cost of £0.006 million per week	-	-	1.560	1.560	Based on 5 placements at an average cost of £0.006 million per week	-	-	1.560	1.560	Based on 5 placements at an average cost of £0.006 million per week	6.240	6.240
Waste PFI Changes	-	-	-	1.155	Potential liabilities within the PFI Contract	-	-	-	1.040	Potential liabilities within the PFI Contract	-	-	-	1.052	Potential liabilities within the PFI Contract	-	-	-	1.065	Potential liabilities within the PFI Contract	-	4.312
Adults Demographic Pressures	-	-	0.500	1.370	Potential increase based on continued growth in an ageing population	-	-	0.500	1.370	Potential increase based on continued growth in an ageing population	-	-	0.500	1.370	Potential increase based on continued growth in an ageing population	-	-	0.500	1.370	Potential increase based on continued growth in an ageing population	2.000	5.480
SEN Home to School Transport Service - Increase in Pupil Numbers Accessing Transport	0.096	0.096	-	-	Based on pupils numbers increase/decrease. Excludes pressure in 2024-25 - pupil number growth only.	0.084	0.084	-	-	Based on pupils numbers increase/decrease. Excludes pressure in 2024-25 - pupil number growth only.	0.120	0.120	-	-	Based on pupils numbers increase/decrease. Excludes pressure in 2024-25 - pupil number growth only.	0.121	0.121	-	-	Based on pupils numbers increase/decrease. Excludes pressure in 2024-25 - pupil number growth only.	0.421	0.421
<b>Sub Total Recurrent Pressures and</b>	<b>0.096</b>	<b>0.096</b>	<b>2.060</b>	<b>4.085</b>		<b>0.084</b>	<b>0.084</b>	<b>2.060</b>	<b>3.970</b>		<b>0.120</b>	<b>0.120</b>	<b>2.060</b>	<b>3.982</b>		<b>0.121</b>	<b>0.121</b>	<b>2.060</b>	<b>3.995</b>	<b>8.661</b>	<b>16.453</b>	
<b>Significant Value Non Recurrent Pressures and Income</b>																						
Gas and Electricity Hyperinflation	-	-	0.093	0.093	Assumes Gas and Electricity prices increase or decrease by 4% over what is currently included in the MTFP	-	-	0.093	2.410	Assumes Gas and Electricity prices remain high. Cost built in non-recurrently in 2025-26. Plus 4.00% change in 2025-26	-	-	0.096	0.096	Assumes 4.00% change on 2025-26 figure	-	-	0.100	0.100	Assumes 4.00% change on 2026-27 figure	0.382	2.699
<b>Sub Total Non-Recurrent Pressures</b>	<b>-</b>	<b>-</b>	<b>0.093</b>	<b>0.093</b>		<b>-</b>	<b>-</b>	<b>0.093</b>	<b>2.410</b>		<b>-</b>	<b>-</b>	<b>0.096</b>	<b>0.096</b>		<b>-</b>	<b>-</b>	<b>0.100</b>	<b>0.100</b>	<b>0.382</b>	<b>2.699</b>	
<b>Efficiencies (non-delivery)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.083</b>	Potential of non-delivery - 10.00%. Including Best initiative	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.494</b>	Potential of non-delivery - 10.00%. Including Best initiative	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.592</b>	Potential of non-delivery - 10.00%. Including Best initiative, plus 10.00% of any savings not yet identified	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.424</b>	Potential of non-delivery - 10.00%. Including Best initiative, plus 10.00% of any savings not yet identified	<b>-</b>	<b>5.593</b>
<b>Revenue Cost of Capital</b>																						
Change in Interest Rates	1.168	1.168	-	-	Change by 1.00%. Impact on the cost of capital based on the Capital Programme within the 2024-28 MTFP	3.242	3.242	-	-	Change by 1.00%. Impact on the cost of capital based on the Capital Programme within the 2024-28 MTFP	3.888	3.888	-	-	Change by 1.00%. Impact on the cost of capital based on the Capital Programme within the 2024-28 MTFP	3.960	3.960	-	-	Change by 1.00%. Impact on the cost of capital based on the Capital Programme within the 2024-28 MTFP	12.258	12.258
<b>Sub Total Revenue Cost of Capital</b>	<b>1.168</b>	<b>1.168</b>	<b>-</b>	<b>-</b>		<b>3.242</b>	<b>3.242</b>	<b>-</b>	<b>-</b>		<b>3.888</b>	<b>3.888</b>	<b>-</b>	<b>-</b>		<b>3.960</b>	<b>3.960</b>	<b>-</b>	<b>-</b>	<b>12.258</b>	<b>12.258</b>	
<b>Non Achievement of Adults Vacancy Factor</b>	<b>-</b>	<b>0.449</b>	<b>-</b>	<b>-</b>	Current vacancy factor is 8.50% of staff budget	<b>-</b>	<b>0.449</b>	<b>-</b>	<b>-</b>	Current vacancy factor is 8.50% of staff budget	<b>-</b>	<b>0.449</b>	<b>-</b>	<b>-</b>	Current vacancy factor is 8.50% of staff budget	<b>-</b>	<b>0.449</b>	<b>-</b>	<b>-</b>	Current vacancy factor is 8.50% of staff budget	<b>-</b>	<b>1.796</b>
<b>Unforeseen Repairs needed to Council Properties</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.206</b>	Based on 5.00% of Repairs and Maintenance budget	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.206</b>	Based on 5.00% of Repairs and Maintenance budget	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.206</b>	Based on 5.00% of Repairs and Maintenance budget	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.206</b>	Based on 5.00% of Repairs and Maintenance budget	<b>-</b>	<b>0.824</b>
<b>TOTAL</b>	<b>3.816</b>	<b>4.265</b>	<b>5.797</b>	<b>5.467</b>		<b>8.385</b>	<b>11.182</b>	<b>3.239</b>	<b>45.813</b>		<b>11.799</b>	<b>12.248</b>	<b>3.793</b>	<b>43.361</b>		<b>14.707</b>	<b>15.156</b>	<b>6.767</b>	<b>43.654</b>	<b>58.303</b>	<b>181.146</b>	

	Balance at 31 March 2019 £m	Balance at 31 March 2020 £m	Balance at 31 March 2021 £m	Balance at 31 March 2022 £m	Balance at 31 March 2023 £m	Forecast Balance at 31 March 2024 £m
General Fund	55.433	56.926	70.469	70.079	50.955	50.955
<b>Total General Reserve</b>	<b>55.433</b>	<b>56.926</b>	<b>70.469</b>	<b>70.079</b>	<b>50.955</b>	<b>50.955</b>
Housing Revenue Account (HRA)	28.812	27.405	28.890	29.873	29.147	28.175
Major Repairs - HRA	3.318	4.304	8.607	10.213	9.855	9.723
HRA Capital Investment	2.000	4.000	3.108	2.177	1.740	1.562
<b>Total Earmarked HRA Reserves</b>	<b>34.130</b>	<b>35.709</b>	<b>40.605</b>	<b>42.263</b>	<b>40.742</b>	<b>39.460</b>
ADC Parks and Open Spaces	0.042	0.031	0.020	0.009	-	-
ADC Section 106	0.058	0.054	0.050	0.046	0.002	-
Balances held by Schools	4.810	2.411	5.498	9.192	8.941	6.298
Borderlands Energy Masterplan	-	-	1.067	0.816	0.808	0.808
Business Recovery	-	-	2.322	2.322	2.322	-
Cessation of the NHS Partnership Agreement	-	-	1.500	0.262	-	-
Collection Fund Smoothing	-	-	26.291	15.155	1.944	-
Community Led Housing	1.099	0.971	0.829	0.687	0.605	0.536
Contain Outbreak Management Fund	-	-	-	2.130	0.260	-
Council Commissioned Services	-	-	11.100	8.981	7.520	4.868
Council Tax Hardship and Discount Scheme	-	-	-	-	6.588	1.771
Council Transformation Fund	8.177	7.487	7.466	17.902	17.144	13.775
Covid-19 Grant	-	10.025	-	-	-	-
Dedicated Schools Grant	-	(0.607)	0.898	4.032	4.501	0.639
Economy and Regeneration Investment	-	0.435	0.420	0.358	0.050	-
Empty Dwelling Management Order	-	-	-	0.047	0.077	0.094
Estates Rationalisation	11.519	10.166	8.677	7.242	6.257	4.562
EU Exit Funding	-	0.315	0.315	-	-	-
EU Exit Funding - Exports	-	-	0.020	-	-	-
Exceptional Inflationary Pressures	-	-	-	5.208	1.017	-
Fire and Rescue Service HMICFRS Improvement	-	-	0.060	0.050	0.026	0.008
Firefighters Immediate Detriment	-	-	0.250	0.250	0.200	0.200
Firefighters Pension Fund Admin Grant	-	-	0.033	0.033	0.033	0.033
Food Waste	-	-	-	-	0.058	-
Haltwhistle Repairs	-	0.013	0.015	0.039	0.036	0.066
Highways Maintenance Investments	-	-	-	0.225	0.225	-
Highways Commuted Maintenance Funds	-	-	-	-	1.127	1.073
Homes for Ukraine	-	-	-	-	4.586	-
Insurance	8.263	8.969	9.661	8.479	7.822	7.322
Invest to Save	10.784	10.507	10.507	-	-	-
Legal Challenges	1.000	0.737	0.637	1.800	1.071	0.734
Local Authority Mortgage Scheme	0.424	0.424	0.424	-	-	-
NCC Economic Regeneration	0.083	0.083	0.083	0.139	0.138	-
Northumberland Enterprise Holdings Ltd	-	-	0.300	-	-	-
Northumberland Rail Line	3.460	10.202	-	-	-	-
Northumberland Sport	0.355	-	-	-	-	-
Open Spaces Maintenance Agreements	-	-	0.065	0.087	0.094	0.083
Parks and Green Spaces	-	-	-	-	0.250	-
Planning Delivery Grant	0.453	0.445	0.206	0.654	1.078	1.038
Problematic Empty Properties	-	0.050	0.050	0.050	0.047	0.032
Recruitment and Retention	-	-	-	0.500	0.439	0.439
Regeneration Additional Capacity	0.660	0.522	0.304	0.190	0.405	0.405
Regeneration Development	2.550	2.366	1.578	2.473	2.952	1.836
Repairs and Maintenance	-	-	0.250	0.250	0.250	0.250
Replacement of Defective Street Lanterns	-	-	-	-	2.930	2.420
Restructuring	-	-	1.000	2.000	0.838	0.676
Revenue Grants	8.221	8.448	19.231	17.331	20.353	13.248
Rural Growth Network	0.057	0.075	0.095	-	-	-
School Libraries	0.025	0.047	0.009	0.007	0.007	0.007
Sealodge Repairs	-	-	0.017	0.023	0.010	0.025
Section 106	5.814	7.946	7.699	10.830	14.697	18.570
Severe Weather	2.500	2.500	2.500	7.500	7.500	3.207
Social Fund	0.900	0.802	1.695	2.936	0.493	0.493
Sports Development	0.141	0.280	0.256	0.253	0.297	0.287
Storm Arwen	-	-	-	2.178	0.193	-
Strategic Management	46.753	35.099	49.002	48.237	49.708	38.162
Transformation of the Revenues and Benefits Service	-	-	-	0.215	0.215	0.155
Violence Reduction	-	0.030	0.030	0.030	0.039	-
Winter Services	2.000	2.000	2.000	2.000	2.000	1.750
Women's Safety in Public Places	-	-	-	-	0.022	-
<b>Total Earmarked Reserves</b>	<b>120.148</b>	<b>122.833</b>	<b>174.430</b>	<b>183.148</b>	<b>178.175</b>	<b>125.870</b>

	Balance at 31 March 2019 £m	Balance at 31 March 2020 £m	Balance at 31 March 2021 £m	Balance at 31 March 2022 £m	Balance at 31 March 2023 £m	Forecast Balance at 31 March 2024 £m
Capital Grants Unapplied	27.874	32.364	56.534	61.306	63.478	63.478
Capital Receipts	0.064	0.053	0.002	0.183	0.092	0.092
Capital Receipts - HRA	1.542	3.049	4.023	4.768	8.238	7.843
<b>Total Capital Reserves</b>	<b>29.480</b>	<b>35.466</b>	<b>60.559</b>	<b>66.257</b>	<b>71.808</b>	<b>71.413</b>
Active Northumberland Job Evaluation	0.863	-	-	-	-	-
Business Rates Appeals	5.102	10.124	7.494	8.699	5.212	7.304
Compensation Claims	-	0.190	0.150	0.147	0.080	0.067
Contractor Claims	-	-	-	0.233	0.330	-
Estates Rationalisation	0.577	0.577	0.577	0.577	0.577	0.127
Equal Pay Back Pay	2.764	0.500	-	-	-	-
Municipal Mutual Insurance Liability	0.078	0.078	-	-	-	-
Redundancy Costs	0.118	0.603	0.171	-	0.545	-
<b>Total Provisions</b>	<b>9.502</b>	<b>12.072</b>	<b>8.392</b>	<b>9.656</b>	<b>6.744</b>	<b>7.498</b>
<b>Total Reserves and Provisions</b>	<b>248.693</b>	<b>263.006</b>	<b>354.455</b>	<b>371.403</b>	<b>348.424</b>	<b>295.196</b>



# Northumberland County Council

Council

21 February 2024

## Budget Engagement Report

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

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

### 1. **Link to Key Priorities of the Corporate Plan**

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

### 2. **Purpose of report**

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

### 3. **Recommendations**

Council is requested to:

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

### 4. **Forward plan date and reason for urgency if applicable**

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

## **5. Background**

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



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

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

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

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

## 7. Implications

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

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

**8. Background papers**

Not applicable

**9. Links to other key reports already published**

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

**10. Author and Contact Details**

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Northumberland  
County Council

# Appendix 1

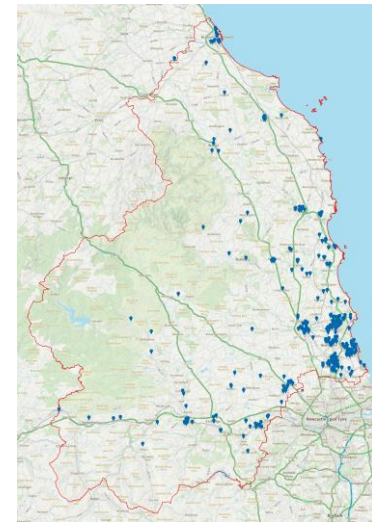
# Budget 2024/25 and MTFP Consultation Summary of Survey Results

## Introduction

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

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



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

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

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

- 42% of respondents said that more should be spent on Public Health with 36% saying more should be spent on Place & Regeneration.

- 35% of respondents felt that less should be spent on Enabling Services, with 20% wanting less budget allocated to Adults Services.

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

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

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

## How important are these services to you?

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

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

There are variations in opinion across the County.

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

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

# Place and Regeneration

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

166 people responded to this question

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

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

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

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

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

## Place and Regeneration

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

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

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

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

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

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



# Public Health, Inequalities & Stronger Communities

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

117 people responded to this question.

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

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

- 64% of respondents said yes

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

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

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

# Public Health, Inequalities & Stronger Communities

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

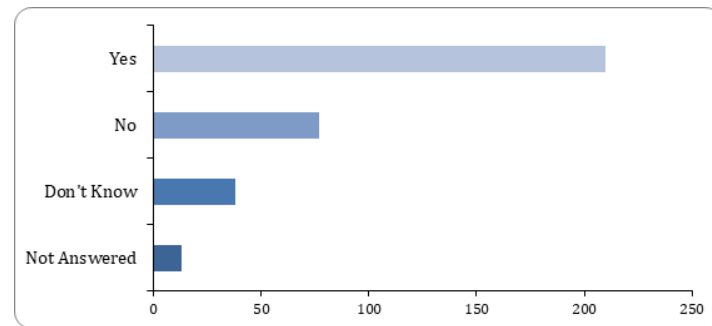
147 respondents had ideas as to how the Council could raise more income or deliver services differently in Public Health, Inequalities and Stronger Communities. These included:

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

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

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

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



# Children & Young People

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

84 people responded to this question.

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

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

61% of respondents said yes

# Children & Young People

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

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

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

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

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

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

# Adults

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

99 people responded to this question.

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

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

56% of respondents said yes

## Adults

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

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

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

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

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

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

## Enabling Services

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

85 people responded to this question.

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

## Enabling Services

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

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

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



# Value for Money

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

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

### Which areas have become more important?

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

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

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

### Which areas have become less important?

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

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

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

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

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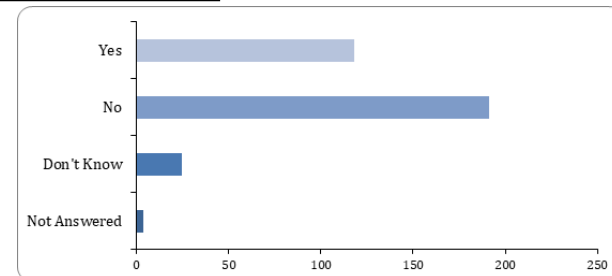
Environment Priorities in Rank Order	Ranking
Reducing waste generated by households and increasing recycling	4.41
Promoting biodiversity and protecting natural environments	4.28
Using and promoting renewable energy	4.21
Access to quality parks and open spaces	3.84
Investing in Climate Change initiatives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

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

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

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

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

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

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# Northumberland County Council

COUNCIL

Wednesday, 21 February 2024

## **BUDGET 2024-25, MEDIUM TERM FINANCIAL PLAN 2024-28 AND 30 YEAR BUSINESS PLAN FOR THE HOUSING REVENUE ACCOUNT**

**Report of Councillor** Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Services

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

### **1. Link to Key Priorities of the Corporate Plan**

The Housing Revenue Account's budget and Medium-Term Financial Plan are aligned to the priorities outlined in the Corporate Plan 2023-26 "Northumberland: Land of Great Opportunities". The plan will address the Council's key priorities, by achieving Value for Money with residents receiving the best customer experience and focusing on best use of resources through continuous review and improvement. We aim to support Inequalities through ensuring people live well and are empowered, regardless of age, background or ability. We also aim to drive economic growth by providing good quality housing coupled with the best support for our tenants to enable them to thrive.

### **2. Purpose of report**

The report seeks Council approval for the updated Budget 2024-25, Medium Term Financial Plan (MTFP) 2024-28 and 30-year Business plan for the Housing Revenue Account (HRA).

### **3. Recommendations**

Council is requested to:-

- 3.1 Approve the Housing Revenue Account 2024-25 budget as detailed within Appendix 1, which will reduce the balance on the HRA reserve from £28.175 million at 31 March 2024, to £19.193 million at 31 March 2025; and note the indicative budgets to 2027-28 which will reduce the balance of the HRA reserve to £13.708 million.
- 3.2 Note that from 1 April 2024, social housing rent will be increased by Consumer Price Index (CPI) plus 1.00% as per the previously agreed Rent Standard. The budget

detailed in Appendix 1 assumes that rents will rise by CPI 6.70% plus 1.00% with recoverable service charges also rising by CPI plus 1.00% for the period 1 April 2024 to 31 March 2025.

- 3.3 Approve the increase of 7.70% for housing rents from 1 April 2024 in line with the Government rent standard.
- 3.4 Approve the increase of 7.70% for housing service charges from 1 April 2024.
- 3.5 Approve the Non-Recurrent Growth Item Hardship Fund of £0.350 million for 2024-25 to support NCC tenants who may, due to their income, not be eligible to receive any financial assistance through existing benefits (Housing Benefit/Universal Credit/Discretionary Housing Payment) (detailed in points 6.5 & 6.11).
- 3.6 Approve that any unspent balance in relation to the Hardship Fund for 2023-24, can be carried forward as an earmarked reserve into 2024-25 (detailed in point 6.5) and added to the 2024-25 in-year budget allocation.
- 3.7 Note the indicative 30-year Housing Revenue Account business plan as detailed within Appendix 1.
- 3.8 Approve the estimated pay inflationary increase for 2024-25 of 4.00% totalling £0.447 million (detailed in point 6.10).
- 3.9 Approve the Non-Pay Inflation Schedule for 2024-25 totaling £0.280 million (detailed in point 6.10).
- 3.10 Approve the Recurrent Growth as follows:
  - a) Housing Disrepair of £0.275 million from 2024-25 to cover the costs of housing disrepair mitigation and resolution; and note that the budget will be reduced by £0.150 million after 5 years (detailed in point 6.11).
  - b) Additional staffing budget of £0.367 million from 2024-25 (detailed in point 6.11).
  - c) Additional budget for consumable materials for void properties of £0.159 million from 2024-25 (detailed in point 6.11).
- 3.11 Note the Recurrent Saving in relation to the Introduction of phased Service Charges for Sheltered Housing tenants, with estimated additional income of £0.120 million in 2024-25 (50.00%), £0.180 million in 2025-26 (75.00%) and £0.240 million 2026-27 (100.00%) as agreed within the budget and MTFP 2023-24 (detailed in point 6.12).
- 3.12 Note and approve the expenditure plan relating to £41.434 million which has been set aside over the 4-year period 2024-25 to 2027-28 in the HRA Capital programme to invest in Affordable Housing. Details are set out in Appendix 1.
- 3.13 Approve an amendment to the Housing Rent policy, to enable re-let of HRA properties at Formula Rent from April 2025 (detailed in point 6.29).

#### **4. Forward plan date and reason for urgency if applicable**

22 June 2023

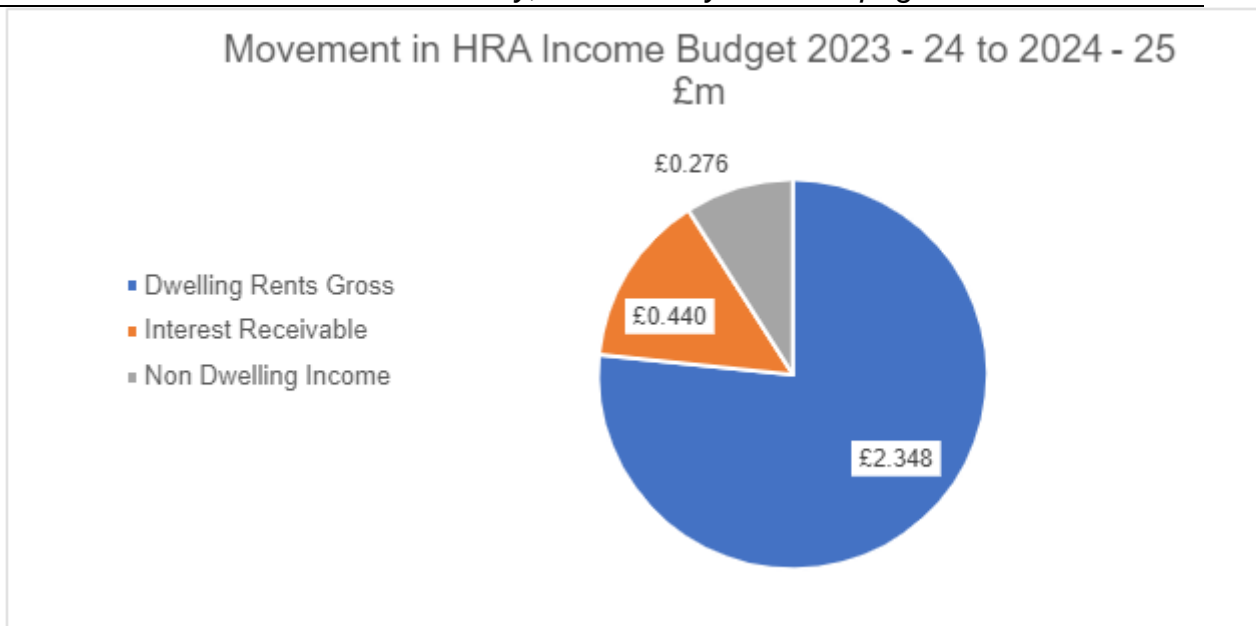
## 5. Background

- 5.1 The Council is required by the Local Government and Housing Act 1989 to keep a Housing Revenue Account (HRA) which records all revenue expenditure and income relating to the provision of council dwellings and related services. The use of this account is heavily prescribed by statute and the Council is not allowed to fund any expenditure for non-housing/tenant related services from this account.
- 5.2 The Council is also obliged to produce a HRA MTFP which is reviewed and updated on an annual basis. The current business plan clearly indicates that the Council can maintain its properties to the Decent Homes Standard for the full 30 years of the plan (which runs to 2054).
- 5.3 The Council keeps two HRA specific reserves which are required under statute:
- Housing Revenue Account Balance – This reserve holds the HRA accumulated surpluses. It can be used to contribute to balance the revenue budget in year or to contribute to fund schemes within the capital programme; and
  - The HRA Major Repairs Reserve (MRR) - This reserve was created to fund capital works to maintain the Council's housing stock or to repay debt.
- 5.4 The balance on the HRA account was £29.148 million as at 31 March 2023 and is planned to decrease to £28.175 million by 31 March 2024.

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

### Rent Increases

- 6.1 On 26 February 2019, the Government issued a new Direction that required the regulator of social housing to set a new rent standard for registered providers with effect from 1 April 2020. It is accompanied by a policy statement which sets out the Government's policy on rents for social housing from 1 April 2020. The standard states that the maximum allowable rent increase for the year will be the Consumer Price Index (CPI) as at September plus 1.00% for the following 5 years (new 2020 Limit Rent).
- 6.2 The rent increase for 2023-24 was capped by the Government at 7.00% and the Council agreed this increase for 2023-24. This has had no detrimental effect on rental income as rent collection rates have continued to stay above target throughout the year.
- 6.3 The HRA has 8,286 properties within its housing stock. The majority are charged a social rent with a small number being charged an affordable rent. In terms of rent collection, 31.00% of tenants are in receipt of Housing Benefit, 40.60% are in receipt of Universal Credit, and 28.40% are responsible for paying their rent in full. Any rent increases for those on Universal Credit or Housing Benefit (71.60% of tenants) will be paid in full.
- 6.4 The proposed 7.70% increase will be used to directly support revenue funded activity, including some limited essential growth whilst enabling the Council to continue to deliver existing services, maintain the decent homes standard and meet new demands and challenges.



The chart shows the expected overall increase in income of £3.064 million, assuming a 7.70% increase in dwelling rent and additional bank interest as interest rates are currently higher than in previous years.

- 6.5 It will further allow for the provision of a **£0.350 million Hardship Fund**, which would be specifically targeted to assist those Council tenants, who may, due to their income, not be eligible to receive any financial assistance through existing benefits (Housing Benefit/Universal Credit/Discretionary Housing Payment) but may be struggling with rent payments as a result of the proposed increase in rent or general cost of living. The Hardship fund set up in 2023-24 is expected to have an in year call on funds of approximately £0.250 million supporting tenants with their financial needs. The proposal is to carry forward any unspent balance into an earmarked reserve and then add it to the additional £0.350 million for 2024-25.
- 6.6 The fund is administered internally by the Housing Income Team, with each request considered on merit and subject to individual objective assessment to establish if any arrears were attributable to the rent increase and if so, assistance would be provided.
- 6.7 The fund will continue to be used to apply a credit to a rent account, or in certain circumstances supplement living costs by way of a grant or purchase of an item which may alleviate hardship.
- 6.8 In addition, the Income Team continues to assist tenants experiencing hardship through signposting and referral to specialist advice and support services.
- 6.9 A rent increase of lower than 7.70%, would result in a reduction of service to tenants as existing revenue budgets would be reduced. This would lead to an immediate increase in the number of complaints and disrepair claims, thereby exposing the Council to risk of intervention from the Social Housing Regulator.

**What does a 7.70% rent increase cost Council tenants**

An analysis of the average weekly increase in rent at 7.70% is as follows:

	1 Bed	2 Bed	3 Bed	4 Bed+
Total (Average)	£5.38	£6.40	£6.89	£7.69



## Pressures

6.10 A number of potential risks that have had and continue to have a significant effect on the HRA MTFP were identified as part of the 2024-25 budget setting process. The current 'cost of living crisis' has seen a number of these risks now having an impact on the plan.

- **Increased borrowing costs due to interest rate increases** - interest rates for borrowing have increased from an average of 2.00% in 2021-22 to an estimated 5.50% in 2024-25;
- **The need for unplanned capital expenditure** – for example the HRA absorbed the costs of damage to HRA land and property due to Storm Arwen with an estimated cost of over £1.300 million;
- **Higher levels of pay awards and inflation than included in the plan** - the agreed pay award for 2023-24 was a flat rate of £1,925 for every 1FTE costing £0.661 million. This equates to an average of 7.00% across the pay bands with those on lower spinal points receiving 10.50% at an additional cost of £0.243 million. An estimated further inflationary increase of 4.00% totalling £0.447 million has been included for 2024-25. These additional costs have been built into the staffing budgets within the MTFP; and,
- **Non pay inflation** – the cost of fuel, utilities and materials have significantly increased during 2022-23 and 2023-24. This has impacted on both revenue and capital costs, resulting in less outputs for existing budgets. Although inflation rates are starting to fall, it may be some time before this is reflected in the cost of goods and services. The table below summaries the inflation built into the 2024-25 budget:

Budget	Inflationary Increase	
	%	£m
Consumable Materials	6.00	0.139
Council Tax	4.99	0.024
Electricity	3.00	0.004
Gas	4.50	0.017
Insurance	6.70	0.010
Internal Recharges	3.00	0.094
Water	3.00	0.068
Other Income	3.00	(0.076)
<b>Total</b>		<b>0.280</b>

## Growth

6.11 The following growth items are included within the 2024-25 budget and MTFP:

- **Housing Disrepair** – £0.275 million to increase the budget provision in response to an increased number of housing disrepair claims across the sector to support legal costs, mitigation, and resolution. This will increase the budget to £0.525 million. The MTFP proposes to reduce this budget by

£0.150 million after 5 years assuming that mitigation in relation to the current issues will be either complete or nearly complete;

- **Additional staffing budget** – increase to the staffing budget of £0.367 million for Housing Management in order to comply with the new requirements of the Housing Regulator as set out in the Social Housing (Regulation) Act 2023 including dealing with damp and mould issues within specific timescales and ensuring Council tenants have a voice and are being involved in decision making;
- **Hardship fund** - A non-recurrent hardship fund of £0.350 million to support Council tenants who may, due to their income, not be eligible to receive any financial assistance through existing benefits; and,
- **Void properties consumable materials** - an additional £0.159 million budget provision for consumable materials in relation to turnaround and repair of void properties. This area is being reviewed due to the increased costs and void rates.

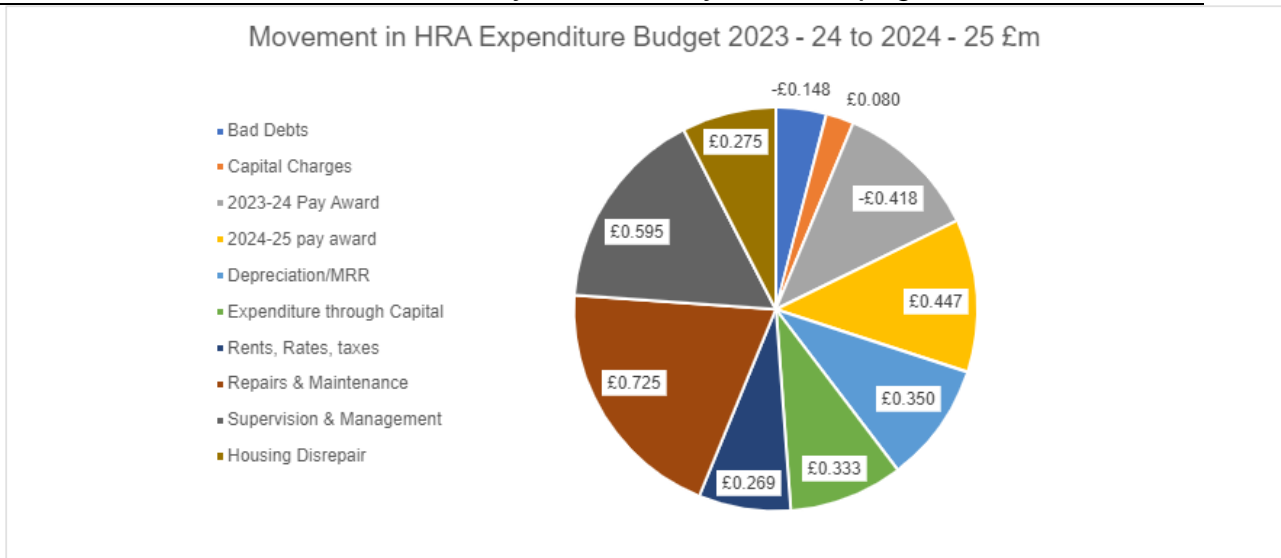
### Savings

6.12 The following savings are included within the 2024-25 budget and MTFP:

- **Interest Receivable** - the increase in interest rates has improved the HRA budget by £0.400 million as the estimated interest rate received on HRA reserves has increased from 0.02% in 2021-22 to an estimated 4.40% in 2024-25; and,
- **Introduction of phased service charges for Sheltered Housing tenants** - since the withdrawal of the Supporting People grant in 2015 the HRA has subsidised sheltered housing schemes. The implementation of service charges will bring the Council in line with other housing providers both locally and nationally. Estimated additional income is £0.120 million in 2024-25 (50.00%), £0.180 million in 2025-26 (75.00%) and £0.240 million 2026-27 (100.00%). This was agreed by full Council as part of the 2023-24 MTFP, with a commencement date of collection of 2024-25.

### Income and Expenditure Summary

6.13 As stated above, assuming a 7.70% increase in dwelling rent, additional revenue through interest and non-dwelling rent, the overall increase in income has been calculated as £3.064 million. It has further been calculated, as shown below, that the overall increase in expenditure in 2024-25, will be £2.508 million. Based upon this and taking into account all other matters within the HRA MTFP, this would produce an in-year operating surplus of £0.868 million.



**Reserves**

6.14 The HRA cannot be subsidised by the Council’s General Fund and therefore needs to maintain an adequate level of reserves. The HRA maintains a significant level of reserves in the early years of the plan. However, the plan includes the use of reserves to fund the capital programme to avoid any additional borrowing while the interest rates are high. This reduces the reserves to £13.708 million by the end of 2027-28. A risk assessment on the reserve’s balances has been completed. The reserve balance will gradually grow and by 2030-31 will be approximately £14.000 million and will be maintained at this level for the remainder of the plan.

**Loans**

6.15 At this time, it is not proposed that any loans are repaid; and all loans maturing will be refinanced.

**Right to Buy**

6.16 The HRA MTFP assumes that the current Right to Buy (RTB) policy will continue, and this is reflected throughout the plan as a reduction in rental income. Significant increases in the number of RTB’s has been experienced in the previous two years and the MTFP has been updated to reflect this. Capital receipts from RTB sales are estimated to contribute £11.012 million towards the HRA Capital Programme between 2024-25 to 2027-28.

**Existing Housing and Housing Investment Programme**

6.17 The HRA MTFP and 30-year Business Plan have been updated to fund £41.434 million of capital expenditure towards the Housing Investment Programme for the period 2024-25 to 2027-28.

2024-25	2025-26	2026-27	2027-28	Total 2024-25 to 2027-28
£m	£m	£m	£m	£m
20.603	14.461	3.455	2.915	41.434

6.18 In order to fund this programme, the MTFP includes:

- External grant support of £7.997 million from Homes England and other funders. To supplement investment in new housing, grant will be sourced through Homes England's Affordable Homes Grant. Applications will be made in line with the prescribed process and assessed by Homes England against the following criteria:

- a) Cost Minimisation (grant per home); and,
- b) Deliverability (within funding timeframe); and,
- c) how they align with their (Homes England) strategic objectives.

In addition to external grant, the investment programme is comprised of the following elements of funding:

- Use of Major Repairs Reserve totalling £2.400 million;
- Utilisation of the Investment Reserve totalling £20.025 million; and
- Use of capital receipts of £11.012 million generated from the Right to Buy sales.

- 6.19 In addition to direct delivery and acquisitions, the Council is enabling and facilitating an increase in the provision of affordable homes in partnership with other registered providers across the county. The priority is to deliver the right tenure of housing, on the right scale for the local area, by the right landlord.
- 6.20 The extent to which the HRA will contribute to the delivery of new homes will be informed by both the need to bring forward new council housing in areas of greatest priority and the investment needs of the existing stock. A revised Housing Asset Management Strategy is being developed that will reflect emerging investment pressures and priorities for social landlords as well as the key strategic aims of the Council.
- 6.21 As part of the commitment to bring forward new affordable homes, the following schemes have been completed:
- Conversion of warden's accommodation to form 3 new affordable units;
  - A targeted acquisition programme, which has delivered 13 units this year through the purchase of affordable Section 106 units from developers including Advance Northumberland. To date 11 acquisitions at Wooler and 2 acquisitions at Longframlington are complete;
  - Grant funding from the Department for Levelling Up, Housing and Communities (DLUHC) has enabled a programme of acquisition under the Local Authority Housing Fund (LAHF) Round 1. Twelve properties are expected to have completed by the end of March 2024;
  - A modest programme of targeted acquisitions of former RTB properties, bringing them back into use as affordable rented homes in areas where we already have stock; .and
  - Demolition of an obsolete block of 16 flats arranged on communal corridors has been completed and designs due for re-provision on site with family houses and apartments.

6.22 As part of the commitment to bring forward new affordable homes, the following schemes are actively being progressed:

- Conversion of 8 Council owned garage sites into 28 new accessible bungalows using the HUSK model. The first scheme will deliver 15 affordable rented bungalows to be part funded by Retained Treasury Capital Grant;
- A targeted acquisition programme to purchase affordable Section 106 units from developers:
  - a) Cabinet approved 8 acquisitions Alnwick from Story Homes at Alnwick. They are currently being built out with completion of units expected between March to June 2024,
  - b) 3 further acquisitions on this site are expected to be on offer for 2025,
  - c) 2 acquisitions are at offer and preliminary stage for another site in Alnwick.

It is proposed to explore other acquisitions in the HRA's stock holding areas;

- Delivery of 13 new build Dementia Care bungalows on a Council site to reflect the objectives set out within the Extra Care and Supported Housing Strategy. Levering in Brownfield Housing Fund (BHF) grant, Adult services 'spend to save' funding and Homes England Affordable Homes grant;
- Delivery of 9 new build bungalows on an Advance Northumberland owned site levering in Homes England Affordable Homes grant;
- Building new affordable homes on 12 identified Council sites is currently progressing, including development of infill sites on existing estates;
- Funding was secured via DLUHC during 2023 for several housing schemes in Blyth, to tackle the energy efficiency of council stock, empty homes and the potential provision of an extra care apartment scheme. The funding for these schemes expands on the Energising Blyth programme investment to regenerate Blyth; and
- In line with Homes England's revised strategy for housing regeneration, a review of schemes that include opportunities to re-develop some existing estates with low demand housing that is not providing a positive contribution to the MTFP is being undertaken. Further Cabinet reports will be brought forward as these schemes are progressed.

6.23 In addition to the Affordable Homes Programme, referenced above, officers are actively involved in bidding for grant to bring forward housing development in its widest sense through partnership with the LA7/North East Mayoral Combined Authority and Homes England. This includes funding from the BHF, Brownfield Infrastructure and Land Fund (BILF) and One Public Estate Brownfield Land Release Fund designed to address viability gaps on challenging sites and a wider pipeline of strategic regeneration priority sites for the Council. Where sites fall within HRA operating areas and there is an opportunity to bring forward developments that will enhance the portfolio of council housing these will be explored.

### **Major Repairs Reserve**

- 6.24 The Council is required to maintain a Major Repairs Reserve (MRR) with the main credit to the reserve being an amount equal to the total depreciation charge for all HRA assets.
- 6.25 The HRA MTFP includes provision for depreciation charges to increase in line with new capital expenditure and then by 1.00% each year with an assumption that the value of housing stock will increase. Any deviation from this assumption will affect the amount that is transferred into the MRR to fund future capital works.
- 6.26 The HRA MTFP assumes that the current adjustment factor for valuation of the housing stock for Northumberland of 44.00% of Market Value (Existing Use Value-Social Housing) will continue to apply throughout the plan for the purpose of valuation and depreciation.
- 6.27 The expenditure within the HRA MTFP for MRR, includes a planned programme of replacement roofs, kitchens, bathrooms, rewires and heating systems, along with other improvement schemes. The current plan assumes that £44.754 million will be spent on maintaining the housing stock to a decent homes standard for the period 2024-25 to 2027-28. In addition, for the same period the MRR will contribute £2.400 million towards the affordable homes programme.

### **Current Priorities**

- 6.28 Alongside the development of new homes, there are several emerging challenges and pressures on the existing stock that will need to be managed through increased investment and funded from the Major Repairs Reserve:
- Energy Efficiency – Linked to the Climate Change Commitment, work is ongoing to attract external funding to tackle homes with low thermal efficiency and/or are hard to heat and invariably this will require an element of capital funding to subsidise the cost of works. The Council is currently delivering a successful Social Housing Decarbonisation Fund (SHDF) Wave 1 bid to install energy efficiency measures to homes in Seaton Delaval. The Council is also working on a bid for SHDF Wave 2.2 funding to continue the installation of energy efficiency measures whilst adopting a fabric first approach;
  - Building Safety – In line with the Social Housing Regulation Bill, there will be increased obligations placed on social landlords in terms of compliance and building safety which will be delivered through planned investment works;
  - Housing Disrepair – the Fitness for Human Habitation Act that came into force for existing social tenants in April 2019, is giving rise to potential disrepair claims across the sector. The Council is currently going through an exercise to increase capacity to meet the demands of the increase in claims;
  - Decent Homes and Housing Act 2004/Housing Health and Safety Rating System (HHSRS) – Post the tragic death of Awaab Ishak and subsequent criticism of Rochdale Boroughwide Housing, Mr Michael Gove MP – Secretary of State for Department of Levelling Up Housing and Communities has written to all social housing providers emphasising the need to ensure all homes meet all of the legal standards and are free from Category 1 Hazards, including damp and mould. The Council has commissioned over three hundred external surveys to identify and diagnose reports of damp and

mould and all frontline staff have been trained in HHSRS awareness. The Council will also refresh stock condition information through a rolling programme of surveys, commencing in 2024-25. This work will validate current investment projections and potentially identify further areas requiring investment within the stock;

- Beyond Decent Homes – Alongside cyclical replacement of key decent homes elements (kitchens, bathrooms, heating systems etc) there are emerging investment needs linked to the structure and age of the properties within the portfolio. Northumberland holds a number of non-traditional homes that will require significant investment or intervention. Additionally, environmental improvements that are contributing to low demand in some areas may need to be prioritised and feature in the capital programme to ensure continued viability; and,
- The Independent Supported Living Agenda – working alongside Adult Services, to ensure that the offer in terms of specialist and supported accommodation is aligned to local need and properties are fit for the future. Internal refurbishments of the communal areas of existing dated Sheltered Schemes are being progressed with the aim to improve the living environment for current residents and to attract new residents.

### **Re-let at Formula Rent**

- 6.29 Since 2001, rents for properties let at 'social rent' have been based on a formula set by the Government. This creates a 'formula rent' for each property, which is calculated based on the relative value of the property, relative local income levels and the bed size of the property. The aim of this formula-based approach is to ensure that similar rents are charged for similar social rent properties.

The actual weekly rent charged is currently lower than the formula rent and has arisen due to policy changes from government in reducing/capping yearly rent increases but still increasing formula rent by CPI plus 1.00% plus the abolition of rent convergence in 2014 which was put in place to allow actual rents to align with formula rents.

NCC's current rent practice is that where a vacant dwelling is re-let, the tenant is to be charged the same weekly rent as the previous vacated tenant. However, where a property is re-let the Government's rent standard allows the new tenants to be charged a formula rent.

Going forward new tenants being charged a formula rent would be subject to the annual rent increase as per the rent standard.

If approved, the Housing Rent policy will be amended to reflect this. An implementation date of April 2025 is proposed, as changes to the Housing Management System will be required.

### **Annual Review**

- 6.30 The HRA MTFP is subject to formal annual review and is part of existing budget monitoring arrangements, which allows any policy changes or impact upon the plan to be identified and any significant changes to be reported.

**Summary**

6.31 The proposed 2024-25 Housing Revenue Account budget and HRA MTFP 2024-28 is attached at Appendix 1. An indicative 30-year business plan, showing the projected position at five yearly intervals, is also included for information.

**7. Implications**

<b>Policy</b>	The HRA Budget and Medium-Term Financial Plan fully supports the priorities outlined in the Corporate Plan 2023-26 – Northumberland: Land of Great Opportunities.
<b>Finance and value for money</b>	The financial implications of the 2024-25 HRA Budget and the Medium-Term Financial Plan are detailed within this report.
<b>Legal</b>	The provisions of the Local Government Finance Act 1992 set out what the Council has to base its budget calculations upon and require the Council to set a balanced budget with regard to the advice of its Chief Finance Officer. The Act also states that the Council has got to set its budget before 11 March in the financial year preceding the one in respect of which the budget is set. The Housing Revenue Account, is governed by the Housing Act 1989. From 1 April 2020, registered providers must set rents in accordance with the government’s policy statement on Rents and Social Housing 2019. (updated December 2022).
<b>Procurement</b>	There are no specific Procurement implications within this report.
<b>Human resources</b>	The budget will have an impact on staffing levels across the HRA, with a proposed increase in staffing numbers. The Council will continue to manage its vacancies in a timely manner, to ensure continuity of service to tenants.
<b>Property</b>	All of the Capital Programme refers to HRA property and assets
<b>The Equalities Act: is a full impact assessment required and attached?</b>	Yes - required and attached  The nature of the main HRA Budget proposal aims to ensure that the Council is able to provide services to all tenants, maintain existing homes to the decent home standard, and develop new housing to meet the needs of current and future tenants. The proposal does not therefore adversely impact on any member of staff, or public due to individual or multiple protected characteristics. Further, it has been recognised that for those tenants who are responsible for the payment in full of their rent, that any rent increase, coupled with the cost of living crisis, may have an adverse impact on them and their ability to pay their rent. To support those tenants, it is proposed that the hardship fund will be topped up to ensure support is available for those who really need support.
<b>Risk assessment</b>	The risks associated with the budget proposals will continue to be reviewed up to and including implementation of the detailed proposals.



<b>Crime and disorder</b>	There are no specific Crime & Disorder implications within this report.
<b>Customer considerations</b>	The individual proposals will carefully consider the impact upon both customers and residents of Northumberland.
<b>Carbon reduction</b>	The Council continues to develop proposals concerning the management of energy which are supported by the budget.
<b>Health and wellbeing</b>	The Council's budget is founded on the principle of promoting inclusivity.
<b>Wards</b>	South East Northumberland, Alnwick, Allendale

**8. Background papers**

Not Applicable

**9. Links to other key reports already published**

Not Applicable

**10. Author and Contact Details**

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## Housing Revenue Account MTFP and Business Plan

## Appendix 1

### 1. HRA MTFP 2024-25 to 2027-28 & 30 Year Business Plan

	HRA MTFP 2024-25 to 2027-28				HRA 30 Year Business Plan					
	2023-24	2024-25	2025-26	2026-27	2027-28	2032-33	2037-38	2042-43	2047-48	2053-54
	Expected Outturn £m	Projection £m	Projection £m	Projection £m	Projection £m	Projection £m	Projection £m	Projection £m	Projection £m	Projection £m
<b>Income</b>										
Dwelling Rents (including voids)	(32.408)	(35.111)	(36.240)	(37.674)	(38.985)	(44.783)	(50.592)	(57.043)	(64.185)	(73.856)
Non Dwelling Income	(3.180)	(3.336)	(3.369)	(3.403)	(3.437)	(3.612)	(3.797)	(3.990)	(4.194)	(4.452)
Interest on balances and investments	(1.721)	(1.440)	(0.700)	(0.500)	(0.250)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
<b>Total Income</b>	<b>(37.309)</b>	<b>(39.887)</b>	<b>(40.309)</b>	<b>(41.577)</b>	<b>(42.672)</b>	<b>(48.495)</b>	<b>(54.489)</b>	<b>(61.133)</b>	<b>(68.479)</b>	<b>(78.408)</b>
<b>Expenditure</b>										
Repairs and Maintenance	10.078	10.586	11.047	11.530	12.032	14.727	18.241	21.146	24.514	29.271
Supervision and Management	7.722	8.917	9.074	9.346	9.626	11.159	12.937	14.997	17.386	20.760
Rents, Rates, Taxes and Other Charges	3.699	3.968	3.747	3.858	3.973	4.602	5.330	6.174	7.154	8.537
Depreciation & Impairment of Fixed assets	10.518	10.686	11.014	11.304	11.366	12.077	12.693	13.341	14.021	14.884
Provision for the write off of bad debt	0.556	0.411	0.422	0.436	0.449	0.502	0.560	0.625	0.697	0.794
Capital Charges - Interest	4.709	4.451	4.209	3.997	4.001	3.975	3.975	3.975	3.974	3.937
<b>Total Expenditure</b>	<b>37.282</b>	<b>39.019</b>	<b>39.513</b>	<b>40.471</b>	<b>41.447</b>	<b>47.042</b>	<b>53.736</b>	<b>60.258</b>	<b>67.746</b>	<b>78.183</b>
<b>Operating Surplus on HRA Services</b>	<b>(0.027)</b>	<b>(0.868)</b>	<b>(0.796)</b>	<b>(1.106)</b>	<b>(1.225)</b>	<b>(1.453)</b>	<b>(0.753)</b>	<b>(0.875)</b>	<b>(0.733)</b>	<b>(0.225)</b>
<b>HRA Reserve brought forward</b>	<b>(29.148)</b>	<b>(28.175)</b>	<b>(19.193)</b>	<b>(13.177)</b>	<b>(13.483)</b>	<b>(14.839)</b>	<b>(15.890)</b>	<b>(15.035)</b>	<b>(14.252)</b>	<b>(13.558)</b>
Contribution to Capital Investment Reserve	1.000	9.850	6.812	0.800	1.000	1.000	1.000	1.000	1.000	-
<b>HRA Reserve carried forward</b>	<b>(28.175)</b>	<b>(19.193)</b>	<b>(13.177)</b>	<b>(13.483)</b>	<b>(13.708)</b>	<b>(15.292)</b>	<b>(15.643)</b>	<b>(14.910)</b>	<b>(13.985)</b>	<b>(13.783)</b>

## Housing Revenue Account MTFP and Business Plan

### 2. HRA Capital Programme 2024-25 to 2027-28

2023-24	2024-25	2025-26	2026-27	2027-28	Total 2024-25 to 2027-28
Expected Outturn	Projection	Projection	Projection	Projection	Projection
£m	£m	£m	£m	£m	£m
Affordable Housing Investment Programme	20.603	14.461	3.455	2.915	41.434
Major Repairs Programme	11.116	11.231	11.246	11.161	44.754
<b>17.448</b>	<b>31.719</b>	<b>25.692</b>	<b>14.701</b>	<b>14.076</b>	<b>86.188</b>
Funded by:					
Contribution from Major Repairs Reserve	(11.015)	(11.831)	(11.846)	(11.161)	(47.154)
Contribution from Capital Investment Reserve	(1.177)	(6.812)	(0.800)	(1.000)	(20.025)
Contribution from Capital Receipts Reserve	(2.395)	(3.456)	(1.655)	(1.655)	(11.012)
External Funding / Homes England	(2.861)	(3.593)	(0.400)	(0.260)	(7.997)
<b>(17.448)</b>	<b>(31.719)</b>	<b>(25.692)</b>	<b>(14.701)</b>	<b>(14.076)</b>	<b>(86.188)</b>

### 3. HRA Reserves

#### Major Repairs Reserve

Page 6

Balance brought forward

Depreciation

Major Repairs Capital Programme

Contribution to the Capital Programme

**Balance carried forward**

2024-25	2025-26	2026-27	2027-28
Projection	Projection	Projection	Projection
£m	£m	£m	£m
(9.722)	(8.092)	(7.275)	(6.733)
(10.686)	(11.014)	(11.304)	(11.366)
11.116	11.231	11.246	11.161
1.200	0.600	0.600	-
<b>(8.092)</b>	<b>(7.275)</b>	<b>(6.733)</b>	<b>(6.938)</b>

#### Capital Investment Reserve

Balance brought forward

Contribution from HRA

Contribution to Housing Investment Programme

**Balance carried forward**

2024-25	2025-26	2026-27	2027-28
Projection	Projection	Projection	Projection
£m	£m	£m	£m
(1.563)	-	-	-
(9.850)	(6.812)	(0.800)	(1.000)
11.413	6.812	0.800	1.000
-	-	-	-

**Capital Receipts Reserve**

Balance brought forward  
 Capital Receipts - RTB Sales  
 Contribution to the Capital Programme  
**Balance carried forward**

2024-25	2025-26	2026-27	2027-28
Projection	Projection	Projection	Projection
£m	£m	£m	£m
(7.842)	(4.596)	(2.140)	(1.485)
(1.000)	(1.000)	(1.000)	(1.000)
4.246	3.456	1.655	1.655
<b>(4.596)</b>	<b>(2.140)</b>	<b>(1.485)</b>	<b>(0.830)</b>

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## HRA Equality Impact Assessment

Carrying out an Equality Impact Assessment (EIA) will help the County Council to meet its Public Sector Equality Duties (Equality Act 2010).

The duties which need to be considered when making decisions are to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

Failure to assess the equality impact may increase the risk of making an unfair decision which could potentially be discriminatory. It also prevents us from identifying opportunities to promote equality and therefore leaves the County Council open to potential legal challenge.

Using this EIA template will help to ensure that a decision is made in a fair way, based on evidence. It provides a clear and structured method to assess the potential impact on protected groups.

<p><b>Title of policy or proposal</b></p>	<p>HRA Budget and MTFP report for 2024-25 (assessment of overall impacts of the package of proposals that have been put forward as part of the budget report for 2024-25).</p>
<p><b>Briefly describe the aims of the policy change, decision or proposal, the likely outcomes and the rationale for it</b></p>	<p>The Housing Revenue Account (HRA) has a statutory duty to set a budget and maintain positive reserves and balances. The Budget sets out the plans for the medium term along with a 30-year business plan.</p> <p><b>Key proposals:</b></p> <ul style="list-style-type: none"> <li>• To approve an increase Council housing rents and service charges by CPI 6.7% plus 1% from April 2025.</li> <li>• To approve a £41.434m Capital Investment Programme.</li> <li>• To approve a hardship fund of £0.350m</li> <li>• To maintain a balanced HRA Budget for 30 years</li> <li>• To maintain Council Housing to the Decent</li> </ul>

	Homes standard.
<p>Consider the potential impact on any member of staff or member of the public with the following protected characteristics:</p> <p>Age, Disability, Gender identity/Gender reassignment, Race, Religion or belief, Sex, Sexual orientation, Women who are pregnant or have recently had a baby.</p> <p>Also, for issues affecting staff, consider employees who are married or in a civil partnership.</p>	
<p><b>What information is already held or have you obtained through consultation or engagement activity?</b></p>	<p><b>Age:</b> The budget implications do not affect any age group over another.</p> <p>57% of tenants are aged over 50.</p> <p>21% of tenants are aged over 70.</p> <p>A distinctive feature of Northumberland is that it has an above average proportion of older people in its population, and the projection is for a higher than average increase in this proportion over the coming decade. Included in the HRA Affordable Housing Programme we have specific aims to build dementia friendly bungalows identified for older tenants.</p> <p><b>Disability:</b> Within the HRA budget, we allocated a budget to cover adaptations to Council properties to enable practical living solutions for anyone with a disability.</p> <p><b>Gender identity/Gender reassignment:</b> We have limited information regarding Gender identity/Gender reassignment in Council Tenants.</p> <p><b>Race:</b> The budget implications do not affect any group over another</p> <p>Within the Capital Programme we are bringing 13 additional properties into the HRA specifically for the Afghan refugees with grant support from the Local Authority Housing Fund.</p> <p><b>Religion or belief:</b> We have limited information</p>



	<p>regarding religion or belief.</p> <p><b>Sex:</b> The budget implications do not affect any group over another</p> <p>56% of tenants are female</p> <p>41.4% of tenants are male</p> <p>2 tenants have indicated they are non-binary</p> <p>1 tenant has indicated they are transgender</p> <p><b>Sexual orientation:</b> We have limited information about differences in overall Council Tenants by sexual orientation.</p> <p><b>Women who are pregnant or recently had a baby:</b></p> <p>The Council regularly publishes an analysis of its equality information. The most recent report is available on the Equality in Northumberland page of the Council's website.</p>
<p><b>After considering the information, which protected groups may potentially be affected?</b></p>	<p><b>Potentially affected:</b></p> <p><b>Age</b></p> <p><b>Disability</b></p> <p><b>Gender identity/Gender reassignment</b></p> <p><b>Race</b></p> <p><b>Religion or belief</b></p> <p><b>Sex</b></p> <p><b>Sexual orientation</b></p> <p><b>Not potentially affected:</b></p> <p>The HRA Budget adversely does not affect any protected group over another.</p>
<p><b>Using the information you have, give details of any potential positive and negative impacts on protected groups likely to be affected by the policy change, decision or proposal</b></p>	<p><b>Age:</b> No issues have currently been identified to people with different religions or beliefs might be disproportionately advantaged or disadvantaged by this budget</p> <p><b>Disability:</b> No issues have currently been identified to people with different religions or beliefs might be disproportionately advantaged or disadvantaged by this budget</p> <p><b>Gender identity/Gender reassignment:</b> No issues have currently been identified to people with different</p>

	<p>gender identities or who have transitioned or are transitioning would be disproportionately advantaged or disadvantaged by this budget, though the question will be considered during further development of further budgets. The Council is continuing to work to promote awareness and provide support to people with different gender identities or who have changed from the gender they were assigned at birth.</p> <p><b>Race:</b> No significant differential impact on specific national or ethnic minorities protected by the Equality Act 2010 has been identified in preparing the budget. Where necessary, further EIAs linked to the implementation of specific budget proposals will need to consider whether there is a possibility of differential impacts.</p> <p><b>Religion or belief:</b> No issues have currently been identified to people with different religions or beliefs might be disproportionately advantaged or disadvantaged by this budget</p> <p><b>Sexual orientation:</b></p> <p>The budget proposals planned for 2024-25 currently appear unlikely to have a differential impact. Where necessary, further assessment of the impact on people with different sexual orientations will be linked to the implementation of specific budget proposals.</p> <p><b>Women who are pregnant or recently had a baby:</b></p> <p>The risk that pregnant women or those with children under 26 weeks could be disproportionately disadvantaged will need to be considered where relevant in carrying out detailed EIAs required to support the implementation of specific budget proposals.</p> <p>No significant risk has been identified that the budget proposals will affect public attitudes towards pregnant women or those with children under 26 weeks.</p>
<p><b>Give details of any Human Rights implications and actions that may be needed to</b></p>	<p>Human rights issues have been considered in EIAs of specific budget proposals, and no unacceptable implications have been identified. Where necessary, further EIAs linked to the implementation of specific</p>

<b>safeguard Human Rights.</b>	budget proposals will consider potential human rights issues.
<b>Give details of any actions that can be taken to promote equality or to lessen any potential adverse impact on protected groups.</b>	There are no adverse impacts.
<b>What plans are there to monitor and review the actual impact of the policy change, decision or proposal on equality of opportunity?</b>	Monitoring arrangements have been/will be considered in EIAs for specific budget proposals. The Council carries out an annual equality information analysis, which provides a regular overview of significant equalities issues across services, including any issues which emerge as a result of budget changes.
<b>When will follow up review be done?</b>	Follow up reviews will be done for individual EIAs for specific proposals as these are developed and implemented. Further reviews of specific proposals will be done if these are identified during the annual equality information analysis.
<b>Based on a consideration of all the potential impacts, mark one of the following as an overall summary of the outcome of this assessment:</b>	
<b>x</b>	The equality analysis has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken.
	The equality analysis has identified risks or opportunities to promote better equality; the change, decision or proposal will be adjusted to avoid risks and ensure that opportunities are taken.
	The equality analysis has identified risks to equality which will not be eliminated, and/or opportunities to promote better equality which will not be taken. Acceptance of these is reasonable and proportionate, given the objectives of the change, decision or proposal, and its overall financial and policy context.

	The equality analysis shows that the change, decision or proposal would lead to actual or potential unlawful discrimination or would conflict with the Council's positive duties to an extent which is disproportionate to its objectives. It should not be adopted in its current form.
<b>Explain how the judgement above was reached and summarise steps which will be taken to reduce any negative or to enhance any positive impacts on equality</b>	The opportunity to increase the rent by CPI 6.7% plus 1% from April 2025 and to invest in Capital Schemes will not adversely affect our tenants or provide any issues around equality.
<b>Name(s) and job title(s) of person (people involved in) carrying out this assessment</b>	Susan Ogle
<b>Authorising director or head of service</b>	Rob Murfin
<b>Date authorised</b>	30 November 2023
<b>The completed equality impact assessment must be attached to the report that will be considered by the decision maker or decision makers to enable them to give due regard to the impact of the policy, decision or proposal on protected groups.</b>	



# Northumberland County Council

Cabinet

Tuesday, 13 February 2024

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

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

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

### **1. Link to Key Priorities of the Corporate Plan**

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

### **2. Purpose of report**

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

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

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

### **3. Recommendations**

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

1. Note that the figures contained within the Budget 2024-25 within Appendix 1 are based on the provisional Local Government Finance Settlement of 18 December 2023.
2. Approve:
  - a) the Revenue Budget for 2024-25 including the efficiencies totalling £10.846 million for 2024-25 contained within Appendix 1 (detailed in Appendix 10); and,
  - b) the Schedule of Efficiencies totalling £14.950 million for 2025-26 contained within Appendix 1 (detailed in Appendix 10) noting that the efficiencies identified may be progressed during 2024-25 in order to realise the efficiencies early.
3. Note the Revenue MTFP covering the period 2024-28 detailed within Appendix 1 and the requirement to deliver budget balancing measures of £20.248 million in 2026-27 and £14.238 million in 2027-28.
4. Note the estimated receipt of Revenue Support Grant of £14.020 million for 2024-25 contained within Appendix 1.
5. Note the estimated retained Business Rates and the Top-Up Grant funding to be received by the Council for 2024-25 of £103.696 million and £324.303 million over the remaining period of the MTFP contained within Appendix 1.
6. Note the estimated surplus from prior years on Collection Fund Business Rates balance of £3.471 million in 2024-25 contained within Appendix 1.
7. Note the estimated receipt of Rural Services Delivery Grant of £2.745 million for 2024-25 contained within Appendix 1.
8. Note the estimated receipt of the New Homes Bonus of £1.682 million (excluding service element of £0.028 million) for 2024-25 contained within Appendix 1.
9. Note the estimated receipt of Improved Better Care Funding Grant of £12.496 million for 2024-25 contained within Appendix 1.
10. Note the estimated receipt of Social Care Grant funding of £25.821 million for 2024-25 contained within Appendix 1.
11. Note the estimated receipt of Adult Social Care Discharge Grant funding of £2.920 million in 2024-25 contained within Appendix 1.
12. Note the estimated receipt of Adult Social Care Market Sustainability and Improvement Fund Grant of £6.656 million in 2024-25 contained within Appendix 1.
13. Note the estimated receipt of the Services Grant of £0.439 million in 2024-25 contained within Appendix 1.
14. Approve a 2.99% increase in Council Tax for 2024-25, noting that this is in line with the Government's assumptions regarding the Council's Core Spending Power; and, within the Government's referendum limit of 3.00%.

15. Note that the MTFP 2024-28 includes a 2.99% annual increase in Council Tax for 2025-26 and then 1.99% thereafter for the remaining years of the MTFP and, that an estimate of annual tax base growth has been included.
16. Note the non-collection rate for Council Tax purposes remains at 1.00% for 2024-25 (1.00% in 2023-24).
17. Note the estimated surplus of £4.149 million from prior years on the Collection Fund Council Tax balance for 2024-25 contained within Appendix 1.
18. Approve the Council Tax Support Hardship Scheme 2024-25; a reduction of up to £100.00 to council tax bills for all working age Council Tax Support claimants; and those pensionable age Council Tax Support claimants that do not receive 100.00% Council Tax Support, once all other discounts have been applied.
19. Approve a 2.00% increase in Council Tax for 2024-25 for use on Adult Social Care services; raising an additional £4.993 million to support the Budget 2024-25 and note that the assumed increase included in the MTFP is 2.00% for 2025-26 and zero thereafter.
20. Approve the Reserves Policy 2024-25 detailed in Appendix 2.
21. Note the Schedule of Reserves and Provisions contained within Appendix 3.
22. Approve:

The net contributions from the Strategic Management Reserve of £20.885 million in 2024-25 and note the proposed net contributions from reserves of £10.831 million in 2025-26 and £0.027 million in 2026-27, and the proposed net contribution to the reserves of £0.997 million in 2027-28, contained within Appendix 1, comprising:

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

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



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

#### **4. Forward plan date and reason for urgency if applicable**

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

## 5. Key Issues

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

## 6. Background

### National Context

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

### Provisional Local Government Financial Settlement

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

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

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

### **Settlement Funding Assessment and Revenue Support Grant**

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

### **Revenue Support Grant**

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

### **Baseline Funding**

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

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

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

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

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

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

### **Rural Services Delivery Grant**

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

### **New Homes Bonus**

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

### **Improved Better Care Funding Grant**

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

### **Social Care Grant**

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

### **Adult Social Care Discharge Fund**

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

### **Adult Social Care Market Sustainability and Improvement Fund**

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

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

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

### Services Grant

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

### Council Tax

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



42. There has been no Government decision to implement referendum limits for Town and Parish Councils.
43. An assessment of potential housing development across the County has been undertaken and an estimate of the growth in the tax base has also been included within the MTFP.
44. The Council proposes to introduce a new empty homes Council Tax premium which will come into effect on 1 April 2024. Vacant properties will be charged full Council Tax after 12 months. It is forecast that this will affect 771 properties and contribute additional Council Tax income of approximately £1.600 million in 2024-25.
45. The increase in the Council Tax Base, the income generated from the new empty homes premium, and the general 2.99% inflationary increase in 2024-25 provides additional funding of approximately £9.273 million which helps to retain the levels of service the Council provides; as well as reduce the value of measures required to balance the Budget to the levels shown within the MTFP. It is also worth highlighting that the Government's Core Spending Power calculation assumes that the Council will apply an inflationary uplift to Council Tax each year and that there is growth in the Council Tax Base figure.
46. The provision for non-collection of Council Tax remains at 1.00% for 2024-25, following a review of actual collection rates. **(Recommendation 16)**
47. It is forecast that the Council's share of the Council Tax element of the Collection Fund will generate a surplus of approximately £4.149 million by 31 March 2024. This is largely due to an increase in the tax base as a result of additional properties being built. **(Recommendation 17)**
48. The Council agreed at its meeting on 17 January 2024 to continue with the 2023-24 local Council Tax Support Scheme unchanged for 2024-25; that is, the maximum level of support for working age claimants will be 92.00%. This report, and the Budget 2024-25 and MTFP 2024-28 at Appendix 1 includes the estimated cost of the full scheme to the Council of £24.524 million.
49. In addition to this the Council Tax Support Hardship Scheme has been extended into 2024-25, and the Council Tax Discount Policy which is included in the report "Revenues and Benefits Policies for 2024-25", which will be presented to Cabinet and Council along with this report has been updated to reflect this. A reduction of up to £100.00 will be made to Council Tax bills for all working age Council Tax Support claimants; and those pensionable age Council Tax Support claimants that do not receive 100.00% Council Tax Support, once all other discounts have been applied. Members are asked to approve the 2024-25 Council Tax Support Hardship Scheme, and the funding, from the Council Tax Hardship and Discount Scheme Fund Reserve. The cost of the scheme is estimated to be £1.726 million and is included at Appendix 1 and Appendix 9, and the funding for the scheme is shown at Appendix 1. **(Recommendation 18, 25 and 30)**
50. The Spending Review 2015 introduced the concept of an Adult Social Care Precept.

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

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

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

### Reserves and Provisions

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

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

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

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

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

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

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

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

## Reserves

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

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

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

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

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

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

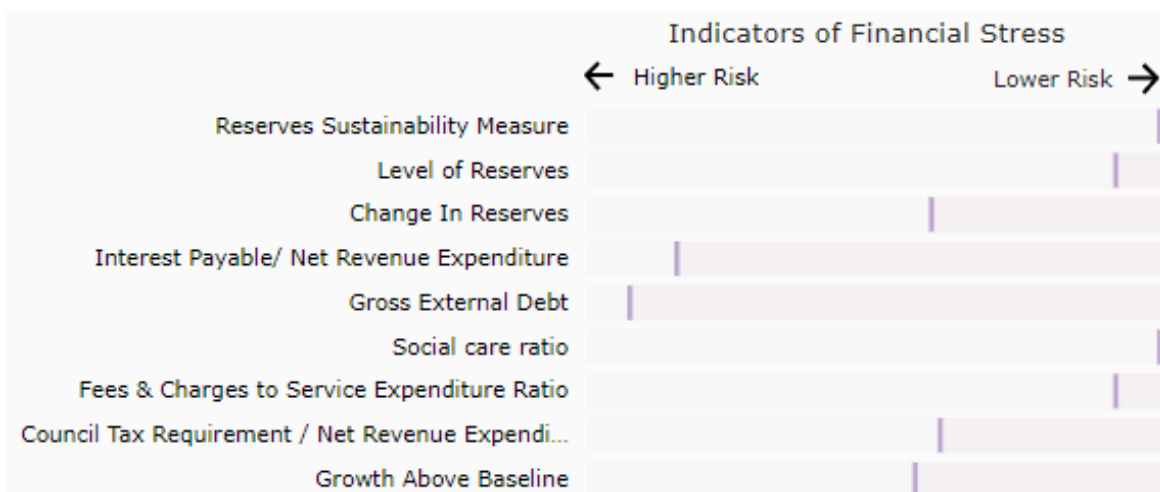
73. The Executive Director of Transformation and Resources (the Council's Section 151 Officer) is satisfied that the Council is setting a viable budget based on the assumptions contained within this report and confirms that the Council has the required financial strength within its reserves position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

### Provisions

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

### CIPFA Financial Resilience Index

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



Source: initial Chief Finance Officer release of the Resilience Index

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

### Service Specific Grants

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

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

**(Recommendation 26)**

### **Fees and Charges**

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



## EXPENDITURE

### Inflation

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

### Demand for Services

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

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

\* This excludes Minimum Revenue Provision

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

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

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

### **Budget Balancing**

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

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

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

### **Budget by Service Area**

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

### **Summary**

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

## SCHOOL FUNDING

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

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

## CAPITAL EXPENDITURE

### Capital Strategy 2024-25 to 2027-28

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

### Capital Programme 2024-25 to 2027-28

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

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

### **Housing Revenue Account Capital Programme**

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

### **Flexible Use of Capital Receipts**

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



### Prudential Borrowing Indicators

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

### Annual Minimum Revenue Provision Policy Statement

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

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

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

## TREASURY MANAGEMENT

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

## FINAL LOCAL GOVERNMENT FINANCE SETTLEMENT

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

## 7. Implications

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

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

## 8. Background papers

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

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

## 9. Links to other key reports already published

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

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

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

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

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

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

## 10. Author and Contact Details

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## **List of Appendices**

Appendix 1	Budget 2024-25 and Medium-Term Financial Plan 2024-25 to 2027-28
Appendix 2	Reserves Policy 2024-25
Appendix 3	Schedule of Reserves and Provisions 2024-25 to 2027-28
Appendix 4	Service Specific Grants 2024-25
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Appendix 6	Inflation Schedule 2024-25
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Appendix 16	Capital Prudential Indicators 2024-25 to 2027-28
Appendix 17	Annual Minimum Revenue Provision Policy Statement 2024-25
Appendix 18	Treasury Management Strategy Statement 2024-25

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

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## 1. Background and Context

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

## 2. Overview

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

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

### **3. Strategic Context**

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

**4. Purposes**

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

**5. Management and Governance**

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

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

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

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

**Appendix 3**

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

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£m

**Adults, Ageing and Wellbeing**

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

**Chief Executive**

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

**Children, Education and Young People**

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

**Public Health, Inequalities and Stronger Communities**

Public Health Grant	18.165
Homes England	0.049
<b>Total Public Health, Inequalities and Stronger Communities</b>	<b>18.214</b>

£m

**Place and Regeneration**

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

**Transformation and Resources**

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

**Corporate Expenditure and Income**

Local Services Support Grant	0.088
<b>Total Corporate Expenditure and Income</b>	<b>0.088</b>

**Total Service Specific Grants****263.663**



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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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Inflation Schedule 2024-25

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

### **Further Considerations**

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

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

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

Budget by Service Area 2024-25

Appendix 12

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

## Capital Strategy 2024-25 to 2027-28

### 1. BACKGROUND

#### 1.1. Purpose and Aims of the Capital Strategy

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

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

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

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

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

Key priorities for application of capital expenditure are:

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

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

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

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

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

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

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

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

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

### **1.2. The Key Objective of Northumberland's Capital Strategy**

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

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

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

### 1.3. The Council's Corporate Objectives and Priorities

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

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

## 2. APPROACH TO INVESTMENT PRIORITISATION

### 2.1. The Capital Programme

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

#### Identification and Prioritisation of Capital Investment needs

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

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

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

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

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

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

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

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

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

### 2.3. Assessment of Proposals and Timetable

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

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

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

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

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

### 2.4. Invest to Save Capital Proposals

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

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

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

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

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

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

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

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

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

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

## **2.6. Approvals Outside of the Normal Budget Setting Process.**

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



### **3. FUNDING SOURCES AND INVESTMENT DECISIONS**

The main sources of capital funding are summarised below:

#### **3.1. Borrowing**

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

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

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

#### **3.2. Capital Receipts**

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

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

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

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

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

### **3.3. Revenue Funding**

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

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

### **3.4. Grant Funding and External Contributions**

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

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

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

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

### **3.5. Consideration of Capital Proposals Attracting Specific Funding**

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

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

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

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

#### **5. MONITORING OF THE CAPITAL PROGRAMME DELIVERY**

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

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

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

#### **6. STEWARDSHIP OF ASSETS**

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

## 7. OVERVIEW OF THE CAPITAL PROGRAMME

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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### **Capital Prudential Indicators 2024-25 to 2027-28**

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

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

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

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

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

## Capital Expenditure

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

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

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

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

## Capital Financing Requirement

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

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

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

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

The Council is asked to approve the following CFR projections:

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

## Affordability Prudential Indicators

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

### Ratio of Financing Costs to Net Revenue Stream

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

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

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

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

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

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

### **Authorised Limit for External Debt**

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

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

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

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

The Council is asked to approve the following Authorised Limit:

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



### Operational Boundary for External Debt

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

The Council is asked to approve the following Operational Boundary:

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

### Treasury Management Limits on Activity

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

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

### Maturity Structure of Borrowing

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

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

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

### **Investments for Periods Longer than 365 Days**

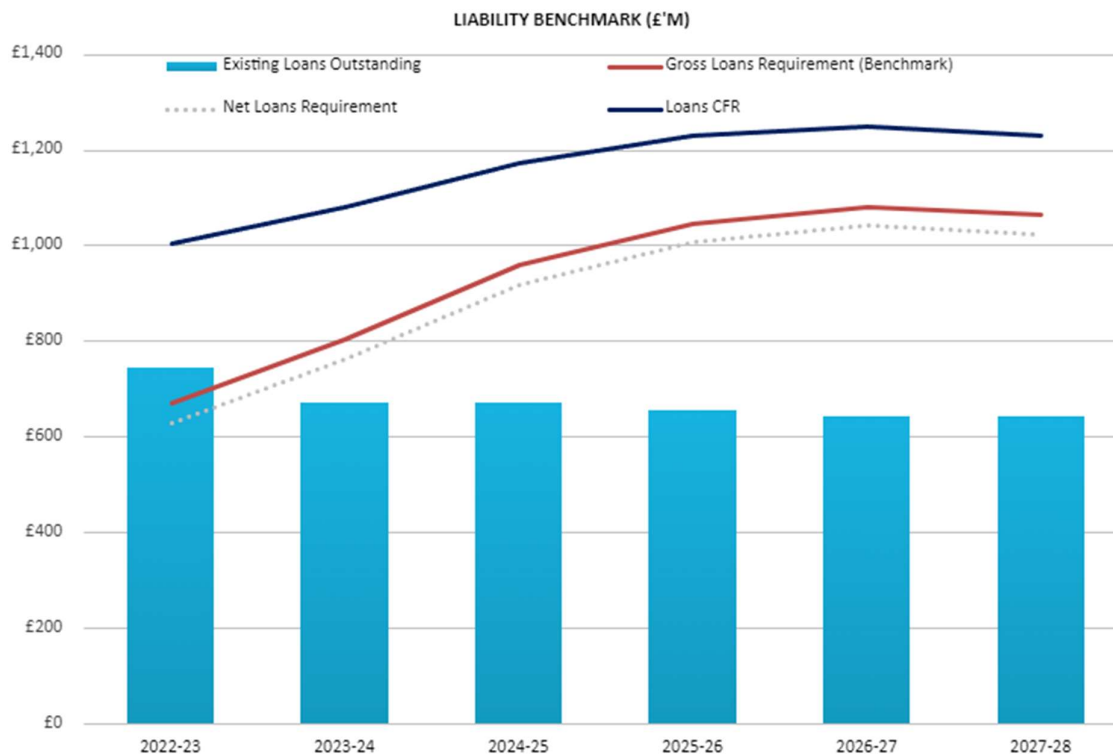
These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator:

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

### **Liability Benchmark**

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



### Supplementary Indicator - Internal Borrowing

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

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

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

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

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

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

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

## Annual Minimum Revenue Provision Policy Statement 2024-25

### Background

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

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

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

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

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

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

## Confirmation of Policy

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

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

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

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

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

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

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

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## Treasury Management Strategy Statement 2024-25

### 1. INTRODUCTION

#### 1.1. Background

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

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

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

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

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

CIPFA defines Treasury Management as:

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

#### 1.2. Statutory and Regulatory Requirements

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

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

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

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

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

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

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

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

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

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

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

#### 1.4. Balanced Budget Requirement

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

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

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

## 2. THE PORTFOLIO POSITION AT 30 NOVEMBER 2023

### 2.1. Current Borrowing

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

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

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

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

## **2.2. Current Investments**

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

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

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

## **3. FORECAST FOR INTEREST RATES AND ECONOMIC OUTLOOK**

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

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

### **3.1. Economic Outlook (early December 2023)**

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

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

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

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

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

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

### **3.2. Forecast for Treasury / Gilt Yields and PWLB Rates**

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

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

### **3.3. Significant Risks to the Forecasts**

#### **Downside Risks**

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

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

### Upside Risks

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

### 3.4. The Balance of Risks to the UK

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

## 4. THE BORROWING STRATEGY 2024-25

### 4.1. Introduction

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

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

### 4.2. Borrowing Need – Capital Financing Requirement

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

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

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

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

### **4.3. Proposed Borrowing Strategy**

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

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

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

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

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

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

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

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

#### **4.4. Policy on Borrowing in Advance of Need**

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

#### **4.5. Debt Rescheduling**

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

The reasons for any rescheduling to take place will include:

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



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

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

**4.6. UK Municipal Bond Agency and European Investment Bank**

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

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

**4.7. Compliance with Prudential Code – Borrowing**

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

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

**5. ANNUAL INVESTMENT STRATEGY 2024-25**

**5.1. Introduction – Investment Policy**

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

**5.2. Investment Returns Expectations**

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

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

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

### 5.3. Investment Strategy

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

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

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

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

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

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

### 5.4. Investment Objectives

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **5.6. Types of Investments the Council May Use**

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

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

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

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

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

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

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

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

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

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

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

### **5.7. Forecast Investment Balances and Liquidity**

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

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

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

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

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

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

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

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

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

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

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

## Appendix 18

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

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

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

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

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

## **5.9. Provision for Credit Related Losses**

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

## **6. HOUSING REVENUE ACCOUNT (HRA) TREASURY MANAGEMENT COSTS**

### **6.1. Overview**

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

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

### **6.2. Policy for HRA Under and Over Borrowing**

#### **HRA Under-Borrowing**

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

#### **HRA Over-Borrowing**

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

### **6.3. Other Treasury Management Charges to HRA**

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

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



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

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

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

## **8. THE ANNUAL MINIMUM REVENUE PROVISION POLICY STATEMENT**

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

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

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

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

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

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

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

## **9. POLICY ON USE OF EXTERNAL SERVICE PROVIDERS**

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

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

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

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

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

### **10.1. Implementation of the Treasury Management Strategy**

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

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

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

There are no proposed changes to this methodology.

## 10.2. Treasury Management Practices (TMPs)

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

These practices are as follows:

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

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

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

## 10.3. Responsible Officers

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

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

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

#### **10.4. Training**

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

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

#### **10.5. Reports and Monitoring**

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

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

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

##### **Treasury Management Strategy Statement**

The first, and most important report covers:

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

##### **A Mid-Year Treasury Management Report**

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

##### **An Annual Treasury Report**

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

## Quarterly Reports

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

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

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

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

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

**Background Papers:**

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

CIPFA Prudential Code for Capital Finance in Local Authorities 2021.

Guidance on Local Government Investments The Local Government Act 2003,

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

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Annex 2 – Credit and Counterparty Criteria Policy

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Appendix 13 – Capital Strategy 2024-25

Appendix 16 – Capital Prudential Indicators 2024-25

Appendix 17 – Annual Minimum Revenue Provision Policy Statement 2024-25

**ECONOMIC FORECAST - NOVEMBER 2023**

**Annex 1**

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

## CREDIT AND COUNTERPARTY CRITERIA POLICY

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

### Specified Investments

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



## Non-Specified Investments

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

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

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

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

## Rating Symbols

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

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

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

## Annex 2

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

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

## **TREASURY MANAGEMENT PRACTICES – SCHEDULES**

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

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

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

### **1. TMP1 RISK MANAGEMENT**

#### **1.1. CREDIT AND COUNTERPARTY RISK MANAGEMENT**

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

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

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

#### **1.2. LIQUIDITY**

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

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

### **1.2.2. Standby Facilities**

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

### **1.2.3. Bank Arrangements**

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

## **1.3. INTEREST RATE**

### **1.3.1. Details of Approved Interest Rate Exposure Limits**

Please refer to Prudential Indicators Appendix 16.

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

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

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

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

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

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

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

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

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

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

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

## **1.4. EXCHANGE RATE**

### **1.4.1. Approved Criteria for Managing Changes in Exchange Rate Levels**

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

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

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

## **1.5. INFLATION**

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

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

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

### **1.5.2. Approved Criteria for Managing Changes in Inflation Levels**

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

## **1.6. CREDIT AND COUNTERPARTY POLICIES**

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

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

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

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

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

## **1.7. REFINANCING**

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

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

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

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

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

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

### **1.7.2. Projected Capital Investment Requirements**

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

### **1.7.3. Policy Concerning Limits on Revenue Consequences of Capital Financing**

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

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

## **1.8. LEGAL AND REGULATORY**

### **1.8.1. References to Relevant Statutes and Regulations**

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

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

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

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

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

### **1.8.3. Required Information from Counterparties Concerning their Powers/Authorities**

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

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



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

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

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

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

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

### **1.9. FRAUD, ERROR AND CORRUPTION, AND CONTINGENCY MANAGEMENT**

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

a) Authority:

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

b) Occurrence:

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

c) Completeness:

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

d) Measurement:

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

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

### **1.9.2. Emergency and Contingency Planning Arrangements**

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

### **1.9.3. Insurance Details**

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

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

## **1.10. MARKET VALUE OF INVESTMENTS**

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

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

## **2. TMP 2 BEST VALUE AND PERFORMANCE MEASUREMENTS**

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

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

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

#### **2.2.1. Frequency and Processes for Tendering**

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

#### **2.2.2. Banking Services**

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

#### **2.2.3. Money-Broking Services**

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

**2.2.4. Advisers' Services**

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

**2.2.5. Policy on External Managers (Excluding Superannuation Funds)**

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

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

Performance is measured against Annual Treasury Management Strategy Statement targets:

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

**2.4. BENCHMARKS AND CALCULATION METHODOLOGY****2.4.1. Debt Management**

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

**2.4.2. Investment**

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

**3. TMP3 DECISION-MAKING AND ANALYSIS****3.1. FUNDING, BORROWING, LENDING, AND NEW INSTRUMENTS / TECHNIQUES:****3.1.1. Records to be Kept**

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

**3.1.2. Processes to be Pursued**

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

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

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

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

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

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

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

**4. TMP4 APPROVED INSTRUMENTS, METHODS AND TECHNIQUES**

**4.1. APPROVED ACTIVITIES OF THE TREASURY MANAGEMENT OPERATION**

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

**4.2. APPROVED INSTRUMENTS FOR INVESTMENTS**

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

Investments can be made through one of the following:

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

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

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

**4.3. APPROVED BORROWING TECHNIQUES**

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

**4.4. APPROVED METHODS AND SOURCES OF RAISING CAPITAL FINANCE**

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

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

**Other Methods of Financing**

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

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

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

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

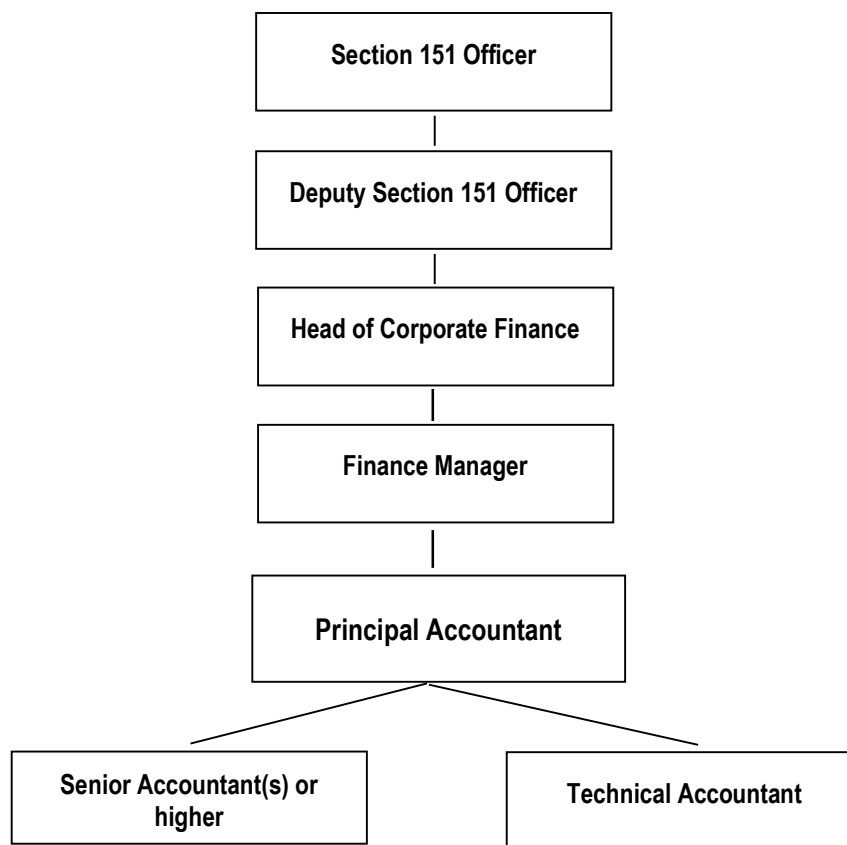
- a) Full Council will receive and approve reports on treasury management policies, practices and activities, the annual treasury management strategy and annual report on debt rescheduling.
- b) The Section 151 Officer will be responsible for amendments to the organisation's adopted clauses, treasury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

**5.2. PRINCIPLES AND PRACTICES CONCERNING SEGREGATION OF DUTIES**

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



### 5.3. TREASURY MANAGEMENT ORGANISATION CHART



### 5.4. STATEMENT OF DUTIES/RESPONSIBILITIES FOR EACH TREASURY POST

#### 5.4.1. Cabinet Member for Corporate Services

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

#### 5.4.2. Section 151 Officer

The Section 151 Officer will:

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

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

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

#### **5.4.3. Senior Accountants Responsible for Treasury Management**

The responsibilities of this post will be:

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

#### **5.4.4. Technical Accountant**

The responsibilities of this post will be:

- a) review and recommend investments and borrowing transactions;

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

#### **5.4.5. Finance Manager**

The responsibilities of this post will be:

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

#### **5.4.6. Principal Accountant**

The responsibilities of this post will be:

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

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

The responsibilities of this post will be:

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

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

#### **5.4.8. Internal Audit**

The responsibilities of Internal Audit will be:

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

#### **5.5. ABSENCE COVER ARRANGEMENTS**

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

#### **5.6. DEALING LIMITS**

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

#### **5.7. LIST OF APPROVED BROKERS**

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

#### **5.8. POLICY ON BROKERS' SERVICES**

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

#### **5.9. POLICY ON TAPING OF CONVERSATIONS**

It is not Council policy to tape brokers' conversations.

#### **5.10. DIRECT DEALING PRACTICES**

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

#### **5.11. SETTLEMENT TRANSMISSION PROCEDURES**

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

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

## **5.12. DOCUMENTATION REQUIREMENTS**

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

## **6. TMP6 REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS**

### **6.1. ANNUAL REPORTING REQUIREMENTS BEFORE THE START OF THE YEAR**

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

### **6.2. REPORTING REQUIREMENTS DURING THE YEAR**

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

### **6.3. ANNUAL REPORTING REQUIREMENT AFTER THE YEAR END**

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

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

## **7. TMP7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS**

### **7.1. STATUTORY/REGULATORY REQUIREMENTS**

The accounts are drawn up in accordance with the Code of Practice on Local Authority Accounting in England and Wales that is recognised by statute as representing proper accounting practices.

### **7.2. ACCOUNTING PRACTICES AND STANDARDS**

Due regard is given to the Statements of Recommended Practice and Accounting Standards as they apply to Local Authorities in England and Wales. The Council adopts in full the principles set out in CIPFA's 'Code of Best Practice and Guide for Treasury Management in the Public Services' (the 'CIPFA Code and Guide'), together with those of its specific recommendations that are relevant to this organisation's treasury management activities.

### **7.3. SAMPLE BUDGETS / ACCOUNTS**

The Technical Accountant responsible for treasury management will prepare an annual budget for the treasury management function, which will bring together all the costs involved in running the function, together with associated income.

### **7.4. LIST OF INFORMATION REQUIREMENTS OF EXTERNAL AUDITORS**

- a) Reconciliation of loans, investments, interest, premiums and discounts to financial ledger.
- b) Confirmation of loans and investments balances.
- c) Maturity analysis of loans outstanding.
- d) Annual Treasury Report.
- e) Calculation of Revenue Interest.
- f) Analysis of accrued interest.

## **8. TMP8 CASH AND CASH FLOW MANAGEMENT**

### **8.1. ARRANGEMENTS FOR PREPARING/SUBMITTING CASH FLOW STATEMENTS**

Cash flow projections are prepared annually, monthly and daily. The annual and monthly cash flow projections are prepared from the previous year's daily cash flow records, adjusted for known changes in levels of income and expenditure and changes in payments and receipts dates.

## **8.2. LISTING OF SOURCES OF INFORMATION**

Estimated cash flow details are compiled using:

- a) schedule of Payment of Revenue Support Grant and National Non-domestic rates; Department for Levelling Up, Housing and Communities income;
- b) schedule of Payment of the Dedicated Schools Grant from the Department for Education (DFE);
- c) revenue payments dates and amounts;
- d) notifications from the Corporate Finance Team of any significant grants expected during the year;
- e) schedule of payroll payment dates supplied by the Payroll section with an estimated amount based on the previous year's payments;
- f) loan repayments spreadsheet; and,
- g) an estimated figure for creditor payments, based on previous patterns of expenditure. More accurate figures can be obtained two days before payment based on the Creditor BACs figure.

## **8.3. BANK STATEMENT PROCEDURES**

Payments by CHAPs, Direct Debit, standing order and imprest accounts are input by Accounts Payable directly to e-business rather than by journal which gives greater transparency and segregation of duties.

## **8.4. PAYMENT SCHEDULING AND AGREED TERMS OF TRADE WITH CREDITORS**

The Council's policy is to pay creditors within 30 days of the invoice date, and this effectively schedules the payments.

## **8.5. ARRANGEMENTS FOR MONITORING DEBTORS / CREDITORS LEVELS**

- a) The Accounts Receivable section provides monthly statistics of outstanding debtors to Directors who take appropriate action regarding the outstanding debt.
- b) The Accounts Payable section provides monthly statistics of invoice performance to Directors who take appropriate action.

## **8.6. PROCEDURES FOR BANKING OF FUNDS**

All money received by an officer on behalf of the Council will without unreasonable delay be paid into the Council's bank accounts. No deductions may be made from such money save to the extent that the Section 151 Officer may specifically authorise.



**9. TMP9 MONEY LAUNDERING**

**9.1. PROCEDURES FOR ESTABLISHING IDENTITY / AUTHENTICITY OF LENDERS**

The Council does not usually accept loans from individuals. All material loans are obtained from the PWLB, other local authorities or from authorised institutions under the Banking Act 1987: the Financial Conduct Authority (FCA) is responsible for maintaining a register of authorised institutions. This register can be accessed through their website on [www.fca.gov.uk](http://www.fca.gov.uk).

**9.2. METHODOLOGIES FOR IDENTIFYING SOURCES OF DEPOSITS**

In the course of its Treasury activities, the Council will only lend money to, or invest with, those counterparties that are on its approved lending list.

**10. TMP10 TRAINING AND QUALIFICATIONS**

**10.1. STAFF QUALIFICATIONS**

The daily treasury management function will be performed by a qualified accountant or a senior accountant (unqualified) holding a Certificate in International Treasury Management Public Finance, under the supervision of a qualified accountant.

**10.2. STAFF TRAINING**

New staff will receive in-house on the job training before they commence their duties. Existing staff will attend treasury management seminars, at least annually, to keep up to date with changes in regulations and current practices. Additional staff training needs will be identified as part of the training needs analysis undertaken during Staff Appraisals.

**10.3. THE SECTION 151 OFFICER**

The Section 151 Officer is committed to professional responsibilities through both personal compliance and by ensuring that relevant staff are appropriately trained.

**10.4. MEMBER TRAINING**

All members should have an appropriate level of training within a year of taking office. Members of the Audit Committee received training in June 2022, and further training will be delivered when required. This will be carried out in-house in conjunction with the Council's treasury management advisors.

## **11. TMP11 USE OF EXTERNAL SERVICE PROVIDERS**

### **11.1. DETAILS OF CONTRACTS WITH SERVICE PROVIDERS, INCLUDING BANKERS, BROKERS, CONSULTANTS, ADVISERS**

#### **11.1.1. Banking Services**

- i) Name of supplier of service is Barclays Bank plc. The address is:  
E7 Ground Floor  
Turing House  
Radbroke Hall  
Knutsford  
WA16 9EU
- ii) The contract was awarded in November 2022 and is for 5 years.
- iii) Cost of service is variable depending on schedule of tariffs and volumes

#### **11.1.2. Money-Broking and Custodian services**

Name of supplier of service:

- i) Sterling International Brokers Ltd  
10 Chiswell Street  
London, EC1Y 4UQ
- ii) ICAP Europe Ltd  
2 Broadgate,  
London, EC2M 7UR
- iii) Tullet Prebon (UK) Limited  
155 Bishopsgate,  
London, EC2N 3DA
- iv) Tradition (UK) Ltd  
Beaufort House,  
15 St Botolph Street,  
London, EC3A 7QX
- v) King and Shaxson Ltd  
Candlewick  
120 Cannon Street  
London, EC4N 6AS

- vi) Barclays Bank PLC  
Barclays Stockbrokers,  
Tay House,  
300 Bath Street,  
Glasgow, G2 4LH.
- vii) Link Asset Services  
65 Gresham Street  
London, EC2V 7NQ
- viii) BGC Brokers L.P.  
One Churchill Place  
London, E14 5RD
- ix) Imperial Treasury Services Ltd  
5 Port Hill  
Hertford, SG14 1PJ
- x) Munix Ltd  
9 Ainslie Place  
Edinburgh, EH3 6AS
- xi) RP Martin Ltd  
1 Snowden St,  
London, EC2A 2DQ

**11.1.3. Consultants'/Advisers' Services**

Treasury Consultancy Services

- i) Name of supplier of service is  
Link Asset Services  
65 Gresham Street  
London  
EC2V 7NQ  
Website: [www.linkassetsservices.com](http://www.linkassetsservices.com)

The current contract is for 3 years and expires October 2024. The Council has the option to extend beyond this up to a maximum of two years.

**11.1.4. External Fund Managers**

None at present.

Other professional services may be employed on short term contracts as and when required.

**11.2. PROCEDURES AND FREQUENCY FOR TENDERING SERVICES**

Tenders are normally awarded on a five-yearly basis. The process for advertising and awarding contracts will be in line with the Financial Regulations See TMP2.

**12. TMP12 CORPORATE GOVERNANCE**

**12.1. LIST OF DOCUMENTS TO BE MADE AVAILABLE FOR PUBLIC INSPECTION**

Annual Statement of Accounts

Annual Budget

Treasury Management Strategy Statement

Annual Treasury Report

Treasury Management Mid-Year Report



# Northumberland County Council

County Council

Wednesday, 21 February 2024

## **Update to the Budget 2024-25 and Medium-Term Financial Plan 2024-2028 Report**

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

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

### **1. Link to Key Priorities of the Corporate Plan**

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

### **2. Purpose of report**

The purpose of this report is to update Members with matters relating to the Budget 2024-25 which have arisen following the publication of the final Local Government Finance Settlement and publication of the Budget reports, one of which was presented to the all-Overview & Scrutiny Member, Corporate Services and Economic Growth Overview and Scrutiny Committee on 29 January 2024 and the second to Cabinet on 13 February 2024.

### **3. Recommendations**

- 3.1 Members are requested to note that the final Local Government Finance Settlement 2024-25 has now been received and the figures within Appendix 1 of the Budget 2024-25 and Medium-Term Financial Plan 2024-28 report, which was presented to Cabinet on 13 February 2024 have been updated to reflect the changes in the settlement.

3.2 The main budget report recommendations 2 a), 2 b), 5, 7, 10, 13, 21, and 22 have been updated to reflect the changes outlined in this report. The revised recommendations are as follows:

2. a) Approve the Revenue Budget for 2024-25 including the efficiencies totalling £10.834 million for 2024-25 contained within Appendix 1 (detailed in Appendix 10)
2. b) Approve the Schedule of Efficiencies totalling £14.939 million for 2025-26 contained within Appendix 1 (detailed in Appendix 10) noting that the efficiencies identified may be progressed during 2024-25 in order to realise the efficiencies early.
5. Note the estimated retained Business Rates and the Top-Up Grant funding to be received by the Council for 2024-25 of £104.445 million and £326.550 million over the remaining period of the MTFP contained within Appendix 1.
7. Note the estimated receipt of Rural Services Delivery Grant of £3.178 million for 2024-25 contained within Appendix 1.
10. Note the estimated receipt of Social Care Grant funding of £28.990 million for 2024-25 contained within Appendix 1.
13. Note the estimated receipt of Services Grant of £0.481 million for 2024-25 contained within Appendix 1.
21. Note the revised Schedule of Reserves and Provisions contained within Appendix 3.
22. Approve:

The net contributions from the Strategic Management Reserve of £16.504 million in 2024-25 and note the proposed net contributions from reserves of £6.503 million in 2025-26 and £0.027 million in 2026-27, and the proposed net contribution to the reserve of £0.997 million in 2027-28, contained within Appendix 1, comprising:

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

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

- d. contribution to the reserve of £3.814 million in 2024-25 and note the subsequent proposed contribution to the reserve of £2.172 million in 2025-26.

- 3.3 Note that the Public Health Grant has increased from £18.165 million to £18.372 million.
- 3.4 Members are requested to note that figure for Collection of Parish Precept in Appendix 1 has been amended to reflect the information that has been received from parish and town and councils. There has also been a corresponding adjustment made to the Base Budget figure in Appendix 1 from which the payments to parish and town councils are made.
- 3.5 Members are requested to agree to the withdrawal of recommendation 44 in the original report.
- 3.6 Members are requested to approve the use of the Social Care Grant to fund the Adult and Children's social care pressures and inflation outlined in the report and shown at Appendix A.
- 3.7 Members are requested to note that throughout the report where efficiencies are mentioned that the efficiency figures should be substituted as follows:

2024-25        £10.834 million

2025-26        £14.939 million

2026-27 and 2027-28 £30.158 million

#### **4. Forward plan date and reason for urgency if applicable**

The report first appeared in the forward plan on 6 February 2024 following receipt of the final Local Government Finance Settlement.

#### **5. Background**

- 5.1 The Budget 2024-25 and Medium-Term Financial Plan 2024-2028 report was presented to Cabinet on 13 February 2024 and contained figures which had been received from Government in the provisional Local Government Finance Settlement on 18 December 2023.
- 5.2 The final Local Government Finance Settlement was received on 5 February 2024 and contained a number of changes:
- Retained Business Rates and the Top-Up Grant funding to be received by the Council for 2024-25 increased by £0.749 million from £103.696 million to £104.445 million; and, by £2.247 million from £324.303 million to £326.550 million over the remaining period of the MTFP. It has been assumed that this change is recurrent.

- The value of Rural Services Delivery Grant that the Council will receive for 2024-25 has increased by £0.433 million from £2.745 million to £3.178 million. It has been assumed that this change is recurrent.
- The value of Social Care Grant funding that the Council will receive has increased by £3.169 million from £25.821 million to £28.990 million. It has been assumed that this change is recurrent.
- The value of Services Grant funding that the Council will receive has increased by £0.042 million from £0.439 million to £0.481 million for 2024-25 only.
- The value of Public Health Grant funding that the Council will receive has increased by £0.207 million from £18.165 million to £18.372 million. It has been assumed that this change is recurrent.

5.3 The Council has benefitted overall by £4.600 million additional income as a result of, the final Settlement when compared to the provisional Settlement grant figures and following the update to the business rates figure upon the completion of the NNDR1 return:

- An additional £0.475 million for general non-ringfenced grants.
- An additional £0.749 million in business rates income.
- An additional £3.169 million for Social Care Grant funding which will be utilised to fund the significant growth, recurrent, non-recurrent and inflationary pressures in both Adult and Children's Social Care.

The Government has recognised the significant pressures being encountered in these areas and has provided additional funding to meet the demands faced by these services. In addition to the grant funding there is still the expectation from Government that councils levy the additional 2.00% Adult Social Care Precept. The table at Appendix A of the report demonstrates why this is necessary in 2024-25.

- An additional £0.207 million of Public Health Grant which is ringfenced to public health initiatives.

5.4 At the meeting of the Cabinet on 13 February 2024, Cabinet Members recommended that the following efficiency was removed, and the updated Budget figures assume that Council will agree to this change:

Increase to Northumberland Pay and Display Parking Permit

2024-25      £0.012 million

2025-26      £0.011 million

2026-27      £0.015 million

5.5 After taking into account the reduction to the efficiencies it is proposed that the Council reduces the call on the Strategic Management Reserve by £4.381 million in 2024-25 and £4.328 million in 2025-26.



5.6 To reflect the final Settlement and the decision of Cabinet to remove the efficiency at 5.4 of this report, a number of appendices have been amended and are attached to this report; superseding those shown in the Budget 2024-25 and Medium-Term Financial Plan 2024-2028 report which was presented to the Cabinet meeting on 13 February 2024. They are as follows:

Appendix 1 – Budget 2024-25 and Medium-Term Financial Plan 2024-25 to 2027-28

Appendix 3 – Schedule of Reserves and Provisions 2024-25 to 2027-28

Appendix 4 – Service Specific Grants 2024-25

Appendix 10 – Schedule of Efficiencies 2024-25 to 2027-28

Appendix 12 – Budget by Service Area 2024-25

## 6. Implications

<b>Policy</b>	The Budget and MTFP support the priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Economic Growth.
<b>Finance and value for money</b>	The financial implications of the Budget 2024-25 and the Medium-Term Financial Plan 2024-28 are detailed within this report and the report presented to 13 February 2024 Cabinet meeting.
<b>Legal</b>	<p>It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, revised under Section 31 of the Localism Bill 2011, for the Council to produce a balanced budget.</p> <p>The Council also has a fiduciary duty not to waste public resources.</p> <p>The provisions of the Local Government Finance Act 1992 set out what the Council has to base its budget calculations upon and require the Council to set a balanced budget with regard to the advice of its Chief Finance Officer. The Act also states that the Council has got to set its budget before 11 March in the financial year preceding the one in respect of which the Budget is set.</p> <p>The responsibilities of Cabinet, as set out in the Constitution, include taking all necessary steps to prepare the authority's budget, and those plans and strategies which constitute the authority's policy framework. Cabinet undertakes this work in accordance with the Budget and Policy Framework Procedure Rules.</p>

<b>Procurement</b>	There are no specific procurement implications contained within this report.
<b>Human resources</b>	There are no human resources implications contained within this report.
<b>Property</b>	There are no property implications contained within this report.
<b>The Equalities Act: is a full impact assessment required and attached?</b>	Yes - required and attached to main Budget report The Executive Director public Health, Inequalities & Stronger Communities has provided an overarching equality review, which identifies the main issues that need to be considered in setting the budget. Cabinet will be asked to consider changing the budget proposals should it at a later stage prove not to be possible to mitigate an unacceptable equality impact.
<b>Risk assessment</b>	The risks associated with the budget proposals are regarded as acceptable, but these risks will continue to be reviewed up to and including implementation of the detailed proposals.
<b>Crime and disorder</b>	There are no specific crime and disorder implications contained within this report.
<b>Customer considerations</b>	The individual proposals will carefully consider the impact upon both customers and residents of Northumberland.
<b>Carbon reduction</b>	There are no carbon reduction implications within this report.
<b>Health and wellbeing</b>	The Council's Budget is founded on the principle of promoting inclusivity.
<b>Wards</b>	All Wards

## 7. Background papers

13 February 2024      Cabinet      Budget 2024-25 and Medium-Term  
Financial Plan 2024-28

## 8. Links to other key reports already published

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

## 9. Author and Contact Details

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**Additional Social Care Pressures and Funding for 2024-25**

**Appendix A**

	<b>Adults</b>	<b>Children's</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Additional Funding for 2024-25:</b>			
Social Care Grant	4.368	2.566	6.934
Adult Social Care Discharge Fund	1.168	-	1.168
Adult Social Care Market Sustainability and Improvement Fund	0.779	-	0.779
Adult Social Care Precept (excludes change relating to the taxbase)	4.374	-	4.374
<b>Total Additional Funding for 2024-25</b>	<b>10.689</b>	<b>2.566</b>	<b>13.255</b>
<b>Increase in Expenditure for 2024-25</b>			
Growth (including demography)	0.672	-	0.672
Recurrent Pressures	-	3.431	3.431
Discharge Pressures	1.168	-	1.168
Non-recurrent Pressures	0.031	0.733	0.764
Prior year pay award (more than inflationary provision in 2023-24)	2.660	1.790	4.450
2024-25 Estimated Pay Award	1.812	1.327	3.139
Inflation	8.091	1.963	10.054
Market Sustainability and Improvement Fund	0.779	-	0.779
Salary Increments	0.633	0.254	0.887
Other changes	(0.149)	(0.328)	(0.477)
Savings	(3.630)	(1.905)	(5.535)
<b>Total Increase in Expenditure for 2024-25</b>	<b>12.067</b>	<b>7.265</b>	<b>19.332</b>
<b>Expenditure not covered by Additional Social Care Grant</b>	<b>1.378</b>	<b>4.699</b>	<b>6.077</b>

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	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
<b>Funding</b>				
Government Grants				
- Revenue Support Grant	(14.020)	(14.300)	(14.586)	(14.878)
- Business Rates - Income and Grants	(104.445)	(107.122)	(108.729)	(110.699)
- Rural Services Delivery Grant	(3.178)	(3.178)	(3.178)	(3.178)
- New Homes Bonus	(1.682)	(1.682)	-	-
- Improved Better Care Funding	(12.496)	(12.496)	(12.496)	(12.496)
- Social Care Grant	(28.990)	(28.990)	(28.990)	(28.990)
- Adult Social Care Discharge Fund	(2.920)	-	-	-
- Adult Social Care Market Sustainability and Improvement Fund	(6.656)	(6.656)	(6.656)	(6.656)
- Services Grant	(0.481)	-	-	-
<b>Sub Total</b>	<b>(174.868)</b>	<b>(174.424)</b>	<b>(174.635)</b>	<b>(176.897)</b>
Council Tax	(198.848)	(206.468)	(212.093)	(217.705)
Council Tax - Adult Social Care Precept	(34.106)	(39.082)	(39.363)	(39.616)
Council Tax - Income from 2nd Homes Premium	-	(7.127)	(7.246)	(7.368)
Collection of Parish Precept	(10.879)	(10.879)	(10.879)	(10.879)
Collection Fund - Council Tax Estimated	(4.149)	-	-	-
Collection Fund - Business Rates Estimated	(3.471)	-	-	-
Contributions (from)/to Reserves:				
- Strategic Management	(16.504)	(6.503)	(0.027)	0.997
- Public Health	(0.428)	(0.180)	(0.100)	-
- Council Transformation Fund	(3.000)	-	-	-
- Council Tax Hardship and Discount Scheme Fund	(1.726)	-	-	-
<b>Total Funding</b>	<b>(447.979)</b>	<b>(444.663)</b>	<b>(444.343)</b>	<b>(451.468)</b>
<b>Expenditure</b>				
Baseline Budget including Recurrent Adjustments	386.585	425.061	436.122	444.499
Pay Inflation	7.357	7.447	7.744	8.054
Non Pay and Income Inflation	19.715	8.870	6.023	5.119
Increments and Changes to Salaries	1.487	1.400	1.400	1.400
Recurrent Pressures	10.957	1.060	0.420	0.031
Growth	3.866	1.205	2.710	0.844
Revenue Cost of Capital	19.100	12.609	6.000	6.000
Non Recurrent Pressures and Income	9.746	1.950	(0.156)	(0.241)
Efficiencies Identified	(10.834)	(14.939)	(5.312)	(0.690)
Further Efficiencies Required to Balance the Budget	-	-	(10.608)	(13.548)
<b>Total Expenditure</b>	<b>447.979</b>	<b>444.663</b>	<b>444.343</b>	<b>451.468</b>
<b>Tax Base</b>	112,185.46	113,102.76	113,917.06	114,649.76
<b>Budget Requirement</b>	426.321	437.980	444.216	452.465
<b>Band D Basic Council Tax</b>	1,772.46	1,825.46	1,861.79	1,898.84
<b>Band D Special Expenses</b>	0.03	0.03	0.03	0.03
<b>Band D Council Tax - Adult Social Care Precept (ASCP)</b>	304.01	345.54	345.54	345.54
<b>Increase in Council Tax (excl Special Expenses and ASCP)</b>	2.99%	2.99%	1.99%	1.99%
<b>Council only Increase</b>	2.99%	2.99%	1.99%	1.99%
<b>Adult Social Care Precept</b>	2.00%	2.00%	0.00%	0.00%

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

Appendix 3

	Forecast Balance at 31 March 2024 £m	Forecast Balance at 31 March 2025 £m	Forecast Balance at 31 March 2026 £m	Forecast Balance at 31 March 2027 £m	Forecast Balance at 31 March 2028 £m
General Fund	50.955	50.955	50.955	50.955	50.955
<b>Total General Reserve</b>	<b>50.955</b>	<b>50.955</b>	<b>50.955</b>	<b>50.955</b>	<b>50.955</b>
Housing Revenue Account (HRA)	28.175	20.639	14.356	8.348	8.348
Major Repairs - HRA	9.723	8.668	9.086	9.602	10.118
HRA Capital Investment	1.562	0.235	0.350	0.305	0.305
<b>Total Earmarked HRA Reserves</b>	<b>39.460</b>	<b>29.542</b>	<b>23.792</b>	<b>18.255</b>	<b>18.771</b>
Balances held by Schools	6.298	4.347	0.024	(4.621)	(4.621)
Borderlands Energy Masterplan	0.808	-	-	-	-
Community Led Housing	0.536	0.136	0.136	0.136	0.136
Council Commissioned Services	4.868	0.168	0.168	0.168	0.168
Council Tax Hardship and Discount Scheme	1.771	0.045	0.045	0.045	0.045
Council Transformation Fund	13.775	10.923	9.900	9.402	9.402
Dedicated Schools Grant	0.639	(2.361)	(2.361)	(2.361)	(2.361)
Empty Dwelling Management Order	0.094	0.024	0.009	0.006	-
Estates Rationalisation	4.562	1.519	-	-	-
Fire and Rescue Service HMICFRS Improvement	0.008	0.008	0.008	0.008	0.008
Firefighters' Immediate Detriment	0.200	0.200	0.200	0.200	0.200
Firefighters Pension Fund Admin Grant	0.033	0.033	0.033	0.033	0.033
Haltwhistle Repairs	0.066	0.066	0.066	0.066	0.066
Highways Commuted Maintenance Funds	1.073	1.020	0.965	0.912	0.857
Insurance	7.322	7.268	7.268	7.268	7.268
Legal Challenges	0.734	0.634	0.534	0.534	0.534
Open Spaces Maintenance Agreements	0.083	0.070	0.058	0.045	0.045
Planning Delivery Grant	1.038	0.838	0.743	0.490	-
Problematic Empty Properties	0.032	0.001	0.001	0.001	0.001
Recruitment and Retention	0.439	0.439	0.439	0.439	0.439
Regeneration Additional Capacity	0.405	0.255	0.054	-	-
Regeneration Development	1.836	1.836	0.504	-	-
Repairs and Maintenance	0.250	0.250	0.250	0.250	0.250
Replacement of Defective Street Lanterns	2.420	1.920	1.420	0.920	0.420
Restructuring	0.676	0.676	0.676	0.676	0.676
Revenue Grants	13.248	10.478	7.990	6.319	5.691
School Libraries	0.007	0.007	0.007	0.007	0.007
Sealodge Repairs	0.025	0.025	0.025	0.025	0.025
Section 106	18.570	16.519	15.094	15.094	12.394
Severe Weather	3.207	3.207	3.207	3.207	3.207
Social Fund	0.493	0.493	0.313	0.133	-
Sports Development	0.287	0.277	0.267	0.257	0.247
Strategic Management	38.162	21.658	15.155	15.128	16.125
Transformation of the Revenues and Benefits Service	0.155	0.155	0.155	0.155	0.155
Winter Services	1.750	1.750	1.750	1.750	1.750
<b>Total Earmarked Reserves</b>	<b>125.870</b>	<b>84.884</b>	<b>65.103</b>	<b>56.692</b>	<b>53.167</b>
Capital Grants Unapplied	63.478	63.478	63.478	63.478	63.478
Capital Receipts	0.092	0.092	0.092	0.092	0.092
Capital Receipts - HRA	7.843	0.242	0.087	0.132	0.132
<b>Total Capital Reserves</b>	<b>71.413</b>	<b>63.812</b>	<b>63.657</b>	<b>63.702</b>	<b>63.702</b>
Compensation Claims	0.067	0.037	0.037	0.037	0.037
Estates Rationalisation	0.127	0.127	0.127	0.127	0.127
Business Rates Appeals	7.304	9.604	11.686	13.810	15.977
<b>Total Provisions</b>	<b>7.498</b>	<b>9.768</b>	<b>11.850</b>	<b>13.974</b>	<b>16.141</b>
<b>Total Reserves and Provisions</b>	<b>295.196</b>	<b>238.961</b>	<b>215.357</b>	<b>203.578</b>	<b>202.736</b>

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£m

**Adults, Ageing and Wellbeing**

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

**Chief Executive**

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

**Children, Education and Young People**

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

**Public Health, Inequalities and Stronger Communities**

Public Health Grant	18.372
Homes England	0.049
<b>Total Public Health, Inequalities and Stronger Communities</b>	<b>18.421</b>

£m

**Place and Regeneration**

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

**Transformation and Resources**

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

**Corporate Expenditure and Income**

Local Services Support Grant	0.088
<b>Total Corporate Expenditure and Income</b>	<b>0.088</b>

<b>Total Service Specific Grants</b>	<b>263.870</b>
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	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
<b>Adults, Ageing and Wellbeing</b>				
Care Management Savings from the Review of Individual Packages of Care	3.000	3.000	-	-
Social Work/Care Management Service Review	0.050	-	-	-
Revise Funding Arrangements for Ceiling Track Hoists	0.090	-	-	-
Reviewing Staffing within In-House Day Services	0.095	-	-	-
Removal of Contribution to Local Government Pension Scheme Pension Fund No Longer Required	0.120	-	-	-
Reduction in Non Staffing Budgets	0.012	-	-	-
BEST Value for Money Savings	0.057	0.113	0.057	-
Additional Income as a Result of Streamlining the Process for Client Charging	0.206	0.418	-	-
<b>Total Adults, Ageing and Wellbeing</b>	<b>3.630</b>	<b>3.531</b>	<b>0.057</b>	-
<b>Chief Executive</b>				
Human Resources and Organisation Development - Non Staffing Savings	0.037	-	-	-
<b>Total Chief Executive</b>	<b>0.037</b>	-	-	-
<b>Children, Education and Young People</b>				
Reduction in Out of County Placements Due to Children's Homes New Builds	0.606	2.410	-	-
Utilisation of Grant across Family Help and Family Hub Teams	0.472	0.472	-	-
Completion of the Early Help Reorganisation	0.156	-	-	-
Reduction to Historical Enhanced Pension Budgets	0.100	0.100	0.050	0.050
Education and Skills Management Costs Offset Against Grant Funding	0.079	-	-	-
Utilisation of Adolescent Services Grant	0.415	-	-	-
Removal of a Vacant Post	0.020	-	-	-
Regional Contract Renegotiation	0.100	-	-	-
BEST Value for Money Savings	0.136	0.778	0.204	-
<b>Total Children, Education and Young People</b>	<b>2.084</b>	<b>3.760</b>	<b>0.254</b>	<b>0.050</b>
<b>Place and Regeneration</b>				
<u>Economic Development and Growth</u>				
Review of Arts and Culture Portfolio	0.013	0.041	-	-
<u>Environment and Transport</u>				
Full Year Effect of Home to School Transport Concessionary Travel Charge increase for purchasing spare seats on school transport.	0.017	0.003	-	-
Increased Customer Base - Trade Waste Service	0.150	-	-	-
Review of Streetworks Charges	0.031	-	-	-
Standardising Colours of New/Replacement Bins	0.010	-	-	-
Redirect Wood Waste from Recycling to Energy Recovery	0.250	-	-	-
Seek Alternative Funding and Renegotiation of Contracts for Post 16 Home to School Transport	-	0.320	0.157	-
Solar Car Port - Electricity Savings	0.196	-	-	-
Reduction and Review of Fleet Operating Leases	0.270	-	-	-
BEST Value for Money Savings	0.642	0.641	-	-
<b>Total Place and Regeneration</b>	<b>1.579</b>	<b>1.005</b>	<b>0.157</b>	-

	2024-25 £m	2025-26 £m	2026-27 £m	2027-28 £m
<b>Public Health, Inequalities and Stronger Communities</b>				
Reduction in Leisure Management Fee	0.200	0.200	-	-
Creating a Modern Sustainable Library Offer	-	0.200	0.200	-
BEST - Communities First Model (Net Saving)	0.500	0.500	0.250	-
Review of Sport Development	-	0.075	-	-
<b>Total Public Health, Inequalities and Stronger Communities</b>	<b>0.700</b>	<b>0.975</b>	<b>0.450</b>	<b>-</b>
<b>Transformation and Resources</b>				
<u>Finance and Procurement</u>				
Removal of Vacant Posts no Longer Required	0.064	-	-	-
Increase in Procurement Rebate Income Target	0.047	0.010	-	-
Reduction in Non-Staffing Budgets	0.048	0.001	-	-
Cash in Transit and Machine Maintenance Contractual Savings	0.066	-	-	-
Fund 25% of Insurance Team Costs from the Insurance Fund	0.054	-	-	-
<u>Digital and IT</u>				
Software Licences and Data Centre - Contractual Savings	0.089	0.105	-	-
BEST Use of Technology Savings	0.150	0.300	0.150	-
<b>Total Transformation and Resources</b>	<b>0.518</b>	<b>0.416</b>	<b>0.150</b>	<b>-</b>
<b>Cross Directorate/Corporate</b>				
BEST - Use of Resources Savings - Corporate Business Support	-	0.750	0.750	-
BEST - Use of Resources Savings - Employee Service Centre	-	0.112	0.168	0.057
BEST - Customer Services Savings	0.146	0.890	1.326	0.583
BEST Use of Assets Savings	1.000	1.000	-	-
BEST in Class Commissioning - Category Management Savings	0.500	2.000	2.000	-
BEST in Class Commissioning - Reduction in 3rd Party Spend	0.500	0.500	-	-
Procurement - Supplier Incentive Programme Savings (Net)	0.140	-	-	-
<b>Total Cross Directorate/Corporate</b>	<b>2.286</b>	<b>5.252</b>	<b>4.244</b>	<b>0.640</b>
<b>Total Efficiencies</b>	<b>10.834</b>	<b>14.939</b>	<b>5.312</b>	<b>0.690</b>

## Budget by Service Area 2024-25

Appendix 12

		2023-24 Budget	Virements	Increments	Inflation	Growth	Pressures	Savings	Funding Changes	2024-25 Requested Budget	% Change
		£	£	£	£	£	£	£	£	£	£
Adults, Ageing and Wellbeing	Pay	38,330,380	(190,310)	632,990	-	172,050	2,696,470	(391,960)	-	41,249,620	7.62%
	Non Pay	191,083,490	4,068,760	850	15,852,670	658,930	2,915,530	(4,200,590)	-	210,379,640	10.10%
	<b>Gross Expenditure</b>	<b>229,413,870</b>	<b>3,878,450</b>	<b>633,840</b>	<b>15,852,670</b>	<b>830,980</b>	<b>5,612,000</b>	<b>(4,592,550)</b>	-	<b>251,629,260</b>	<b>9.68%</b>
	Grants	(521,300)	-	-	-	-	-	-	-	(521,300)	0.00%
	Sales, Fees, Charges	(38,078,070)	(9,700)	-	(1,105,540)	(158,930)	-	747,550	-	(38,604,690)	1.38%
	Other Income	(66,160,860)	(4,017,880)	(1,320)	(100,000)	-	(1,270)	215,000	-	(70,066,330)	5.90%
	<b>Gross Income</b>	<b>(104,760,230)</b>	<b>(4,027,580)</b>	<b>(1,320)</b>	<b>(1,205,540)</b>	<b>(158,930)</b>	<b>(1,270)</b>	<b>962,550</b>	-	<b>(109,192,320)</b>	<b>4.23%</b>
	<b>Net Expenditure</b>	<b>124,653,640</b>	<b>(149,130)</b>	<b>632,520</b>	<b>14,647,130</b>	<b>672,050</b>	<b>5,610,730</b>	<b>(3,630,000)</b>	-	<b>142,436,940</b>	<b>14.27%</b>
Chief Executive	Pay	27,942,670	271,850	40,530	24,210	12,630	2,337,900	-	-	30,629,790	9.62%
	Non Pay	11,902,720	(34,260)	-	534,740	53,730	396,450	(37,190)	-	12,816,190	7.67%
	<b>Gross Expenditure</b>	<b>39,845,390</b>	<b>237,590</b>	<b>40,530</b>	<b>558,950</b>	<b>66,360</b>	<b>2,734,350</b>	<b>(37,190)</b>	-	<b>43,445,980</b>	<b>9.04%</b>
	Grants	(2,627,720)	-	-	-	-	796,340	-	-	(1,831,380)	-30.31%
	Sales, Fees, Charges	(2,961,440)	-	-	-	-	20,730	-	-	(2,940,710)	-0.70%
	Other Income	(489,960)	(13,550)	-	-	-	33,000	-	-	(470,510)	-3.97%
	<b>Gross Income</b>	<b>(6,079,120)</b>	<b>(13,550)</b>	-	-	-	<b>850,070</b>	-	-	<b>(5,242,600)</b>	<b>-13.76%</b>
	<b>Net Expenditure</b>	<b>33,766,270</b>	<b>224,040</b>	<b>40,530</b>	<b>558,950</b>	<b>66,360</b>	<b>3,584,420</b>	<b>(37,190)</b>	-	<b>38,203,380</b>	<b>13.14%</b>
Children, Education and Young People	Pay	53,007,570	1,257,390	297,590	269,000	-	4,376,160	(252,990)	(225,320)	58,729,400	10.79%
	Non Pay	215,812,790	(2,170,250)	142,420	1,926,170	2,564,000	4,169,110	(1,899,860)	19,933,190	240,477,570	11.43%
	<b>Gross Expenditure</b>	<b>268,820,360</b>	<b>(912,860)</b>	<b>440,010</b>	<b>2,195,170</b>	<b>2,564,000</b>	<b>8,545,270</b>	<b>(2,152,850)</b>	<b>19,707,870</b>	<b>299,206,970</b>	<b>11.30%</b>
	Grants	(168,223,510)	1,438,540	(74,730)	(138,120)	-	(201,090)	91,820	(19,211,490)	(186,318,580)	10.76%
	Sales, Fees, Charges	(1,710,290)	108,010	(15,530)	-	-	-	-	109,970	(1,507,840)	-11.84%
	Other Income	(12,402,800)	(828,960)	(88,500)	(68,910)	-	(178,780)	(39,970)	(606,350)	(14,214,270)	14.61%
	<b>Gross Income</b>	<b>(182,336,600)</b>	<b>717,590</b>	<b>(178,760)</b>	<b>(207,030)</b>	-	<b>(379,870)</b>	<b>51,850</b>	<b>(19,707,870)</b>	<b>(202,040,690)</b>	<b>10.81%</b>
	<b>Net Expenditure</b>	<b>86,483,760</b>	<b>(195,270)</b>	<b>261,250</b>	<b>1,988,140</b>	<b>2,564,000</b>	<b>8,165,400</b>	<b>(2,101,000)</b>	-	<b>97,166,280</b>	<b>12.35%</b>
Public Health, Inequalities and Stronger Communities	Pay	10,890,010	614,880	124,090	-	179,830	871,320	-	-	12,680,130	16.44%
	Non Pay	20,426,740	55,510	-	34,550	54,830	614,000	(700,000)	1,006,000	21,491,630	5.21%
	<b>Gross Expenditure</b>	<b>31,316,750</b>	<b>670,390</b>	<b>124,090</b>	<b>34,550</b>	<b>234,660</b>	<b>1,485,320</b>	<b>(700,000)</b>	<b>1,006,000</b>	<b>34,171,760</b>	<b>9.12%</b>
	Grants	(17,365,630)	(46,910)	(1,960)	-	-	-	-	(1,006,000)	(18,420,500)	6.07%
	Sales, Fees, Charges	(2,013,000)	(253,590)	-	(112,000)	(61,660)	-	-	-	(2,440,250)	21.22%
	Other Income	(370,570)	(489,920)	(3,530)	-	-	-	-	-	(864,020)	133.16%
	<b>Gross Income</b>	<b>(19,749,200)</b>	<b>(790,420)</b>	<b>(5,490)</b>	<b>(112,000)</b>	<b>(61,660)</b>	-	-	<b>(1,006,000)</b>	<b>(21,724,770)</b>	<b>10.00%</b>
	<b>Net Expenditure</b>	<b>11,567,550</b>	<b>(120,030)</b>	<b>118,600</b>	<b>(77,450)</b>	<b>173,000</b>	<b>1,485,320</b>	<b>(700,000)</b>	-	<b>12,446,990</b>	<b>7.60%</b>
Place and Regeneration	Pay	47,854,930	1,830,230	(90,780)	-	72,000	3,630,080	-	-	53,296,460	11.37%
	Non Pay	79,670,700	3,863,480	36,110	2,934,010	210,000	(3,587,030)	(1,185,000)	287,640	82,229,910	3.21%
	<b>Gross Expenditure</b>	<b>127,525,630</b>	<b>5,693,710</b>	<b>(54,670)</b>	<b>2,934,010</b>	<b>282,000</b>	<b>43,050</b>	<b>(1,185,000)</b>	<b>287,640</b>	<b>135,526,370</b>	<b>6.27%</b>
	Grants	(4,998,680)	23,550	346,630	-	-	110,000	-	(287,640)	(4,806,140)	-3.85%
	Sales, Fees, Charges	(22,220,410)	(132,820)	11,830	(334,000)	-	504,960	(181,000)	-	(22,351,440)	0.59%
	Other Income	(23,110,900)	(5,519,230)	52,050	-	48,000	(693,950)	-	-	(29,224,030)	26.45%
	<b>Gross Income</b>	<b>(50,329,990)</b>	<b>(5,628,500)</b>	<b>410,510</b>	<b>(334,000)</b>	<b>48,000</b>	<b>(78,990)</b>	<b>(181,000)</b>	<b>(287,640)</b>	<b>(56,381,610)</b>	<b>12.02%</b>
	<b>Net Expenditure</b>	<b>77,195,640</b>	<b>65,210</b>	<b>355,840</b>	<b>2,600,010</b>	<b>330,000</b>	<b>(35,940)</b>	<b>(1,366,000)</b>	-	<b>79,144,760</b>	<b>2.52%</b>
Transformation and Resources	Pay	22,472,470	(801,640)	77,980	-	58,640	1,282,480	(64,000)	-	23,025,930	2.46%
	Non Pay	69,208,100	282,190	-	185,160	-	(1,682,530)	(398,750)	-	67,594,170	-2.33%
	<b>Gross Expenditure</b>	<b>91,680,570</b>	<b>(519,450)</b>	<b>77,980</b>	<b>185,160</b>	<b>58,640</b>	<b>(400,050)</b>	<b>(462,750)</b>	-	<b>90,620,100</b>	<b>-1.16%</b>
	Grants	(55,699,820)	-	-	-	-	3,815,200	-	-	(51,884,620)	-6.85%
	Sales, Fees, Charges	(3,662,960)	(41,020)	-	(7,000)	-	37,000	-	-	(3,673,980)	0.30%
	Other Income	(4,861,270)	-	-	-	-	51,610	(391,500)	-	(5,100,140)	4.91%
	<b>Gross Income</b>	<b>(64,224,050)</b>	<b>60,000</b>	-	<b>(7,000)</b>	-	<b>3,903,810</b>	<b>(391,500)</b>	-	<b>(60,658,740)</b>	<b>-5.55%</b>
	<b>Net Expenditure</b>	<b>27,456,520</b>	<b>(459,450)</b>	<b>77,980</b>	<b>178,160</b>	<b>58,640</b>	<b>3,503,760</b>	<b>(854,250)</b>	-	<b>29,961,360</b>	<b>9.12%</b>

Budget by Service Area 2024-25

Appendix 12

		2023-24 Budget	Virements	Increments	Inflation	Growth	Pressures	Savings	Funding Changes	2024-25 Requested Budget	% Change
		£	£	£	£	£	£	£	£	£	
Corporate Expenditure and Income	Pay	2,635,320	-	-	130,300	-	140,000	-	-	2,905,620	10.26%
	Non Pay	48,813,810	634,630	-	7,046,550	19,101,540	(1,750,690)	(2,146,000)	-	71,699,840	46.88%
	<b>Gross Expenditure</b>	<b>51,449,130</b>	<b>634,630</b>	<b>-</b>	<b>7,176,850</b>	<b>19,101,540</b>	<b>(1,610,690)</b>	<b>(2,146,000)</b>	<b>-</b>	<b>74,605,460</b>	<b>45.01%</b>
	Grants	(87,910)	-	-	-	-	-	-	-	(87,910)	0.00%
	Other Income	(25,898,760)	-	-	-	-	-	-	-	(25,898,760)	0.00%
	<b>Gross Income</b>	<b>(25,986,670)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,986,670)</b>	<b>0.00%</b>
	<b>Net Expenditure</b>	<b>25,462,460</b>	<b>634,630</b>	<b>-</b>	<b>7,176,850</b>	<b>19,101,540</b>	<b>(1,610,690)</b>	<b>(2,146,000)</b>	<b>-</b>	<b>48,618,790</b>	<b>90.94%</b>
Total Services	Pay	203,133,350	2,982,400	1,082,400	423,510	495,150	15,334,410	(708,950)	(225,320)	222,516,950	9.54%
	Non Pay	636,918,350	6,700,060	179,380	28,513,850	22,643,030	1,074,840	(10,567,390)	21,226,830	706,688,950	10.95%
	<b>Gross Expenditure</b>	<b>840,051,700</b>	<b>9,682,460</b>	<b>1,261,780</b>	<b>28,937,360</b>	<b>23,138,180</b>	<b>16,409,250</b>	<b>(11,276,340)</b>	<b>21,001,510</b>	<b>929,205,900</b>	<b>10.61%</b>
	Grants	(249,524,570)	1,415,180	269,940	(138,120)	-	4,520,450	91,820	(20,505,130)	(263,870,430)	5.75%
	Sales, Fees, Charges	(70,646,170)	(329,120)	(3,700)	(1,558,540)	(220,590)	562,690	566,550	109,970	(71,518,910)	1.24%
	Other Income	(133,295,120)	(10,768,520)	(41,300)	(168,910)	48,000	(789,390)	(216,470)	(606,350)	(145,838,060)	9.41%
	<b>Gross Income</b>	<b>(453,465,860)</b>	<b>(9,682,460)</b>	<b>224,940</b>	<b>(1,865,570)</b>	<b>(172,590)</b>	<b>4,293,750</b>	<b>441,900</b>	<b>(21,001,510)</b>	<b>(481,227,400)</b>	<b>6.12%</b>
<b>Net Expenditure</b>	<b>386,585,840</b>	<b>-</b>	<b>1,486,720</b>	<b>27,071,790</b>	<b>22,965,590</b>	<b>20,703,000</b>	<b>(10,834,440)</b>	<b>-</b>	<b>447,978,500</b>	<b>15.88%</b>	
Corporate Funding	Pay	-	-	-	-	-	-	-	-	-	0.00%
	Non Pay	-	-	-	-	-	-	-	-	-	0.00%
	<b>Gross Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
	Grants	(151,653,410)	-	-	-	-	-	-	(25,936,950)	(177,590,360)	17.10%
	Sales, Fees, Charges	-	-	-	-	-	-	-	-	-	0.00%
	Other Income	(234,932,430)	-	-	-	-	-	-	(35,455,710)	(270,388,140)	15.09%
	<b>Gross Income</b>	<b>(386,585,840)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(61,380,660)</b>	<b>(447,978,500)</b>	<b>15.88%</b>
<b>Net Expenditure</b>	<b>(386,585,840)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(61,380,660)</b>	<b>(447,978,500)</b>	<b>15.88%</b>	
General Fund	<b>Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>1,486,720</b>	<b>27,071,790</b>	<b>22,965,590</b>	<b>20,703,000</b>	<b>(10,834,440)</b>	<b>(61,380,660)</b>	<b>-</b>	



# Northumberland County Council

Council

21 February 2024

## REVENUES AND BENEFITS POLICIES 2024-25

**Report of Councillor(s)** Councillor Richard Wearmouth, Deputy Leader and Portfolio Holder for Corporate Services.

**Responsible Officer(s):** Jan Willis, Executive Director Transformation and Resources

### 1. **Link to Key Priorities of the Corporate Plan**

This report links to all three key priorities of the corporate plan. Achieving value for money, tackling inequalities and driving economic growth.

### 2. **Purpose of report**

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

### 3. **Recommendations**

3.1 County Council is recommended to:

- **Approve the Revenues and Benefits Policies attached as Appendix 1 to Appendix 6.**
- **Approve implementing the 100% Empty Homes Premium after one year from 1 April 2024**
- **Make a determination to implement a 100% premium for second homes to increase the council tax charge to 200% from 1 April 2025.**

### 4. **Forward plan date and reason for urgency if applicable**

09 January 2024.

## 5. Background

- 5.1 The Revenues and Benefits service has a suite of policies that govern the collection and enforcement administration of council tax, business rates, housing benefit and sundry debt income.
- 5.2 Some of the policies are regularly amended due to changing legislation, introduction of new legislation, relief schemes or the grating of additional discretions.
- 5.3 Sections 79 and 80 of The Levelling-Up and Regeneration Act 2023 relates to council tax and gives the Council additional discretion on the levels of council tax that billing authorities can charge on some classes of dwellings as detailed below.
- 5.4 Empty Homes Premium – the Levelling -Up and Regeneration Act 2023 gives discretion to allow the Council to implement an empty homes premium of 100% after one year instead of the current two.
- 5.5 Second Homes – currently second homes are charged 100% council tax. The Levelling-Up and Regeneration Act 2023 will allow the Council to charge up to an additional 100% on second homes. The definition of a second home under council tax legislation is a property where there is no resident of the dwelling and where it is substantially furnished.
- 5.6 Any decision made to implement an extra charge on second homes, needs to be made by way of a determination at least one year before the beginning of the financial year to which it relates (by 31 March 2024).
- 5.7 A summary of each revenues and benefits policy is provided below for information, and where there are proposed changes, details of the changes are highlighted.

### **Caravans and Chalets Policy (see Appendix 1)**

This policy is in respect of caravans/chalets on commercially rated sites that are occupied as a sole or main residence for council tax purposes. Council tax is reduced by any business rates payable by the taxpayer on receipt of an itemised invoice. A Class G exemption (occupation prohibited by law) will be granted for a period when the site has to close due to planning/licensing restrictions.

There are no proposed amendments to this policy.

### **Council Tax Discount Policy (see Appendix 2)**

This policy sets out the treatment of local discretionary discounts, empty property (including empty home premiums of 100%, 200% and 300%), uninhabitable property, second homes for council tax and care leavers.

The policy also includes the Government's COVID Hardship Fund payments for previous years.

The policy has been updated for 2024-25 as detailed below:

- A paragraph has been added detailing the legislation allowing an empty homes premium to be charged after one year to vacant properties.



- The new Empty Homes Premium has been added to the table of empty homes premium effective dates.
- A new council tax support hardship fund has been added for 2024-25. This fund will provide a payment of up to £100 to reduce the council tax liability for all working age and pensionable age council tax support claimants.
- The council tax discount for 2023-24 has been removed from the policy. This was for 2023-24 only and represented a reduction in council tax liability of £17.21 for households not in receipt of council tax support and who had their main residence in a property in Northumberland on 1 April 2023.
- The delegated decision on individual local discretionary discounts has been amended. From 1 April 2024 up to £5,000 will be delegated to the Senior Revenues Manager, between £5,001 and £10,000 will be delegated to the Senior Revenues Manager in conjunction with the Head of Transactional Services and over £10,001 will be delegated to the Director of Finance and Procurement (Deputy Section 151 Officer).

### **Corporate Debt Policy (See Appendix 3)**

This policy details the Council's coordinated approach to the billing, collection and recovery of monies due to the Council for council tax; business rates; rent, housing benefit/council tax benefit and support overpayments, sundry debt for council services and overpaid salaries and wages. The policy consists of a number of separate annexes:

Annex 1	<b>Council Tax and NNDR Recovery Policy</b> – sets out the recovery action taken to recover unpaid liabilities. Minor wording amendments have been made to this annex.
Annex 2	<b>Council Tax and NNDR Court Costs and Fees Policy</b> – provides a uniform scale of costs at each recovery stage. No amendment has been made to this annex;
Annex 3	<b>Housing and Council Tax Benefit/Support Overpayments Policy</b> – sets out the policy for the administration and recovery of overpayments. No amendment has been made to this annex;
Annex 4	<b>Methods of Payment Policy</b> – sets out the range of payment methods available to customers. Minor amendments have been made to this annex;
Annex 5	<b>Write Off Policy</b> – sets out the framework for writing off debts. No amendment has been made to this annex;
Annex 6	<b>Sundry Debt Policy</b> – covering the recovery all collectable sundry debt. Minor wording amendments have been made to this annex;
Annex 7	<b>Statutory and Chargeable Debt Policy</b> – sets out the approach to debt arising from the Council carrying out its statutory duties/enforcement functions. No amendment has been made to this annex;

- Annex 8      **Overpaid Salaries and Wages Policy** - sets out the approach to the recovery of salary overpayments. No amendment has been made to this annex.
- Annex 9      **Bankruptcy Policy** - ensures that the Council's use of bankruptcy is consistent and complies with the relevant legislation and best practice. No amendment has been made to this annex;
- Annex 10     **Enforcement Agent Code of Practice for Council Tax and NNDR** – sets out the way that internal enforcement agents or external enforcement agent companies collecting local taxation debts on behalf of the Council will conduct themselves. Minor wording amendments have been made to this annex;
- Annex 11     **Housing Income Management Policy** – sets out the policy for the prevention of housing arrears, the rent arrears escalation procedure, recovery of former tenant arrears and write offs. Minor wording changes have been made to this annex;

The following minor amendments have been made to this policy:

Annex 1 – Council Tax and NNDR Recovery Policy - in point 6 of the annex an addition has been made to show that enforcement agents must be accredited by the Enforcement Conduct Board.

Annex 4 - Methods of Payment Policy – in paragraph 4, the ability to pay at Council customer service/information centres has been removed from the annex.

Annex 6 - Sundry Debt Policy - Paragraph 12.4 has been reworded to show that failure to provide the necessary information may result in the debt being written off rather than will result in.

Annex 10 – Enforcement Agent Code of Practice for Council Tax and National Non-Domestic Rates – Under the paragraph titled Professional standards a sentence has been added to state that any enforcement agent engaged by the Council must be accredited by the Enforcement Conduct Board.

These minor amendments do not make any changes to the actual policy intentions.

#### **Discretionary Housing Payment Policy (See Appendix 4)**

This policy sets out the Council's approach to operating its Discretionary Housing Payment scheme. The primary aims of the policy are to prevent homelessness, to alleviate housing need, and to ensure that Northumberland residents have fair and equal access to all services and monies to which they may be entitled by virtue of their situation.

Paragraph 42 of the policy has been amended to reflect a new job title.

#### **Rate Relief Policy (See Appendix 5)**

This policy applies to National, Non-Domestic Rates (Business Rates) and provides the framework under which mandatory and discretionary relief will be administered.

Rate Relief can be either mandatory, discretionary or both and is granted in accordance with the Local Government and Rating Act 1997 and the Local Government Finance Acts 1988 and 2012 (as amended).

The policy relates to awards concerning:

- Rural Rate Relief
- Charities and Not for Profit Organisations
- Hardship Relief
- Section 44A (relief on the grounds of part occupation)
- Supporting Small Business
- Business Rates Revaluation Relief
- Pub Relief:
- Newspaper Relief
- Retail Discount Scheme 2019-20
- Extension of the Nursery Discount Scheme for 2021-22
- Expanded Retail Discount Scheme 2020-21
- Nursery Relief Scheme 2020-21
- Extension of Expanded Retail Discount Scheme for 2021-22
- Extension of Expanded Retail Discount Scheme for 2021/22
- Public Lavatories Rate Relief
- Retail, Hospitality and Leisure Business Rate Relief Scheme for 2022-23
- Local Discretionary Discounts.
- Transitional Relief Scheme for 2023 Revaluation
- Extension of Retail, Hospitality and Leisure Business Rate Relief Scheme for 2022-23
- Supporting Small Business Relief

The policy has been amended and updated to reflect the following:

- Retail, Hospitality and Leisure Discount 2023-24 and extended 2024-25
- Improvement Relief from 2024-25
- Amendment to Rural Rate Relief to confirm this is now 100% mandatory following the implementation of the Non-Domestic Rating Act 2023.
- In paragraph 26 the links to the corporate priorities have been amended to reflect the new Corporate Plan.
- Under the heading Rate Relief Decisions and Appeals (paragraphs 107- 109) the job titles of the delegated decisions have been altered to reflect new job titles.

Under this policy the Chief Executive has delegated powers to implement new relief schemes introduced by Government in line with the required legislation and timetable. This policy will then be updated at the next annual review.

### **War Pensions and Armed Forces Compensation Disregard Policy (See Appendix 6)**

The Housing Benefit Regulations 2006 make provision for the first £10.00 of income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme to be disregarded in any benefit assessment. The cost of this disregard is fully reimbursed to the Council.

The Social Security Administration Act 1992 gives the Council discretion to disregard any amount it chooses in addition to the statutory provision.

The policy has been in place since 2009-10 and the Council has taken advantage of this provision and fully disregarded income claimants receive from the War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Schemes when assessing entitlement to Housing Benefit/Council Tax Support.

There are no proposed amendments to this policy.

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

- Approve the Revenues and Benefits Policies attached as Appendix 1 to Appendix 6.
- Approve implementing the 100% Empty Homes Premium after one year from 1 April 2024
- Make a determination to implement a 100% premium for second homes to increase the council tax charge to 200% from 1 April 2025.

## 7. Implications

<b>Policy</b>	The following policies have been amended: Council Tax Discount Policy Corporate Debt Policy Discretionary Housing Payment Policy Rate Relief Policy
<b>Finance and value for money</b>	The policies included in the report cover those in the Revenues and Benefits service that impact on the management of income and the support available for businesses and residents. The policies have an impact on the income contained within the 2024/25.
<b>Legal</b>	Revenues and Benefits policies are subject to the relevant legislation and statutory instruments. The policy updates highlighted in this report are in line with those legislative requirements
<b>Procurement</b>	No implications
<b>Human resources</b>	No implications
<b>Property</b>	No implications
<b>Equalities Act: is a full impact assessment required and attached?</b>	No - no equalities issues identified  EIA has not been carried out as the policy updates for the Rate Relief policy are introduced nationally by the Government. The hardship scheme introduced by the Council Tax Discount

	policy is in relation to surplus funds from 2023/24 hardship fund.
<b>Risk assessment</b>	No implications
<b>Crime and disorder</b>	No implications
<b>Customer considerations</b>	The policy updates apply to businesses and residents of the County based upon an eligibility requirement for the particular schemes.
<b>Carbon reduction</b>	There are no carbon reduction implications as a result of this report.
<b>Health and wellbeing</b>	No implications.
<b>Wards</b>	All wards are affected by these policies .

#### 8. **Background papers**

County Council Report – 22 February 2023  
County Council Minutes – 22 February 2023

#### 9. **Links to other key reports already published**

Not applicable

#### 10. **Author and Contact Details**

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# Northumberland County Council

## **Revenues and Benefits Service**

### **Caravans / Chalets Council Tax Policy**

## **Introduction**

1. This Policy is in respect of caravans / chalets on commercially rated sites that are occupied as a sole or main residence.
2. A caravan / chalet on a commercially rated site can only be brought into council tax if it is occupied as someone's sole or main residence.
3. Information comes from various sources e.g. the individuals themselves, the Planning Department and anonymous information. Site managers are generally uncooperative when enquiries are made with them.
4. The Valuation Office Agency (VOA) will not reduce the rateable value of a commercially rated site because one pitch is de-minimus.

## **Policy Aims**

5. There are consistent guidelines and procedures to follow.
6. To continue with policies at the former District / Borough Councils in Northumberland.
7. To ensure that caravan and chalet owners and occupiers are not taxed twice.

## **Policy**

8. Whenever the Council receives information that a caravan / chalet on a commercially rated site is occupied as a sole or main residence it is reported to the VO to bring it into council tax.
9. Where an individual has signed an agreement with the site owner that they will not occupy a caravan / chalet as their sole or main residence, and it subsequently becomes evident that that is the case, the caravan / chalet will be brought into council tax.
10. The council tax is reduced by any business rates payable by the taxpayer on receipt of an itemised invoice.
11. A Class G exemption (occupation prohibited by law) will be granted for a period when the site has to close due to planning/licensing restrictions.





# Northumberland

## County Council

### **Revenues and Benefits Service**

### **Council Tax Discounts Policy**

## Information

Section 13A of the Local Government Finance Act 1992 (LGFA 1992) (as amended) gives powers to enable billing authorities to reduce the amount of council tax liability, including reducing the amount to nil, for any individual taxpayer or group of taxpayers.

The Local Government Act 2012 (LGFA 2012) under Section 10 substitutes a new section 13A (1)(a) that provides that a person's liability for council tax is to be reduced in accordance with the Council's own council tax reduction scheme.

Section 13A (1)(c) is a re-instatement of the previous arrangements where discretion can be exercised in particular cases or by determining a class of cases and can reduce the council tax liability to nil.

### **Section 10 - Council Tax Support**

Section 10 of the LGFA 2012 amends 13A (1)(a) of the LGFA 1992 and provides that a person's liability for council tax is to be reduced in accordance with the Council's council tax reduction scheme. The council tax support scheme for 2013/14 for the Council will be administered in line with the Government's prescribed requirements in **Statutory Instrument 2885/2012 The Council Tax Reduction Scheme (Prescribed Requirements) (England)**, and, **2886/2012 The Council Tax Reduction Schemes (Default Scheme)(England) Regulations 2012**. For 2014/15 onwards the Council Tax Support Scheme will be adopted annually in line with the consultation requirements prescribed.

### **Section 11 - Power to determine further discounts for certain dwellings**

Section 11A of LGFA 2012 amends 11A of the LGFA 1992 and provides for the Council to determine its own discount for unoccupied and unfurnished property.

**Statutory instrument 2965/2012 The Council Tax (Exempt Dwellings) (England) (Amendment) Order 2012** removes the existing exemption for Class A and Class C so that from 1/4/13 they are no longer exempt from council tax:

Class A covered a 12 month period for a vacant property undergoing major repair work, or undergoing structural alteration, or having undergone either if less than 6 months had elapsed since the work was substantially completed.

Class C covered vacant property for a 6 month period or less.

### **Section 12 – Power to set higher amount for long-term empty property**

Section 12 of LGFA 2012 amends 11B of the LGFA 1992 and provides that the billing authority can charge council tax liability up to 150% for property that has been empty and substantially unfurnished for more than 2 years by introducing an Empty Homes Premium (EHP). This section also allows the Secretary of State to make provision for exceptions by prescribing classes of property, taking into account the physical characteristics and circumstances and the circumstances of any person liable, where the Council will not be able to charge additional council tax.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 received Royal Assent on 1 November 2018. The Act gave local authorities discretionary powers to:

- From 1 April 2019 - increase the EHP to a maximum of 100% for dwellings that have been unoccupied and unfurnished for two years or more.

- From 1 April 2020 - increase the EHP to a maximum of 200% for dwellings that have been unoccupied and unfurnished for five years or more.
- From 1 April 2021 - increase the EHP to a maximum of 300% for dwellings that have been unoccupied and unfurnished for ten years or more.

**Statutory instrument 2964/2012 The Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012** provide that a billing authority may determine that the council tax discounts applicable where there is no resident of the dwelling can be replaced by a lower discount or no discount at all from 1/4/13.

### **Second Homes**

Second homes are defined as properties that are unoccupied and furnished. There are 2 classes:

Class A – second homes where occupancy is restricted by a planning condition preventing occupancy period of at least 28 days.

Class B - second homes where occupancy is not restricted by a planning condition preventing occupancy for a continuous period of at least 28 days.

From 1/4/13 billing authorities can reduce or end the existing discount.

### **Empty Property**

Statutory instrument 2964/2012 provides that the Council can decide what percentage of council tax to charge in relation to these 2 classes of dwelling instead of the exemption up to the full amount:

Class C - dwellings which are unoccupied and substantially unfurnished.

Class D - dwellings that are unoccupied and substantially unfurnished and are undergoing, or have undergone within the last six months, major repairs but they will only fall into this class for a maximum period of 12 months.

### **Empty Homes Premium**

Section 12 of LGFA 2012 amends 11B of the LGFA 1992 and provides that the billing authority can charge council tax liability up to 150% for property that has been empty and substantially unfurnished for more than 2 years.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 received Royal Assent on 1 November 2018. The Act gave local authorities discretionary powers to:

- From 1 April 2019 - increase the EHP to a maximum of 100% for dwellings that have been unoccupied and unfurnished for two years or more.
- From 1 April 2020 - increase the EHP to a maximum of 200% for dwellings that have been unoccupied and unfurnished for five years or more.
- From 1 April 2021 - increase the EHP to a maximum of 300% for dwellings that have been unoccupied and unfurnished for ten years or more.

Statutory instrument 2964/2012 provides that Billing Authorities will not be able to charge the empty homes premium in the following circumstances:

Class E – where the dwelling would be the sole or main residence of a person but which is empty whilst that person resides in accommodation provided by the Ministry of Defence by reason of their employment (i.e. service personnel posted away from home)

Class F – where dwellings form an annexes in a property which are being used as part of the main residence.

Section 79 of the Levelling-up and Regeneration Act 2023 amends section 11B of the Local Government Act 1992 (higher amount for long-term empty dwellings: England) and provides that the billing authority can charge an empty homes premium after a property has been vacant for 1 year with effect from 1 April 2024. Section 80 of the Levelling-up and Regeneration Act 2023 allows the billing authority to charge up to 100% extra on second homes (dwellings occupied periodically). A billing authority's first determination under this section must be made at least one year before the beginning of the financial year to which it relates

### **War Widows**

The Council Tax Benefit Regulations 2006 make provision for the first £10.00 of income for War Widows (Widowers)/War Disablement Scheme and Armed Forces Compensation Scheme to be disregarded in any council tax benefit assessment. Under the regulations Billing Authorities have discretion to fully disregard the remainder and current Council Policy is to disregard the remainder in full.

Under statutory Instrument **2886/2012 The Council Tax Reduction Schemes (Default Scheme)(England) Regulations 2012** the same provision for the first £10.00 to be disregarded for War Widows (Widowers)/War Disablement Scheme and Armed Forces Compensation Scheme under council tax support, however, there is no discretion to disregard the remainder.

### **Policy**

The Council Tax Support Scheme for 2013/14 shall be in line with the requirements and provisions contained in Statutory Instrument's 2885 and 2886 of 2012. The Council Tax Support Scheme for 2014/15 onwards will be adopted annually in line with the consultation requirements prescribed.

The discretionary discount for all second homes is removed completely to nil in line with statutory instrument 2964/2012.

The discount for all Class C vacant properties is set to nil in line with statutory instrument 2964/2012 (this refers to property that would previously have fallen into the exemption Class C).

The discount for all Class D vacant properties is set to 100% for a maximum period of 12 months where the qualifying criteria for property undergoing, or, requiring major works/structural alterations is met in order to make the property habitable in line with statutory instrument 2964/2012.

An Empty Homes Premium equivalent to 150% of relevant council tax liability is charged in respect of empty and substantially unfurnished property subject to the restrictions in 2964/2012 under Class E and Class F applies from 1 April 2013 to 31 March 2020.

From 1 April 2020:

An Empty Homes Premium equivalent to 200% of council tax liability is charged to properties which have been empty and substantially unfurnished between 2 and 5 years.

From 1 April 2020, an Empty Homes Premium equivalent to 300% of council tax liability is charged to properties which have been empty and substantially unfurnished for 5 years or more.

From 1 April 2021, an Empty Homes Premium equivalent to 400% of council tax liability is charged to properties which have been empty and substantially unfurnished for 10 years or more.

From 1 April 2024, an Empty Homes Premium equivalent to 100% of council tax liability is charged to properties which have been empty and substantially unfurnished for 1 year or more.

Income from War Widows (Widowers)/War Disablement Scheme and Armed Forces Compensation Scheme in excess of the mandatory £10.00 will be disregarded from the assessment of income in line with Section 13A (1)(c)

### **Section 13A (1)(c) Policy**

Under Section 13A (1)(c) of the Local Government Finance Act 2012 the Council can reduce the amount of council tax payable. This discretion can be exercised in particular cases or by determining a class of cases and can reduce the council tax liability to nil.

#### **1. War Widows**

Under this power all income from War Widows (Widowers)/War Disablement Scheme and Armed Forces Compensation Scheme in excess of the £10.00 will be disregarded from the assessment of income in line with former arrangements. The cost of granting this class of local discount will fall upon the Council.

#### **2. Care Leavers**

Under this power a council tax discount of up to 100% will be granted for care leavers residing in Northumberland up to their 21<sup>st</sup> birthday. The discount will apply from 1 April 2018 onwards and will be granted after all other discounts, exemptions and council tax support has been awarded. Where the care leaver has shared liability the discount for council tax will be awarded to cover their share of the liability.

For care leavers aged 21 and over each application will be considered on its merits.

Applications will need to be in writing setting out the reasons why relief is required. It is expected that taxpayers will have exhausted all other options before making an application.

### **COVID-19 hardship fund 2020-21**

As part of its response to COVID-19, the Government announced in the Budget on 11 March 2020 that it would provide local authorities in England with £500m of new grant funding to support economically vulnerable people and households in their local area. The Council received £3.382 million.

The expectation was that the majority of the hardship fund will be used to provide council tax relief, alongside existing local council tax support schemes. The Government recognised that COVID-19 is likely to cause fluctuations in household incomes and recognises that, as a result, some individuals may struggle to meet council tax payments. Councils will already have established their local council tax support schemes for 2020-21.

The Government's expectation was that Councils will primarily use their grant allocation to reduce the council tax liability of individuals in their area. This would be done under their discretionary powers contained under S13A (1)(c) of the Local Government Finance Act 1992.

For the 2020/21 financial year this fund was used to reduce the liability for all working age council tax support claimants up to a maximum of £150.

### **COVID-19 hardship fund 2021-22**

The Government announced further funding for the 2021-22 financial year. The Council received £4.578 million from the Local Council Tax Support grant for 2021-22. This funding will be used to reduce the liability for all working age council tax support claimants up to a maximum of £300.

### **COVID-19 hardship fund 2022-23**

From the surplus of funding received in 2020-21 and 2021-22 financial years the Council will use the remaining funds to reduce the council tax liability for all working age council tax support claimants for the 2022-23 financial year up to a maximum of £200.

### **Council Tax Support Fund for 2023-24**

On the 19<sup>th</sup> December 2022, the Government announced additional funding for local authorities to support the most vulnerable households in England. The funding is for councils to deliver additional support to the 3,8 million households already receiving council tax support, whilst also providing councils with the resources and flexibility to determine the local approaches to support other vulnerable households in their area. The Council's allocation is £654,441.

The expectation is that councils should use the majority of the funding allocations to reduce bills for current working age, and, pension age local Council Tax Support claimants by up to £25. Councils can use their remaining allocation as they see fit to support vulnerable households with council tax bills.

### **Council Tax Support Hardship Fund 2023-24**

From the surplus of funding received for the Council Tax Support Fund for 2023-24 (above) and from its own funds the Council will provide a Council Tax Support Hardship Fund payment of up to £175 to reduce the council tax liability for all working age and pensionable age council tax support claimants.

### **Council Tax Support Hardship Fund 2024-25**

From its own funds the Council will provide a Council Tax Support Hardship Fund payment of up to £100 to reduce the council tax liability for all working age and pensionable age council tax support claimants.

### **Decisions and Appeals**

The decision to adopt any further classes of dwellings is delegated to the Executive Director – Transformation and Resources in conjunction with the Portfolio Holder.

Decisions on individual applications for a discount under Section 13A (1)(c) to reduce council tax liability is delegated based on value to the following officers:

Up to £5,000 – Senior Revenues Manager

Between £5,001 and £10,000 – Senior Revenues Manager and Head of Transactional Services.

Over £10,001 – Director of Finance and Procurement (Deputy Section 151 Officer).

Notification of a decision will be made by letter as soon as possible after the application has been considered.

Appeals against the Council's decisions will be considered upon receipt of a written request by the Executive Director – Transformation and Resources.

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Northumberland  
County Council

# Corporate Debt Recovery Policy

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## 1. Introduction

This document details the Council's policies on the billing, collection and recovery of monies due to the Council.

Sums due to the Council can be a mixture of statutory and non-statutory charges. The methods for billing and recovery of the statutory debts are tightly prescribed by statute. Our recovery practices must take account of this diversity.

This Policy sets out the general principles to be applied in relation to debt management across all services provided by the Council.

The management of income is a key business area for the Council. The Council collects income from many streams; some of this activity is governed by legislation while others by sound principles of financial management. The key to economic, efficient and effective income management is the creation and maintenance of a clear framework that sets out the approach, principles and strategy within which all activities will be conducted.

It is essential that all monies due are collected effectively by the Council, and that debt owed to the Council is kept to a minimum. This is because the Council has both a legal duty and a responsibility to its citizens to ensure that income due is paid promptly. The Council may charge late-payment interest on debts or seek interest during recovery processes where it is lawful and appropriate to do so.

Effective income management processes are critical to the delivery of overall Council service objectives. A more efficient income management process contributes to the availability of resources for wider or deeper service provision. Every pound of income that is not collected or takes extra effort to collect leads to one or two potential outcomes namely:

- A resource is needed to be taken from the overall service budget to compensate for the cost of collection or non-collection
- Extra income will need to be found to compensate for the extra cost of collection or non-collection.

## 2. Aims

The aims of the corporate debt policy are to:

- Facilitate a coordinated approach to managing multiple debts owed to the Council.
- Identify, where appropriate, support which may be required to those owing money to the Council, and ensure circumstances are taken into consideration.
- Apply best practice to debt collection.

## 3. Scope of the Policy

This policy applies to the collection of:

- Council Tax
- Non-Domestic Rates (Business Rates / NNDR)
- Housing Benefit and Council Tax Benefit/Support Overpayments
- Sundry Debt (Council Services)
- Overpaid salaries and wages
- Housing Income

There are specific rules and regulations which govern the recovery and collection of these debts, and are set out in the respective Annexes.

#### **4. Policies common to all types of debt**

Every demand for money will be correctly addressed to the person who is liable to pay it. The name on the demand will be that of a person or body possessing “legal personality”.

Demands will, wherever possible, be issued as soon as practicable and, if possible, on the day of production.

The Council will attempt at all times to use the most appropriate and effective method of debt recovery in order to maximise income.

The Council will encourage the most cost effective payment methods with the emphasis being on unmediated electronic means where possible. “Unmediated”, in the context of electronic payment methods means a method of payment that requires no human intervention by Officers of the Council to achieve its crediting to the account in question.

Equality and diversity considerations will be taken into account in accordance with the Council’s Equal Opportunities Policy. Specifically staff seeking to recover debts will have regard to ensuring information is accessible through translations, larger print versions or sign language, as appropriate, to the needs of the debtor.

Where the potential for a statutory benefit or discount exists in relation to the debt, efforts will be made to make the debtor aware of such opportunities and they will be assisted and encouraged to apply for these.

All notices issued by the Council will comply with the corporate style guidance and be readily identifiable as being from the Council.

Where either national or local performance indicators exist the Council will strive for top quartile performance and will publish its actual performance against these targets annually. Progress reports will be made available at regular intervals during the year to the Executive Management Team and Corporate Services and Economic Growth Overview and Scrutiny Committee.

The Council welcomes the involvement of welfare agencies where authorised by the debtor in connection with debts due to the Council, and recognises the benefits that these organisations can offer both the debtor and the Council in prioritising repayments to creditors and in maximising income available to the debtor.

The Council supports the provision of advice from external agencies and will work in conjunction with them. These include Age UK, Citizens Advice Bureau (CAB) and Shelter.

The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 came into force on 4 May 2021. The Council will ensure that recovery of qualifying debts is suspended for the relevant moratorium period as set out in the regulations and, where appropriate, will engage with a debtor’s debt advice provider regarding a moratorium debt or a debt solution in respect of the debtor.

In cases of multiple debts there must be close liaison between services. Multiple debts are where a debtor has significant debts in more than one service area, e.g. NNDR, council tax benefit/support and housing benefit overpayment. Such cases can present problems in determining the relative priority of the individual debts for both the individual concerned and the Officers preparing settlement.

In such cases Officers are expected to liaise and agree an appropriate means of coordinated recovery, which reflects these policy aspirations together with the need to balance repayment profiles across all debts due to the Council.

Cross service communication may arise on an ad-hoc basis where appropriate cases present themselves.

The Council recognises that prompt recovery action is key in managing its debt and maximising income. The Council therefore aims to:

- Regularly monitor the level and age of debt.
- Set clear targets for the recovery of debt.
- Have clear written recovery procedures.
- Set priorities for specific areas of debt and assess recovery methods to ensure maximum recovery.
- Regularly review irrecoverable debts for write-off.

All sundry debt accounts that are written off will initially be written off as a charge against the income code against which they are raised. At the year-end an adjustment will be made if any of the debt was already provided for as doubtful in the bad debt provision.

Where an external agency is procured to assist with the delivery of a service the flow of information between the Council and the agency must be in a secure electronic format.

Where legislation permits, the Council will seek to take control of goods and recover from the debtor any and all costs/fees that are legitimately due from the debtor to the Council or its agents. Only in exceptional cases, where it would not be in the public interest to pursue costs/fees, will they be waived.

## 5. Principles of Recovery

The Council will follow the principles outlined below.

- Our action will be **proportionate**
- Our approach will be **consistent**
- Our actions will be **transparent**

Additionally our intention will be to be firm and fair, and our manner will be courteous.

**Proportionality** – Proportionality allows for a balance to be struck between the potential loss of income to the Council and the costs of compliance.

**Consistency** – Consistency means taking a similar approach in similar circumstances to achieve similar ends. The Council's aim is to achieve consistency in:

- The advice the Council gives.
- The use of its powers.
- The recovery procedures used.

The Council recognises that consistency does not mean simple uniformity. Officers need to take account of many variables such as:

- The social circumstances of the debtor.
- The debtor's payment history.
- The debtor's ability to pay.

**Transparency** – Transparency is important in maintaining public confidence. It means helping people to understand what is expected of them and what they should expect

from the Council. It also means explaining clearly the reasons for taking any recovery action.

Transparency is a key part of the Council Officer's role. If action is required, the reasons why must be clearly explained and time scales must be clearly stated. A distinction must be made between advice and legal requirements.

Communications should be in plain English, and large print with Braille or translated versions will be made available to customers upon request.

With the exception of Council Tax and NNDR, an opportunity must be given to discuss what is required to comply with the law before formal recovery action is taken. A written explanation must be given of any rights of appeal against formal recovery action either before or at the time the action is taken.

## **6. Hierarchy of Debt**

Some customers will owe more than one debt to the Council, and may be on a low income or experiencing financial hardship. In such cases it needs to be clear which debts the Council considers a priority.

Priority will be given to debts where non-payment could lead to loss of the customer's home or imprisonment. These relate to Council Tax and Business Rates, which are most commonly enforced through the courts as per statutory requirements.

Other debts owed to the Council may, depending on the circumstances, be considered to be of lower priority.

## **7. Methods of Payment**

The Council's preferred method of payment is Direct Debit. However, this does not prohibit accepting payment by other methods. Apart from Direct Debit, the Council accepts a range of payment types as appropriate to the debt type and size.

These include cash, cheque, credit and debit cards, standing orders and other electronic banking methods, such as online internet banking and touch tone telephone payments. See Annex 4 Methods of Payment Policy.

## **8. Write Offs**

The Council recognises that where a debt is irrecoverable, prompt and regular write off of such debts is good practice. See Annex 5 Write Off Policy.

The Council will seek to minimise the cost of write-offs to the local Council Tax payers by taking all necessary action to recover what is due. All debts will be subject to the full collection, recovery and legal procedures as outlined in this policy. See Annex 1 Council Tax and NNDR Recovery Policy; Annex 3 Housing Benefit and Council Tax Benefit/Support Overpayment Policy, Annex 6 Sundry Debt Policy and Annex 11 Housing Income Management Policy.

Write off is only appropriate where:-

- the demand or invoice has been raised correctly and is due and owing; and
- there is a justified reason why the debt should not be pursued. See Annex 5 Write Off Policy.

### **Justified reasons**

It is not possible to list every scenario which could make a debt suitable for write off. However, the following factors could be appropriate depending on the circumstances.

The advice of the Corporate Debt Team should be sought in determining whether a debt is suitable for write off. Some of the justified reasons are included below:

- The customer is insolvent and the Insolvency Practitioner has confirmed there is no dividend payable; these matters should be referred to the Corporate Debt Team as soon as an insolvency notification is received;
- The customer cannot be traced. The Corporate Debt Team should be consulted before applying for write off, as they have search engines and other methods to locate the absconded customer;
- The debt is uneconomical to pursue, or to pursue further. This may be based on more than one factor, such as the amount of the debt, the financial position of the customer and the cost of administrative and Officer time in pursuing the debt. If the debt is over £50 the Service should consult the Corporate Debt Team to determine whether the debt is economically viable to pursue;
- Administrative errors or loss of documentation. When a debt is referred to the Corporate Debt Team, under the Civil Procedure Rules, the Council is required to set out in detail the basis of the claim and enclose documentary evidence to back up the claim. If there is a lack of evidence it may not be possible to pursue the matter. The Service may wish to consult Legal Services on the position before referring the debt for write off;
- The debt is a contractual debt over 6 years old. Under the Limitation Act 1980, it is not possible to issue court proceedings in a contractual matter which is over 6 years old; however there are exemptions to this rule and the Services should consult Legal Services where they believe the debt is no longer enforceable by virtue of the Limitation Act 1980.
- The Magistrates' Court has refused a committal application and remitted the debt.
- The Council has evidence to confirm the claimant is suffering a severe physical or mental illness, which renders recovery action inappropriate.
- The customer has died and there are no or insufficient funds in the estate to settle the debt

**Please note Services will be required to confirm they have followed the normal debt recovery procedures before referring the debt for write off, and where the procedures are not followed an explanation will need to be provided.**

Where debts have been referred to the Corporate Debt Team and it becomes impossible to recover the balance, the Corporate Debt Team will provide a memorandum to the instructing Service explaining the reasons why it is considered appropriate to write off the balance. The Corporate Debt Team can only recommend or agree to write off. It is the responsibility of the Chief Officer of each Service to complete the write off form and submit the request to the Corporate Debt Team in accordance with the procedures identified in this guidance note. All relevant correspondence relating to the debt must accompany the write off form.

Irrecoverable debts will be referred to the relevant Officer(s) or Committee, designated under the Council's Finance and Contract Rules at a pre-agreed frequency and in a pre-agreed format.

The limitations for writing off irrecoverable debts are those contained within the Council's Finance and Contract Rules.

The appropriate policy on the write off of a debt is detailed in the Annexes attached.

## Annex 1

# Council Tax and NNDR Recovery Policy



## Introduction

1. Council tax is a tax levied on all eligible domestic dwellings. Non-domestic rates are a tax levied on eligible business properties. The amount of council tax levied is dependent on the council tax band that the property falls into and the amount of tax to be raised. The amount of non-domestic rates is dependent on the rateable value of the property and the nationally set rating multiplier.
2. The full rate of tax is liable to be paid unless the property, owner or occupier is eligible for a reduction or exemption. The main reasons for reductions include empty property discounts, Council Tax/benefit/support for residents on low income, disregards, single occupancy discounts and charitable relief.
3. Council tax and non-domestic rates are payable in line with a statutory instalment scheme or by agreement. There is a legal duty placed on the Council and its Officers to collect outstanding debts in accordance with the Council Tax (Administration and Enforcement) Regulations 1992 and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (as amended).

## Policy Aims

4. The Recovery policy will ensure that:
  - The Council will bill, collect and recover all debts in an economic, effective and efficient manner in accordance with legislation and best practice.
  - All taxpayers and ratepayers are treated fairly and objectively.
  - Action taken will be fair and open, no-one will receive less favourable treatment because of their race, nationality, colour, ethnic or national origin, religious belief, gender, marital status, sexual orientation, age or disability.

## Policy

5. The Council will bill, collect and recover all debts in an economic, effective and efficient manner in accordance with legislation and best practice.
  - Demand notices and adjustment notices will be issued in accordance with regulations.
  - A recovery timetable will be drawn up before the beginning of each financial year.
  - Reminders and final notices will be issued 14 days after an instalment has fallen due.
  - A summons to the Magistrates' Court may be issued if full payment has not been made in accordance with the previously issued notice.
  - If settlement is still not made an application will be made to the Magistrates to grant a Liability Order.
6. Following the grant of a Liability Order the debtor will be given an opportunity to make a suitable payment arrangement. Should the debtor not make or keep to a payment arrangement the following recovery action(s) can be taken. The recovery action(s) will be dependent on the circumstances of each individual case.
  - i. **Attachment of Earnings**  
Deductions are made from the debtor's earnings at a rate determined by legislation.
  - ii. **Deductions from Income Support, Job Seeker's Allowance, Employment Support Allowance, Pension Credit or Universal Credit**  
Deductions are made from the debtor's benefits at a rate determined by legislation.
  - iii. **Taking Control of Goods – use of Enforcement Agents**

Enforcement Agents employed or engaged by the Council must be accredited by the Enforcement Conduct Board and will be required to comply with the Enforcement Agent Code of Practice, Service Level Agreement(s) and the Tribunals, Courts and Enforcement Act 2007 and any other prevailing legislation at all times.

iv. **Bankruptcy/Liquidation**

If sufficient assets exist to meet the outstanding debt the Council can petition for Bankruptcy/Liquidation.

v. **Charging Orders**

An order placed on the debtor's property to secure the debt. County Courts are empowered to order the sale of the dwelling if the debtor does not pay.

vi. **Committal**

The Council can make an application to the Magistrates' Court to instigate action that could ultimately result in the debtor being sent to prison for non-payment.

vii. **Attachment of Allowances**

Deductions are made from Elected Members' Allowances.

**The Council reserves the right to pursue the most appropriate of the above recovery methods depending on the specific personal and financial circumstances of the debtor.**

7. A separate detailed recovery procedure document exists which can be viewed as a background paper to this policy document.
8. The Write Off and Costs Policies are attached as separate documents.

## Annex 2

# Council Tax and NNDR Court Costs and Fees Policy

## Introduction

1. Considerable costs are incurred to recover sums due from defaulting council taxpayers and non-domestic ratepayers. The Council Tax (Administration and Enforcement) Regulations 1992 (as amended) and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (as amended) empower the Council to recover reasonable costs from defaulters with the approval of the Courts.

## Policy Aims

2. To provide a uniform scale of costs applicable at each recovery stage.
3. To ensure that the level of costs is reasonable.

## Policy

4. The following scale of costs is applicable with effect from 1<sup>st</sup> April 2017.

### Liability Orders and Committal Proceedings

Recovery Stage	Council Costs £	Court Costs £	Cost to Debtor £	Collectable £
Court Summons	49.50	0.50	50.00	49.50
Liability Order	50.00	Nil	50.00	50.00
Committal Summons/Warrant of Commitment	60.00	245.00	305.00	60.00
Warrant backed by bail	70.00	75.00	145.00	70.00
Warrant not backed by bail	70.00	75.00	145.00	70.00

NOTE: Arrest warrants executed by the Council's agents will be subject to a charge to the Council at different rates, depending on the agent's scale of charges and the location where the warrant is executed. Typical fees are:

Executing a warrant backed by bail	£125.00 + VAT
Executing a warrant not backed by bail	£175.00 + VAT

There may be instances where more than one warrant is required. This will affect the balance shown as collectable.

### Bankruptcy/Winding-up Proceedings

The petitioning creditor's costs associated with bankruptcy/winding-up proceedings are:

**Fixed Costs** (in accordance with the statutory scale of fees and charges currently in force).

£280.00/£280.00	Court Fee – payable on filing of petition (non-refundable)
£1,500.00/£2,600.00	Official Receiver's Deposit - payable on filing of petition (£1,450.00/£2,550.00 is refundable if a petition is withdrawn or dismissed)

**Typical Variable Costs** (to be claimed in the bankruptcy/winding-up proceedings)

£225.00	Expense in relation to preparation and service of Statutory Demand and preparation of Certificate of Service.
£350.00	Expense in relation to preparation and filing of Petition and Statement of Truth.
£180.00	Expense in relation to the Personal Service of the Petition.
£115.00	Expense in relation to preparation and filing of Certificate of Service.
£325.00	Expense in relation to preparation of papers for and attendance at Petition Hearing.
Variable	Actual costs incurred for additional matters e.g. Legal opinion, additional legal representation, attendance at additional hearings etc.

All costs may be claimed in the bankruptcy/winding-up.

**Charging Orders**

**Fixed Costs** associated with Charging Orders are levied in accordance with the statutory scale of fees and charges currently in force. They are currently:

£110.00	Application Fee
£20.00	Online Land Registry Registration Fee
£4.00	Cost of Office Copy of Land Registry Entry
£110.00	Fixed costs that may be awarded by the Court

All costs are included in the Final Charging Order.

5. Council costs will be reviewed annually in line with budget setting. The Council has no discretion in the level of Court costs which are governed by legislation.

## Annex 3

# Housing Benefit and Council Tax Benefit/Support Overpayment Recovery Policy

## **Introduction**

1. Overpayments of Housing Benefit and Council Tax Benefit/Support are established through a change in benefit entitlement. They are described as an amount of benefit that has been awarded but to which there is no entitlement under the regulations.
2. Accurate and prompt identification of overpayments is important to ensure that the incorrect payment of benefit is discontinued and to maximise the chances of successful recovery.
3. The Council recognises that to ensure there is minimal loss to public funds firm but fair action must be undertaken in the administration of Housing Benefit and Council Tax Benefit/Support overpayments.
4. Proactive action in the recovery of overpayments has a deterrent effect. However, the Council has a responsibility to act in accordance with all relevant legislation and regulations.
5. In all cases due regard will be given to the health and individual circumstances of the claimant to avoid causing unnecessary hardship.

## **Policy Aims**

6. The policy will reflect best practice in the procedure for dealing with the administration and recovery of Housing Benefit and Council Tax Benefit/Support overpayments.
7. The policy will be flexible in its approach to the recovery of overpayments with each case treated on its own merits. The Council recognises that a policy which, for example, requires recovery in all cases or recovery is always made from specific categories of claimants is unlawful.
8. The policy has regard to the rights of individuals and the obligations of the Council under the provision of the Human Rights Act 1998.
9. The Council will:
  - take steps to minimise and prevent overpayments from occurring
  - identify the overpayment promptly
  - stop the overpayment from continuing
  - classify the overpayment correctly
  - determine if the overpayment is recoverable and if recoverable
    - determine from whom to recover
    - determine the most appropriate method of recovery
  - notify the claimant and other affected persons of the decision
  - implement effective financial control of the recovery process

## **The Policy**

10. The policy will be applied in all cases where an overpayment of benefit has occurred, that is, any amount of Housing Benefit or Council Tax Benefit/Support which has been paid but to which there was no entitlement whether on initial decision or on a subsequent revised or superseded decision.

11. In most cases overpayments can arise as a consequence of:
  - payments made in advance
  - late disclosure of a change in circumstances
  - errors made by the claimant when completing an application form or review form
  - claimant error
  - official errors made by the Council or the Department for Work and Pensions
  - deliberate fraud
12. Official error overpayments are only recoverable if the claimant or the person from whom recovery of the overpayment is sought could reasonably have known that an overpayment was occurring at the time the overpayment occurred.

### **Prevention of Overpayments**

13. Overpayments are often difficult and time consuming to administer. They can cause difficulties for claimants and their families as they try to manage on limited incomes. They are to be avoided where possible. This will be achieved by:
  - telling claimants how to avoid overpayments, with letters, in leaflets and during verbal communications
  - encouraging claimants to maintain contact with us
  - processing information quickly and accurately to minimise overpayments
  - offsetting any new or underlying entitlement

### **Identifying Overpayments**

14. The Council will endeavour to act on any information received in relation to a claimant's change in circumstances within seven days of having received sufficient information to identify that an overpayment has or will be occurring.
15. This action will in the first instance include the suspension of further ongoing payments of incorrect benefit.
16. The Council will endeavour to identify any change in circumstances that would result in an overpayment still outstanding after seven days by:
  - undertaking a check of the Department for Work and Pensions records held on the Customer Information System (CIS) to identify whether entitlement to Income Support, Jobseeker's Allowance (Income Based) has ceased and if this information is not readily available on CIS by the sending of a benefits enquiry information letter
  - referring potential fraudulent overpayments to the Benefit Fraud team
  - ensuring that any post relating to the change in circumstances is collated and acted upon

### **Classification of Overpayments**

17. The correct classification of overpayments is essential as, depending on the type of overpayment, the authority will receive a percentage of the overpayment back from the government by way of subsidy. A summary of the types of overpayments and percentage of subsidy allowed is shown at the end of this policy.
18. All overpayments must be correctly classified by an Officer of the Council who has had training to a sufficient standard to allow them to make decisions, which ensure the correct application of the law in the decision making process.
19. All Officers with responsibility for classifying an overpayment must record both the classification and their reasons for it on the benefit file.



## **Calculation of Overpayments**

20. Where an overpayment has occurred the Council must invite claimants to provide sufficient information for any underlying entitlement to benefit for the overpayment period to be assessed.
21. The full amount of the overpayment should be recovered unless the health or financial circumstances of the person from whom recovery is being sought suggest a lesser amount would be appropriate.
22. In all cases the overpayment should be recovered as quickly as possible and normally no later than six years from the date recovery action is commenced.

## **Notification Letters**

23. All notification letters must be dated and issued to all affected persons within fourteen days of the Council having made the decision.
24. The notification must include the reasons for the decision, the right to request a further statement and the time limit for doing so and the claimants appeal rights and the time limit for doing so.
25. Copies of the notification letter must be able to be reproduced in the event of an appeal, complaint or proceedings taken against the Council.

## **Decisions on Recoverability**

26. In all cases where an overpayment has arisen the Council should consider whether an official error has caused or contributed towards the overpayment.
27. Where the Council has identified an overpayment, which was caused or contributed to by an official error, it should decide whether recovery of the overpayment is appropriate under the guidance issued by the Department for Work and Pensions.

## **Who Should the Overpayment be Recovered From**

28. Before recovery action begins consideration will be given as to whom is the most appropriate person to recover the overpayment from. This may in certain cases mean that further information is required from the affected parties.
29. Recovery should then be made from the most appropriate persons who may be:
  - the claimant
  - the person to whom the payment of benefit was made
  - the person who misrepresented or failed to disclose the material fact
  - the partner of the claimant if the partner was living with the claimant at the time of the overpayment and at the time the decision to recover was made
30. In all cases where the overpayment was the result of proven fraud the overpayment should, in the first instance, be sought to be recovered from the person who misrepresented or failed to disclose a material fact.

## **Recovery of Overpayments**

31. In all cases where recovery of an overpayment is sought the Council will have regard to its statutory duty to protect the loss from public funds but in doing so will have regard to:
  - the length of time the recovery of the overpayment may take
  - the effect of recovery on the affected person
  - the ability of the affected person to repay the debt

32. The Council may consider the method of recovery of an overpayment at any time for the purpose of effectiveness and efficiency in financial control.
33. Only if it becomes clear after all attempts at recovering the overpayment have become exhausted and there is no hope of recovery, or there are extenuating circumstances, shall the debt be recommended for write-off. In all cases, the Council's Finance and Contract Rules shall be adhered to.
34. Recovery should be suspended if a claimant appeals a decision until the appeal has been resolved.

## **Methods of Recovery**

35. Overpayments of recoverable Council Tax Benefit/Support will result in an adjustment being made to the claimant's council tax account for the appropriate year. An amended bill will be issued and any unpaid monies will be subject to recovery action under the council tax regulations.
36. The most appropriate method of recovery for Housing Benefit Overpayments should be considered in all cases, including:
  - on-going deductions from further payments of Housing Benefit
  - deductions from other Department for Works and Pensions benefits
  - benefit debtor invoices
  - Direct Earnings Attachments
  - debits to the rent account where it is in credit
  - recovery from landlord
  - referral to an external debt collection agency (after all the above avenues of recovery are considered or exhausted)
  - applying to the County Court for a County Court Judgement (after all avenues of recovery are considered or exhausted). With a County Court Judgement (CCJ) further recovery actions can be taken, e.g. instructing enforcement agents or attaching the debtor's earnings.
37. In cases where an invoice has been issued a period of at least one calendar month should have elapsed before recovery action begins. This will allow time for the claimant to re-apply for benefit, which may identify an underlying entitlement to Benefit from which deductions may be taken to recover the overpayment, or for the claimant to register any appeal.
38. In cases where recovery from on-going benefit is sought the standard maximum rate of deduction as laid down by regulation should be applied unless the health or financial circumstances of the claimant suggest a more appropriate rate should be used. In all cases however a minimum amount of fifty pence per week Housing Benefit must remain in payment.
39. Recovery will be stopped when a bankruptcy order is made and the relevant debt will be included in the Council's claim in the bankruptcy. Where the overpayment is a result of fraud then recovery action may be resumed following discharge from bankruptcy.
40. Where the claimant is deceased an invoice will be sent to their executors or representatives to seek recovery from their estate.

## **Monitoring and Reporting Mechanisms**

41. Monitoring of overpayments will be carried out in conjunction with the Council's Corporate Performance Management System.

## **Write Offs**

42. Recovery of overpayments will be carried out as diligently as possible. However, if it becomes clear that there is no hope of recovery, or that there are extenuating circumstances the debt will be recommended for write off in accordance with the Write Off Policy. In all cases the Council's Finance and Contract Rules will be adhered to.

## Additional Information

- Housing and Council Tax Benefit/Support Overpayment Classification Types
- Extract on Overpayments from 2007/08 DWP Subsidy Claim
- LA Error Subsidy Calculation (all authorities) 2007/08

### Housing Benefit/Council Tax Support Overpayment Classification Types

<b>Type of Overpayment</b>	<b>Description</b>	<b>Subsidy Payable</b>
Local Authority Error	Local Authority (LA) error overpayments are those caused by a mistake, by an act or omission, by a LA when the claimant did not contribute to the mistake. These can result from incorrect information being extracted from a benefit claim, error in data input which result in the incorrect assessment of benefit or failure to act/act promptly on a notification of change in circumstances.	Subject to thresholds. The lower threshold is 0.48% of the total expenditure attracting full subsidy; the upper threshold is 0.54%. 100% subsidy will be payable if the level of error does not exceed the lower threshold. If LA error overpayments are greater than the lower threshold but do not exceed the upper threshold, then 40% subsidy is paid on the total LA error overpayments. If LA error overpayments exceed their upper threshold LA s receive nil subsidy on their LA error overpayments.
Claimant Error	An overpayment caused by the claimant or person acting on the claimants behalf or any person the benefit is paid to, failing to provide information in accordance with Housing and Council Tax Benefit/Support regulations and has not been defined as fraudulent.	40%
Fraud	An overpayment occurring as a result of a payment of HB or CTB arising from a breach of section 111A or 112 of SSAA1992 or a person knowingly failing to report a relevant change of circumstances with intent to obtain or retain HB or CTB either for themselves or someone else.	40%
DWP Errors (Departmental Official Errors)	An overpayment arising from a mistake, whether in the form of an act or omission made by an officer of the DWP, HMRC or a person acting for them.	Nil If recovered 100% if not recovered
Technical HRA	An overpayment when a rent rebate is credited in advance of entitlement for a particular period, where a change of circumstances or a recoverable overpayment causes that entitlement to be removed or reduced.	Nil

## Annex 4

# Methods of Payment Policy

## Introduction

1. A number of payment methods are available to customers to pay the Council. To operate efficiently the Council needs to provide the same facilities to all residents and businesses.
2. The Council is committed to offer increased access to services and as such must offer different payment methods, but must do so consistently giving heed to the need to minimize the cost of collection.

## Policy Aims

3. The Policy aims to:
  - Improve customer services through the range of payment methods.
  - Allow customers to make payments outside of office hours.
  - Standardise payment methods.
  - Enable efficiency savings through rationalisation.

## Policy

4. The following methods of payment are offered/accepted (the list is not exhaustive):
  - Direct Debit (the preferred method)
  - Cash
  - Cheque/Postal Order
  - Debit card
  - Credit Card
  - Standing Order
  - BACS/CHAPS
  - Via the Internet or Touchtone telephone using a debit or credit card.
  - Using a bar-coded bill / invoice at any Post Office or Paypoint outlet
5. For sundry debts, a direct debit should, wherever possible, be set up for the customer in advance of an invoice being raised.
6. Barcodes should be provided wherever possible on bills and invoices.
7. A de-minimis level will not apply for payments made by debit or credit card.
8. No extra fee will be charged to those customers paying by debit or credit card (the cost of this will be monitored and reviewed annually).
9. Instalment dates for council tax and non-domestic rates are as follows:
  - Direct Debit: 1<sup>st</sup>, 15<sup>th</sup> or 28<sup>th</sup> of the month commencing in April of any financial year. Customers can opt to pay in up to 10 or 12 instalments.
  - Non Direct Debit: 1<sup>st</sup> of the month commencing in April of any financial year in up to 12 instalments.

## **Annex 5**

# **Write-Off Policy**

## **Introduction**

1. The Policy is in respect of council tax, non-domestic rates, housing benefit and council tax benefit/support overpayments, sundry debts and housing income.
2. An integral part of debt recovery is the effective management of irrecoverable debts to ensure that resources are applied efficiently to the collection of monies outstanding which can reasonably be expected to be collected.
3. It is good practice to identify and write off irrecoverable debts. This enables the Council to use resources to their maximum benefit.

## **Policy Aims**

4. There are consistent guidelines and procedures to follow.
5. Provide a framework to write off debts once every possible recovery process has been exhausted.
6. Strike a balance between protecting the Council's financial position and making sure anti-poverty issues are addressed.
7. Write offs are carried out in accordance with the Council's Finance and Contract Rules in force at that time.

## **Policy**

8. Debts will normally only be considered for write off where the account is "closed" (i.e. no recurring debt). Only in exceptional circumstances will amounts on "live" (i.e. on-going accruing debt) accounts be considered. Such cases must demonstrate that further recovery action will not achieve collection of the debt.
9. The effectiveness of the Policy will be measured against the Council's Performance Framework.
10. It is not possible to list every scenario which could make a debt suitable for write off. However, Appendix A shows the main reasons why debts become irrecoverable.
11. Advice should be sought from the Corporate Debt Team in determining whether the debt is suitable for write off.
12. The Council will record all write off decisions.



## Appendix A

### Reasons for Write Off

Absconded / No Trace	All reasonable attempts to find the debtor have failed.
Deceased	Insufficient or no funds in the Deceased's estate to pay the amount outstanding.
Debt "out of time"/ too old to recover	Debts over 6 years old where a liability order has not been granted (for council tax and NNDR), or no contact has been made and no payments have been received (in accordance with the Limitation Act 1980 (as amended) for Sundry Debt. However for certain Sundry Debts there may be exemptions to this rule and the Service should consult Legal Services where they believe the debt is no longer enforceable by virtue of the Limitation Act 1980.
Uneconomical to pursue / pursue further	When all recovery processes have been tried or considered, or the cost of proceeding would be prohibitive.
Hardship	Each case taken on its merits.
Debt remitted by the Court	Magistrates have remitted the debt.
Bankrupt	The debtor is declared bankrupt and sums due as at the date of bankruptcy cannot be recovered.
Debt Relief Order (DRO)	The debt is included in a Debt Relief Order and cannot be recovered.
Company in Liquidation / Wound up / Dissolved / Struck off	The debtor is a Limited Company. The Company no longer exists as a legal entity and there is no means of recovering the debt.
Company in Administration	The company is being administered on behalf of its creditors and the Administrators have no legal responsibility for the accrued debts of the company.
Company Voluntary Arrangement (CVA)	The Company has entered into a voluntary arrangement with its creditors through an insolvency practitioner.
Individual Voluntary Arrangement (IVA)	The debtor has entered into an arrangement with creditors through an insolvency practitioner.
Non-recoverable housing benefit overpayment	Housing benefit has been overpaid but is not recoverable under the Housing Benefit Regulations 2006, 100(2) or the Housing Benefit (Persons who have reached the qualifying age for state pension credit) Regulations 2006, 81(2).

## Annex 6

# Sundry Debt Policy

## 1. Policy

- 1.1 This Policy shall be known as 'The Sundry Debt Policy' and covers the collection of customer accounts due to Northumberland County Council.
- 1.2 It is the Council's policy to recover all collectable debt owed to it and with this overall objective in mind this policy aims to:
- Maximise the collection of the Council's income
  - Reduce the time taken to raise invoices to within 10 days of the provision of service(s)
  - Reduce the time taken to collect charges
  - Reduce the level of debt owed to the Council and its provision for bad debts
  - Reduce the incidence of debt that cannot be collected
  - Focus the attention and improve education of Services to raise awareness of the importance of prompt debt recovery
  - Tackle any non-payment culture amongst customers.
- 1.3 This Policy supports these aims by:
- Promoting ownership of debts by service providers
  - Ensuring that, where possible, payment up front is received
  - Ensuring whenever possible that collection of the fee or charge involved takes place prior to the service being provided so that credit is only given when essential to do so
  - Promoting a system of credit control
  - Ensuring invoicing procedures are carried out on an accurate and timely basis
  - Requiring that evidence to support the invoice exists in the form of an official purchase order or other written agreement
  - Encouraging debtors to pay promptly,
  - Making collection and recovery activity more efficient by prioritising collection of larger debts
  - Creation of a corporate framework to enable efficient and effective income management
- 1.4 The Policy aim is to achieve the following rates of collection in terms of both numbers and value of invoices:
- 90% of invoiced debt to be collected within 35 days of the invoice being issued
  - 95% of invoiced debt to be collected within 60 days of the invoice being issued
  - The respective Service Manager will review each year the targets above.
  - The Council will publicise the fact that it has this policy and that it intends to pursue and enforce the collection and recovery of all debts owed to it.

## 2. Key Principles of Fees and Charges

- 2.1 The fee or charge imposed by the Council must be fair in relation to the goods and/or services provided and consistent with other Local Authorities.

- 2.2 The charge must reflect the principles outlined in the appropriate charging policy and in the Council's Finance and Contract Rules.
- 2.3 The charge must, depending on legislation, always cover the cost of providing goods or service and the costs of collection, unless the Council has taken a policy decision to subsidise the service.
- 2.4 The charge should wherever possible be obtained in advance of the goods and/or services being provided.
- 2.5 The charge must be collectable i.e. sound supporting documentation must be available with timely access.
- 2.6 Fees and charges must be reviewed at least annually as part of the budget setting process.
- 2.7 There must be a clear and prompt billing and collection process.
- 2.8 There must be a clear and consistent council-wide approach to the giving of credit and the collection of debt that is led by this policy.
- 2.9 The debt will remain the responsibility of the Service in which it was raised and that Service will remain responsible for pursuing overdue debts. Where the Service is unable to secure payment then the Corporate Debt Recovery Team will escalate recovery action.

### **3. Responsibilities**

- 3.1 Directors and Heads of Service must ensure that:
  - The Corporate Debt Recovery Policy is adhered to
  - The key principles of fees and charges are adhered to
  - The parts of this policy that apply to their Service areas are correctly followed
  - Specific attention is paid to prohibit the poor practise of raising large value invoices at the financial year end
  - They proactively support the achievement of corporate targets for debt collection
  - Budget Managers are fully aware of their responsibilities
  - Relevant systems and procedures are in place
  - Officers involved in the debt collection process are appropriately trained and are aware of their responsibility
- 3.2 Internal Audit will provide assurance that this Policy is adhered to and is effective.

### **4. Validation**

- 4.1 The Service responsible for raising the invoice must ensure that the evidence of the service provided is fully validated and that the invoice is accurate and contains sufficient detail for both billing and recovery purposes.
- 4.2 The Corporate Debt Team will validate customer name and address details prior to invoices being raised, to reduce errors and avoid duplication. It is the responsibility of the originating Service to ensure that the correct billing details are collected. If incorrect details are entered for validation the request will be referred back to the originator and deleted from the system until correct details are supplied.

## 5. Invoicing

5.1 Services are responsible for the raising of invoices in respect of the goods and/or services they supply on credit. They must ensure that an invoice pro-forma is fully completed. All fields must be completed in full, including:

- Customer's full name(s)
- Customer's full address(es), including postcode(s)
- Customer's contact telephone number(s)
- Customer's email address
- Date of supply
- Purchase order number (where applicable)
- Full description of the service/goods provided
- Amount due
- VAT amount - see note 1 below
- Total due
- Financial code
- Originating Service
- Certification

This applies not only to their service but also when they are acting as an agent for another Group. In this latter case they should advise the relevant budget holder of the charge raised.

**Note 1** Current rates of VAT are standard, reduced and zero. In addition some goods and services are exempt from VAT or out of scope. Officers should refer to the VAT manual on the intranet when deciding on the correct VAT treatment.

5.2 All invoices must be raised to a correctly named legal entity. In the event of non-payment, legal action cannot be taken against a non-legal entity. Legal entities are:

- Individuals
- Sole Traders
- Partnerships
- Limited companies
- Charities limited by guarantee
- Clubs run by a committee
- Trustees
- Executors or Personal Representatives

Further information and rules to follow are detailed in Appendix 6a

5.3 Unless agreed otherwise by the Corporate Debt Team, an invoice must be raised within 10 working days of the goods and/or services being supplied. The Corporate Debt Team will monitor performance against this target.

5.4 An invoice should not be raised:

- For less than £50.00. For fees and charges less than £50.00 payment must be made prior to the goods or services being provided. However, this excludes legal charges (e.g. ground rent) and arrangements already in place.
  - Where the charge is not known in advance
  - If a purchase order or written agreement has not been received
  - When it cannot be proven that the goods and/or services have been supplied
  - When the amount due has previously been paid
  - Where an invoice for the same goods or service has already been raised.
  - To artificially enhance income targets.
- 5.5 All services must keep a copy of the invoice pro-forma, together with any supporting information, for a period of six years plus the current year.
- 5.6 Invoices will be sent to customers by email where possible.

## **6. Payment Methods**

- 6.1 Invoices may be paid by any of the methods set out in Annex 4 - Methods of Payment Policy.

## **7. Credit Limits**

- 7.1 For goods and/or services to be supplied and costing over £5,000 and where a payment up front cannot be obtained, a credit check must be run on all customers except those in the public sector. The Service must contact the Corporate Debt Team to carry this out.
- 7.2 Where possible, systems should be checked prior to the provision of a service.
- 7.3 Credit/Service provision must not be given to customers who previously have been consistently late payers or have not paid at all. Only the respective Head of Service can approve credit facilities where a customer has previous history of non-payment or late payment and such approval must be given in writing and retained until outstanding balances are paid in full.
- 7.4 Preferential credit limits must not be agreed for any customer.

## **8. Payment Terms**

- 8.1 The Council will collect monies owing to it fully and promptly.
- 8.2 Payment terms may only be considered where the customer is not able to settle the debt in full in one payment. On receipt of an invoice a customer can request to make arrangements to clear the amount outstanding by way of weekly, fortnightly or monthly instalments. Payment should be made by direct debit wherever possible.
- 8.3 All requests from customers to enter into arrangements for payment must be referred to the Corporate Debt Team regardless of the amount. The Corporate Debt Team will set up and monitor all payment arrangements.

- 8.4 The Corporate Debt Team will withdraw payment terms if a debtor fails to honour the agreement entered into.
- 8.5 Where invoices are raised payment becomes due after 30 days (unless agreed otherwise).

## 9. Accounting Arrangements

- 9.1 Services will receive the credit when an invoice is raised.
- 9.2 Any third party fees or charges associated with recovering a debt will be charged to the Service.
- 9.3 Where debts cannot be recovered, the original credit will be debited from the Service budget by way of a write off; all write offs must be signed off in accordance with the Council's Finance and Contract Rules.
- 9.4 Refunds of any overpayments will be processed by the Corporate Debt Team via a Debit Memo only where there are no other debts owed to the Council by that customer. Should a customer have an outstanding debt then any overpayment will be off set after the customer has been informed. Credits of less than £1.00 will not be refunded.
- 9.5 Direct debit administration is carried out by the Corporate Debt Team. All rejections and cancellations are carried out by the Corporate Debt Team who will arrange to notify the Income Management Team and the appropriate individual Services.

## 10. Recovery

- 10.1 A reminder will be sent for all invoices unpaid usually after 1 day past the due date, i.e. day 33 after the invoice is raised.
- 10.2 If an invoice is unpaid after a minimum of 6 days past its due date (i.e. 36 days after the invoice is raised) a telephone reminder is made to the debtor by the Corporate Debt Team to recover the amount due.
- 10.3 If after a further 10 days the invoice is unpaid, a pre legal letter (letter before action) will be issued, and a request for the supporting information for legal action may be sent to the Service.
- 10.4 After a further 7 days if the invoice is still unpaid, the Corporate Debt Team may commence legal action.

Stage*	When	How
Reminder notice	33 days from date of invoice	Generated by the debtors system
Telephone reminder	36 days from date of invoice	List generated by the debtors system
Letter before action	46 days from date of invoice	Generated by the debtors system
Request for supporting information for legal action	On decision to take Court action	Manually generated Email to Service requesting proof of debt in 7 days

Legal action	On receipt of full documentation from Service	Legal action taken to recover debt
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Note\* these tasks will be performed by the Corporate Debt Team.

- 10.5 At any time after the issue of a reminder notice the Corporate Debt Team may refer the debt to a debt collection agency or, in the case of outstanding commercial rents where the debtor is still in occupation, the Corporate Debt Team may refer the debt to an enforcement agent to follow the Commercial Rent Arrears Recovery process (CRAR) as set out in the Taking Control of Goods Regulations 2013. Once a case has been referred to a debt collection agency or enforcement agent any payment arrangement the debtor enters into must be made directly with that agency unless the Corporate Debt Team agrees otherwise.
- 10.6 The Corporate Debt Team must attempt to trace any debtors who have absconded or use external agents to do so. Where an external agent is used, charges will apply to the originating Service for this work.
- 10.7 Recovery action may be halted at any part of the process if the debtor enters into suitable payment terms with the Corporate Debt Team to clear the debt by instalments within a reasonable timeframe.
- 10.8 Recovery action may be halted at any part of the process if the originating Service decides not to allow recovery for the good of the service. When this happens the originating Service must bear the cost. The Corporate Debt Team will arrange to raise a credit note to cancel the charge and will also recharge the Service for any fees and costs already incurred.
- 10.9 In cases of non-payment for on-going services withdrawal of non-statutory services must be initiated no later than the pre-legal letter stage (46 days) to prompt payment.
- 10.10 No further requests for goods or services should be actioned until outstanding debts are paid in full. Services must check the debtors system to confirm this.

## 11. Queries and Disputes

- 11.1 If a charge is disputed the Service must notify the Corporate Debt Team immediately to prevent the recovery process continuing. All disputes must be resolved by the Service within 90 days of the invoice being raised and the Corporate Debt Team notified of the outcome.
- 11.2 Where disputes are not resolved within this timeframe the Corporate Debt Team will raise a credit note to remove the debt from the system and notify the Service when this happens. The Service is then responsible for the re-raising of the invoice once the dispute is resolved, if appropriate.

## 12. Legal action

- 12.1 Where a debt collection agency or enforcement agent fails to collect the amount due or where a decision is made to pursue the debt in the County Court:



- 12.2 Single or multiple recoverable debts up to £5,000 will be considered for action through the County Court by the Corporate Debt Team, but only if the originating service can provide the necessary supporting documentation.
- 12.3 All recoverable debts over £5,000 will be considered for County Court action by the Corporate Debt Team, but only if the originating service can provide the necessary supporting documentation.
- 12.4 Failure to provide the necessary supporting documentation may result in the debt being written off, and may result in the loss of income to the originating Service.
- 12.5 Where necessary, legal advice and representation will be sought by the Corporate Debt Team.

### **13. Credit Notes**

- 13.1 There is a clear distinction between raising a credit note and writing off a debt.
- 13.2 A credit note to cancel or reduce a debt must only be issued to:
  - Correct a factual inaccuracy
  - Correct an administrative error
  - Cancel an invoice where a dispute has not been resolved in the specified time.
  - Adjust the amount of debt due
- 13.3 Where a credit note is submitted to correct a factual error the credit note will not be processed until the correct details are supplied for resubmission. Both actions will be carried out simultaneously to ensure prompt and accurate processing with a clear audit trail.
- 13.4 Credit note requests raised by Services must be made on the correct credit memo with a full written explanation of why a credit note is applicable. Credit notes will be reviewed during the Audit process to ensure that they are completed in accordance with this policy.

### **14. Write Offs**

- 14.1 A review will be undertaken to assess the recoverability of debt outstanding at the year-end. The following factors will be considered in the review:
  - The type of debt;
  - How long it has been unpaid; and
  - The history of the debt since it was raised.

Where these factors suggest that the debt may not be recovered, a provision will be raised against the balance and a charge will be made against the service to more accurately reflect the financial position of the Council. In the event that the income is collected at a future date, an adjustment will be made to the service to reflect the recovery.

- 14.2 Write offs will be charged to individual service budgets.

- 14.3 Delegations and limits regarding write offs can be found in the Finance and Contract Rules which form part of the Council's Constitution.
- 14.4 A debt write off must not be used to by-pass the normal debt recovery procedure and therefore there will be internal monitoring of the revised policy to ensure write off is being used correctly.
- 14.5 Write offs can only proceed after consultation with the Corporate Debt Team.
- 14.6 A Write-Off Request Form must be completed for each write off explaining the reasons for the decision for write off and confirming that the debt recovery procedures have been followed
- The original Write Off Request form should be sent to the Corporate Debt Team who will suppress debt recovery in relation to the invoice to which the write off relates.
  - When a write off is approved the form will be signed and returned to the Corporate Debt Team to update the Sundry Debt system.
  - The Corporate Debt Team or any delegated officer who may authorise write-offs in accordance with the Council's Finance and Contract Rules may request further information from the originating Service to determine whether the debt is enforceable.
  - If the Corporate Debt Team or any delegated officer who may authorise write-offs in accordance with the Council's Finance and Contract Rules believes the justification for write off does not comply with the guidance procedures or an invalid reason is given, the form will be returned to the Service for reconsideration or amendment.
    - A centralised record of all write offs will be kept by the Corporate Debt Team to be accessible for monitoring purposes.

## **15. Monitoring**

- 15.1 Information and reports will be used to monitor performance against targets and timescales set. Regular reports will be issued to each Service for them to review their outstanding debts.
- 15.2 The Corporate Debt Team is authorised to:
- Carry out the central monitoring of this policy,
  - Agree amendments to the policy for operational, efficiency and effectiveness purposes,
  - Report to the Chief Executive any major issues arising from the above.

## **16. Review**

- 16.1 This Policy will be reviewed annually but may be amended at any time to incorporate new procedures, practices or legislative requirements.

## **Raising of Debtor Accounts to Legal Entities**

All invoices must be raised to a correctly named legal entity. In the event of non-payment, legal action cannot be taken against a non-legal entity. Legal entities are:

1. Individuals
2. Sole Traders

3. Partnerships
4. Limited companies
5. Charities limited by guarantee
6. Clubs run by a committee
7. Trustees
8. Executors or Personal Representatives

All invoices must state the full correct postal address, including postcode.

### **Rules to follow:**

1. Individuals - This is usually someone living at a residential address. When a request is received for a service, the person's full name (title, forename(s) and surname) must be obtained and stated. Initials are not sufficient. If the request is on behalf of more than one person then the full name of each person must be obtained and stated. The full correct postal address, including postcode, must be stated.
2. Sole Traders – Where an individual is trading in his or her own name the full name of the individual as well as the business name must be obtained e.g. Mr John Smith, trading as Fast Removals. Evidence of the name of the business could be in the form of a request for services on a business letterhead. The individual's full postal address must also be requested.
3. Partnerships - 'LLP' must be added where applicable, otherwise the full names of one, two or more partners must be stated, followed by 'trading as' (as above). If LLP is applicable the full correct business address, including postcode, must be stated, otherwise the full correct postal address(es), including postcode of the partner(s) should be stated.
4. Limited Companies - the name must include 'Ltd' or 'Plc'. Invoices can be addressed to either the current registered office or to a place of business of the company. Evidence of their Limited Company Status and registered office must be obtained by requiring confirmation of the service request on their official letterhead. Further confirmation can be obtained from <https://www.gov.uk/get-information-about-a-company>
5. Charities limited by guarantee – companies which are charitable and also limited by guarantee can be exempted from using the term 'Ltd' so, for example: "Oxfam" is a correct name. Evidence of their charitable status must be obtained by requiring confirmation of the service request on their official letterhead. Further confirmation can be obtained from <http://apps.charitycommission.gov.uk/showcharity/registerofcharities/RegisterHomePage.aspx>
6. Clubs run by a committee – the full name(s) and address(es) of the treasurer and / or the secretary, or the trustees must be stated.
7. Trustees – the full name(s) and address(es) of the trustee(s) and the full name of the trust must be stated.
8. Executors or Personal Representatives – must be addressed e.g. 'Mr Peter Smith, Executor of James Brown Deceased or 'Personal representatives of James Brown Deceased. The full postal address(es) of the executors/personal representatives must be stated.

**Annex 7**

**Statutory and Chargeable Debt  
Policy**

## 1. Policy

This policy covers debt arising from the council carrying out its statutory duties and/or enforcement functions. A variety of legislation covers this debt and a number of examples are given below;

- Building Act 1984 – taking action to prevent injury or damage to property as a result of a dangerous structure
- Housing Act 2004 – works in default to remove hazards from rented accommodation.
- Water Industries Act 1991 testing of private water supplies.
- Highways Act, 1980 - Carrying out emergency repairs to the highway following an accident

Note: the above is illustrative and is not an exhaustive list.

## 2. Fees and charges for this debt

The nature of this debt generally requires invoicing to take place after the works have been carried out and frequently against those that dispute the debt. Thus, it does not often fit with the standard invoicing and sundry debt recovery approach.

Different approaches need to be considered to both secure the debt and if required, recover it.

## 3. Enforcement

In terms of enforcement, it is not always clear who is the responsible or liable person. Different legislation can identify different people, such as the person responsible for an issue, or the owner of the premises. People's circumstances will be different and their circumstances may change during a case; it is sensible therefore to take a flexible approach and keep available a range of options for recovering a debt.

Options available to recover debt include the use of debt collection agents and also Court proceedings to obtain a judgment for the debt. Once a Court judgment is obtained, there are a number of ways this may be enforced, including:

### **Attachment of Earnings**

Deductions are made from the judgment debtor's wages at a rate determined by legislation.

### **Deductions from Income Support, Job Seeker's Allowance and Employment Support Allowance**

Deductions are made from the judgment debtor's benefits at a rate determined by legislation.

### **Use of Enforcement Agent**

### **Charging Orders**

This is a Court order which secures the debt against the judgment debtor's property. A charging order may then be enforced by seeking an order for sale of the property.

### **Third Party Debt Orders**

A Court order against a third party, often (but not necessarily) the judgment debtor's bank or building society, requiring them to pay the judgment debt out of the judgment debtor's funds.

### **Insolvency**

Insolvency proceedings may be commenced against the judgment debtor providing the requirements of prevailing insolvency legislation are met.

An order to obtain information may be sought from the Court which requires a judgment debtor to attend Court and provide information to a Judge or Court officer about their means and any assets they hold. This may be of assistance in determining how to recover a judgment debt.

Where Court proceedings and other enforcement options are pursued, the Council will seek to recover the costs of the Court / enforcement action against the debtor.

### **Enforced Sale**

In some cases there will not be any need to secure a Court Judgment to enforce a debt. Statutory and chargeable debts may often be secured against a property as a financial charge in the Council's Local Land Charges register. Some debts may be registered as charges with the Land Registry. In some cases, where legislation provides that the debts are charges on "all estates and interests" in a property, the charges will have priority over all existing charges, including mortgages and other loans secured against the property. The authority may also serve a formal demand on the debtor, which allows the authority to enforce the registered charge and act as mortgagee in possession of the property. The property may then be sold, usually at public auction with the proceeds used to pay off debts on a priority basis. It should also be noted that enforced sale of properties can bring wider benefits to individuals and the community by improving the condition of a property and bringing an empty property back into use. This is often used as an enforcement tool in Private Sector Housing and neighbourhood renewal strategies.

## Annex 8

# Overpaid Salaries and Wages Policy

## **1. Summary**

- 1.1 Northumberland County Council is required to ensure that employees are paid correctly at all times. If an overpayment of salary or any other payment of public funds occurs for any reason, the Council will recover the overpayment from the employee. Similarly the Council will take steps to correct any underpayment of salary or any other payment to which an employee is entitled.
- 1.2 If it is considered that an overpayment has been brought about fraudulently, then the matter will be reported to the Council's Corporate Fraud Team and an investigation carried out under the Council's Counter Fraud Policy.

## **2. Scope of Policy**

- 2.1 This procedure applies to all employees of the Council.

## **3. Background**

- 3.1 The purpose of this document is to ensure that there is a consistent approach to the recovery of salary overpayments throughout the Council.
- 3.2 Overpayments are additional and unnecessary charges against service budgets which may never be recovered.

## **4. Introduction**

- 4.1 This document explains the process in use when a member of staff receives an incorrect payment in their salary.
- 4.2 This document applies to all employees on a permanent or fixed term contract with Northumberland County Council. This document also applies to those staff employed on a casual basis

## **5. Definitions**

- 5.1 There are several ways in which a member of staff can be incorrectly paid including, and not restricted to:
  - An overpayment of salary
  - An underpayment of salary
  - Payment of incorrect travel or non-travel expenses
  - Duplication of a payment
  - Deduction made in error
- 5.2 The definition of an underpayment is where an employee is paid an amount less than their contractual entitlement. Likely causes of an underpayment include but are not restricted to:
  - A variation form being submitted after the Payroll deadline
  - A late change of notification
  - Incorrect salary banding
- 5.3 The definition of an overpayment is where a current member of staff or someone who has left employment is paid an amount in excess of



contractual entitlement. Likely causes of an overpayment derive from a Service error and include but are not restricted to:

- A termination form not being completed, received or implemented on time
- Late or no notification of sickness absence
- Staff not returning from maternity leave
- An error being made
- A late change notification
- Incorrect salary banding

## **6. Identification of payment errors**

6.1 Payment errors can be identified in several ways:

- A member of Payroll identifies that an error has occurred
- The employee upon receipt of payment
- The budget manager
- An audit review

6.2 When an error in payment has been identified, action must be taken as quickly as possible to rectify the error

## **7. Responsibilities of Payroll**

7.1 It is the responsibility of Payroll to:

- Identify payment errors and advise the employee in a timely manner (normally immediately)
- Confirm in writing the overpayment.
- Ensure the Payroll Administrator contacts the appropriate line manager to advise of any overpayment situation that occurs

## **8. Responsibilities of line managers**

8.1 It is the responsibility of Line Managers to ensure that

- Paperwork relating to changes in pay or termination etc. is submitted to Payroll in a timely manner
- When an error in payment is identified the member of staff concerned is supported and appropriate action taken to resolve the situation
- Review on a regular basis all salaries charged to their cost centre

## **9. Responsibilities of employees**

9.1 **It is the responsibility of individual employees to**

- Ensure that they understand their salary as agreed contractually
- Raise any anomalies with their pay in a timely manner with their immediate line manager and contact Payroll.

## **10. Payroll's process for overpayments**

10.1 For employees, the Payroll process is

- All payroll queries must be logged with the relevant Payroll Administrator

- The information provided will be used to support the monthly Workforce Committee and Payroll Management Team meetings.
- 10.2 The exact nature of the payment error will be investigated by a Payroll Administrator who will calculate the amount of the payment error.
  - 10.3 Once the amount has been verified as correct the employee will be notified in writing. This will include an explanation as to how the error occurred and will request consent from the employee to recover the overpayment from salary deduction.
  - 10.4 Current employees will have overpayments recovered from their gross pay. The repayment period will normally be equal to the period over which the overpayment occurred and remaining balance will be recovered from their final pay.
  - 10.5 In cases where the period of overpayment is longer and therefore greater, the Payroll Manager can agree a suitable repayment period.
  - 10.6 Decisions regarding the duration of this extended period for repayment of an overpayment will take into consideration a number of factors. Issues such as the amount of overpayment, personal circumstances which could lead to undue financial hardship, duration of contract (if not permanent) proximity to retirement, redundancy or maternity leave are all factors which will be considered and form part of the decision making process.
  - 10.7 A full investigation would be required if for example there has been an over/underpayment over a long period of time, where there is concern that fraudulent activity may have taken place or where there is a significant over or under payment. The Corporate Fraud Manager will be notified in such cases.
  - 10.8 Internal audit will be notified of any suspected fraud and also where systems improvements are recommended to avoid any repetition.

## **11. Leavers**

- 11.1 Where an overpayment has occurred, and an employee leaves, during or before the start of an agreed repayment period, the balance of the overpayment will be taken from their final salary. If the overpayment is greater than the final salary or notification of leaving is received after the final salary has been paid, the repayment process for ex-employees will be used.
- 11.2 Where an underpayment has occurred and an employee leaves, full payment will be made in their final salary

## **12. Ex-employees**

- 12.1 When a payment error is identified for an employee who has already left the organisation, the gross and net figure of the overpayment will be calculated. Payroll will write to the individual detailing the circumstances

surrounding the error and request a payment to be made for the outstanding balance.

- 12.2 If the former employee is unable to repay the overpayment in full then a subsequent invoice will be raised by the Accounts Receivable Team.
- 12.3 Once an agreement to repay by instalments has been made between the former employee and the Accounts Receivable Team and subsequently stops, the normal escalation process will be followed.
- 12.4 Overpayments will be processed through the payroll once a former employee has been advised of the error unless they left in a previous tax year. In this case Payroll will correct by a manual adjustment and inform HM Revenue & Customs accordingly.

### **13. Reporting**

- 13.1 Payroll will maintain a spreadsheet detailing all payment errors. This will include details of the resolution period, last payroll action taken and the reason for the payment error.

### **14. Complaints**

- 14.1 Any complaints regarding the processing of a payment error can be made by writing to:

Payroll Manager  
Northumberland County Council  
County Hall  
Morpeth  
Northumberland  
NE61 2EF

Email: [payroll@northumberland.gov.uk](mailto:payroll@northumberland.gov.uk)

## **Annex 9**

# **Bankruptcy and Liquidation Policy**

## **Purpose of document**

This policy covers debts owed to the Council. Those debts include council tax, non-domestic rates, sundry debts and housing benefit overpayments. The Council is committed to using the most effective recovery methods available to it, and this policy will ensure that the Council's use of bankruptcy or winding-up proceedings is consistent and complies with the relevant legislation and best practice.

## **Legislation and Prerequisites to Bankruptcy**

The Council Tax (Administration and Enforcement) Regulations 1992 and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 allow for council tax and non-domestic rate debts of over £5,000, that are the subject of liability orders, to be taken forward for bankruptcy proceedings in accordance with the provisions of the Insolvency Act 1986.

For sundry debts and housing benefit overpayments bankruptcy proceedings may be taken against debtors who owe in excess of £5,000 where a County Court Judgement has been granted in respect of the debt.

The consequences can be severe and can involve the loss of the debtor's home or business, and considerable legal and Trustee's costs can be incurred. The level of costs will reflect the complexity of the matters involved, and the extent to which the debtor co-operates with the Trustee who is administering the bankruptcy estate.

Bankruptcy action usually takes place in the debtor's local County Court with bankruptcy jurisdiction unless the debtor resides in London, in which case the action takes place in the High Court or the Central London County Court.

## **Administration**

The Corporate Debt Team will manage the administration of bankruptcy cases and proceedings. Assistance may be sought from Legal Services.

## **When Bankruptcy Action may be taken**

The Recovery Section may consider using insolvency proceedings in the following circumstances (the list is not exhaustive):

- Where the debt exceeds £5,000 and the debtor appears to have sufficient assets or equity to ensure the debt is recoverable by the Official Receiver or the Trustee in Bankruptcy.
- Where the debtor is not making regular and mutually agreed payments that are sufficient to clear accruing debt and arrears within a reasonable and acceptable timescale.
- Where other methods of recovery are considered inappropriate or have failed and bankruptcy action appears to be a fair and proportionate course of action to recover from a particular debtor.
- Where the debt has arisen as a result of fraud.
- Where bankruptcy action may elicit payment from specific groups of debtors, for example company directors, those for whom a bankruptcy order may affect their employment, professional status or ability to practice, self-employed people and those people needing finance.

## **Recording Information and Decisions**

A Bankruptcy Checklist and log of events will be maintained throughout the process to ensure that bankruptcy remains the most appropriate course of action.

### **Decision Making (1)**

Prior to commencing bankruptcy proceedings enquiries will be made of the Revenues and Benefits Sections' computerised systems to:

- i) Establish a debt history and whether any previous debts have been collected within a reasonable period by other means.
- ii) Ensure that all known benefits, discounts and exemptions have been granted based on the information held.
- iii) Based on information held, establish whether the debtor may be vulnerable or unable to deal with their day to day financial matters.

Where the debtor resides in Northumberland contact will also be made with Adult Social Care to ascertain if the debtor is known to them and therefore may be vulnerable. If the debtor is currently receiving any Adult Social Care services (or has previously received Adult Social Care services) Adult Social Care will be requested to provide the contact details for their Key Worker. Further enquiries will be made with the Key Worker, if their details are provided, to establish if the debtor may be vulnerable by way of, for example, age, mental illness, serious learning difficulties or where it is known that they are unable to deal with their affairs. Should it be apparent that the debtor has such difficulties then consideration will be given to whether the help of other agencies should be sought, and to the appropriateness of pursuing an alternative course of action.

### **Decision Making (2)**

If records held and enquiries with Adult Social Care do not indicate that the debtor may be vulnerable then enquiries will be made with a credit reference agency and the Land Registry to establish information about the debtor's financial standing and ownership of property.

### **Decision Making (3)**

In order to assist with the decision as to the appropriateness of bankruptcy the Council will follow The Pre-Action Protocol for Debt Claims that came into force on 1 October 2017. The aims of the Pre-Action Protocol are to:

- a) encourage early engagement and communication between the parties;
- b) enable the parties to resolve the matter without the need to start court proceedings;
- c) encourage the parties to act in a reasonable and proportionate manner in all dealings with one another;
- d) support the efficient management of proceedings that cannot be avoided.

Where payment in full cannot be made, financial information and a proposal for repayment will be requested. If payment in full is not made but financial information is provided it may result in either acceptance of a proposal for repayment, an alternative course of action being taken, or pursuing bankruptcy proceedings. The reasons for the decision will be recorded.

In the event that a response from the debtor establishes that the debtor may be vulnerable then details of the perceived vulnerability will be recorded. Further enquiries will be made to check that council tax benefit/support, discounts and exemptions have been applied for, for possible referral to other agencies, and to determine an appropriate method of recovery. The debtor will be notified in writing of any decisions taken.

## **Decision Making (4)**

Where a decision is taken to commence bankruptcy proceedings a letter will be sent to the debtor setting out the decision, warning them again of the consequences and high costs of bankruptcy, advising them to seek independent advice, and warning them of the intention to issue a Statutory Demand after 14 days unless the debt is paid in full.

The Council may take a decision to issue proceedings immediately if it becomes known that a debtor may dispose of assets to prevent a debt being recovered.

## **Statutory Demand**

A Statutory Demand is a formal demand for payment issued by the creditor to the debtor, and service of the Statutory Demand upon the debtor is the first formal stage in bankruptcy proceedings.

Guidance on service requirements are set out in the Insolvency Proceedings Court Practice Direction. In addition to the requirements of the Practice Direction, a letter will be issued with the Statutory Demand setting out the intentions of the Council and what the debtor needs to do to comply with it.

The debtor has the opportunity to contact the Council at this stage and, depending on information supplied, it may still be possible to consider a short term repayment arrangement or alternative recovery action. The debtor also has the right to apply to the County Court to have the Statutory Demand set aside.

## **Bankruptcy Petition**

The Council may present a Creditor's Bankruptcy Petition to the County Court within four months of the date of service of the Statutory Demand if the debtor has not complied with it, or if alternative arrangements cannot be agreed following service of the Statutory Demand. Prior to presentation of the Petition further enquiries will be made with Adult Social Care to establish whether the debtor has become known to them during the process, in which case the action will be reconsidered. The Council is required to serve the Petition upon the debtor and guidance for service requirements are set out in the Insolvency Proceedings Court Practice Direction.

At this stage the debtor is required to pay the debt in full before the hearing of the Petition at Court otherwise the Court will be asked to make a Bankruptcy Order. However, the Council will not object to a short adjournment of the proceedings if the debtor provides the Court with evidence that they will be able to pay in full within a very short period.

If, between the Petition being presented to the Court and the hearing of the Petition, it becomes known that the debtor does not have the capacity to deal with the matter, then full consideration will be given to seeking an adjournment of the proceedings to enable both the debtor and the Council to obtain further advice.

## **Legislation and Prerequisites to Winding-Up Proceedings**

The Council Tax (Administration and Enforcement) Regulations 1992 and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 allow for council tax and non-domestic rate debts of over £750, that are the subject of liability orders, to be taken forward for winding-up proceedings in accordance with the provisions of the Insolvency Act 1986.

For sundry debts and housing benefit overpayments winding-up proceedings may be taken against limited companies who owe in excess of £750 where a County Court Judgement has been granted in respect of the debt.

The consequences can be severe and can involve the closure of the company, and considerable legal and Liquidator's costs can be incurred. The level of costs will reflect the complexity of the matters involved, and the extent to which the debtor co-operates with the Liquidator who is administering the affairs of the company.

Winding-up petitions are usually heard in the High Court or the Central London County Court.

Winding-up proceedings will usually only be started against companies that appear to have sufficient assets to be realised for the benefit of creditors or, in cases where companies appear to have insufficient assets to be realised for the benefit of creditors, it would be in the public interest to stop the company trading and accruing further debts that would have to be borne by the County's taxpayers.

The Council may take a decision to issue proceedings immediately if it becomes known that a debtor may dispose of assets to prevent a debt being recovered.

## **Trustees in Bankruptcy/Liquidators**

When a Bankruptcy or winding-up Order is made the Official Receiver is immediately appointed Trustee in Bankruptcy/Liquidator. In the event of there being realisable assets in the bankruptcy estate or liquidation then it is likely that an Insolvency Practitioner will be appointed Trustee in Bankruptcy/Liquidator to deal with the matter.

When the Council is the petitioning creditor in a bankruptcy or winding-up proceedings we will usually nominate a Trustee in Bankruptcy/Liquidator who is local and easily accessible by the debtor. The appointment of a local and easily accessible Trustee/Liquidator will enable Officers to attend meetings of creditors when necessary.

However, the ultimate decision to appoint the Trustee in Bankruptcy/Liquidator is not that of the Council.



## Annex 10

# **Enforcement Agent Code of Practice for Council Tax and National Non-Domestic Rates**

## **Introduction**

This code of practice outlines the way that internal enforcement agents or external enforcement agent companies collecting local taxation debts on behalf of Northumberland County Council should conduct themselves. It includes:

- The professional standards they must adhere to;
- The procedures they must follow;
- Guidance on how quickly the money should be repaid; and
- When it is inappropriate to take action.

## **Professional standards**

The Council and the enforcement agent company will ensure that all enforcement agents, employees, contractors and agents have an appropriate knowledge and understanding of all relevant legislation, case law and powers, and at all times act in accordance with them. Any enforcement agent company engaged by the Council must be accredited by the Enforcement Conduct Board. The enforcement agent must comply with the principles of the General Data Protection Regulations and any other relevant legislation.

Enforcement agents and employees, contractors and agents of the enforcement agent firm must be aware that they represent the Council in their dealings with debtors. They should at all times act lawfully and in accordance with the provisions of prevailing local taxation legislation. They must also act in a responsible, professional and courteous manner and be aware that their behaviour, appearance and attitude have a great influence on the success of the debt recovery process.

External enforcement agent firms must at all times:

- Hold up to date professional indemnity insurance, ensuring the fullest indemnity against legal proceedings resulting in compensation awards due to illegal or irregular actions. Details of such insurance must be provided to the Council on request.
- Maintain a separate client bank account for monies received from debtors, evidence of which must be supplied to the Council on demand.

The enforcement agent must be firm but polite and courteous at all times when dealing with the public. They must avoid being provoked by vexatious debtors. In the event of a breach of the peace occurring as a result of an enforcement agent's visit, the Council must be debriefed of the circumstances as soon as practicable.

At all times, enforcement agents must carry:

- Their Enforcement Agent's General Certificate issued by the County Court, which must be shown when visiting a property to take control of goods.
- Written authorisation of the Council to be shown on request

The enforcement agent must at all times make clear to the debtor the purpose of their visit and the fact that they are acting on behalf of, and, as agent of the Council. For Council Tax matters visits to residential addresses must be made after 6am and before 9pm, with no visits on Sundays or bank holidays unless specifically agreed in writing in advance. Visits for Non-Domestic Rate matters may be made to business premises at any time during their hours of opening.

The enforcement agent must hand to the debtor or leave on the premises documentation detailing costs incurred, the legislation relating to taking control of goods and any relevant guidance notes.

## **Taking Control of Goods**

This means entering a debtor's property and listing goods belonging to the debtor, or listing goods belonging to the debtor found on a public highway, that may be removed and sold at auction with the proceeds being paid towards the amount owed to the Council and costs incurred by the enforcement agent. Only an enforcement agent properly vetted and trained by the authorised company and who is certificated by the County Court may take control of goods in respect of liability orders on behalf of the Council.

Upon receipt of any instruction to take control of goods, the enforcement agent company shall ensure that a visit is made to take control of goods only after any pre-agreed letter and telephony strategy has been unsuccessful. Where more than one liability order is held for a debtor, the enforcement agent, where practicable, will attend the property for all liability orders at the same time, with only one enforcement fee being charged. Visits to debtors' premises must be made on different days and at different times of the day.

## **Arrangements to pay the debt**

If, on attendance, contact is made with the debtor, the enforcement agent should attempt to recover the amount in full immediately. If full payment cannot be made immediately, the debtor should be given the opportunity to enter into a Controlled Goods Agreement. A Controlled Goods Agreement allows the debtor to keep the listed goods on their premises provided a suitable payment arrangement is agreed with the enforcement agent and is adhered to. The enforcement agent must explain to the debtor the terms of the Controlled Goods Agreement and the consequences of payment default, and leave a copy of the Agreement with them. There must be no administration fees for entering into a payment arrangement.

Enquiries should also be made about possible eligibility for reliefs, discounts, exemptions or Council Tax Support and details of debtors who may potentially be eligible for any reduction must be passed to the Council. Information regarding employment or benefit status should also be obtained and passed to the Council.

Council Tax payment arrangements can be made at the Enforcement Agent's discretion over a period of up to 6 months, or to clear the debt within the financial year, whichever occurs sooner. The repayment period may be extended up to a maximum of 40 weeks if the debtor's circumstances warrant this, and an income and expenditure statement supports it. If an offer for payment extends beyond 40 weeks, and the Enforcement Agent either considers it inappropriate to remove goods or there are exceptional circumstances, the Enforcement Agent must refer the case back to the Council to re-check the records for benefit or discount entitlement etc., and to consider alternative enforcement action before an extended arrangement can be agreed.

Non-Domestic Rate payment arrangements can be made at the enforcement Agent's discretion over a period of up to 3 months. If an offer for payment extends beyond 3 months the Enforcement Agent must refer the case back to the Council to re-check the records before an extended arrangement can be agreed.

## **When the Enforcement Agent should consider taking no action**

The enforcement agent should at all times use their professional judgement to refer a case back to the Council if they consider that, due to the personal circumstances of

the debtor, **it would or may be inappropriate to take control of goods or continue with the case.** In particular, where the debtor:

1. Appears to be severely mentally impaired or suffering severe mental confusion.
2. Has young children and severe social deprivation is evident (Council Tax only).
3. Disputes liability or claims to have paid, has applied for Council Tax Support, a discount or any other relief not yet granted.
4. Is heavily pregnant and there are no other adults in the household (Council Tax only).
5. Is in mourning due to recent bereavement of a close family member (within 1 month of death).
6. Is having difficulty communicating due to profound deafness, blindness or language difficulties. In these cases arrangements must be made for provision of the appropriate support in terms of a signer or translation services etc.
7. Is currently unemployed and provides proof that they are in receipt of Income Support or Job Seeker's Allowance (Income Based), and details are obtained of the debtor's National Insurance number (Council Tax only).
8. Has severe long term sickness or illness, or is terminally ill.
9. States that they have raised their case with their local councillor or Member of Parliament.
10. Appears to be vulnerable in any other way.

The enforcement agent must also take no action if it appears that no responsible adult is present at the debtor's address. If an adult is present, the enforcement agent must attempt to establish their identity. If the debtor is unavailable the enforcement agent must ascertain when they will be available. No reference should be made to the nature or purpose of their visit. The enforcement agent must be aware of the sensitive and confidential nature of this work and should take care to ensure that information regarding the debtor's circumstances is not passed on to, or discussed with, a third party except those specified in the Taking Control of Goods Regulations. If children are present at the time of the visit the debtor should be encouraged to ask them to leave the room while the matter is dealt with. Any documents left at the premises when the debtor is not present must be left in a sealed plain envelope, clearly addressed to the debtor and marked strictly private and confidential.

### **Removing goods from a debtor's premises**

Before attending to remove goods, the enforcement agent must give notice to the debtor in accordance with the Taking Control of Goods Regulations and highlight the costs of removing the goods. However, if there are circumstances that indicate that by telling the debtor it may compromise the ability to remove goods (for example if a company is about to go into liquidation, or the debtor is about to abscond) then an application must be made to the Court for permission to attend without giving the required notice. Such a decision and the reasons for the decision must be recorded and the Council notified.

Enforcement agents must not attend a Company Director's personal address when the liability order is not in his specific name, unless that address is the registered office or the trading address of the company.

In the event of the need to remove a debtor's goods, the enforcement agent should obtain the express permission of the Council before doing so unless this happens outside of normal working hours (8.30am to 5.00pm) in which case the enforcement

agent may conduct the removal if appropriate to do so, or unless it is believed the debtor will attempt to remove goods themselves to prevent the action continuing..

For Council Tax debts, certain goods are protected under the Taking Control of Goods Regulations 2013, and must not be removed for sale by the enforcement agent. Only goods belonging to the debtor or a co-owner may be seized. Goods subject to hire purchase cannot be removed.

The enforcement agent should not remove goods for sale unless it is anticipated that the sum realised will be sufficient to settle a reasonable proportion of the debt and the costs. However, in some cases e.g. Non-Domestic Rates, the enforcement agent may still remove goods if it is anticipated that the debtor may be about to enter into an insolvency procedure.

Costs charged to the debtor should be strictly in accordance with the provisions of the Taking Control of Goods (Fees) Regulations 2014.

Any goods removed must be transported and stored securely with due care and attention and the appropriate insurance cover must be in place.

The debtor must be notified of the place to which the goods have been removed to. If the debt is paid in full between the removal and the sale of the goods the goods should be made available for collection by the debtor.

When the debtor's goods are removed and sold at public auction, the Council and the debtor must be provided with a full statement which:

- lists the goods sold;
- lists the amount realised;
- lists the costs incurred; and
- details the amount subsequently outstanding or overpaid as appropriate.

### **Where the enforcement agent is unsuccessful**

At least 3 unsuccessful visits must be made to the debtor's address before the case is returned to the Council as unpaid. The visits must be made on different days and at different times and at least one of these visits should be made to the debtor's address outside normal office hours. Documents other than prescribed documents issued to debtors must be agreed with the Council and be in plain English. Documentation must be left at the property at each visit giving details of the date and time of the visit, the debt and charges to date and the name and contact details for the enforcement agent. Any documents left at the premises when the debtor is not present must be left in a sealed plain envelope, clearly addressed to the debtor and marked 'strictly private and confidential'.

Where the enforcement agent is unsuccessful in their attempts to obtain payment or take control of goods and the liability order is to be returned to the Council, they must submit a report clearly showing that the person attending to take control of goods was unable (for whatever reason) to find any or sufficient goods of the debtor to take control of. The report must also give full details of the actions taken by the enforcement agent together with any details ascertained concerning the financial or personal circumstances of the debtor.

## **Where the debtor has left the property**

If the debtor is no longer resident, the enforcement agent should make appropriate, discreet enquiries to ascertain the debtor's date of leaving and new address as well as details of any new occupier. This information must be referred back to the Council. The enforcement agent may visit and take control of goods at the debtor's new address.

## **Reporting requirements**

Payments and payment schedules must be submitted to the Council at a pre-agreed frequency on the agreed day(s). The enforcement agent company must account for all monies received and provide a proper system for dealing with unpaid cheques and recalled credit/debit card payments.

Monthly statistical reports in the agreed format must be submitted to the Council.

Monthly reports must be submitted to the Council for those cases that are still outstanding after six months.

## **Responsibility**

The Corporate Debt Team will be responsible for the operation and monitoring of this Code of Practice and for resolving any complaints from the debtor.

## **Complaints**

Any complaints received will be dealt with in accordance with the Council's Corporate Complaints Procedure.

When a formal complaint is made about the actions of an enforcement agent company the Council will instruct the enforcement agent company to suspend the action for an initial period of 21 days.

The Council will instruct the enforcement agent company to provide a written case report and other relevant information within 5 working days.

A written response will be issued to the complainant in accordance with the time requirements set out in Stage 1 of the Council's Corporate Complaints Procedure.

Should the complainant remain dissatisfied with the findings of the investigation then they have the right to have the complaint escalated to Stage 2 of the Council's Corporate Complaints Procedure.

Should the complainant still remain unhappy with the response they receive they have the right to contact the Local Government Ombudsman.

The enforcement agent company will maintain an internal complaints procedure overseen by a senior member of staff.

Where the enforcement agent company receives a formal complaint about the actions of their company or one of their staff they must also suspend action to allow an investigation to be conducted in accordance with their complaints procedure. A copy of the complaint and the outcome of any investigation must be provided to the Council electronically within 14 days of receipt of the complaint.

## **Review**

This Code of Conduct will be reviewed annually but may be amended at any time to incorporate new procedures, practices or legislative requirements. External enforcement agent companies will be consulted about any proposed changes.

Citizens Advice have been consulted in the drafting of this policy and will be notified of any amendments as and when they occur.



## Annex 11

# HOUSING INCOME MANAGEMENT POLICY

## **Part 1 – Current Rent Arrears**

### **Supporting Information**

The collection of rent is vital to enable Northumberland County Council to provide services to all tenants.

As such we offer a firm but fair approach to rent arrears recovery. It is the tenant's responsibility to ensure that they pay their rent weekly, when due and not allow any arrears to accrue.

Emphasis should be made at the sign up stage of the importance of paying rent every week or monthly in advance. Advice should be given on payment options, Housing Benefit, Universal Credit and Council Tax forms should be completed. If it is felt that the tenant may require additional support in order to maintain their tenancy the Allocations Officer should refer to the Housing Benefit officer, Citizens Advice, Gov.Uk for Universal Credit Enquiries or other relevant support agencies.

### **Universal Credit**

Northumberland County Council has seen the introduction of Full Service Universal Credit (UC) for working age claimants from December 2018. This change has been reflected within the arrears Policy. Support has been put in place to assist UC applicants with their claims if required and in addition to this the rent arrears escalation procedure has been extended for all UC claimants.

### **Prevention of Arrears**

Early intervention and personal contact are essential to prevent arrears from spiralling out of control.

### **Home visits, telephone calls and agreements**

The object of the above is to maximise recovery of monies owed to Northumberland County Council, to understand the reasons why the arrears have accrued and to offer as much help to the tenant as possible.

- Obtain income and expenditure details to ascertain if there could be any possible benefit entitlements, issues with debt or budgeting and to make referrals for money advice.
- Try to make an agreement with the tenant to pay off arrears, be realistic about what the tenant may be able to pay; tenants themselves may make unaffordable offers.
  - In full.
  - To pay the arrears by affordable and realistic instalments in addition to current rent
  - To make up missed payments.
  - Complete direct debit/standing order mandates.

- If they owe minimum of 4 weeks gross rent consider direct payments or Alternative Payment Arrangement for Universal Credit Claimants (APA).
- Confirm agreements in writing to the tenants
- Out of hours visits and calls should be considered where it has not been possible to contact the tenant during office hours. These should be authorised by the Housing Manager in advance and the lone working procedure should be carried out. It is essential that personal contact is made with the tenant prior to the Notice Seeking Possession (NOSP) and Notice of Possession Proceedings (NOPP) being served.
- All agreements made should be recorded.
- It is important that refusals to provide any details such as income and expenditure are also recorded
- When writing to joint tenants ensure that you write separately to each named tenant.
- Set out clearly in correspondence any time limits with which the tenant should comply.

It is important that the system is updated with every type of action taken.

## **ARREARS GUIDELINES**

### **Assistance to Sustain Tenancies**

Alongside the recovery of any debts owing to Northumberland County Council it is very important that we assist the tenant to sustain their tenancy. Eviction should only be considered as a last resort and we should ensure that, as a minimum, we offer the following assistance.

- Housing Benefit referrals including discretionary housing payment
- CAB referrals
- Other agencies which may be able to assist if tenant deemed to be vulnerable i.e. Age UK, Silx, Voices, BRIC etc.
- Offer repayment agreements which the tenant can maintain
- Inform of Direct Debit and Standing Order Options
- Money Advice and budgeting
- Support with Universal Credit Applications

### **Vulnerable Tenants**

Northumberland County Council will have tenants who may have special requirements, are vulnerable or both and as such are at greater risk of losing their tenancy. Vulnerable tenants include:-

- Under 18 years of age or young people under 21 leaving care
- Elderly person aged 70 or over

- Mental Health conditions
- Substance Abuse
- Living with chronic long term illnesses
- Severe physical disability
- Illiteracy
- First Language is not English
- Rehoused from Supported Accommodation
- Domestic violence

In these cases these accounts will be flagged as at risk and the arrears will be monitored and progressed by the Housing Officer.

### **Direct Payments**

Where a tenant is in receipt of Income Support, Income Based Job Seekers Allowance or Income Related Employment and Support Allowance, Universal Credit and has over 4 weeks gross rent arrears, then a direct deduction from their benefit should be requested from the DWP. (See letter DPR).

When Direct Payments commence or cease the officer will update the NPS system with the relevant information.

### **RENT ARREARS ESCALATION PROCEDURE**

Arrears action should commence when a weekly payer has missed one payment or a monthly payer is one week late. Not taking into account benefits paying in arrears.

The following is the basic procedure to be followed in the recovery of rent arrears; however this process can be extended or reduced depending on the individual's circumstances and the level of arrears.

#### **Extended:**

These may arise because:-

- The tenant is in hospital
- There are mental health issues or the tenant is unable to understand their responsibilities
- Delays in claims for benefit being processed
- Recent bereavement
- Recent unemployment
- Recent matrimonial difficulties.
- The tenant is awaiting Universal Credit Payment.

#### **Static Balances**

Where there is a consistent low level static balance on an account send letter SB1 to the tenant, to attempt to arrange a repayment plan to clear the arrears. Should this fail, consider action 1 below.

Should an account reach the stage of NOSP then this may be served if the balance is over £25 and the arrears procedure has been followed.

### **Insufficient Payments**

Where it appears that the tenant is making insufficient payments to cover rent and arrears a visit should be made to make them aware of this. Alternatively a letter should be issued.

### **Rent Arrears Procedure**

**1<sup>st</sup> Action** – Automated SL01/IL01 letter is issued.

**2<sup>nd</sup> Action - Contact the tenant by phone.** If the tenant is present ascertain the reasons for the non-payment e.g. hospitalisation of tenant, mental illness, or the inability of the tenant to understand their responsibility for paying rent and make arrangements with them to repay the outstanding amount due. Advise the tenant of all payment options available and identify the most appropriate option for the tenant's circumstances, encourage Direct Debit or Standing Orders.

Check if there are any Housing Benefit or Universal Credit delays or if the tenant is in severe financial difficulties. Check if there is a recent bereavement, unemployment or matrimonial problems. Enquire if the tenant requires money advice. If there are any Housing Benefit issues the tenant should be advised to make contact with the Housing Benefit section, or in the case of Universal Credit the Department of Work and Pensions.

The system should be updated following the visit and notes added.

**This procedure should be followed at each subsequent visit.**

**3<sup>rd</sup> Action** - next missed payment, arrears rising – Automated SL02/ Officer decision to send IL02 letter

**4<sup>th</sup> Action** – next missed payment, arrears rising – visit with letter SL03/IL03 (Notice Warning Letter)

**4<sup>th</sup> Action** - Next missed payment, arrears rising – Consider issuing Notice of Seeking Possession (NOSP) or Notice of Possession Proceedings (NOPP). Letter SLO4/IL04 to be sent with NOSP/NOPP. **Remember: when writing to joint tenants ensure that you write separately to each named tenant.**

Upon service of a NOPP to an introductory tenant, the tenant has the right to request a review of Council's decision to seek possession of their home within 14 days. (See legal process for Introductory Tenants).

Check management notices to see if the case is an active Anti Social Behaviour (ASB) case, speak with ASB officer.

Visit with NOSP/NOPP and if contact made explain seriousness of situation and try to make agreement with the tenant for them to reduce/clear arrears. Update system, and file NOSP/NOPP.

If any agreement is reached at this stage with regard to reduction/clearing arrears write to the tenant(s) to confirm that agreement. Proceedings should not be commenced if the tenant(s) continues to comply with that arrangement. If the tenant ceases to comply with such arrangement you should warn the tenant of the intention to bring proceedings and give the tenant clear time limits within which to comply.

Consider alternative dispute resolution.

**NOTE – If no agreement can be reached no legal action can be sought until the 28 day Notice period has expired. However the arrears recovery procedure should still continue during this period if no arrangement or contact had been made with the tenant.**

**NOTE – If customer is in receipt of Universal Credit option to apply for Alternative Payment Arrangement (APA)**

**NOTE – Where 12 months have elapsed since service of the NOSP but the tenant remains in arrears at a level where possession may not have been considered appropriate, speak with the Area Housing Manager to consider whether service of a new NOSP may be necessary together with letter AR4B.**

**The NOSP is valid for a period of 12 months and will remain valid even if the tenant clears the arrears.**

**5<sup>th</sup> Action** – Next missed payment, arrears rising – Visit and reiterate legal situation.

**6<sup>th</sup> Action** - Letter SL06/IL06 (Court Warning Letter)

**7<sup>th</sup> Action**

**Consider application to Court for possession. The following application process must be carried out at this stage:-**

**Income Manager authorises application for Court.**

- Officer completes court application on line to HM Court Service which generates a Court Hearing Date and time ([https://www.possessionclaim.gov.uk/pcol/.](https://www.possessionclaim.gov.uk/pcol/))
- Officer informs tenant of this. Letter AR7/ITAR7 – ENSURE THAT THE TENANT IS ADVISED IN WRITING OF THE DATE AND TIME OF THE HEARING AND ADVISED TO ATTEND COURT ON THAT DATE.
- ENSURE THAT AT LEAST 10 DAYS PRIOR TO THE COURT HEARING DATE A RENT STATEMENT AND DETAILS OF OUR KNOWLEDGE OF THE TENANT'S HOUSING BENEFIT ENTITLEMENT ARE SENT TO THE TENANT(S)

- Officer to advise tenant that it is still not too late to come to an arrangement regarding payment and discuss with tenant advantages of clearing account prior to the court hearing. If the tenant complies with an arrangement for payment of the current rent and a reasonable amount towards the arrears we should agree to postpone court proceedings so long as the tenant keeps to such an agreement. However if the tenant ceases to comply we should warn the tenant of the intention to restore the proceedings and give the tenant clear time limits within which to comply.
- Discuss with tenant the consequences of possession and the need to discuss case with Homeless Persons Officer.
- Inform tenant that account must be cleared to prevent possession being granted at Court.
- On the hearing date the officer who is attending on behalf of Northumberland County Council will ensure that all the following documentation is available:-

Copy of the Notice, together with proof of service  
 Copy of the application for possession and particulars of claim  
 Current arrears figure  
 Rent statement (last 104 weeks).  
 Copy of Diary Notes

### **Court Hearing**

The Court may make one of the following judgments:-

#### Introductory Tenants

The Judge will usually grant possession within 14 days but the Judge has discretion to order possession for a date up to six weeks (42 days). Ensure that the Judge records the decision as a mandatory outright possession

#### Secure

The judge has discretion and can make the following Judgements:-

Outright Possession (Absolute) (OPO) (IOP0) -The date specified for possession should usually be within 14 days but the Judge has discretion to order possession for a date up to six weeks (42 days)  
 Suspended Possession Order (SPO)  
 Proceedings adjourned generally with liberty to restore (ADJT)  
 Proceedings Adjourned new date (ADJ)  
 Proceedings dismissed.

Send appropriate Court Judgement letter to tenant following hearing to advise tenant of the outcome

If the Tenant clears the arrears shortly before the hearing you can still ask the Judge to make an Order for payment of the costs.

## **Post Court Action**

Officer to check the Judgment details are correct. IF AN INTRODUCTORY TENANT, CHECK THAT THE ORDER SPECIFIES THAT IT HAS BEEN MADE ON MANDATORY GROUNDS.

If an outright order for possession has been made, diary the matter until the expiry of the date for possession referred to in the Order e.g. 14, 28 days, then consider an application for warrant.

If a warrant is applied for a visit to the property must be made prior to it being executed.

If a suspended possession order is made and the Order is not being complied with:-

**1<sup>st</sup> Action** – next missed payment, arrears rising – visit with CODL letter (breach of Court Order). Explain to the tenant that eviction is likely if rent arrears are not reduced in line with the Order and any missed payments are not made up.

**2<sup>nd</sup> Action** - next missed payment, arrears rising – visit with letter FWAL to invite the tenant to come into office to discuss the situation at which time the eviction process will be outlined and the tenant will be given one final opportunity to make up payments and avoid this.

## **Process for applying to Court for Eviction**

Eviction application should be made to court using relevant internet address (<https://www.possessionclaim.gov.uk/pcol/>)

Keep monitoring account and update if necessary,

Court advises tenant and Northumberland County Council of date and time of eviction.

Contact Homelessness Team (AE3). Email Homeless team to advise of the eviction of the tenant.

If tenant is able to clear arrears and court costs in full, the eviction should be cancelled and the court, bailiff and joiner advised accordingly.

## **Applications to Suspend Possession**

Introductory tenants cannot apply to suspend the date for possession beyond 6 weeks from the date of the original possession hearing. If application to suspend is listed in such a case draw the Judge's attention to the fact that this is a mandatory ground and there is no legal basis to suspend the warrant.

## **Secure tenants**

When the tenant receives notification of the eviction date they can lodge an application to suspend the warrant to the Court. If this happens Northumberland County Council will be informed of the time and date of the hearing and must attend.



The eviction cannot proceed until after the court has heard the tenant's application and made a decision.

If the Judge accepts the tenant's application and grants the suspension (CODL) then the warrant will be suspended usually on terms. If the tenant breaches the terms of this order then a visit should be made to make them aware that the matter could be referred back to court, after which the process then reverts back to post court action, action 3.

### **Variation of Court Order**

At any time after a Court Judgment has been made, either party has the opportunity to apply to the Court to amend the terms of the Order.

### **Eviction**

- Two officers to attend with a joiner to change the locks and secure the property when the Bailiff has gained possession.
- If there is a possibility of violence of any kind, the police should be requested to be in attendance.
- Officers should catalogue and photograph any possessions left by tenant INVENTORY FORM.
- Arrangements should be made to allow the tenant an accompanied visit at a pre-arranged date and time to collect the remainder of their belongings.
- If no arrangements have been made with the outgoing tenant for this, then the officer will arrange the removal/storage of the possessions after 7 days.
- A Notice in accordance with S41 Local Government Miscellaneous Provisions Act may need to be served for any goods left at the property (SEC41). Whilst these ought to be prepared by Housing staff, these must be signed by NCC legal before serving.

## **COURT COSTS**

### **Supporting Information**

When an existing tenant has cleared all outstanding rent arrears on the account and the court costs remain, technically they are still in default of the Court Order and possession can still be sought, provided that the Court have ordered that the costs be included as part of the arrears.

### **Recovery of Court Costs**

All rent arrears should be cleared before any action is taken to recover court costs

- 1<sup>st</sup> Action – Letter CL01 will be sent to the tenant outlining amount due.
- 2<sup>nd</sup> Action – Letter CL02 will be sent to the tenant.

If no attempt has been made to clear these costs these remain on the account as part of the original Court Order.

## **Part 2 – FORMER TENANT ARREARS**

### **Supporting Information**

It is essential that the recovery of Former Tenant Debt is pursued in order to maximise the revenue for Northumberland County Council.

Former Tenancy arrears are debts accrued when a tenant fails to clear all Income Management accounts prior to the termination of their tenancy.

### **Recovery of Former Tenants Arrears**

Upon the termination of a tenancy the officer must ensure that the final outstanding debt is correct, that there are no allowances due to be credited, and that there are no further outstanding amounts to be debited to this account, e.g. Rechargeable repairs, garage arrears, court costs, garden tidy ups etc.

Any account with a credit balance of £20 or more will have the credit refunded to the former tenant.

Check system for any relevant information e.g. tenant deceased.

Arrears and credits under £20 will not be pursued or refunded and will be recommended for write off unless they can be transferred to a current NCC rent account.

If no agreement has been made with the ex-tenant to clear the debt and a forwarding address is known the following action will commence.

**1<sup>st</sup> Action** – send Letter FTL1 – detailing amount outstanding to forwarding address.

If no forwarding address available investigations to locate whereabouts of tenant should be carried out. This will involve checking the Housing File for contact telephone numbers for relatives and next of kin and using Call Search 360.

If unable to trace the Former Tenant the account should be updated accordingly.

**2<sup>nd</sup> Action** – If no response from known address send letter FTL2 – advising that debt still outstanding and that former tenant must contact to make agreement to clear debt.

**3<sup>rd</sup> Action** – Home visit where possible or telephone contact.

When contact is made with a tenant the officer should assess the income of the tenant(s) and non-dependents and their ability to pay the arrears. Once this is done

an agreement should be made with the tenants to clear the arrears in full or to make affordable and realistic instalments.

**It may be possible at this visit that the officer can assess whether the tenant has the means to keep to this agreement and any further action will be successful**

The Officer will update the system with details of the repayment agreement and any observations.

**4<sup>th</sup> Action** – If no repayments made send letter FTL3 informing that due to non-payment the debt will be passed to (a) a Debt collection agency (b) Court action will be sought which may include an application for an attachment of earnings from salary.

### **Court Action**

Northumberland County Council can seek a County Court Judgement against the former tenant for any outstanding arrears or other amounts owing. This action can be a drawn out process and by no means guarantees that the debt will be paid. As court costs to issue a money claim have to be paid up front by the Council this action should only be taken where there is a realistic prospect that the debt will be repaid and after authorisation by the Housing Operations Manager.

### **Debt Collection Agency**

A debt collection agency will pursue the debt on behalf of Northumberland County Council

Officer to refer the case to approved Debt Collection Agency. (Asupp12).

Periodically Agency will forward a summary of all monies received and the officer will update the Former Tenant Account appropriately.

If no monies are recovered by the Debt Agency then the Former Arrears Officer prepares a list of write offs for authorisation by Housing Operations Manager

### **Attachment of Earnings**

In certain circumstances NCC can ask an employer to repay the debt owed, in instalments from any salary due to the Former Tenant. This can only be requested following a court order judgement and unless there is a court order against the former tenant, proceedings have to be instigated in order to follow this process.

### **Former Tenant arrears added to a Current Tenancy**

#### **Supporting information**

If a current tenancy has been found to have former tenancy arrears from another NCC Property, these Former Tenant Arrears can be added to the Income Management Account as a sundry debt.

The tenant should be informed that they must make arrangements to clear this debt. However tenants must first clear any current arrears on their accounts and once this has been done, an agreement is made to continue to pay extra weekly rent in order to clear the former debt.

## **WRITE OFFS**

All cases for submission for write off must be actioned in line with the Corporate Write off Policy. In all cases the Council's Contract and Finance Rules will be adhered to.

## **Rechargeable Repairs**

Repairing minor plaster cracks  
Internal decoration  
TV Aerial's (except communal aerials)  
Loose screws on cupboards, windows, doors or gate furniture  
Washing machine installation  
Curtain Rails  
Gaining entry to the property  
External door locks  
Additional House keys  
Reglazing windows  
Shower curtains and poles  
Laminate flooring  
Loose floor coverings and carpets  
Bolts and locks to outhouses or garden gates  
Plugs and fuses for electrical appliances  
Light bulbs, fluorescent tubes and starters  
Batteries for smoke detectors  
Clothes posts  
Security Chains  
Door Bells  
Blocked Gullies  
Sink and Bath plugs and chains  
Toilet seats  
Coat rails or hooks



# Northumberland County Council

## **Revenues and Benefits Service**

### **Discretionary Housing Payments Policy**

## **Introduction**

1. The Discretionary Financial Assistance Regulations 2001 (SI 2001 No.1167) gives powers to local authorities to award Discretionary Housing Payments (DHP) to provide financial assistance to benefit customers where it appears that they need help with their housing costs.
2. Housing costs are not defined in the regulations but in general housing costs means rental liability; however, housing costs can be interpreted more widely to include:
  - rent in advance
  - deposits
  - other lump sum costs associated with a housing need such as removal costs.
3. DHP are not payments of benefit and if made will be in addition to Housing Benefit awards. The legislation gives a very broad discretion but decisions must always be made fairly, reasonably and consistently.
4. The general features of the scheme are:
  - the amount the Council can pay out is cash limited by the Government,
  - the scheme is purely discretionary; a customer does not have a statutory right to a payment,
  - It is for the Council to determine how the scheme operates.

## **Policy Aims**

5. The function of the policy is to specify how the Council will operate the DHP scheme and to illustrate some of the factors that will be considered when deciding if a payment can be made.
6. The primary aims of the policy are to prevent homelessness, to alleviate housing need, and to ensure that Northumberland residents have fair and equal access to all services and monies to which they may be entitled by virtue of their situation.
7. The Council is committed to working with the local voluntary sector, social landlords and other interested parties to maximise entitlement to benefit and this will be reflected in the administration of the DHP scheme.
8. The Council will consider making a DHP to customers who meet the qualifying criteria as specified in this policy. They will also treat all applications on their own individual merits and will seek through the operation of this policy to help:
  - alleviate poverty,
  - encourage and sustain Northumberland's residents in employment,
  - safeguard Northumberland residents in their homes,

- provide temporary support for those who are trying to help themselves,
- provide a temporary solution to enable people to make choices regarding their living accommodation,
- support the vulnerable in the local community,
- promote stability in the private rented sector,
- help customers through personal crises and difficult times

### **Responding to Welfare Reform.**

9. This policy also sets out the Council's policy in using DHP to help those suffering severe hardship due to the Government's welfare reforms. These include changes made to Local Housing Allowances, reductions in Housing Benefit entitlement due to the introduction of size criteria in the social rented sector and the introduction of the Benefit Cap which, in the first instance, will see Housing Benefit reduced for most families where total benefits exceed £423.46 per week.
10. The Government funding for Discretionary Housing Payments will not compensate for the loss of benefit income to tenants in Northumberland. It recognises the government's intention for tenants to have to make hard choices and that Discretionary Hardship Payments will not be a substitute for these hard choices.

### **Social Sector Size Criteria**

11. The Government has provided additional DHP funding relating to Social Sector Size Criteria aimed at supporting households with disabilities living in properties adapted for disability and foster carers with more than one additional room.
12. These are not the only groups who will need to be supported. Separated and divorced parents with child access arrangements will need additional support as well as tenants faced with exceptional hardship. It will not be possible to protect all tenants in these groups within the Government's funding contribution and additional considerations will need to be taken into account.

### **Benefit Cap**

13. The Benefit Cap will impact mainly on families and is not expected to affect single people in Northumberland. The number of families affected is relatively small but the impact for many of the families is expected to be significant. The majority of the families affected will live in private rented accommodation but a number are renting in the social rented sector.
14. The Benefit Cap does not apply to families where the claimant is working for 24 hours a week or more. The longer-term aim is to help families make the move into work. In the meantime, support will be targeted to those families where:
  - financial support is required to facilitate a move to more affordable accommodation; or

- the shortfall in rent is too great to cover from other household income;
- alternative more affordable accommodation is not appropriate;
- a lower rent cannot be negotiated; and
- there is a real risk of the family becoming homeless.

### Local Housing Allowance

15. The Local Housing Allowance changes, which affect only tenants in the private-rented sector, have been in force since April 2011. However, tenants already getting benefit at the time the changes came in received transitional protection for a while. The impact of the changes is dependent on:
- whether rents are reduced to reflect the new LHA rates; and
  - the levels at which Local Housing Allowances are set by the Valuation Office
16. In the first instance landlords should be encouraged to reduce rents in exchange for direct payments of Housing Benefit. Where this is not appropriate, Discretionary Housing Payments support will be targeted to those private sector tenants where:
- It is unlikely there would be alternative more affordable accommodation;
  - The tenant is subject to the Shared Accommodation Rate but requires an additional room under child access arrangements; or
  - There are exceptional circumstances that mean it is not appropriate for the tenant to move to more affordable accommodation.
17. Discretionary Housing Payments will not normally be made to tenants entering into a new tenancy. Local Housing Allowance rates are made public and most landlords are aware of the rates for the types of accommodation they provide. An exception to this will be where a tenant has had to move quickly, perhaps because they are fleeing domestic violence or there is another compelling reason.

### **Policy**

18. The Council considers the DHP scheme should be seen primarily as a short-term emergency fund. The Council recognises the restrictions on DHP contained in the Regulations and will not seek to make a payment in circumstances where there can be no eligibility. In particular, there shall be no award of DHP unless the customer has some entitlement to Housing Benefit.

### **Making an Application**

19. An application for DHP can be made in writing, by telephone, email or in person. A customer can make an application on his or her own behalf, and the Council will also accept an application from a customer's relative, friend, legal or personal representative.



20. The Council shall take reasonable steps to verify that any such representative has the customer's authority to act on their behalf with the Council on benefit matters.
21. Supporting information may also be supplied as well as representations from any organisation representing or acting on behalf of the claimant.
22. The Council may request information and evidence in support of a DHP application. Any request will be made in writing. The customer will have one month to comply with the request, or such longer time as is reasonable.

### **What may be considered?**

23. In deciding whether to make a DHP the Council may take into account any or all of the following:
  - the shortfall between Housing Benefit / Universal Credit with housing costs and the customers actual liability,
  - any steps taken by the customer to reduce their rental liability,
  - the circumstances surrounding the customers move,
  - the financial and medical circumstances (including ill health and disabilities) of the customer, their partner and any dependents or other occupiers of the customers home,
  - the income and expenditure of the customer, their partner and any dependents or other occupants of the customers home, including income disregarded by the Housing Benefit Regulations 2006 and Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006
  - any savings or capital that might be held by the customer or their family,
  - the level of indebtedness of the customer and their family,
  - the discriminatory impact of any legislative or other circumstances – for example, the lower rates of benefit available to persons aged under 35,
  - the exceptional nature of the customer and their family's circumstances,
  - the amount available in the DHP budget at the time of the application,
  - the possible impact on priority homeless accommodation;
  - any other special circumstances brought to the attention of the Council
24. Where a DHP is made this does not guarantee a further payment will be made at a later date even if the customers circumstances remain the same.

### **Making a decision:**

25. The Council will decide what amount, if any, to pay based on all of the circumstances. This can be any amount within the limits prescribed by the Discretionary Financial Assistance Regulations 2001.

26. The start date of a DHP will usually be:
- the Monday after the Council receives the application, or
  - the date entitlement to Housing Benefit started, or
  - the Monday after a relevant change of circumstances giving rise to the need for a DHP
- whichever is the most appropriate.
27. A DHP will not be paid for any period for which there is no entitlement to either Housing Benefit under the statutory scheme.
28. The length of a DHP award shall depend on the individual circumstances of the case. Any award shall be subject to review, which can be undertaken during or at the end of the period for which the DHP is paid.
29. On review, the Council may authorise an extension of any DHP, either at the same or a different weekly rate.
30. The Council will consider any reasonable request for backdating a DHP but such consideration will usually be limited to the current financial year.
31. The Council will aim to make a decision on all DHP within ten working days from the receipt of all relevant information.

### **Payment & Administration**

32. DHP will be administered by the Revenues and Benefits Team and usually paid together with Housing Benefit.
33. The Council will decide upon the most appropriate person to pay and the method and timing of payments based on the particular circumstances of the case.

### **Notification**

34. The Council will notify the customer of the outcome of their application in writing in every case. The decision notice will include:
- the weekly amount, the period of the award, how, when and to whom payment will be made,
  - if unsuccessful, a brief explanation of why DHP was refused,
  - the requirement to report any relevant change,
  - the opportunity to seek a review.

### **Changes in Circumstance**

35. The Council may need to revise an award where the customer's circumstances have materially changed.

### **What Discretionary Housing Payments cannot cover**

36. Ineligible charges: service charges that are not eligible for HB cannot be covered by a DHP. These are as specified in Schedule 1 to the Housing Benefit Regulations 2006 and Schedule 1 to the Housing Benefit (Persons

who have attained the qualifying age for state pension credit) Regulations 2006. Nor can DHPs cover charges for water, sewerage, and environmental services – as defined and calculated under the HB provisions.

37. Increases in rent due to outstanding rent arrears: Regulation 11(3) of the Housing Benefit Regulations 2006 and Regulation 11(2) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 refer. This refers to those cases where a customer's rent is increased on account of outstanding arrears which are owed by the customer in respect of their current or former property.
38. Sanctions and reductions in benefit: DHPs cannot meet these because to do so would undermine the effectiveness of the sanctions or reduction in benefit. These are
  - any reduction in Income Support (IS) or income-based Jobseeker's Allowance (JSA(IB)) due to a Reduced Benefit Direction (RBD) for failure to comply with the Child Support Agency in arranging maintenance. The RBD is a reduction in benefit of 40% of the personal allowance and only applies to IS or JSA(IB)
  - any reduction in benefit as a result of non-attendance at a work-focused interview. This applies both where the person's HB/CTS is reduced and when any other benefit that the person is receiving, such as IS is subject to a sanction
  - any reduction or loss of benefit due to a JSA employment sanction. JSA is not payable for the period of sanction if they have contributed towards their unemployed status, for example, by leaving employment voluntarily or failing to attend a prescribed training scheme. In such cases, it may be possible for a reduced rate of JSA to be paid under the JSA hardship provisions
  - any reduction in benefit due to a JSA sanction for 16/17 year olds – for certain young people who receive JSA under a Severe Hardship Direction. JSA is not payable for the period of the sanction if they have contributed towards their unemployed status, for example, by leaving unemployment voluntarily or failing to attend a prescribed training scheme,
  - or any restriction in benefit due to a breach of a community service order
39. Benefit suspensions: HB can be suspended either because there is a general doubt about entitlement or because a customer has failed to supply information pertinent to their claim. In such cases, it would not be permissible to pay DHPs instead. One of the intentions of the suspension provisions is to act as a lever to ensure that the customer takes the necessary steps to provide the authority with the necessary information/evidence - paying DHPs could reduce the effectiveness of this lever.

40. Rent, when the person is getting council tax support but not HB or help with housing costs in UC: in other words, when a person is only getting local council tax support, you should not take into account any financial assistance that they may require with their council tax, when considering the award of a DHP.
41. Shortfalls caused by HB overpayment recovery: when recovery of an HB overpayment is taking place, such shortfalls should not be considered for a DHP.

### **Appeals**

42. As DHP are not payments of Housing Benefit they are not subject to the statutory appeals procedure which governs those benefits. Any request for a review of a DHP decision will be dealt with in the following way:
  - A customer (or their appointee or agent) who disagrees with a DHP decision may seek a review by writing to the Senior Benefits Manager giving their reasons for the disagreement. The Senior Benefits Manager will consider the issues in dispute and will either confirm or revise the original decision. Senior Benefits Manager's decision will be notified in writing to the customer together with the reasons for that decision. This decision will be the final decision of the Council.

### **Overpayments**

43. The Council will seek to recover any DHP found to be overpaid. Normally, this will involve issuing an invoice to the customer or the person to whom the award was paid. Under no circumstances will recovery be made from any amounts of Housing Benefit due to the customer (except if the customer requests this method of recovery).

### **Fraud**

44. The Council is committed to the fight against fraud in all its forms. A claimant who tries to fraudulently claim a DHP by falsely declaring their circumstances or providing a false statement or evidence in support of their application may have committed an offence. Where it is alleged, or the Council suspects, that such a fraud may have been committed, the matter will be investigated. If fraud is found to have occurred, the DHP shall be recovered and the Council shall consider whether to impose any formal sanctions.

### **Publicity**

45. The Council will publicise the DHP scheme. Leaflets are available and information regarding the scheme is on the Council website.  
  
The Council shall make its publicity material available to partner organisations such as Citizens Advice, social landlords and relevant

community groups, with a view to enabling them to disseminate information on the availability of DHPs to their members, clients or customers. The Council will on request make such information available in large print, Braille, or audio format or in languages other than English.

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# Northumberland County Council

## **Revenues and Benefits Service Rate Relief Policy**

## Introduction

1. This policy applies to National, Non-Domestic Rates (Business Rates) and provides the framework under which applications for rate relief will be considered.
2. Rate Relief can be either mandatory, discretionary or both and is granted in accordance with the Local Government and Rating Act 1997 and the Local Government Finance Acts 1988 and 2012 (as amended).
3. The policy specifies the factors that will be considered when deciding if an award can be made. Each case will be treated strictly on its merits and all customers will be treated equally and fairly.

## Policy Aims

5. The aim of this policy is to ensure consistent and transparent decision making in relation to the discretionary elements of Rate Relief. The policy is intended to provide evidence that the interests of the council tax payer in granting rate relief are well served.
6. Awards should be consistent with wider Council and community objectives and provide greatest support to those organisations with closest alignment with those objectives.
7. This policy applies agreed criteria through a combination of some set awards for certain categories of organisation and a scoring matrix to determine the level of award for others.

## Policy

8. The policy relates to awards concerning:
  - Rural Rate Relief
  - Charities and Not for Profit Organisations
  - Hardship Relief
  - Section 44A (relief on the grounds of part occupation)
  - Supporting Small Business Relief
  - Business Rates Revaluation Relief Scheme
  - Pub Relief Scheme
  - Newspaper Relief
  - Retail Discount Scheme 2019/20
  - Expanded Retail Discount Scheme 2020/21
  - Nursery Discount Scheme 2020/21
  - Local Discretionary Discount
  - Retail, Hospitality and Leisure Discount
  - Improvement Relief

## Overview – Discretionary Rate Relief

9. The Council is empowered to offer a range of discretionary reliefs against national, non-domestic (business) rates. The cost of granting relief is borne both by Central Government and the Council and is determined by the type of relief as follows:

Relief Type	Cost to Council	Cost to Govt.
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Rural	50%	50%
Charities – 20% top up to mandatory relief	50%	50%
Not for profit organisations and sports clubs	50%	50%
Hardship	50%	50%
Section 44A Partly Occupied Property	50%	50%
Supporting Small Business Relief	0%	100%
Pub relief	0%	100%
Business Rates Revaluation Relief Scheme	0%	100% up to the funding limit
Newspaper Relief	0%	100%
Retail Discount Scheme	0%	100%
Local Discretionary Discount	50%	50%
Expanded Retail Discount Scheme	0%	100%
Nursery Discount Scheme	0%	100%

Where relief is granted under Section 47 of the 1988 Act (Discretionary Relief) to organisations that are situated in an area designated as an Enterprise Zone 100% of the cost of relief will be funded by the Government.

10. The legislation that provides these reliefs allows the Council broad opportunity to exercise its discretion in how much to grant and under what circumstances. This discretion is welcomed but presents its own problems in that ratepayers and the general public need to be assured that decisions are taken equitably and openly and that Council money is directed appropriately.
11. To be effective the policy should ensure the greatest community gain from the finite funds the Council has available. The criteria should enable the Council to:
  - direct funds in accordance with the Council and community priorities;
  - allow transparent and consistent decision making;
  - assist businesses/organisations by making clear the criteria that they will be judged against, allowing them to adjust their business or organisational objectives to fit with the aims of the council, should they so wish; and
  - provide some protection against dispute
12. The criteria should be reviewed at such time that there is any substantial change in direction for the Council's Corporate Plan.
13. Eligibility for any relief and the relief itself will be assessed and calculated on a daily basis.
14. In each case the applicant ratepayer will be expected to provide financial and other details in support of their application without which the application will be refused.

## Rural Rate Relief

15. The Local Government and Rating Act 1997 (as amended) provides for relief to qualifying rural business properties. The relief is provided under two broad categories:

- **mandatory relief** - 50% for qualifying rural businesses – sole general store, post office, petrol filling station, public house or any food shop
- **discretionary relief** – up to 100% for other rural business or as a top up to mandatory relief.

Note: From 1 April 2017 mandatory rural rate relief will be doubled to 100%. The Government intends to change the relevant primary legislation but expects Councils to use discretionary powers to increase relief to 100% from 1 April 2017.

Note:The Non-Domestic Rating Act 2023 has now been given Royal Assent and has altered the legislation so that with effect from 1 April 2024 Rural Rate Relief will be 100% mandatory.

- The legislation provides the basic tests for the discretionary relief, though it falls to individual local authorities to establish more detailed awarding criteria should they wish to.
- The legislation currently provides for the discretionary relief to be granted where:
  - The property falls within an identified rural area. To define this area the Council is required to establish and maintain a Rural Settlement List;
  - For applications of relief as a top up to mandatory the rateable value of the post office, general store and food store must be £8,500 or less. For the Public House and Petrol Filling Station the rateable value must be £12,500 or less;
  - For any other business the rateable value is not more than the specified threshold - currently £16,500 for discretionary relief only applications;
  - The property is not a qualifying general store, post office, petrol filling station, public house etc (these qualify for mandatory relief and can apply for a discretionary top-up);
  - The property benefits the local community; and
  - It is reasonable to award relief having reference to the council tax payers that part-fund the scheme.
- Whilst many of these criteria are easily tested the degree of community benefit is subjective. Without judging criteria any decisions may be viewed as arbitrary and become subject to dispute. By specifying the criteria, the Council can direct financial support in a way that meets the objectives of the Corporate Strategy and provides some measure of community benefit and reassurance that the interests of the council tax payer are met.
- The criteria will enable decisions to be based on the relative worth of a small range of key community benefits.
- The key criteria, based on community benefits and linking to the Council's priorities and objectives, are:

Community Benefit	Reason for including	Corporate Plan Principles
Scarcity of service/business provision	Recognise limitations of access to sparse local services	How, Enjoying, Connecting, Learning and Thriving values

Community Benefit	Reason for including	Corporate Plan Principles
Employment	Providing employment opportunities	Connecting, Learning and Thriving values
Additional community services	Business extends beyond its core activity to support communities	How, Living, Enjoying, Connecting, Learning and Thriving values
Business aimed at serving local community – within County and up to 5 miles beyond boundary	Helps maintain viability of communities and assists community cohesion whilst recognising that some communities extend beyond the County boundary	How, Living, Enjoying, Connecting, Learning and Thriving values
Business aimed at tourism and culture	Links to tourism led regeneration and supporting cultural heritage	How, Living, Enjoying, Connecting, Learning and Thriving values
Provides visitor accommodation	Encourages provision of overnight visitor accommodation and supports tourism led regeneration	How, Living, Enjoying, Connecting, Learning and Thriving values
Supports healthy/active lifestyles	Encourage healthy activity either by local people or visitors	Living, Enjoying, , Learning and Thriving values
Provides services to other local business or promotes local produce/products	Supports other local business – strengthens local economy	How, Living, Enjoying, Connecting, Learning and Thriving values
Provides essential basic community need	Support basic needs of settlement - nursery, dentist, newsagent, hairdresser, repairing garage	Living, Enjoying, Connecting, Learning and Thriving values

21. Discretionary relief up to a maximum of 100% of the 50% rates liability will be awarded where the ratepayer is in receipt of mandatory rural relief. Any other rural business not in receipt of rural mandatory relief will be considered for relief up to a maximum of 100% of the rates liability.
22. Each case will require an application form to be completed.

### Charities and Not For Profit Organisations

23. The Local Government Finance Act 1988 (as amended) provides for relief to charities under Section 43 and not for profit organisations under Section 47. The relief is provided under two broad categories:
  - **mandatory relief** - 80% for qualifying charitable organisations and community amateur sports clubs
  - **discretionary relief** – up to 100% for not for profit organisations including a top up to mandatory relief. To be eligible for consideration the ratepayer

must be a non profit making body and the property used for charitable, philanthropic or religious purposes, or concerned with education, social welfare, science, literature or fine arts, or used wholly or mainly for recreation by a not for profit club or society.

24. The legislation provides basic qualifying criteria. The Council is free to determine the basis for any award itself.

### Criteria for Charities and Not For Profit Organisations

25. The criteria shown below and expanded on in annex 1 and 2 are to be applied to all applications that are not automatic awards (see paragraph 27 to 32).

#### General criteria

26. The following criteria are to be used to determine applications. The criteria are based on establishing community value of the organisation and demonstrating consistency with Corporate Plan priorities 2023-26 of achieving value for money, tackling inequalities and driving economic growth.
27. Applications are considered by scoring against the following criteria. Appendices 1 and 2 show the weighted scoring and award levels based on that scoring.

Community Benefit	Reason for including
Majority of users/membership from within County or surrounding area (5 miles of boundary)	Target support for local communities but recognise that some communities extend beyond the County boundary
Openness of use/membership	Whilst some limitations may be legitimate, through sporting ability perhaps, broad access should be provided
Encouraging users/membership from particular groups	Provide directed support to the disadvantaged or those requiring greater assistance to access opportunities
Reasonable membership fees	Fees not at a restrictive level
Facilities used by the community/other organisations	Rate relief would provide wider benefits
Affiliation to local or national representative bodies	Demonstrates the standing of the organisation
Education, training, coaching provided	Encourages personal development and increased employment/health prospects
The organisation attracts grant aid or raises income through fund raising	Be consistent and complementary in support of organisation
The service supports or assists in the provision of a service to help the Council to achieve its objectives?	Meets legitimate community need and frees the resources of other organisations. This may be were the need is new and has been identified as a community priority.

#### Automatic Awards

28. The Council has identified certain types of organisation that make a significant contribution to the County and its residents. In addition to the mandatory relief to which they are entitled and in recognition of the contribution that these organisations make, a 20% top-up of discretionary rate relief will be awarded

in all cases. In order to ease the administration of these types of applications the qualifying criteria will be accepted as being met unless the following apply:

- a. The majority of users that benefit are not Northumberland residents
- b. There is a restricted access to the service or facility
- c. The fees/costs or membership are excessive or restricted.

In such cases a reduction in relief of 5% will be made for each element.

The organisations that will receive automatic relief are:

- Village Halls / Community Centres
- Scouts / Guides / Youth Clubs
- Leisure Centres

These organisations will be identified from their applications and supporting information.

29. Village Halls / Community Centres

Village Halls and Community Centres are an important asset within local communities and especially to the rural communities of Northumberland. Supporting these organisations, supports the Council's Corporate Strategy in promoting sustainable communities.

30. Scout/Guide/Youth Groups

These types of organisations provide a valuable framework of education and activities in order to engage the young people of the County to participate in positive activities, which develop their social skills, interests and talents. This supports the Council's objectives.

31. Leisure Centres

Leisure Centres are an essential part of the community and support the council's corporate objectives by offering affordable access to activities to improve the health of the residents of Northumberland.

32. All other applications for discretionary relief will be scored in accordance with the Council's rate relief criteria in annex 1 and 2.

33. Certain organisations or types of property may meet the essential criteria in order to be able to apply for relief, however, they either do not support the objectives of the Council or it is not in the interest of council tax payers to grant the relief. Applications from the following organisations will, therefore, not be supported in an application to receive top up discretionary relief:

- Schools, Learning Partnerships, Academies or similar. These organisations are centrally funded through the direct schools grant (these organisations will still be eligible to receive 80% mandatory relief).
- Community Asset Transfer arrangements after 1/4/12 (these organisations will still be eligible to receive 80% mandatory relief). This refers to the transfer of a service or a function that was previously provided by the Council and transferred to a charitable organisation. The Chief Executive

shall have the power to waive this decision, in conjunction with the Portfolio Holder for Corporate Services, where the transfer under the Community Asset Transfer arrangements is seen to positively assist the County Council in achieving its objectives in a more cost-effective way and not to do so could cause unnecessary financial hardship to the community organisation.

- Housing Associations (these organisations will still be eligible to receive 80% mandatory relief). This exclusion applies to administrative offices but does not include applications in respect of community-based projects.

### Specific situations

34. It is possible for the nature of the organisation to be at conflict with agreed community and Council objectives, for example, equalities and diversity, health inequalities and/or value for money for the local council tax payer. These conflicts require additional criteria to assist decision-making in specific situations.
35. **Existence of a bar** - A significant feature that should be taken into account in determining any relief is the existence of a bar and the significance of that bar against any other activity of the organisation. It could be viewed as inequitable to the council tax payer to support organisations whose dominant activity is the operation of a bar. Such support would not be consistent with promoting the Health & Wellbeing priority objective.
36. The initial test for the ratepayer, when applying for relief, is to establish the dominant objective of the organisation. For example, the dominant purpose may be to run a bar and premises for meeting purposes, such as a club or institute. Or the operation of a sports club with a bar may be ancillary in purpose to the furtherance of sporting activity.
37. No relief will be granted where the dominant objective of the organisation is the operation of a bar and associated activity.
38. **Charity shops** - Charity shops qualify for 80% relief and are able to apply for a 20% discretionary top up. Charity shops are a feature of most high streets and provide much needed opportunity for income generation for charitable organisations both of a national and local nature and provide a resource for those on low incomes.
39. Charity shops are increasingly competing with the high street at large and an increase in their number may affect the viability of the high street.
40. In accordance with this policy the 20% top up is not awarded for charity shops, with the exception of those shops that are occupied by 'local' charitable organisations in which case the 20% top up is awarded. The following definition of 'local' was agreed by the Executive:  
  
"a charity established for purposes which are directed wholly or mainly to the benefit of residents and users in Northumberland (whether stated in the trusts of the charity or implicit in its purposes)".
41. **Interest groups** - The central premise of rate relief is the value that is achieved for the council tax payer in making such an award. This premise infers local benefit at local cost.

42. Demonstrating local value can be a challenge where the organisation is based locally but has wider interests; regionally or nationally perhaps. Whilst there is value in having the organisation within the County it may be seen as inequitable for the local council tax payer to bear the cost.
43. These organisations can be seen as being the following:
- **Administrative base** – degree of local benefit will depend on geographic area of interest and will range from substantial to minimal benefit. These could be a local trust who seeks to improve the local quality of life down to purely administrative offices for a national organisation.
  - **Advocacy organisations** – these groups provide a “voice” on issues affecting a broad range of people across the area in which they operate. They may not provide any specific or direct benefit to the people of Northumberland – their presence in the area is coincidental to their objectives and as such are less supportable in terms of rate relief and the costs that have to be borne by local people
  - **Support organisations** – these groups may be focused on specific issues, disability or health conditions across a wide geographic area but they provide tangible and direct benefits to local people. Their position within the County provides local people with greater opportunity than if the organisation were elsewhere and financial support is easier to justify.
44. The support provided to these organisations should be based on the degree of contribution to the County and its communities in accordance with the decision matrix at annex 1.
45. Any non-profit making organisation applying for discretionary rate relief (excluding a top up to mandatory relief) will be encouraged to apply for Small Business Rate Relief to reduce the potential cost of discretionary relief to the Council.
46. The legislation requires that a period of one years notice is give to ratepayers where a decision is made to vary the relief awarded where the variation results in the rates liability increasing.

### **The Localism Act 2011**

47. Clause 69 of the Localism Act 2011 amends Section 47 of the Local Government Finance Act 1988 to allow the Council to reduce the business rates of any local ratepayer (not just those that can be eligible for discretionary relief) by way of a local discount. The cost of funding any local discount that is granted will be met by way of a 50/50 split with Central Government.
48. Applications will need to be in writing and consideration will be given on a case by case basis in light of the guidance supplied and the full circumstances of each case.

### **Hardship Relief**

49. Section 49 of the Local Government Finance Act 1988 allows the Council to reduce or remit business rates for any ratepayer that is suffering, or would suffer, hardship without the relief. In granting such relief the Council must consider if it is reasonable to do so, and be in the best interests of the council tax payer.

50. Considering applications on the basis of “reasonableness” and “the best interests of the council tax payer” are again subjective and open to suggestions of arbitrary decision making.
51. The guidance provided by the then Office of the Deputy Prime Minister requires that the Council does not adopt a blanket approach and should decide each case on its merits. However, within this guidance, rules can be adopted to direct local decision making.
52. To take account of the wider interests of the council tax payer it is appropriate to base decisions on the contribution of the business to the aims of the Council. In addition the likely sustainability of the business should be considered as it will rarely be in the best interests of the council tax payer to support a failing business in the longer term, particularly if that business makes little contribution to the local economy.
53. Rate relief has a role in regeneration by supporting business within the delivery themes of the Council’s Corporate Plan. Applied too late, not at all, or with too strict a view of hardship, is likely to have an adverse impact on business survival rates and give poor value for the local tax payer. If relief is applied at the right time, for the business, the return on investment may be shown in the resurgence of the business and job creation or maintenance.
54. Hardship relief is intended as a short to medium term measure to allow a business to develop, recover or manage a decline.
55. The criteria for determining the community worth of the business should be assessed against evidence of the existence of hardship and the likely future of the business.
56. The following information will be sought to judge hardship and future business prospects:

<b>Factor</b>	<b>Evidence (not exhaustive)</b>	<b>Judgement criteria</b>
Existence of hardship	Accounts or other financial statements	Would the payment of rates cause hardship? Does the business have the funds to pay the rates bill? Is the situation caused by a temporary cash flow problem?
Period of decline/hardship	Accounts or other financial statements	Relief is aimed at the short/medium term
Reasons for current position	Statement on application	Was this caused by the ratepayers own improvidence, through external events, business set-up or some other reason? Does the ratepayer understand the cause of the position?
Actions taken by ratepayer to develop business, halt, reverse or manage decline	Statement on application	Is the ratepayer taking appropriate action? Is there a recovery plan in place? Is there a significant effect on local employment opportunities?



<b>Factor</b>	<b>Evidence (not exhaustive)</b>	<b>Judgement criteria</b>
Expected period support required for	Statement on application	Is there an understanding of the future need for support? Is the need for support in the short/mid term only?
Expected outcome	Statement on application	What are the prospects of the business in the short to medium term? Is the business likely to survive if support is given? What are the benefits for the community?
External funding or support available and applied for	Support of Business Link, bank etc	Has the ratepayer sought and applied for help and funding elsewhere? What help and funding has been received?
General trading history	Accounts or other financial statements	Is there a history of adverse trading or of a temporary decline?
Ratepayers history of business success or failure	Statement on application, rating records	Is the ratepayer repeating previous failures?
Is this the sole business of the ratepayer?	Statement on application, rating records	Are other parts of the ratepayers business interests capable of providing supporting?

57. Awards of relief will be made subject to regular reviews that fit the circumstances of the business.

## Partly Occupied Property

58. Section 44A of the Local Government Finance Act 1988 (as amended) provides the Council a discretion to grant relief where it appears that part of a property is unoccupied and will remain so for a 'short time only'.
59. It is not intended that Section 44A be used where part of a property is temporarily not used or its use is temporarily reduced. Instead, Section 44A is aimed at situations where there are practical difficulties in occupying or vacating a property in one operation perhaps because new accommodation to which the ratepayer is moving is not fully ready for occupation and it is phased in over a number of weeks or months. Similarly, where a building or buildings become temporarily redundant it might be reasonable to grant relief for the unoccupied part.
60. Where it is proposed that Section 44A discretion is granted an apportionment of the Rateable Value of the occupied and unoccupied parts of the property will be sought from the Valuation Office.
61. Each application will be looked at on its own merit.

62. The cost of funding Section 44A relief will be met by way of a 50/50 split between Central Government and the Council.

## **Newspaper Relief**

63. A £1,500 discount is available for office space occupied by local newspapers, up to a maximum of one discount per local newspaper title, and per hereditament and subject to state aid limits.
64. The relief is available from 1<sup>st</sup> April 2017. It was originally for 2017/18 and 2018/19, but has been extended to 2024/25.
65. The relief is granted under Section 47 of the Local Government Finance Act 1988. The Council will be compensated for the cost of the relief.

## **Supporting Small Business Relief – 2017 Revaluation**

66. This relief was introduced in the 2017 Spring Budget to assist ratepayers who were losing some or all of their small business rate relief or rural rate relief as a result of the change to their rateable value at the 2017 revaluation. The relief applies for the 2017 rating list.
67. To support those ratepayers the supporting small business relief will ensure that the increase per year in the amount payable is limited to the greater of:
- A cash value of £600 per year (£50 per month), or,
  - The matching cap on increases for small properties in the transitional relief scheme
68. The relief is granted under Section 47 of the Local Government Finance Act 1988. The Council will be compensated for the cost of the relief by way of a Section 31 grant from Government.

## **Business Rates Revaluation Relief Scheme**

69. In the Spring Budget on 8 March 2017 the Government announced the establishment of a £300 million discretionary fund over four years from 2017-18 to support those businesses that were facing the steepest increases in their business rates bills as a result of the 2017 revaluation.
70. The Government's intention is that each Council will be given a share of the funding to provide their own support to their local businesses by developing their own discretionary relief scheme to deliver targeted support to business ratepayers.
71. The level of funding for Northumberland County Council was confirmed at:

**£000**

2017-18	963
2018-19	468
2019-20	193
2020-21	28

72. The Government expects the Council to deliver this through the use of discretionary relief powers under Section 47 of the Local Government Finance Act 1988.
73. A copy of the scheme that was approved at County Council on 1 November 2017 is attached at Annex 3.

### **Retail Discount Scheme 2019/20**

74. The Government announced in the Autumn Budget on 29 October 2018 that there would be a Retail Discount Scheme for occupied retail properties with a rateable value of less than £51,000 in each of the financial years 2019/20 to 2020/21. The value of the discount will be one third of the bill after mandatory reliefs and other discretionary reliefs funded by Section 31 grants have been awarded. This was amended by Government at the 2020 Budget as part of measures to assist businesses with the COVID-19 pandemic. The discount for 2020/21 was increased to 100% with and the scheme was expanded for the financial year 2020/21 (see Expanded Retail Discount Scheme below).
75. Retail Discount is granted under Section 47 of the Local Government Finance Act 1988 and is subject to State Aid De Minimis Regulations. The Council will be compensated for the cost of the relief by way of a Section 31 grant from the Government.

### **Nursery Discount 2020/21 & 2021/22**

76. As an extraordinary response to the coronavirus, the Government announced a business rates Nursery Discount on 18 March 2020. This relief will apply to hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage and which are subject to business rates in the year 2020/21. There will be no rateable value limit on the relief. This is a measure for the 2020/21 financial year only.
77. The Government is not changing the legislation relating to the reliefs available to properties. Instead, the Government will, in line with the eligibility criteria reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief.
78. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to

grant relief under section 47 subject to State Aid limits. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003).

79. Relief will be awarded to hereditaments occupied by providers on the Ofsted's Early Years Register and that are wholly or mainly used for the provision of the Early Years Foundation Stage. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation.
80. As announced at the Budget on 3 March 2021 by the Chancellor, the government will continue to provide eligible nursery properties in England with 100% business rates relief from 1 April 2021 to 30 June 2021. This will be followed by 66% business rates relief for the period from 1 July 2021 to 31 March 2022, capped at £105,000 per business for other eligible properties.

### **Expanded Retail Discount Scheme 2020/21**

81. The Government announced in the Budget on 29 October 2018 that it would provide a Business Rates Retail Discount, to apply in the years 2019/20 and 2020/21. In response to the coronavirus pandemic, in the Budget on 11 March the Government announced that it would increase the discount to 100% and extend it to include the leisure and hospitality sectors. Following the announcement on 23 March 2020 of further measures to limit the spread of coronavirus, the Government confirmed that some of the exclusions for this relief have been removed, so that retail, leisure, and hospitality properties that will have had to close as a result of the restriction measures will now be eligible for the relief. This relief will apply to occupied retail, leisure and hospitality properties in the year 2020/21. There will be no rateable value limit on the relief. Annex 4 below lists the types of properties eligible for this relief.
82. As this is a measure for 2020/21 only, the Government is not changing the legislation relating to the reliefs available to properties. Instead, the Government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47 subject to State Aid limits. Central government will fully reimburse local authorities for the local share of the discretionary relief using a grant under section 31 of the Local Government Act 2003).

### **Expanded Retail Discount Scheme 2021/22**

83. On 3 March 2021 the government confirmed that the Expanded Retail Discount would continue to apply in 2021/22 at 100% for three months, from 1 April 2021 to 30 June 2021, and at 66% for the remaining period, from 1 July 2021 to 31 March 2022.

84. The government confirmed that there would be no cash cap on the relief received for the period from 1 April 2021 to 30 June 2021. From 1 July 2021, relief will be capped at £105,000 per business, or £2 million per business where the business is in occupation of a property that was required, or would have been required, to close, based on the law and guidance applicable on 5 January 2021. Annex 4 below sets out the types of properties eligible for this relief.

### **Retail, Hospitality and Leisure Business Rates Relief scheme 2022/23**

85. At the Budget on 27 October the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality and leisure properties worth almost £1.7 billion in 2022/23.
86. The 2022/23 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 50% relief, up to a cash cap limit of £110,000 per business.
87. As this is a temporary measure for 2022/23 only, the government is not changing the legislation relating to the reliefs available to properties. Instead, the Government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47. Annex 4 below sets out the types of properties eligible for this relief.

### **Public Lavatories**

88. In 2021 the Non-Domestic Rating (Public Lavatories) Bill came into force which gives public lavatories 100% relief from business rates, it applies retrospectively from 1 April 2020.
89. The relief will not apply to toilets of a larger unit of rateable property (a hereditament”), for example, toilets in public libraries. It amends Part 3 of the Local Government Finance Act 1988 to ensure that, in relation to an eligible hereditament which consists wholly or mainly of a public lavatory, the chargeable amount will be zero. This provides, in effect, a 100% mandatory relief for eligible public lavatories in England and Wales.
90. The relief will be applied automatically to the business rates account.

### **Transitional Relief Scheme 2023/24**

91. Transitional relief limits how much a ratepayers business rate bill can change each year as a result of a business rates revaluation. The next revaluation will come into effect on 1 April 2023.
92. The Government has introduced a Transitional Relief Scheme for the 2023 Revaluation that will come into force on 1 April 2023.

**For ratepayers whose bills increase as a result of the 2023 Revaluation the following table shows the maximum increases**

Rateable value	2023 to 2024	2024 to 2025	2025 to 2026
Up to £20,000 (£28,000 in London)	5%	10% plus inflation	25% plus inflation
£20,001 (£28,001 in London) to £100,000	15%	25% plus inflation	40% plus inflation
Over £100,000	30%	40% plus inflation	55% plus inflation

**For ratepayers whose bills decrease as a result of the 2023 Revaluation that decrease will not be phased in and will be passed on in full**

### **Retail, Hospitality and Leisure Business Rates Relief scheme 2023/24**

93. At the Budget on 17 November the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality and leisure properties for 2023/24
94. The 2023/24 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.
95. As this is a temporary measure for 2023/24, the government is not changing the legislation relating to the reliefs available to properties. Instead, the government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47. Annex 4 below sets out the types of properties eligible for this relief.

### **Supporting Small Business Relief - 2023 Revaluation**

96. At the 2022 Autumn Statement the Chancellor announced that the 2023 Supporting Small Business (SSB) scheme will cap bill increases at £600 per year for any business losing eligibility for some or all Small Business Rate Relief or Rural Rate Relief at the 2023 revaluation. SSB was first introduced at the 2017 revaluation to support ratepayers facing bill increases greater than the Transitional Relief caps due to loss of Small Business Rate Relief or Rural Rate Relief.

97. For the period 2023/24 to 2025/26, the government will, in line with the eligibility criteria set out in the guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant 2023 Supporting Small Business relief.
98. To support those ratepayers the supporting small business relief will ensure that the increase per year in the amount payable is limited to the greater of:
  - A cash value of £600 per year (£50 per month), or,
  - The matching cap on increases for small properties in the transitional relief scheme
99. The relief is granted under Section 47 of the Local Government Finance Act 1988. The Council will be compensated for the cost of the relief by way of a Section 31 grant from Government.

### **Retail, Hospitality and Leisure Business Rates Relief scheme 2024/25**

100. In the Autumn statement on 22 November the Chancellor announced the extension of the rates relief scheme for retail, hospitality and leisure properties for 2024/25
101. The 2024/25 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.
102. As this is a temporary extension for 2024/25, the government is not changing the legislation relating to the reliefs available to properties. Instead, the government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47. Annex 4 below sets out the types of properties eligible for this relief.

### **Improvement Relief 2024/25**

103. The Government has announced a new relief to support investment in property improvements. The measure will be introduced in 2024, and will be reviewed in 2028 (end date is 2029)
104. To receive the improvement relief, ratepayers will need to demonstrate that their property meets 2 conditions:
  - (a) the VOA must be satisfied that the improvements meet the definition of qualifying works - the 'qualifying works' condition, and

(b) the relevant local billing authority must be satisfied that in the period since the qualifying works commenced the property has remained occupied and that the ratepayer has not changed – the ‘occupation’ condition.

105. Once the VOA is satisfied that the qualifying works condition has been met then it will issue a certificate of the increase in rateable value which is attributable to any works falling within the meaning of qualifying works. Northumberland County Council will then apply the relief using the certificate but only if the occupation condition has been met.
106. This relief will have the result of ratepayers who have undertaken qualifying works not seeing an increase in their bill for 12 months.

## **Rate Relief Decisions and Appeals**

107. Rate relief decisions, with the exception of Hardship, Section 44a and Local Discretionary Discounts are delegated to the Revenues Section. Where the cost to the Council of granting relief is between £50,000 and £100,000 decisions are delegated to the Director of Finance and Procurement and the Executive Director – Transformation and Resources. Costs in excess of £100,000 are delegated to the Chief Executive.
108. Rate relief decisions for Hardship, Section 44a and Local Discretionary Discounts are delegated to the Senior Revenues Manager and the Head of Transactional Services. Where the cost to the Council of granting relief is between £50,000 and £100,000 decisions are delegated to the Senior Revenues Manager and the Director of Finance and Procurement. Costs in excess of £100,000 are delegated to the Chief Executive.
109. Requests for a review of a decision will be delegated to the Director of Finance and Procurement and the Executive Director – Transformation and Resources unless the original decision has been made by those officers whereby the Chief Executive will undertake the review. If the review relates to a case determined by the Chief Executive the relevant Portfolio Holder will carry out the review.
110. For 20% top up to mandatory relief and not for profit organisations and sports clubs notice will be served on the ratepayer at the time of the award decision limiting discretionary awards to 24 months. The duration of hardship relief and Section 44a awards will be in accordance with the individual circumstances of the application. For all other relief types the duration of the award will be in line with Government guidance.
111. Where the Government announce a new business rates scheme after this policy has been annually reviewed the Chief Executive will have delegated



powers in order to implement the scheme in line with the required legislation and timetable. This policy will then be updated at the next annual review.

**Annex 1**

**Discretionary Rate Relief - charities and not for profit organisations**

**Specific Interest Organisations**

				<b>Score</b>	
<b>1</b>	<b>What is the organisations service area?</b>	<b>National</b>	<b>Regional</b>	<b>Within Northumberland</b>	<input type="text"/>
		-10	0	20	
<b>2</b>	<b>Is the organisation and / or its facilities open to or for the benefit of, all members of the community?</b>	<b>No</b>	<b>Limited Restriction</b>	<b>Yes</b>	<input type="text"/>
		0	5	10	
<b>3</b>	<b>Are the organisation aims and objectives specifically targeted at helping disadvantaged and vulnerable groups?</b>	<b>No</b>	<b>Yes</b>		<input type="text"/>
		0	10		
<b>4</b>	<b>Does the organisation provide education, training or coaching for its users / members?</b>	<b>None</b>	<b>Limited</b>	<b>Substantial</b>	<input type="text"/>
		0	5	10	
<b>5</b>	<b>Does the service support or assist in the provision of a service to help the Council achieve its objectives?</b>	<b>No</b>	<b>Limited</b>	<b>Substantial</b>	<input type="text"/>
		0	10	20	
				<b>Total</b>	<input type="text"/>
					<input type="text"/>

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**Criteria Scoring**

<b>Charitable Organisations</b>				
<b>Not Supported</b>	<b>5%</b>	<b>10%</b>	<b>15%</b>	<b>20%</b>
0 - 20	25	30	35	40

<b>Non-Profit Making Organisations</b>				
<b>Not Supported</b>	<b>25%</b>	<b>50%</b>	<b>75%</b>	<b>100%</b>
0 - 20	25	30	35	40

## Annex 2

### Discretionary Rate Relief - charities and not for profit organisations

	<30%	30-50%	50-70%	70%	
1 Do the majority of members / users come from the County or surrounding area? (5 mile outside boundary)	-10	3	6	10	<input type="text"/>
2 Is the organisation open to all members of the community?	<b>Restricted</b>	<b>Limited Restriction</b>	<b>Open to all</b>		<input type="text"/>
3 Does the organisation encourage membership / users from a particular group? (Ethnic Minorities, Disabled, Young Persons, OAP's, Working Parents)	0	5	10		<input type="text"/>
	<b>No</b>	<b>Some</b>	<b>Actively</b>		
4 Are the fees/costs reasonable for the service or facilities provided, which support accessibility and encourage participation / use?	0	5	10		<input type="text"/>
	<b>No</b>	<b>Yes</b>			
Is the building used by the organisation available to the community and other organisations?	0	10			<input type="text"/>
	<b>No</b>	<b>Some Use</b>	<b>Substantial</b>		
Is the organisation affiliated to a local or national representative body?	0	3	10		<input type="text"/>
	<b>No</b>	<b>Yes</b>			
7 Does the organisation provide education, training or coaching for its users/members?	0	10			<input type="text"/>
	<b>None</b>	<b>Limited</b>	<b>Substantial</b>		
8 Does the organisation attract grant aiding or generate income through fund raising activities or self help?	0	3	10		<input type="text"/>
	<b>No</b>	<b>Yes</b>			
9 Does the service support or assist in the provision of a service to help the Council to achieve its objectives?	0	10			<input type="text"/>
	<b>No</b>	<b>Yes</b>			
	0	20			<input type="text"/>
				<b>Total</b>	<input type="text"/>

### Criteria Scoring and Relief Percentages for Non-Profit Making Organisations

Not Supported										Supported				
Nil					25%			50%		75%			100%	
5	10	15	20	25	30	35	40	45	50	55	60	65	66+	

**Criteria Scoring and Relief Percentages for Charitable Organisations - 20% top up**

Not Supported										Supported			
Nil					5%			10%		15%		20%	
5	10	15	20	25	30	35	40	45	50	55	60	65	66+



**Northumberland**  
County Council

## **Revenues and Benefits Service**

# **Business Rates Revaluation Relief Scheme**

## Introduction

1. In the Spring Budget on 8 March 2017 the Government announced the establishment of a £300 million discretionary fund over four years from 2017-18 to support those businesses that were facing the steepest increases in their business rates bills as a result of the 2017 revaluation.
2. The Government's intention is that each Council will be given a share of the funding to provide their own support to their local businesses by developing their own discretionary relief scheme to deliver targeted support to business ratepayers.
3. The level of funding for Northumberland County Council was confirmed at:

	<b>£000</b>
2017-18	963
2018-19	468
2019-20	193
2020-21	28

4. The Government expects the Council to deliver this through the use of discretionary relief powers under Section 47 of the Local Government Finance Act 1988.
5. The Council will be compensated through a Section 31 grant for the cost to the Council of granting the relief up to the levels set out in paragraph 3 above.
6. There is a requirement to consult with major preceptors before a scheme is adopted.

## Scheme Aims

7. The aim of this scheme is to ensure that support is provided to those businesses that are facing the steepest increases in their business rates bills as a result of the 2017 revaluation.
8. Support will be targeted at small and medium sized businesses adversely affected by the 2017 revaluation.
9. The Council is committed to ensuring the discretionary fund will be maximised in each financial year but not exceeded.
10. To support ratepayers facing an increase in business rates by limiting the impact of the revaluation.
11. To support businesses in a fair and proportionate manner in line with Government's intentions.
12. Relief will be applied to empty property as this will be an incentive to new businesses to take on empty properties.

## Scheme Rules & Eligibility Criteria

13. A property qualifies if:
  - There was an entry in the Valuation List for the property on 31 March 2017 and 1 April 2017.
  - There has been an increase in the rate liability as a result of the 2017 revaluation exceeding £300.
  - The Rateable Value of the property is less than 200,000 as at 1 April 2017.
14. Revaluation Relief will be applied to occupied and empty properties.
15. Revaluation Relief will be applied against the net rates bill after all other reliefs.
16. Eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.
17. New ratepayers of qualifying properties after 1 April 2017 will benefit from the relief and it will be applied pro rata.
18. The amount of relief awarded will reduce and be apportioned where a ratepayer vacates the property during the year.
19. The amount of relief awarded will reduce and be apportioned where a ratepayer qualifies for any other relief during the year.
20. Where the rateable value of the property is reduced by the Valuation Office Agency the relief will be reduced or removed where the scheme rules and eligibility criteria are no longer met.
21. Where the rateable value of a property is increased with an effective date of after 1 April 2017 (by the Valuation Office Agency), the increase in rateable value will not qualify for additional relief under this scheme.
22. Revaluation Relief will be awarded as follows:

2017-18	relief provided to cap the increase in business rates as a result of the 2017 revaluation at £300 for all qualifying businesses*
2018-19	50% of the relief entitlement in Year 1 of the scheme*
2019-20	20% of the relief entitlement in Year 1 of the scheme*
2020-21	3% of the relief entitlement in Year 1 of the scheme*

\* subject to annual review

## Exclusions

### **Revaluation Relief will not be granted to the following:**

23. Occupied or empty properties where the ratepayer is a multinational or national chain companies (including parent companies). The definition of multinational and national chain companies (including parent companies) is 'any company who owns a number of properties and/or businesses spread across various locations nationwide or world-wide'.



24. In accordance with Section 47 of the Local Government Finance Act 1988 certain properties are excluded from discretionary business rates relief. These are properties that are occupied in full, or part, by the billing authority or a precepting authority.
25. Properties owned or occupied by ratepayers who receive funding from central government.
26. New properties, newly constituted property and split or merged property.
27. Businesses who receive full Small Business Rates Relief for the property are not included in the scheme as they have no rates liability.
28. Periods of occupation for known rates avoidance schemes.

### **Awards of Revaluation Relief**

29. Relief will be awarded automatically for qualifying properties and there will be no application process. A signed declaration will be required to confirm that state aid limits have not been exceeded (see 32 below).

### **Notice Periods**

30. A termination notice will be served on the ratepayer at the time of the award decision initially limiting the award to 31 March 2019. This is in line with the requirements of the Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059).
31. Termination dates for years 3 and 4 of the scheme will be 31 March 2020 and 31 March 2021 respectively.

### **State Aid**

32. The awarding of discretionary relief under this scheme will be subject to state aid to the European Union State Aid de-minimis limits and therefore a declaration of previous state aid received will be required to be completed.

### **Appeals**

33. Requests for a review of a decision will be delegated to the Section 151 Officer and the Revenues & Benefits Manager.

### **Review**

34. The scheme will be subject to a review as required.

## **Annex 4 – Qualifying properties for the purposes of the Expanded Retail Discount Scheme for 2020/21, 2021/22 and Retail, Hospitality and Leisure Business Rates Relief scheme 2022/23 and 2023/24**

**Properties that will benefit from the relief will be occupied hereditaments that are wholly or mainly being used:**

- a. as shops, restaurants, cafes, drinking establishments, cinemas and live music venues,
- b. for assembly and leisure; or
- c. as hotels, guest & boarding premises and self-catering accommodation.

**It is considered that shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:**

**i. Hereditaments that are being used for the sale of goods to visiting members of the public:**

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/caravan show rooms
- Second-hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

**ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire
- Employment agencies
- Estate agents and letting agents
- Betting shops

**iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:**

- Restaurants
- Takeaways
- Sandwich shops

- Coffee shops
- Pubs
- Bars

**iv. Hereditaments which are being used as cinemas**

**v. Hereditaments that are being used as live music venues:**

- Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience.

**It is considered assembly and leisure to mean:**

**i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities).**

- Sports grounds and clubs
- Museums and art galleries
- Nightclubs
- Sport and leisure facilities
- Stately homes and historic houses
- Theatres
- Tourist attractions
- Gyms
- Wellness centres, spas, massage parlours
- Casinos, gambling clubs and bingo halls

**ii. Hereditaments that are being used for the assembly of visiting members of the public.**

- Public halls
- Clubhouses, clubs and institutions

**It is considered hotels, guest & boarding premises and self-catering accommodation to mean:**

**i. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:**

- Hotels, Guest and Boarding Houses
- Holiday homes
- Caravan parks and sites

To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief. For the avoidance of doubt, hereditaments which have closed temporarily due to the government's advice on COVID19 will be treated as occupied for the purposes of this relief.

The list set out above is not intended to be exhaustive and there may be properties that are not listed but are broadly similar in nature to those above and may be considered separately.

The list below sets out the types of uses that the Council does **not** consider to be an eligible property use for the purpose of this relief.

**i. Hereditaments that are being used for the provision of the following services to visiting members of the public**

- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/financial advisers)
- Post office sorting offices

**ii. Hereditaments that are not reasonably accessible to visiting members of the public.**



# Northumberland

## County Council

### **REVENUES AND BENEFIT SERVICE**

### **HOUSING BENEFIT**

### **WAR PENSION AND ARMED FORCES COMPENSATION DISREGARD POLICY**

## **Introduction**

1. The Housing Benefit Regulations 2006 make provision for the first £10.00 of income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme to be disregarded in any benefit assessment. The cost of this disregard is fully reimbursed to the Council.
2. The Social Security Administration Act 1992 gives the Council discretion to disregard any amount it chooses in addition to the statutory provision. Since 2009/10 the Council has taken advantage of this provision and fully disregarded income claimants receive from the War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Schemes.

## **Policy Aims**

3. The policy aims to:
  - Ensure income from the schemes is treated consistently when assessing entitlement to housing benefit;
  - Ensure that everyone gets fair treatment and equal opportunity;
  - Promote a transparent and simple process that is easily understood; and
  - Provide staff with guidance for making reasonable, fair and consistent decisions.

## **Policy**

4. The Council will fully disregard income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme when assessing entitlement to Housing Benefit.



# Northumberland

## County Council

County Council

Wednesday, 21 February 2024

### Council Tax 2024-25

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

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

#### Link to Key Priorities of the Corporate Plan

1. The report supports the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Growth.

#### Purpose of Report

2. To provide Council Members with the financial information to enable the Council to calculate and set the Council Tax for 2024-25.

#### Context

3. Each financial year, by virtue of the provisions of the Local Government Finance Act 1992, and subsequent amendments, the Council is required to set a Council Tax for each Valuation Band in its area.
4. This report provides information in relation to the Council Tax increases and outlines the position that the Council wishes to take for the 2024-25 financial year.
5. The Council currently derives £232.953 million of its annual income from Council Tax.
6. This paper requires Council to have approved the 2024-25 figures contained within Appendix 1 of the Budget 2024-25 and Medium-Term Financial Plan 2024-28 report.
7. The Government's Core Spending Power calculations assume that the Council will increase its basic Council Tax by 3.00%, and in order to help address pressures in Adult Social Care services, increase the Adult Social Care Precept by 2.00% in 2024-25.

8. The Council proposes to increase basic Council Tax by 2.99%, and by 2.00% for the Adult Social Care Precept in 2024-25. The Adult Social Care Precept increase will raise additional recurrent funding of £4.993 million in 2024-25.
9. The Police and Crime Panel has recommended a precept of £20,399,804 to the Police and Crime Commissioner. The figures in this report are based on this.
10. The Local Government Finance Act 1992 and subsequent amendments require the County Council to set its Council Tax before 11 March each year.
11. The Localism Act 2011 and the Local Audit and Accountability Act 2014 have made significant changes to the Local Government Finance Act 1992, and now require the Council as 'billing authority' to calculate its 'Council Tax' requirement for the year.
12. In setting the Council Tax, the Council is required to make certain calculations and to approve a number of resolutions in accordance with the Act.

### **Council Tax Calculations**

13. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 which came into force on 30 November 2012 contains the rules which require the Council to calculate the Council Tax Base. The Council Tax Base must be set between 1 December and 31 January in the preceding year to which it has effect.
14. At its meeting on 12 December 2023 the Cabinet set the Council Tax Base as 112,185.46 for Band D equivalent properties (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")). This is based on a collection rate of 99.00%.

### **Recommendations**

The Council is requested to approve the statutory resolutions required to set the Council Tax for 2024-25, as detailed below.

1. **The Council is recommended to resolve as follows:**
  - a) That the Council Tax Requirement for the Council's own purposes for 2024-25 (excluding Parish Precepts) is £232,953,108.
  - b) That the following amounts be calculated for 2024-25 in accordance with Sections 31 to 36 of the Act:
    - i. Being the aggregate amount of gross expenditure which the Council estimates for the items set out in Section 31 A (2) of the Act taking into account all precepts issued to it by Parish Councils: £929,205,900.
    - ii. Being the aggregate of the gross income which the Council estimates for the items set out in Section 31 A (3) of the Act: £685,374,250.
    - iii. Being the amount by which the aggregate at (b) i) above exceeds the aggregate at (b) ii) above, calculated by the Council in accordance with Section 31 A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act) (including Parish Precepts): £243,831,650.
    - iv. Being the amount at (b) iii) above (Item R), all divided by Item T, above, calculated by the Council, in accordance with Section 31B of the Act as the basic amount of its Council Tax at Band D for the year (including Parish Precepts): £2,173.47.



- v. Being the aggregate amount of all special items referred to in Section 34 (1) of the Act (total all Parish Precepts): £10,882,376.
  - vi. Being the amount at (b) iv) above less the result given by dividing the amount at (b) v) above by Item T, above, calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax at Band D for the year for dwellings in those parts of its area to which no Parish Precept relates: £2,076.47.
- c) That the Council Tax for 2024-25, excluding the Police Precept, will be increased by 4.99% (including the Adult Social Care Precept of 2.00%), equating to a charge per Band D household of £2,076.47 (excluding Special Expenses). For other bands different proportions will apply. For example, Band A properties will be charged 6/9 (two thirds) of a Band D property and Band H properties will be charged 18/9 (double) of a Band D property.

The relevant valuation bands are as follows:

Valuation Band	Northumberland County Council	Adult Social Care Precept	Total
	£ : p	£ : p	£ : p
A	1,181.64	202.67	1,384.31
B	1,378.58	236.45	1,615.03
C	1,575.52	270.23	1,845.75
D	1,772.46	304.01	2,076.47
E	2,166.34	371.57	2,537.91
F	2,560.22	439.13	2,999.35
G	2,954.10	506.68	3,460.78
H	3,544.92	608.02	4,152.94

- d) Under Section 52ZB of the Local Government Finance Act 1992 that the Council's basic amount of Council Tax for 2024-25 is not excessive in accordance with principles approved under Section 52ZC(1) of the Act.

(i.e. the proposed Council Tax increase for 2024-25 means that the Council does not need to hold a referendum on its proposed Council Tax. The regulations set out in Section 52ZC of the Act requires all billing authorities (Council and precept authorities (i.e. Fire and Police authorities)) to hold a referendum on their proposed level of basic Council Tax each year if they exceed government guidelines which are set out annually. For 2024-25 the guideline increase for Northumberland is 5.00% (including the Adult Social Care Precept).

As the Council is proposing a Council Tax increase of 4.99% (including Adult Social Care Precept and Special Expenses) for 2024-25 then the above regulations have no impact for 2024-25.

## 2. The Council is recommended to approve:

- a) That the matters listed in section 3 (c) of this report are identified as Special Expenses and that all other matters which might otherwise be considered to be Special Expenses under the prevailing legislation are deemed to be General Expenses.

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

**3. It is recommended that the Council notes:**

- a) The Police and Crime Commissioner has agreed the recommended level of precept of £20,399,804 for 2024-25. This represents an increase of 7.70%, equating to an additional £13.00 on a Band D property; the resulting valuation bands will be as follows:

Valuation Band	Northumbria Police Authority
	£: p
A	121.23
B	141.43
C	161.64
D	181.84
E	222.25
F	262.66
G	303.07
H	363.68

- b) The Aggregate of Council Tax requirements, including that of Northumbria Police Authority, the Council's own requirement and that for Adult Social Care purposes (excluding Parish Precepts), are as follows:

Valuation Band	Northumberland County Council	Adult Social Care Precept	Northumbria Police Authority	Total
	£ : p	£ : p	£ : p	£ : p
A	1,181.64	202.67	121.23	1,505.54
B	1,378.58	236.45	141.43	1,756.46
C	1,575.52	270.23	161.64	2,007.39
D	1,772.46	304.01	181.84	2,258.31
E	2,166.34	371.57	222.25	2,760.16
F	2,560.22	439.13	262.66	3,262.01
G	2,954.10	506.68	303.07	3,763.85
H	3,544.92	608.02	363.68	4,516.62

- c) The total amount of Parish Precepts requested is £10,878,542 and is detailed in Appendix 1. This represents an increase of £584,683 when compared to 2023-24.

- d) Branxton Parish Council has not submitted a precept. The Council is inquisitorate. No precept has been assumed for the purpose of the calculations contained within this report.

- e) Hartleyburn Parish Council has not submitted a precept. The Council is inquorate. No precept has been assumed for the purpose of the calculations contained within this report.
- f) Special expenses of £3,834 are applied to North Sunderland Parish only in relation to play area inspection and maintenance. This has increased from £3,662 in 2023-24.

**4. The Council is also recommended to note:**

- a) The basic Council Tax valuation bands are shown in paragraph 3 (b).
- b) The detailed Council Tax calculations are set out in Appendices 2 and 3. Analysis of the Council Tax by parish is provided at Appendix 2 excluding Northumbria Police Precept. Appendix 3 shows the total Council Tax charge by parish (including the Council only element and Adult Social Care Precept, Northumbria Police Precept, Special Expenses and Parish Precepts).

## Implications

<b>Policy</b>	The report supports the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Economic Growth.
<b>Finance and value for money</b>	This report sets out the recommendations for setting the Council Tax for 2024-25.
<b>Legal</b>	This report sets out recommendations in accordance with the requirements of the Local Government Finance Act 1992 (and subsequent amendments).
<b>Procurement</b>	There are no Procurement implications within this report.
<b>Human resources</b>	There are no Human Resources implications within this report.
<b>Property</b>	There are no Property implications within this report.
<b>The Equalities Act: is a full impact assessment required and attached?</b>	No - not required at this point The income generated through Council Tax is contained within the Budget 2024-25 and Medium Term Financial Plan 2024-28. The Executive Director - Public Health, Inequalities & Stronger Communities has already provided an overarching equality review of these areas.
<b>Risk assessment</b>	No implications.
<b>Crime and disorder</b>	There are no Crime and Disorder implications within this report.
<b>Customer considerations</b>	There are no Customer Consideration implications within this report.
<b>Carbon reduction</b>	There are no Carbon Reduction implications within this report.
<b>Health and wellbeing</b>	There are no Health and Wellbeing implications within this report.
<b>Wards</b>	All Wards.

## **Background papers**

12 December 2023	Cabinet	Setting of the Council Tax Base 2024-25
17 January 2024	Full Council	Approval of the Council Tax Support Scheme for 2024-25
21 February 2024	Full Council	Budget 2024-25 and Medium-Term Financial Plan 2024-28

## **Links to other key reports already published**

Not Applicable

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<b>Parish</b>	<b>2024-25 Parish Precept £</b>
<b><u>North</u></b>	
Acklington	10,860
Adderstone with Lucker	2,500
Akeld (no parish council)	0
Alnmouth	15,210
Alnwick	428,591
Alwinton	800
Amble	234,463
Ancroft	8,000
Bamburgh	11,800
Beadnell	13,000
Belford with Middleton	11,000
Berwick-upon-Tweed Town Council	364,311
Bewick (no parish council)	0
Biddlestone & Netherton	1,800
Bowsden	1,300
Branxton	0
Brinkburn & Hesleyhurst - Brinkburn	5,277
Brinkburn & Hesleyhurst - Hesleyhurst	1,223
Carham	2,500
Cheviotside (no parish council)	0
Cornhill	4,767
Craster	10,168
Cresswell	5,917
Denwick	600
Doddington	1,500
Duddo	800
Earle (no parish council)	0
East Chevington	59,000
Edlingham	700
Eglington	7,270
Ellingham	3,800
Elsdon	1,800
Embleton	13,000
Ewart (no parish council)	0
Felton	36,867
Ford	3,200
Glanton	2,100
Harbottle	1,500
Hartburn	3,600
Hauxley	8,000
Hebron	2,000
Hedgeley	6,500
Hepple	1,200
Hepscott	13,000

<b>Parish</b>	<b>2024-25 Parish Precept £</b>
Hollinghill & Rothley - Hollinghill	1,489
Hollinghill & Rothley - Rothley	642
Holy Island	560
Horncliffe	12,625
Ingram	1,000
Kilham (no parish council)	0
Kirknewton	2,550
Kyloe	1,200
Lesbury	17,000
Longframlington	10,000
Longhirst	8,000
Longhorsley	28,560
Longhoughton	26,798
Lowick	6,000
Meldon	2,345
Milfield	3,700
Mitford	9,300
Morpeth Town Council	759,515
Netherwitton	7,600
Newton by the Sea	5,400
Newton on the Moor/Swarland	22,000
Norham	5,800
North Sunderland	18,000
Nunnykirk	2,136
Ord	29,250
Pegswood	127,791
Rennington	8,742
Rothbury	110,641
Shilbottle	36,210
Shoreswood	883
Snitter	1,881
Stannington	36,100
Thirston	10,500
Thropton	16,071
Tillside	4,950
Togston	6,556
Tritlington & West Chevington	5,900
Ulgham	11,600
Wallington	3,500
Warkworth	69,700
Whittingham, Callaly & Alnham	9,470
Whitton & Tosson	5,500
Widdrington Station and Stobswood	75,566
Widdrington Village	7,400
Wooler	33,717
	<b>2,864,072</b>



<b>Parish</b>	<b>2024-25 Parish Precept £</b>
<b><u>South East</u></b>	
Ashington	899,950
Blyth Town Council	1,448,766
Choppington	448,966
Cramlington Town Council	1,154,000
East Bedlington	300,549
Ellington & Linton	65,000
Lynemouth	31,000
Newbiggin by the Sea	275,509
Seaton Valley	622,320
West Bedlington	286,494
	<b>5,532,554</b>
<b><u>West</u></b>	
Acomb	59,000
Allendale	43,000
Bardon Mill	5,180
Bavington	1,600
Bellingham	38,000
Belsay	5,000
Birtley	4,115
Blanchland	1,610
Broomhaugh & Riding	49,600
Bywell	10,500
Capheaton	3,045
Chollerton	8,000
Coanwood	4,200
Corbridge	168,000
Corsenside	10,000
Falstone	4,450
Featherstone	2,900
Greenhead	9,240
Haltwhistle Town Council	150,000
Hartleyburn	0
Haydon	52,000
Healey	3,000
Heddon On The Wall	42,638
Hedley	8,250
Henshaw	16,940
Hexham Town Council	514,000
Hexhamshire & District	9,000
Horsley	12,000
Humshaugh	13,000
Kielder	11,750
Kirkwhelpington	8,000
Knaresdale with Kirkhaugh	5,109
Matfen	12,000

<b>Parish</b>	<b>2024-25 Parish Precept £</b>
Melkridge	5,500
Newbrough	12,000
Otterburn	6,582
Ovingham	15,300
Ovington	6,500
Plenmeller with Whitfield	3,098
Ponteland Town Council	458,576
Prudhoe Town Council	425,544
Rochester	7,500
Sandhoe	7,000
Shotley Low Quarter	8,000
Simonburn	4,500
Slaley	13,400
Stamfordham	5,500
Stocksfield	105,016
Tarset with Greystead	5,000
Thirlwall	6,300
Wall	8,744
Warden	10,000
Wark	13,200
West Allen	1,029
Whalton	8,000
Whittington	6,500
Wylam	54,000
	<b>2,481,916</b>
	<b>10,878,542</b>

Summary of Council Tax by Parish (excluding Northumbria Police Precept)

Parish	£ 2024-25 Parish Precept	2024-25 Taxbase	Parish Only Band D £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
<b>North</b>											
Acklington	10,860	296.24	36.66	1,408.75	1,643.54	1,878.34	2,113.13	2,582.72	3,052.30	3,521.88	4,226.26
Adderstone with Lucker	2,500	129.44	19.31	1,397.18	1,630.05	1,862.91	2,095.78	2,561.51	3,027.24	3,492.96	4,191.56
Akeld (no parish council)	0	40.54	0.00	1,384.31	1,615.03	1,845.75	2,076.47	2,537.91	2,999.35	3,460.78	4,152.94
Alnmouth	15,210	293.44	51.83	1,418.86	1,655.34	1,891.82	2,128.30	2,601.26	3,074.22	3,547.16	4,256.60
Alnwick	428,591	3,059.61	140.08	1,477.70	1,723.98	1,970.27	2,216.55	2,709.12	3,201.69	3,694.25	4,433.10
Alwinton	800	41.23	19.40	1,397.24	1,630.12	1,862.99	2,095.87	2,561.62	3,027.37	3,493.11	4,191.74
Amble	234,463	1,880.45	124.68	1,467.43	1,712.00	1,956.58	2,201.15	2,690.30	3,179.44	3,668.58	4,402.30
Ancroft	8,000	294.30	27.18	1,402.43	1,636.17	1,869.91	2,103.65	2,571.13	3,038.61	3,506.08	4,207.30
Bamburgh	11,800	303.18	38.92	1,410.26	1,645.30	1,880.35	2,115.39	2,585.48	3,055.57	3,525.65	4,230.78
Beadnell	13,000	498.42	26.08	1,401.70	1,635.31	1,868.93	2,102.55	2,569.79	3,037.02	3,504.25	4,205.10
Belford with Middleton	11,000	634.67	17.33	1,395.86	1,628.51	1,861.15	2,093.80	2,559.09	3,024.38	3,489.66	4,187.60
Berwick-upon-Tweed Town Council	364,311	3,492.08	104.32	1,453.86	1,696.17	1,938.48	2,180.79	2,665.41	3,150.03	3,634.65	4,361.58
Bewick (no parish council)	0	34.57	0.00	1,384.31	1,615.03	1,845.75	2,076.47	2,537.91	2,999.35	3,460.78	4,152.94
Biddlestone & Netherton	1,800	117.99	15.26	1,394.48	1,626.90	1,859.31	2,091.73	2,556.56	3,021.39	3,486.21	4,183.46
Bowsden	1,300	83.90	15.49	1,394.64	1,627.08	1,859.52	2,091.96	2,556.84	3,021.72	3,488.60	4,183.92
Branxton	0	51.54	0.00	1,384.31	1,615.03	1,845.75	2,076.47	2,537.91	2,999.35	3,460.78	4,152.94
Brinkburn & Hesleyhurst - Brinkburn	5,277	96.45	54.71	1,420.78	1,657.58	1,894.38	2,131.18	2,604.78	3,078.38	3,551.96	4,262.36
Brinkburn & Hesleyhurst - Hesleyhurst	1,223	12.77	95.77	1,448.16	1,689.52	1,930.88	2,172.24	2,654.96	3,137.68	3,620.40	4,344.48
Carham	2,500	142.57	17.54	1,396.00	1,628.67	1,861.34	2,094.01	2,559.35	3,024.69	3,490.01	4,188.02
Cheviotside (no parish council)	0	67.78	0.00	1,384.31	1,615.03	1,845.75	2,076.47	2,537.91	2,999.35	3,460.78	4,152.94
Cornhill	4,767	148.64	32.07	1,405.69	1,639.97	1,874.26	2,108.54	2,577.11	3,045.67	3,514.23	4,217.08
Craster	10,168	151.48	67.12	1,429.06	1,667.23	1,905.41	2,143.59	2,619.95	3,096.30	3,572.65	4,287.18
Cresswell	5,917	106.55	55.53	1,421.33	1,658.22	1,895.11	2,132.00	2,605.78	3,079.56	3,553.33	4,264.00
Denwick	600	113.43	5.29	1,387.84	1,619.14	1,850.45	2,081.76	2,544.38	3,006.99	3,469.60	4,163.52
Doddington	1,500	82.46	18.19	1,396.44	1,629.18	1,861.92	2,094.66	2,560.14	3,025.62	3,491.10	4,189.32
Duddo	800	86.19	9.28	1,390.50	1,622.25	1,854.00	2,085.75	2,549.25	3,012.75	3,476.25	4,171.50
Earle (no parish council)	0	28.32	0.00	1,384.31	1,615.03	1,845.75	2,076.47	2,537.91	2,999.35	3,460.78	4,152.94
East Chevington	59,000	821.67	71.80	1,432.18	1,670.87	1,909.57	2,148.27	2,625.67	3,113.06	3,580.45	4,296.54
Edlingham	700	91.83	7.62	1,389.39	1,620.96	1,852.52	2,084.09	2,547.22	3,010.36	3,473.48	4,168.18
Eglingham	7,270	194.36	37.40	1,409.24	1,644.12	1,878.99	2,113.87	2,583.62	3,053.37	3,523.11	4,227.74
Ellingham	3,800	156.85	24.23	1,400.46	1,633.88	1,867.29	2,100.70	2,567.52	3,034.35	3,501.16	4,201.40
Elsdon	1,800	94.55	19.04	1,397.00	1,629.84	1,862.67	2,095.51	2,561.18	3,026.85	3,492.51	4,191.02
Embleton	13,000	446.29	29.13	1,403.73	1,637.69	1,871.64	2,105.60	2,573.51	3,041.43	3,509.33	4,211.20
Ewart (no parish council)	0	40.13	0.00	1,384.31	1,615.03	1,845.75	2,076.47	2,537.91	2,999.35	3,460.78	4,152.94
Felton	36,867	448.64	82.18	1,439.10	1,678.95	1,918.80	2,158.65	2,638.35	3,118.05	3,597.75	4,317.30
Ford	3,200	184.44	17.35	1,395.88	1,628.52	1,861.17	2,093.82	2,559.12	3,024.41	3,489.70	4,187.64
Glanton	2,100	120.72	17.40	1,395.91	1,628.56	1,861.22	2,093.87	2,559.18	3,024.48	3,489.78	4,187.74
Harbottle	1,500	133.47	11.24	1,391.80	1,623.77	1,855.74	2,087.71	2,551.65	3,015.59	3,479.51	4,175.42
Hartburn	3,600	112.43	32.02	1,405.66	1,639.93	1,874.21	2,108.49	2,577.05	3,045.60	3,514.15	4,216.98
Hauxley	8,000	106.66	75.00	1,434.31	1,673.36	1,912.42	2,151.47	2,629.58	3,107.68	3,585.78	4,302.94
Hebron	2,000	212.57	9.41	1,390.58	1,622.35	1,854.11	2,085.88	2,549.41	3,012.94	3,476.46	4,171.76
Hedgeley	6,500	187.77	34.62	1,407.39	1,641.96	1,876.52	2,111.09	2,580.22	3,049.36	3,518.48	4,222.18
Hepple	1,200	77.35	15.51	1,394.65	1,627.09	1,859.54	2,091.98	2,556.87	3,021.75	3,486.63	4,183.96
Hepscoth	13,000	686.80	18.93	1,396.93	1,629.75	1,862.58	2,095.40	2,561.05	3,026.69	3,492.33	4,190.80
Hollinghill & Rothley - Hollinghill	1,489	29.73	50.08	1,417.70	1,653.98	1,890.27	2,126.55	2,599.12	3,071.69	3,544.25	4,253.10
Hollinghill & Rothley - Rothley	642	69.71	9.21	1,390.45	1,622.19	1,853.94	2,085.68	2,549.17	3,012.65	3,476.13	4,171.36
Holy Island	560	112.46	4.98	1,387.63	1,618.90	1,850.18	2,081.45	2,544.00	3,006.54	3,469.08	4,162.90
Horncliffe	12,625	190.10	66.41	1,428.58	1,666.68	1,904.78	2,142.88	2,619.08	3,095.28	3,571.46	4,285.76
Ingram	1,000	80.06	12.49	1,392.64	1,624.74	1,856.85	2,088.96	2,553.18	3,017.39	3,481.60	4,177.92
Kilham (no parish council)	0	63.05	0.00	1,384.31	1,615.03	1,845.75	2,076.47	2,537.91	2,999.35	3,460.78	4,152.94

Summary of Council Tax by Parish (excluding Northumbria Police Precept)

Parish	£ 2024-25 Parish Precept	2024-25 Taxbase	Parish Only Band D £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Kirknewton	2,550	61.11	41.73	1,412.13	1,647.49	1,882.84	2,118.20	2,588.91	3,059.63	3,530.33	4,236.40
Kyloe	1,200	155.28	7.73	1,389.46	1,621.04	1,852.62	2,084.20	2,547.36	3,010.52	3,473.66	4,168.40
Lesbury	17,000	508.65	33.42	1,406.59	1,641.02	1,875.46	2,109.89	2,578.76	3,047.62	3,516.48	4,219.78
Longframlington	10,000	624.15	16.02	1,394.99	1,627.49	1,859.99	2,092.49	2,557.49	3,022.49	3,487.48	4,184.98
Longhirst	8,000	240.57	33.25	1,406.48	1,640.89	1,875.31	2,109.72	2,578.55	3,047.38	3,516.20	4,219.44
Longhorsley	28,560	388.86	73.45	1,433.28	1,672.16	1,911.04	2,149.92	2,627.68	3,105.44	3,583.20	4,299.84
Longhoughton	26,798	636.79	42.08	1,412.36	1,647.76	1,883.15	2,118.55	2,589.34	3,060.13	3,530.91	4,237.10
Lowick	6,000	240.99	24.90	1,400.91	1,634.40	1,867.88	2,101.37	2,568.34	3,035.32	3,502.28	4,202.74
Meldon	2,345	134.06	17.49	1,395.97	1,628.63	1,861.30	2,093.96	2,559.29	3,024.61	3,489.93	4,187.92
Milfield	3,700	94.36	39.21	1,410.45	1,645.53	1,880.60	2,115.68	2,585.83	3,055.99	3,526.13	4,231.36
Mitford	9,300	265.52	35.03	1,407.66	1,642.28	1,876.89	2,111.50	2,580.72	3,049.95	3,519.16	4,223.00
Morpeth Town Council	759,515	6,067.38	125.18	1,467.76	1,712.39	1,957.02	2,201.65	2,690.91	3,180.17	3,669.41	4,403.30
Netherwitton	7,600	136.59	55.64	1,421.40	1,658.31	1,895.21	2,132.11	2,605.91	3,079.72	3,553.51	4,264.22
Newton by the Sea	5,400	124.69	43.31	1,413.18	1,648.72	1,884.25	2,119.78	2,590.84	3,061.91	3,532.96	4,239.56
Newton on the Moor/Swarland	22,000	537.10	40.96	1,411.62	1,646.89	1,882.16	2,117.43	2,587.97	3,058.51	3,529.05	4,234.86
Norham	5,800	232.06	24.99	1,400.97	1,634.47	1,867.96	2,101.46	2,568.45	3,035.45	3,502.43	4,202.92
North Sunderland	18,000	855.83	21.03	1,401.32	1,634.87	1,868.42	2,101.98	2,569.09	3,036.20	3,503.30	4,203.96
Nunnykirk	2,136	66.59	32.08	1,405.70	1,639.98	1,874.27	2,108.55	2,577.12	3,045.69	3,514.25	4,217.10
Ord	29,250	603.55	48.46	1,416.62	1,652.72	1,888.83	2,124.93	2,597.14	3,069.35	3,541.55	4,249.86
Pegswood	127,791	995.06	128.43	1,469.93	1,714.92	1,959.91	2,204.90	2,694.88	3,184.86	3,674.83	4,409.80
Rennington	8,742	196.46	44.50	1,413.98	1,649.64	1,885.31	2,120.97	2,592.30	3,063.63	3,534.95	4,241.94
Rothbury	110,641	999.31	110.72	1,458.12	1,701.15	1,944.17	2,187.19	2,673.23	3,159.28	3,645.31	4,374.38
Shilbottle	36,210	525.41	68.92	1,430.26	1,668.63	1,907.01	2,145.39	2,622.15	3,098.90	3,575.65	4,290.78
Shoreswood	883	42.25	20.90	1,398.24	1,631.29	1,864.33	2,097.37	2,563.45	3,029.54	3,495.61	4,194.74
Snitter	1,881	46.28	40.64	1,411.40	1,646.64	1,881.87	2,117.11	2,587.58	3,058.05	3,528.51	4,234.22
Stannington	36,100	1,054.30	34.24	1,407.14	1,641.66	1,876.19	2,110.71	2,579.76	3,048.81	3,517.85	4,221.42
Thirston	10,500	295.89	35.49	1,407.97	1,642.63	1,877.30	2,111.96	2,581.29	3,050.61	3,519.93	4,223.92
Thropton	16,071	247.71	64.88	1,427.56	1,665.49	1,903.42	2,141.35	2,617.21	3,093.07	3,568.91	4,282.70
Tillside	4,950	319.92	15.47	1,394.62	1,627.06	1,859.50	2,091.94	2,556.82	3,021.70	3,486.56	4,183.88
Togston	6,556	114.29	57.36	1,422.55	1,659.64	1,896.74	2,133.83	2,608.02	3,082.20	3,556.38	4,267.66
Tritlington & West Chevington	5,900	150.39	39.23	1,410.46	1,645.54	1,880.62	2,115.70	2,585.86	3,056.02	3,526.16	4,231.40
Ulgham	11,600	172.01	67.44	1,429.27	1,667.48	1,905.70	2,143.91	2,620.34	3,096.76	3,573.18	4,287.82
Wallington	3,500	152.59	22.94	1,399.60	1,632.87	1,866.14	2,099.41	2,565.95	3,032.49	3,499.01	4,198.82
Warkworth	69,700	939.31	74.20	1,433.78	1,672.74	1,911.71	2,150.67	2,628.60	3,106.53	3,584.45	4,301.34
Whittingham, Callaly & Alnham	9,470	310.25	30.52	1,404.66	1,638.77	1,872.88	2,106.99	2,575.21	3,043.43	3,511.65	4,213.98
Whitton & Tosson	5,500	65.64	83.79	1,440.17	1,680.20	1,920.23	2,160.26	2,640.32	3,120.38	3,600.43	4,320.52
Widdrington Station and Stobswood	75,566	838.88	90.08	1,444.36	1,685.09	1,925.82	2,166.55	2,648.01	3,129.47	3,610.91	4,333.10
Widdrington Village	7,400	72.44	102.15	1,452.41	1,694.48	1,936.55	2,178.62	2,662.76	3,146.90	3,631.03	4,357.24
Wooler	33,717	783.20	43.05	1,413.01	1,648.51	1,884.02	2,119.52	2,590.53	3,061.53	3,532.53	4,239.04
	<b>2,864,072</b>	<b>37,245.60</b>									

Summary of Council Tax by Parish (excluding Northumbria Police Precept)

Parish	£ 2024-25 Parish Precept	2024-25 Taxbase	Parish Only Band D £	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
<b>South East</b>											
Ashington	899,950	7,994.79	112.57	1,459.36	1,702.58	1,945.81	2,189.04	2,675.50	3,161.95	3,648.40	4,378.08
Blyth Town Council	1,448,766	10,696.66	135.44	1,474.60	1,720.37	1,966.14	2,211.91	2,703.45	3,194.99	3,686.51	4,423.82
Choppington	448,966	2,608.90	172.09	1,499.04	1,748.88	1,998.72	2,248.56	2,748.24	3,247.92	3,747.60	4,497.12
Cramlington Town Council	1,154,000	9,162.03	125.95	1,468.28	1,712.99	1,957.71	2,202.42	2,691.85	3,181.28	3,670.70	4,404.84
East Bedlington	300,549	2,101.74	143.00	1,479.64	1,726.25	1,972.86	2,219.47	2,712.69	3,205.91	3,699.11	4,438.94
Ellington & Linton	65,000	981.10	66.25	1,428.48	1,666.56	1,904.64	2,142.72	2,618.88	3,095.04	3,571.20	4,285.44
Lynemouth	31,000	383.23	80.89	1,438.24	1,677.94	1,917.65	2,157.36	2,636.78	3,116.19	3,595.60	4,314.72
Newbiggin by the Sea	275,509	1,485.02	185.53	1,508.00	1,759.33	2,010.67	2,262.00	2,764.67	3,267.34	3,770.00	4,524.00
Seaton Valley	622,320	4,842.62	128.51	1,469.98	1,714.98	1,959.98	2,204.98	2,694.98	3,184.98	3,674.96	4,409.96
West Bedlington	286,494	3,355.26	85.39	1,441.24	1,681.44	1,921.65	2,161.86	2,642.28	3,122.69	3,603.10	4,323.72
	<b>5,532,554</b>	<b>43,611.35</b>									
<b>West</b>											
Acomb	59,000	517.03	114.11	1,460.38	1,703.78	1,947.18	2,190.58	2,677.38	3,164.18	3,650.96	4,381.16
Allendale	43,000	864.84	49.72	1,417.46	1,653.70	1,889.95	2,126.19	2,598.68	3,071.17	3,543.65	4,252.38
Bardon Mill	5,180	186.90	27.72	1,402.79	1,636.59	1,870.39	2,104.19	2,571.79	3,039.39	3,506.98	4,208.38
Bavington	1,600	48.60	32.92	1,406.26	1,640.63	1,875.01	2,109.39	2,578.15	3,046.90	3,515.65	4,218.78
Bellingham	38,000	439.34	86.49	1,441.97	1,682.30	1,922.63	2,162.96	2,643.62	3,124.28	3,604.93	4,325.92
Belsay	5,000	257.19	19.44	1,397.27	1,630.15	1,863.03	2,095.91	2,561.67	3,027.43	3,493.18	4,191.82
Birtley	4,115	82.40	49.94	1,417.60	1,653.87	1,890.14	2,126.41	2,598.95	3,071.49	3,544.01	4,252.82
Blanchland	1,610	60.83	26.47	1,401.96	1,635.62	1,869.28	2,102.94	2,570.26	3,037.58	3,504.90	4,205.88
Broomhaugh & Riding	49,600	481.07	103.10	1,453.04	1,695.22	1,937.39	2,179.57	2,663.92	3,148.27	3,632.61	4,359.14
Bywell	10,500	198.59	52.87	1,419.56	1,656.15	1,892.75	2,129.34	2,602.53	3,075.72	3,548.90	4,258.68
Capheaton	3,045	80.69	37.74	1,409.47	1,644.38	1,879.30	2,114.21	2,584.04	3,053.86	3,523.68	4,228.42
Chollerton	8,000	328.39	24.36	1,400.55	1,633.98	1,867.40	2,100.83	2,567.68	3,034.54	3,501.38	4,201.66
Coanwood	4,200	87.52	47.99	1,416.30	1,652.36	1,888.41	2,124.46	2,596.56	3,068.67	3,540.76	4,248.92
Corbridge	168,000	1,901.83	88.34	1,443.20	1,683.74	1,924.27	2,164.81	2,645.88	3,126.95	3,608.01	4,329.62
Corsenside	10,000	203.45	49.15	1,417.08	1,653.26	1,889.44	2,125.62	2,597.98	3,070.34	3,542.70	4,251.24
Falstone	4,450	86.77	51.29	1,418.50	1,654.92	1,891.34	2,127.76	2,600.60	3,073.44	3,546.26	4,255.52
Featherstone	2,900	58.54	49.54	1,417.34	1,653.56	1,889.79	2,126.01	2,598.46	3,070.91	3,543.35	4,252.02
Greenhead	9,240	131.81	70.10	1,431.04	1,669.55	1,908.06	2,146.57	2,623.59	3,100.61	3,577.61	4,293.14
Haltwhistle Town Council	150,000	1,120.79	133.83	1,473.53	1,719.12	1,964.71	2,210.30	2,701.48	3,192.66	3,683.83	4,420.60
Hartleyburn	0	47.42	0.00	1,384.31	1,615.03	1,845.75	2,076.47	2,537.91	2,999.35	3,460.78	4,152.94
Haydon	52,000	820.53	63.37	1,426.56	1,664.32	1,902.08	2,139.84	2,615.36	3,090.88	3,566.40	4,279.68
Healey	3,000	77.09	38.92	1,410.26	1,645.30	1,880.35	2,115.39	2,585.48	3,055.57	3,525.65	4,230.78
Heddon On The Wall	42,638	659.24	64.68	1,427.43	1,665.34	1,903.24	2,141.15	2,616.96	3,092.78	3,568.58	4,282.30
Hedley	8,250	118.44	69.66	1,430.75	1,669.21	1,907.67	2,146.13	2,623.05	3,099.97	3,576.88	4,292.26
Henshaw	16,940	265.41	63.83	1,426.86	1,664.68	1,902.49	2,140.30	2,615.92	3,091.55	3,567.16	4,280.60
Hexham Town Council	514,000	4,469.76	114.99	1,460.97	1,704.47	1,947.96	2,191.46	2,678.45	3,165.45	3,652.43	4,382.92
Hexhamshire & District	9,000	325.60	27.64	1,402.74	1,636.53	1,870.32	2,104.11	2,571.69	3,039.27	3,506.85	4,208.22
Horsley	12,000	181.09	66.27	1,428.49	1,666.57	1,904.66	2,142.74	2,618.91	3,095.07	3,571.23	4,285.48
Humshaugh	13,000	343.94	37.80	1,409.51	1,644.43	1,879.35	2,114.27	2,584.11	3,053.95	3,523.78	4,228.54
Kielder	11,750	68.09	172.57	1,499.36	1,749.25	1,999.15	2,249.04	2,748.83	3,248.62	3,748.40	4,498.08
Kirkwhelpington	8,000	157.62	50.75	1,418.14	1,654.50	1,890.86	2,127.22	2,599.94	3,072.66	3,545.36	4,254.44
Knaresdale with Kirkhaugh	5,109	133.27	38.34	1,409.87	1,644.85	1,879.83	2,114.81	2,584.77	3,054.73	3,524.68	4,229.62
Matfen	12,000	273.50	43.88	1,413.56	1,649.16	1,884.75	2,120.35	2,591.54	3,062.73	3,533.91	4,240.70
Melkridge	5,500	90.26	60.94	1,424.94	1,662.43	1,899.92	2,137.41	2,612.39	3,087.37	3,562.35	4,274.82
Newbrough	12,000	211.19	56.82	1,422.19	1,659.22	1,896.26	2,133.29	2,607.36	3,081.42	3,555.48	4,266.58
Otterburn	6,582	232.48	28.31	1,403.18	1,637.05	1,870.91	2,104.78	2,572.51	3,040.24	3,507.96	4,209.56
Ovingham	15,300	397.97	38.45	1,409.94	1,644.94	1,879.93	2,114.92	2,584.90	3,054.89	3,524.86	4,229.84
Ovington	6,500	203.32	31.97	1,405.62	1,639.90	1,874.17	2,108.44	2,576.98	3,045.53	3,514.06	4,216.88
Plenneller with Whitfield	3,098	85.76	36.12	1,408.39	1,643.12	1,877.86	2,112.59	2,582.06	3,051.52	3,520.98	4,225.18

Summary of Council Tax by Parish (excluding Northumbria Police Precept)

Parish	£	2024-25 Taxbase	Parish	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	2024-25 Parish Precept		Only Band D								
	£		£	£	£	£	£	£	£	£	£
Ponteland Town Council	458,576	6,207.88	73.87	1,433.56	1,672.48	1,911.41	2,150.34	2,628.20	3,106.05	3,583.90	4,300.68
Prudhoe Town Council	425,544	3,508.62	121.29	1,465.17	1,709.37	1,953.56	2,197.76	2,686.15	3,174.55	3,662.93	4,395.52
Rochester	7,500	111.29	67.39	1,429.24	1,667.44	1,905.65	2,143.86	2,620.28	3,096.69	3,573.10	4,287.72
Sandhoe	7,000	207.15	33.79	1,406.84	1,641.31	1,875.79	2,110.26	2,579.21	3,048.16	3,517.10	4,220.52
Shotley Low Quarter	8,000	265.92	30.08	1,404.36	1,638.43	1,872.49	2,106.55	2,574.67	3,042.80	3,510.91	4,213.10
Simonburn	4,500	65.53	68.67	1,430.09	1,668.44	1,906.79	2,145.14	2,621.84	3,098.54	3,575.23	4,290.28
Slaley	13,400	356.18	37.62	1,409.39	1,644.29	1,879.19	2,114.09	2,583.89	3,053.69	3,523.48	4,228.18
Stamfordham	5,500	418.30	13.15	1,393.08	1,625.26	1,857.44	2,089.62	2,553.98	3,018.34	3,482.70	4,179.24
Stocksfield	105,016	1,323.65	79.34	1,437.20	1,676.74	1,916.27	2,155.81	2,634.88	3,113.95	3,593.01	4,311.62
Tarset with Greystead	5,000	136.44	36.65	1,408.74	1,643.54	1,878.33	2,113.12	2,582.70	3,052.29	3,521.86	4,226.24
Thirlwall	6,300	170.27	37.00	1,408.98	1,643.81	1,878.64	2,113.47	2,583.13	3,052.79	3,522.45	4,226.94
Wall	8,744	210.27	41.58	1,412.03	1,647.37	1,882.71	2,118.05	2,588.73	3,059.41	3,530.08	4,236.10
Warden	10,000	261.33	38.27	1,409.82	1,644.80	1,879.77	2,114.74	2,584.68	3,054.63	3,524.56	4,229.48
Wark	13,200	273.71	48.23	1,416.46	1,652.54	1,888.62	2,124.70	2,596.86	3,069.02	3,541.16	4,249.40
West Allen	1,029	121.27	8.49	1,389.97	1,621.63	1,853.30	2,084.96	2,548.29	3,011.61	3,474.93	4,169.92
Whalton	8,000	278.15	28.76	1,403.48	1,637.40	1,871.31	2,105.23	2,573.06	3,040.89	3,508.71	4,210.46
Whittington	6,500	235.43	27.61	1,402.72	1,636.50	1,870.29	2,104.08	2,571.66	3,039.23	3,506.80	4,208.16
Wylam	54,000	878.56	61.46	1,425.28	1,662.83	1,900.38	2,137.93	2,613.03	3,088.13	3,563.21	4,275.86
	<b>2,481,916</b>	<b>31,328.51</b>									
	<b>10,878,542</b>	<b>112,185.46</b>									

Average Parish Council Tax Band D

96.97

Summary of Total Council Tax by Parish

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
<b>North</b>								
Acklington	1,529.98	1,784.97	2,039.98	2,294.97	2,804.97	3,314.96	3,824.95	4,589.94
Adderstone with Lucker	1,518.41	1,771.48	2,024.55	2,277.62	2,783.76	3,289.90	3,796.03	4,555.24
Akeld (no parish council)	1,505.54	1,756.46	2,007.39	2,258.31	2,760.16	3,262.01	3,763.85	4,516.62
Alnmouth	1,540.09	1,796.77	2,053.46	2,310.14	2,823.51	3,336.88	3,850.23	4,620.28
Alnwick	1,598.93	1,865.41	2,131.91	2,398.39	2,931.37	3,464.35	3,997.32	4,796.78
Alwinton	1,518.47	1,771.55	2,024.63	2,277.71	2,783.87	3,290.03	3,796.18	4,555.42
Amble	1,588.66	1,853.43	2,118.22	2,382.99	2,912.55	3,442.10	3,971.65	4,765.98
Ancroft	1,523.66	1,777.60	2,031.55	2,285.49	2,793.38	3,301.27	3,809.15	4,570.98
Bamburgh	1,531.49	1,786.73	2,041.99	2,297.23	2,807.73	3,318.23	3,828.72	4,594.46
Beadnell	1,522.93	1,776.74	2,030.57	2,284.39	2,792.04	3,299.68	3,807.32	4,568.78
Belford with Middleton	1,517.09	1,769.94	2,022.79	2,275.64	2,781.34	3,287.04	3,792.73	4,551.28
Berwick-upon-Tweed Town Council	1,575.09	1,837.60	2,100.12	2,362.63	2,887.66	3,412.69	3,937.72	4,725.26
Bewick (no parish council)	1,505.54	1,756.46	2,007.39	2,258.31	2,760.16	3,262.01	3,763.85	4,516.62
Biddlestone & Netherton	1,515.71	1,768.33	2,020.95	2,273.57	2,778.81	3,284.05	3,789.28	4,547.14
Bowsden	1,515.87	1,768.51	2,021.16	2,273.80	2,779.09	3,284.38	3,789.67	4,547.60
Branxton	1,505.54	1,756.46	2,007.39	2,258.31	2,760.16	3,262.01	3,763.85	4,516.62
Brinkburn & Hesleyhurst - Brinkburn	1,542.01	1,799.01	2,056.02	2,313.02	2,827.03	3,341.04	3,855.03	4,626.04
Brinkburn & Hesleyhurst - Hesleyhurst	1,569.39	1,830.95	2,092.52	2,354.08	2,877.21	3,400.34	3,923.47	4,708.16
Carham	1,517.23	1,770.10	2,022.98	2,275.85	2,781.60	3,287.35	3,793.08	4,551.70
Cheviotside (no parish council)	1,505.54	1,756.46	2,007.39	2,258.31	2,760.16	3,262.01	3,763.85	4,516.62
Cornhill	1,526.92	1,781.40	2,035.90	2,290.38	2,799.36	3,308.33	3,817.30	4,580.76
Craster	1,550.29	1,808.66	2,067.05	2,325.43	2,842.20	3,358.96	3,875.72	4,650.86
Cresswell	1,542.56	1,799.65	2,056.75	2,313.84	2,828.03	3,342.22	3,856.40	4,627.68
Denwick	1,509.07	1,760.57	2,012.09	2,263.60	2,766.63	3,269.65	3,772.67	4,527.20
Doddington	1,517.67	1,770.61	2,023.56	2,276.50	2,782.39	3,288.28	3,794.17	4,553.00
Duddo	1,511.73	1,763.68	2,015.64	2,267.59	2,771.50	3,275.41	3,779.32	4,535.18
Earle (no parish council)	1,505.54	1,756.46	2,007.39	2,258.31	2,760.16	3,262.01	3,763.85	4,516.62
East Chevington	1,553.41	1,812.30	2,071.21	2,330.11	2,847.92	3,365.72	3,883.52	4,660.22
Edlingham	1,510.62	1,762.39	2,014.16	2,265.93	2,769.47	3,273.02	3,776.55	4,531.86
Eglingham	1,530.47	1,785.55	2,040.63	2,295.71	2,805.87	3,316.03	3,826.18	4,591.42
Ellingham	1,521.69	1,775.31	2,028.93	2,282.54	2,789.77	3,297.01	3,804.23	4,565.08
Elsdon	1,518.23	1,771.27	2,024.31	2,277.35	2,783.43	3,289.51	3,795.58	4,554.70
Embleton	1,524.96	1,779.12	2,033.28	2,287.44	2,795.76	3,304.09	3,812.40	4,574.88

Summary of Total Council Tax by Parish

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Ewart (no parish council)	1,505.54	1,756.46	2,007.39	2,258.31	2,760.16	3,262.01	3,763.85	4,516.62
Felton	1,560.33	1,820.38	2,080.44	2,340.49	2,860.60	3,380.71	3,900.82	4,680.98
Ford	1,517.11	1,769.95	2,022.81	2,275.66	2,781.37	3,287.07	3,792.77	4,551.32
Glanton	1,517.14	1,769.99	2,022.86	2,275.71	2,781.43	3,287.14	3,792.85	4,551.42
Harbottle	1,513.03	1,765.20	2,017.38	2,269.55	2,773.90	3,278.25	3,782.58	4,539.10
Hartburn	1,526.89	1,781.36	2,035.85	2,290.33	2,799.30	3,308.26	3,817.22	4,580.66
Hauxley	1,555.54	1,814.79	2,074.06	2,333.31	2,851.83	3,370.34	3,888.85	4,666.62
Hebron	1,511.81	1,763.78	2,015.75	2,267.72	2,771.66	3,275.60	3,779.53	4,535.44
Hedgeley	1,528.62	1,783.39	2,038.16	2,292.93	2,802.47	3,312.02	3,821.55	4,585.86
Hepple	1,515.88	1,768.52	2,021.18	2,273.82	2,779.12	3,284.41	3,789.70	4,547.64
Hepscott	1,518.16	1,771.18	2,024.22	2,277.24	2,783.30	3,289.35	3,795.40	4,554.48
Hollinghill & Rothley - Hollinghill	1,538.93	1,795.41	2,051.91	2,308.39	2,821.37	3,334.35	3,847.32	4,616.78
Hollinghill & Rothley - Rothley	1,511.68	1,763.62	2,015.58	2,267.52	2,771.42	3,275.31	3,779.20	4,535.04
Holy Island	1,508.86	1,760.33	2,011.82	2,263.29	2,766.25	3,269.20	3,772.15	4,526.58
Horncliffe	1,549.81	1,808.11	2,066.42	2,324.72	2,841.33	3,357.94	3,874.53	4,649.44
Ingram	1,513.87	1,766.17	2,018.49	2,270.80	2,775.43	3,280.05	3,784.67	4,541.60
Kilham (no parish council)	1,505.54	1,756.46	2,007.39	2,258.31	2,760.16	3,262.01	3,763.85	4,516.62
Kirknewton	1,533.36	1,788.92	2,044.48	2,300.04	2,811.16	3,322.29	3,833.40	4,600.08
Kyloe	1,510.69	1,762.47	2,014.26	2,266.04	2,769.61	3,273.18	3,776.73	4,532.08
Lesbury	1,527.82	1,782.45	2,037.10	2,291.73	2,801.01	3,310.28	3,819.55	4,583.46
Longframlington	1,516.22	1,768.92	2,021.63	2,274.33	2,779.74	3,285.15	3,790.55	4,548.66
Longhirst	1,527.71	1,782.32	2,036.95	2,291.56	2,800.80	3,310.04	3,819.27	4,583.12
Longhorsley	1,554.51	1,813.59	2,072.68	2,331.76	2,849.93	3,368.10	3,886.27	4,663.52
Longhoughton	1,533.59	1,789.19	2,044.79	2,300.39	2,811.59	3,322.79	3,833.98	4,600.78
Lowick	1,522.14	1,775.83	2,029.52	2,283.21	2,790.59	3,297.98	3,805.35	4,566.42
Meldon	1,517.20	1,770.06	2,022.94	2,275.80	2,781.54	3,287.27	3,793.00	4,551.60
Milfield	1,531.68	1,786.96	2,042.24	2,297.52	2,808.08	3,318.65	3,829.20	4,595.04
Mitford	1,528.89	1,783.71	2,038.53	2,293.34	2,802.97	3,312.61	3,822.23	4,586.68
Morpeth Town Council	1,588.99	1,853.82	2,118.66	2,383.49	2,913.16	3,442.83	3,972.48	4,766.98
Netherwitton	1,542.63	1,799.74	2,056.85	2,313.95	2,828.16	3,342.38	3,856.58	4,627.90
Newton by the Sea	1,534.41	1,790.15	2,045.89	2,301.62	2,813.09	3,324.57	3,836.03	4,603.24
Newton on the Moor/Swarland	1,532.85	1,788.32	2,043.80	2,299.27	2,810.22	3,321.17	3,832.12	4,598.54
Norham	1,522.20	1,775.90	2,029.60	2,283.30	2,790.70	3,298.11	3,805.50	4,566.60
North Sunderland	1,522.55	1,776.30	2,030.06	2,283.82	2,791.34	3,298.86	3,806.37	4,567.64
Nunykirk	1,526.93	1,781.41	2,035.91	2,290.39	2,799.37	3,308.35	3,817.32	4,580.78
Ord	1,537.85	1,794.15	2,050.47	2,306.77	2,819.39	3,332.01	3,844.62	4,613.54
Pegswood	1,591.16	1,856.35	2,121.55	2,386.74	2,917.13	3,447.52	3,977.90	4,773.48



Summary of Total Council Tax by Parish

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Rennington	1,535.21	1,791.07	2,046.95	2,302.81	2,814.55	3,326.29	3,838.02	4,605.62
Rothbury	1,579.35	1,842.58	2,105.81	2,369.03	2,895.48	3,421.94	3,948.38	4,738.06
Shilbottle	1,551.49	1,810.06	2,068.65	2,327.23	2,844.40	3,361.56	3,878.72	4,654.46
Shoreswood	1,519.47	1,772.72	2,025.97	2,279.21	2,785.70	3,292.20	3,798.68	4,558.42
Snitter	1,532.63	1,788.07	2,043.51	2,298.95	2,809.83	3,320.71	3,831.58	4,597.90
Stannington	1,528.37	1,783.09	2,037.83	2,292.55	2,802.01	3,311.47	3,820.92	4,585.10
Thirston	1,529.20	1,784.06	2,038.94	2,293.80	2,803.54	3,313.27	3,823.00	4,587.60
Thropton	1,548.79	1,806.92	2,065.06	2,323.19	2,839.46	3,355.73	3,871.98	4,646.38
Tillside	1,515.85	1,768.49	2,021.14	2,273.78	2,779.07	3,284.36	3,789.63	4,547.56
Togston	1,543.78	1,801.07	2,058.38	2,315.67	2,830.27	3,344.86	3,859.45	4,631.34
Tritlington & West Chevington	1,531.69	1,786.97	2,042.26	2,297.54	2,808.11	3,318.68	3,829.23	4,595.08
Ulgham	1,550.50	1,808.91	2,067.34	2,325.75	2,842.59	3,359.42	3,876.25	4,651.50
Wallington	1,520.83	1,774.30	2,027.78	2,281.25	2,788.20	3,295.15	3,802.08	4,562.50
Warkworth	1,555.01	1,814.17	2,073.35	2,332.51	2,850.85	3,369.19	3,887.52	4,665.02
Whittingham, Callaly & Alnham	1,525.89	1,780.20	2,034.52	2,288.83	2,797.46	3,306.09	3,814.72	4,577.66
Whitton & Tosson	1,561.40	1,821.63	2,081.87	2,342.10	2,862.57	3,383.04	3,903.50	4,684.20
Widdrington Station and Stobswood	1,565.59	1,826.52	2,087.46	2,348.39	2,870.26	3,392.13	3,913.98	4,696.78
Widdrington Village	1,573.64	1,835.91	2,098.19	2,360.46	2,885.01	3,409.56	3,934.10	4,720.92
Wooler	1,534.24	1,789.94	2,045.66	2,301.36	2,812.78	3,324.19	3,835.60	4,602.72
<b><u>South East</u></b>								
Ashington	1,580.59	1,844.01	2,107.45	2,370.88	2,897.75	3,424.61	3,951.47	4,741.76
Blyth Town Council	1,595.83	1,861.80	2,127.78	2,393.75	2,925.70	3,457.65	3,989.58	4,787.50
Choppington	1,620.27	1,890.31	2,160.36	2,430.40	2,970.49	3,510.58	4,050.67	4,860.80
Cramlington Town Council	1,589.51	1,854.42	2,119.35	2,384.26	2,914.10	3,443.94	3,973.77	4,768.52
East Bedlington	1,600.87	1,867.68	2,134.50	2,401.31	2,934.94	3,468.57	4,002.18	4,802.62
Ellington & Linton	1,549.71	1,807.99	2,066.28	2,324.56	2,841.13	3,357.70	3,874.27	4,649.12
Lynemouth	1,559.47	1,819.37	2,079.29	2,339.20	2,859.03	3,378.85	3,898.67	4,678.40
Newbiggin by the Sea	1,629.23	1,900.76	2,172.31	2,443.84	2,986.92	3,530.00	4,073.07	4,887.68
Seaton Valley	1,591.21	1,856.41	2,121.62	2,386.82	2,917.23	3,447.64	3,978.03	4,773.64
West Bedlington	1,562.47	1,822.87	2,083.29	2,343.70	2,864.53	3,385.35	3,906.17	4,687.40
<b><u>West</u></b>								
Acomb	1,581.61	1,845.21	2,108.82	2,372.42	2,899.63	3,426.84	3,954.03	4,744.84
Allendale	1,538.69	1,795.13	2,051.59	2,308.03	2,820.93	3,333.83	3,846.72	4,616.06
Bardon Mill	1,524.02	1,778.02	2,032.03	2,286.03	2,794.04	3,302.05	3,810.05	4,572.06
Bavington	1,527.49	1,782.06	2,036.65	2,291.23	2,800.40	3,309.56	3,818.72	4,582.46

Summary of Total Council Tax by Parish

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Bellingham	1,563.20	1,823.73	2,084.27	2,344.80	2,865.87	3,386.94	3,908.00	4,689.60
Belsay	1,518.50	1,771.58	2,024.67	2,277.75	2,783.92	3,290.09	3,796.25	4,555.50
Birtley	1,538.83	1,795.30	2,051.78	2,308.25	2,821.20	3,334.15	3,847.08	4,616.50
Blanchland	1,523.19	1,777.05	2,030.92	2,284.78	2,792.51	3,300.24	3,807.97	4,569.56
Broomhaugh & Riding	1,574.27	1,836.65	2,099.03	2,361.41	2,886.17	3,410.93	3,935.68	4,722.82
Bywell	1,540.79	1,797.58	2,054.39	2,311.18	2,824.78	3,338.38	3,851.97	4,622.36
Capheaton	1,530.70	1,785.81	2,040.94	2,296.05	2,806.29	3,316.52	3,826.75	4,592.10
Chollerton	1,521.78	1,775.41	2,029.04	2,282.67	2,789.93	3,297.20	3,804.45	4,565.34
Coanwood	1,537.53	1,793.79	2,050.05	2,306.30	2,818.81	3,331.33	3,843.83	4,612.60
Corbridge	1,564.43	1,825.17	2,085.91	2,346.65	2,868.13	3,389.61	3,911.08	4,693.30
Corsenside	1,538.31	1,794.69	2,051.08	2,307.46	2,820.23	3,333.00	3,845.77	4,614.92
Falstone	1,539.73	1,796.35	2,052.98	2,309.60	2,822.85	3,336.10	3,849.33	4,619.20
Featherstone	1,538.57	1,794.99	2,051.43	2,307.85	2,820.71	3,333.57	3,846.42	4,615.70
Greenhead	1,552.27	1,810.98	2,069.70	2,328.41	2,845.84	3,363.27	3,880.68	4,656.82
Haltwhistle Town Council	1,594.76	1,860.55	2,126.35	2,392.14	2,923.73	3,455.32	3,986.90	4,784.28
Hartleyburn	1,505.54	1,756.46	2,007.39	2,258.31	2,760.16	3,262.01	3,763.85	4,516.62
Haydon	1,547.79	1,805.75	2,063.72	2,321.68	2,837.61	3,353.54	3,869.47	4,643.36
Healey	1,531.49	1,786.73	2,041.99	2,297.23	2,807.73	3,318.23	3,828.72	4,594.46
Heddon On The Wall	1,548.66	1,806.77	2,064.88	2,322.99	2,839.21	3,355.44	3,871.65	4,645.98
Hedley	1,551.98	1,810.64	2,069.31	2,327.97	2,845.30	3,362.63	3,879.95	4,655.94
Henshaw	1,548.09	1,806.11	2,064.13	2,322.14	2,838.17	3,354.21	3,870.23	4,644.28
Hexham Town Council	1,582.20	1,845.90	2,109.60	2,373.30	2,900.70	3,428.11	3,955.50	4,746.60
Hexhamshire & District	1,523.97	1,777.96	2,031.96	2,285.95	2,793.94	3,301.93	3,809.92	4,571.90
Horsley	1,549.72	1,808.00	2,066.30	2,324.58	2,841.16	3,357.73	3,874.30	4,649.16
Humshaugh	1,530.74	1,785.86	2,040.99	2,296.11	2,806.36	3,316.61	3,826.85	4,592.22
Kielder	1,620.59	1,890.68	2,160.79	2,430.88	2,971.08	3,511.28	4,051.47	4,861.76
Kirkwhelpington	1,539.37	1,795.93	2,052.50	2,309.06	2,822.19	3,335.32	3,848.43	4,618.12
Knaresdale with Kirkhaugh	1,531.10	1,786.28	2,041.47	2,296.65	2,807.02	3,317.39	3,827.75	4,593.30
Matfen	1,534.79	1,790.59	2,046.39	2,302.19	2,813.79	3,325.39	3,836.98	4,604.38
Melkridge	1,546.17	1,803.86	2,061.56	2,319.25	2,834.64	3,350.03	3,865.42	4,638.50
Newbrough	1,543.42	1,800.65	2,057.90	2,315.13	2,829.61	3,344.08	3,858.55	4,630.26
Otterburn	1,524.41	1,778.48	2,032.55	2,286.62	2,794.76	3,302.90	3,811.03	4,573.24
Ovingham	1,531.17	1,786.37	2,041.57	2,296.76	2,807.15	3,317.55	3,827.93	4,593.52
Ovington	1,526.85	1,781.33	2,035.81	2,290.28	2,799.23	3,308.19	3,817.13	4,580.56
Plenmeller with Whitfield	1,529.62	1,784.55	2,039.50	2,294.43	2,804.31	3,314.18	3,824.05	4,588.86
Ponteland Town Council	1,554.79	1,813.91	2,073.05	2,332.18	2,850.45	3,368.71	3,886.97	4,664.36
Prudhoe Town Council	1,586.40	1,850.80	2,115.20	2,379.60	2,908.40	3,437.21	3,966.00	4,759.20

**Summary of Total Council Tax by Parish**

**Appendix 3**

<b>Parish</b>	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Rochester	1,550.47	1,808.87	2,067.29	2,325.70	2,842.53	3,359.35	3,876.17	4,651.40
Sandhoe	1,528.07	1,782.74	2,037.43	2,292.10	2,801.46	3,310.82	3,820.17	4,584.20
Shotley Low Quarter	1,525.59	1,779.86	2,034.13	2,288.39	2,796.92	3,305.46	3,813.98	4,576.78
Simonburn	1,551.32	1,809.87	2,068.43	2,326.98	2,844.09	3,361.20	3,878.30	4,653.96
Slaley	1,530.62	1,785.72	2,040.83	2,295.93	2,806.14	3,316.35	3,826.55	4,591.86
Stamfordham	1,514.31	1,766.69	2,019.08	2,271.46	2,776.23	3,281.00	3,785.77	4,542.92
Stocksfield	1,558.43	1,818.17	2,077.91	2,337.65	2,857.13	3,376.61	3,896.08	4,675.30
Tarset with Greystead	1,529.97	1,784.97	2,039.97	2,294.96	2,804.95	3,314.95	3,824.93	4,589.92
Thirlwall	1,530.21	1,785.24	2,040.28	2,295.31	2,805.38	3,315.45	3,825.52	4,590.62
Wall	1,533.26	1,788.80	2,044.35	2,299.89	2,810.98	3,322.07	3,833.15	4,599.78
Warden	1,531.05	1,786.23	2,041.41	2,296.58	2,806.93	3,317.29	3,827.63	4,593.16
Wark	1,537.69	1,793.97	2,050.26	2,306.54	2,819.11	3,331.68	3,844.23	4,613.08
West Allen	1,511.20	1,763.06	2,014.94	2,266.80	2,770.54	3,274.27	3,778.00	4,533.60
Whalton	1,524.71	1,778.83	2,032.95	2,287.07	2,795.31	3,303.55	3,811.78	4,574.14
Whittington	1,523.95	1,777.93	2,031.93	2,285.92	2,793.91	3,301.89	3,809.87	4,571.84
Wylam	1,546.51	1,804.26	2,062.02	2,319.77	2,835.28	3,350.79	3,866.28	4,639.54

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## Northumberland County Council

Council

21 February 2024

### Corporate Fraud Policies for 2024-25

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

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

#### 1. **Link to Key Priorities of the Corporate Plan**

The work of the Corporate Fraud Team and counter-fraud activity contributes to the achievement of all priorities in the Council's Corporate Plan. In particular it supports the "Achieving Value for Money" priority of the Corporate Plan 2023-26.

#### 2. **Purpose of report**

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

#### 3. **Recommendations**

- 3.1 County Council is recommended to approve the updated Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy, attached as Appendix 1 and Appendix 2 to this report.

#### 4. **Forward plan date and reason for urgency if applicable**

16 January 2024

#### 5. **Background**

- 5.1 The Council has policies in place which are used by the Corporate Fraud Team in their day to day work. These policies reflect mandatory requirements and any relevant legislation governing the work of the Corporate Fraud Team.

- 5.2 The policies are regularly reviewed and any updates and amendments are approved in conjunction with the approval of the Budget and Medium Term Financial Plan report considered by the County Council each February.
- 5.3 The following policies have been amended ahead of the 2024-25 financial year:
- Anti-Money Laundering Policy (see Appendix 1)
  - Counter Fraud Policy and Bribery and Corruption Policy (incorporated into a new Anti-Fraud, Bribery and Corruption Policy) (see Appendix 2)
- 5.4 The Anti Money Laundering Policy sets out the obligations that impact on certain areas of local authority business and require local authorities to establish internal procedures to help prevent the use of their services for money laundering. This policy has been updated to reflect organisational changes and amendments to legislation and external bodies.
- 5.5 The new Anti-Fraud, Bribery and Corruption Policy incorporates the previous Counter Fraud Policy and Bribery and Corruption Policy into one comprehensive policy document. The new Policy applies to all of the Council's activities and sets out the Council's commitment to the prevention, detection and investigation of internal and external fraud and by working in partnership with other agencies to reduce the incidence of crime and theft against the Council. The amended policy provides a framework to enable employee and elected members to understand arrangements enabling compliance and the reporting and investigation process.
- 5.6 Reports have been updated to reflect latest best practice and guidance.

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

- 6.1 The following decision options are available for consideration by Cabinet:

### Option 1

Cabinet agrees to recommend to County Council to approve the updated Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy, attached as appendices to this report.

### Option 2

Cabinet does not agree to recommend to County Council to approve the updated Anti-Money Laundering Policy and Anti-Fraud, Bribery and Corruption Policy, attached as appendices to this report.

Option 1 is the recommended option. The Council's policies have been updated to reflect changes within the organisation and reflect current best practice and guidance.

## 7. Implications

<b>Policy</b>	The report details amendments made to the County Council's policies covering the work of the Corporate Fraud Team. Policies amended are: <ul style="list-style-type: none"> <li>• Anti-Money Laundering Policy</li> </ul>
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	<ul style="list-style-type: none"> <li>• Anti-Fraud, Bribery and Corruption Policy (formerly Counter Fraud Policy and Bribery and Corruption Policy).</li> </ul>
<b>Finance and value for money</b>	The County Council's policies covering suspected fraud, corruption and theft help to prevent and identify financial losses incurred by the Council and assist in the process of seeking recovery of such sums.
<b>Legal</b>	The County Council has a legal responsibility under the Accounts and Audit Regulations 2015, to ensure that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective, and includes effective arrangements for the management of risk. As part of discharging this responsibility, the County Council has a responsibility to embed effective standards for countering fraud, corruption and bribery into the organisation. This supports good governance and demonstrates effective financial stewardship and strong public financial management.
<b>Procurement</b>	None.
<b>Human resources</b>	None.
<b>Property</b>	None.
<b>The Equalities Act: is a full impact assessment required and attached?</b>	No - no equalities issues identified Equality Impact Assessment not required.
<b>Risk assessment</b>	Work undertaken covered by the policies in this report reduces the risk of financial loss and adverse publicity to the County Council through fraud.
<b>Crime and disorder</b>	Work undertaken covered by the policies in this report reduces the potential opportunities for fraud and corruption within the County Council's activities.
<b>Customer considerations</b>	None.
<b>Carbon reduction</b>	None.
<b>Health and wellbeing</b>	None.

<b>Wards</b>	(All Wards);
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**8. Background papers**

Not applicable.

**9. Links to other key reports already published**

Approval of Revenues and Benefits Policies for 2023-24, Report to Cabinet 14 February 2023.

**10. Author and Contact Details**

Kevin McDonald, Head of Internal Audit and Risk Management (Chief Internal Auditor)

Email: [Kevin.McDonald@northumberland.gov.uk](mailto:Kevin.McDonald@northumberland.gov.uk)





**Northumberland**  
County Council

**Corporate Fraud Team**

# **Anti-Money Laundering Policy**

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## **1 Introduction**

- 1.1 Northumberland County Council is committed to the highest levels of compliance, and probity. This policy clearly outlines the duties and responsibilities of all Council employees, volunteers, elected members and contractors working for and on behalf of the Council.
- 1.2 Legislation places obligations on certain areas of local authority business which require local authorities to establish internal procedures to prevent the use of their services for money laundering.
- 1.3 The legislation in respect of Money Laundering is set out in the following:
- Proceeds of Crime Act 2002 as amended by the Crime and Courts Act 2013 and the Serious Crime Act 2015;
  - The Money Laundering Regulations 2007;
  - The Terrorism Act 2000 as amended by the Anti-Terrorism, Crime and Security Act 2001, the Terrorism Act 2006 and the Terrorism Act 2000 and Proceeds of Crime Act 2002 (Amendment) Regulations 2007
  - Serious Organised Crime and Police Act 2005

## **2 Scope of the Policy**

- 2.1 This Policy applies to all employees of the Council and aims to maintain the high standards of conduct which currently exist within the Council by preventing criminal activity through money laundering.
- 2.2 The Policy sets out the procedures which must be followed (for example the reporting of suspicions of money laundering activity) to enable the Council to comply with its legal obligations.
- 2.3 The guidance outlined in this policy will protect both employees and the Council and minimise the risk of breaches of legislation.

## **3 What is Money Laundering?**

- 3.1 Under the Proceeds of Crime Act 2002, money laundering means:
- concealing, disguising, converting, transferring criminal property or removing it from the UK (section 327 of the Act);
  - entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person (section 328);
  - acquiring, using or possessing criminal property (section 329); or
  - failing to disclose suspected money laundering.
- 3.2 The legislation covers the proceeds of all crimes, regardless of the level and is not limited to just organised crimes.
- 3.3 Whilst the risk of contravening the legislation is low, it is important that employees are familiar with their legal responsibilities. Should any suspicion of money laundering activity arise, an employee is required to make an 'authorised disclosure' to an approved person. For Northumberland County Council the approved person is the Money Laundering Reporting Officer ("MLRO").

## **4 What are the Obligations on the Council?**

- 4.1 Organisations conducting "relevant business" must:
- appoint a MLRO to receive disclosures from employees of money laundering activity (their own or anyone else's);
  - implement a procedure to enable the reporting of suspicions of money laundering;
  - maintain client identification procedures in certain circumstances; and
  - maintain record keeping procedures.

## **5 The Money Laundering Reporting Officer**

- 5.1 The Officer nominated to receive disclosures about money laundering activity within the Council is:

Section 151 Officer  
Northumberland County Council  
County Hall  
Northumberland  
NE61 2EF

- 5.2 In the absence of the Section 151 Officer, the Deputy Section 151 Officer is authorised to deputise for her and can be contacted at County Hall at the above address.

## **6 Disclosure Procedure**

### ***Reporting to the Money Laundering Reporting Officer***

- 6.1 Where you know or suspect that money laundering activity is taking/has taken place, or become concerned that your involvement in a matter may amount to a prohibited act under sections 327 – 329 of the Act, you must disclose this as soon as practicable to the MLRO. The disclosure should be within “hours” of the information coming to your attention, not weeks or months later.

### **YOU MAY BE LIABLE TO PROSECUTION IF YOU DO NOT REPORT YOUR SUSPICIONS.**

- 6.2 Your disclosure should be made to the MLRO using the pro-forma report attached at Appendix 1. The report must include as much detail as possible, for example:
- Full details of the people involved (including yourself, if relevant), e.g. name, date of birth, address, company names, directorships, phone numbers, etc.
  - Full details of the nature of their/your involvement - If you are concerned that your involvement in the transaction would amount to a prohibited act under sections 327 – 329 of the Act, then your report must include all relevant details, as you will need consent from the National Crime Agency (“NCA”), via the MLRO, to take any further part in the transaction - this is the case even if the client gives instructions for the matter to proceed before such consent is given. You should therefore make it clear in the report if such consent is required and clarify whether there are any deadlines for giving such consent e.g. a completion date or court deadline;
  - The types of money laundering activity involved - if possible, cite the section number(s) under which the report is being made e.g. a principal money laundering offence under section 327 – 329 of the Act, or general reporting requirement under section 330 of the Act, or both;
  - The dates of such activities, including whether the transactions have happened, are on-going or are imminent;
  - Where they took place;
  - How they were undertaken;
  - The (likely) amount of money/assets involved;

- Why, exactly, you are suspicious – the MLRO will require full reasons along with any other available information to enable her to make a sound judgement as to whether there are reasonable grounds for knowledge or suspicion of money laundering and to enable her to prepare her report to the NCA, where appropriate. You should also enclose copies of any relevant supporting documentation.
- 6.3 Once you have reported the matter to the MLRO you must follow any directions she may give you. You must NOT make any further enquiries into the matter yourself; any necessary investigation will be undertaken by the NCA. Simply report your suspicions to the MLRO who will refer the matter on to the NCA if appropriate. All employees will be required to co-operate with the MLRO and the authorities during any subsequent money laundering investigation.
- 6.4 Similarly, at no time and under no circumstances should you voice any suspicions to the person(s) whom you suspect of money laundering, even if the NCA has given consent to a particular transaction proceeding, without the specific consent of the MLRO; otherwise, you may commit a criminal offence of “tipping off”.
- 6.5 Do not, therefore, make any reference on a client file to a report having been made to the MLRO – should the client exercise their right to see the file, then such a note will obviously tip them off to the report having been made and may render you liable to prosecution. The MLRO will keep the appropriate records in a confidential manner.

#### ***Consideration of the disclosure by the MLRO***

- 6.6 Upon receipt of a disclosure report, the MLRO will note the date of receipt on her section of the report and acknowledge receipt of it. She should also advise you of the timescale within which she expects to respond to you.
- 6.7 The MLRO will consider the report and any other available internal information she thinks relevant e.g.:
- reviewing other transaction patterns and volumes;
  - the length of any business relationship involved;
  - the number of any one-off transactions and linked one-off transactions;
  - any identification evidence held and undertake such other reasonable inquiries she thinks appropriate in order to ensure that all available information is taken into account in deciding whether a report to the NCA is required (such enquiries being made in such a way as to avoid any appearance of tipping off those involved). The MLRO may also need to discuss the report with you.
- 6.8 Once the MLRO has evaluated the disclosure report and any other relevant information, she must make a timely determination as to whether:
- there is actual or suspected money laundering taking place; or
  - there are reasonable grounds to know or suspect that is the case; and

- whether she needs to seek consent from the NCA for a particular transaction to proceed.
- 6.9 Where the MLRO does so conclude, then she must disclose the matter as soon as practicable to the NCA on their standard report form and in the prescribed manner, unless she has a reasonable excuse for non-disclosure to the NCA (for example, if you are a lawyer and you wish to claim legal professional privilege for not disclosing the information).
- 6.10 Where the MLRO suspects money laundering but has a reasonable excuse for nondisclosure, then she must note the report accordingly; she can then immediately give her consent for any ongoing or imminent transactions to proceed.
- 6.11 In cases where legal professional privilege may apply, the MLRO must liaise with the legal adviser to decide whether there is a reasonable excuse for not reporting the matter to the NCA.
- 6.12 Where consent is required from the NCA for a transaction to proceed, then the transaction(s) in question must not be undertaken or completed until the NCA has specifically given consent, or there is deemed consent through the expiration of the relevant time limits without objection from the NCA.
- 6.13 Where the MLRO concludes that there are no reasonable grounds to suspect money laundering then she shall mark the report accordingly and give her consent for any ongoing or imminent transaction(s) to proceed.
- 6.14 All disclosure reports referred to the MLRO and reports made by her to the NCA must be retained by the MLRO in a confidential file kept for that purpose, for a minimum of five years.
- 6.15 The MLRO commits a criminal offence if she knows or suspects, or has reasonable grounds to do so, through a disclosure being made to her, that another person is engaged in money laundering, and she does not disclose this as soon as practicable to the NCA.
- 6.16 Further information on how to make a report to the NCA is available from [Contact us - National Crime Agency](#)

## **7 Client Identification Procedure**

- 7.1 Where the Council is carrying out relevant business (accountancy, audit and certain legal services) and:
- a. forms an ongoing business relationship with a client; or
  - b. undertakes a one-off transaction involving payment by or to the client of 15,000 Euro (approximately £13,000) or more;
  - c. undertakes a series of linked one-off transactions involving total payment by or to the client(s) of 15,000 Euro (approximately £13,000) or more; or

d. it is known or suspected that a one-off transaction (or a series of them) involves money laundering then this Client Identification Procedure must be followed before any business is undertaken for that client. Please note that unlike the reporting procedure, the client identification procedure is restricted to those operating relevant business, i.e., Financial Services and Legal Services.

7.2 In the above circumstances, employees in the relevant unit of the Council must obtain satisfactory evidence of the identity of the prospective client, as soon as practicable after instructions are received (unless evidence of the client has already been obtained). This applies to existing clients, as well as new ones.

7.3 Once instructions to provide relevant business have been received, and it has been established that any of paragraphs 7.1 (a) to (d) apply, evidence of identity should be obtained as follows.

***Internal clients:***

7.4 Appropriate evidence of identity for Council divisions will be signed, written instructions on Council headed notepaper or an email on the internal email system at the outset of a particular matter. Such correspondence should then be placed on the Council's client file along with a prominent note explaining which correspondence constitutes the evidence and where it is located.

***External Clients:***

7.5 For external clients of the Council, appropriate evidence of identity will be written instructions on the organisation's official letterhead at the outset of the matter or an email from the organisation's e-communication system. Such correspondence should then be placed on the Council's client file along with a prominent note explaining which correspondence constitutes the evidence and where it is located.

7.6 With instructions from new clients, or further instructions from a client not well known to you, you may wish to seek additional evidence of the identity of key individuals in the organisation and of the organisation itself.

7.7 Check the organisations website to confirm the business address, companies house to confirm directors, address nature of business and their status. You may be able to visit their business address and meet key contacts in person.

7.8 In all cases, the evidence should be retained for at least five years from the end of the business relationship or one-off transaction(s).

7.9 If satisfactory evidence of identity is not obtained at the outset of the matter then the business relationship or one-off transaction(s) cannot proceed any further.

## **8 Record Keeping Procedures**

8.1 Each section of the Council conducting relevant business must maintain records of:

- client identification evidence obtained; and;
- details of all relevant business transactions carried out for clients for at least five years.

This is so that they may be used as evidence in any subsequent investigation by the authorities into money laundering.

8.2 The precise nature of the records is not prescribed by law however they must be capable of providing an audit trail during any subsequent investigation, for example distinguishing the client and the relevant transaction and recording in what form any funds were received or paid. In practice, the divisions of the Council will be routinely making records of work carried out for, or by, clients in the course of normal business and these should suffice in this regard.

## **9 Conclusion**

9.1 The legislative requirements concerning anti-money laundering procedures are lengthy and complex. This Policy has been written so as to enable the Council to meet the legal requirements in a way which is proportionate to the very low risk to the Council of contravening the legislation.

9.2 Should you have any concerns whatsoever regarding any transactions then you should contact the MLRO.

## **10 Linked Policies**

10.1 This Policy should be read in conjunction with the Anti-Fraud, Bribery and Corruption Policy developed by the Corporate Fraud Team.

10.2 The County Council also has a Raising Concerns at Work Policy which is maintained by HR in conjunction with the Monitoring Officer.

10.3 For further information on any of these policies or for advice on any potential fraud related concerns please contact:

Amy Hodgson, Corporate Fraud Manager  
Telephone: 01670 624272  
Email: [amy.hodgson@northumberland.gov.uk](mailto:amy.hodgson@northumberland.gov.uk)

## **11 Further information**

11.1 Further information can be obtained from the Corporate Fraud Manager, MLRO or from one of the following websites -



- <https://www.nationalcrimeagency.gov.uk/what-we-do/crime-threats/money-laundering-and-illicit-finance>
- <https://www.lawsociety.org.uk/topics/anti-money-laundering>
- <https://www.lawsociety.org.uk/topics/anti-money-laundering/money-laundering-warning-signs>
- <https://www.cps.gov.uk/legal-guidance/money-laundering-offences>
- <https://www.gov.uk/guidance/money-laundering-regulations-your-responsibilities>

**APPENDIX 1 – Report of Suspected Money Laundering**

PRIVATE AND CONFIDENTIAL

Report to Money Laundering Reporting Officer, re money laundering activity

To: Section 151 Officer

Northumberland County Council - Money Laundering Reporting Officer

From: .....  
[insert name of employee]

Division:..... Ext/Tel No:.....  
[insert post, title and section]

**DETAILS OF SUSPECTED OFFENCE**

Name(s) and address(es) of person(s) involved: [if a company/public body please include details of nature of business]
Nature, value and timing of activity involved: [Please include full details e.g. what, when, where, how. Continue on a separate sheet if necessary]
Nature of suspicions regarding such activity: [Please continue on a separate sheet if necessary]

Has any investigation been undertaken (as far as you are aware)? Yes / No  
If yes, please include details below:

Have you discussed your suspicions with anyone else? Yes / No  
If yes, please specify below, explaining why such discussion was necessary:

Have you consulted any supervisory body guidance re money laundering? (e.g. the Law Society) Yes / No  
If yes, please specify below:

Do you feel you have a reasonable excuse for not disclosing the matter to the NCA?  
(are you a lawyer and wish to claim legal professional privilege?) Yes / No  
If yes, please set out full details below:

Are you involved in a transaction which might be a prohibited act under sections 327- 329 of the Act which requires appropriate consent from the NCA? Yes / No  
If yes, please enclose details in the box below:

Please set out below any other information you feel is relevant:  
(Continue on a separate sheet if necessary)

Signed:.....

Dated:.....

Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described. To do so may constitute a tipping off offence, which carries a maximum penalty of 5 years' imprisonment.

**THE FOLLOWING PART OF THIS FORM IS FOR COMPLETION BY THE MONEY LAUNDERING REPORTING OFFICER**

Date report received: .....

Date receipt of report acknowledged: .....

**CONSIDERATION OF DISCLOSURE:**

Action plan:

**OUTCOME OF CONSIDERATION OF DISCLOSURE:**

Are there reasonable grounds for suspecting money laundering activity?

If there are reasonable grounds for suspicion, will a report be made to the NCA?  
[Please delete as appropriate] **Yes / No**

If yes -

1. Confirm date of report to NCA: .....

2. Details of liaison with the NCA regarding the report:

3. Notice Period: ..... to .....

4. Moratorium Period: ..... to .....

5. Is consent required from the NCA to any on-going or imminent transactions which would otherwise be prohibited acts? **Yes / No**

6. If yes, please confirm full details:

7. Date consent received from NCA: .....

8. Date consent given by you to employee: .....

If there are reasonable grounds to suspect money laundering, but you do not intend to report the matter to the NCA, please set out below the reason(s) for non-disclosure:

Date consent given by you to employee for any prohibited act transactions to proceed:

Other relevant information:

Signed: .....

Dated: .....

THIS REPORT TO BE RETAINED FOR AT LEAST FIVE YEARS

## APPENDIX 2 - Guidance Notes

### *Possible signs of money laundering*

It is impossible to give a definitive list of ways in which to spot money laundering or how to decide whether to make a report to the MLRO. The following are types of risk factors which may, either alone or cumulatively with other factors, suggest the possibility of money laundering activity:

#### **General**

- A new client;
- A secretive client: e.g., refuses to provide requested information without a reasonable explanation;
- Concerns about the honesty, integrity, identity or location of a client;
- Illogical third party transactions: unnecessary routing or receipt of funds from third parties or through third party accounts;
- Involvement of an unconnected third party without logical reason or explanation;
- Payment of a substantial sum in cash (over £10,000);
- Overpayments by a client;
- Absence of an obvious legitimate source of the funds;
- Movement of funds overseas, particularly to a higher risk country or tax haven;
- Where, without reasonable explanation, the size, nature and frequency of transactions or instructions (or the size, location or type of a client) is out of line with normal expectations;
- A transaction without obvious legitimate purpose or which appears uneconomic, inefficient or irrational;
- The cancellation or reversal of an earlier transaction;
- Requests for release of client account details other than in the normal course of business;
- Companies and trusts: extensive use of corporate structures and trusts in circumstances where the client's needs are inconsistent with the use of such structures;

- Poor business records or internal accounting controls;
- A previous transaction for the same client which has been, or should have been, reported to the MLRO;

### ***Property Matters***

- Unusual property investment transactions if there is no apparent investment purpose or rationale;
- Instructions to receive and pay out money where there is no linked substantive property transaction involved (surrogate banking);
- Re property transactions, funds received for deposits or prior to completion from an unexpected source or where instructions are given for settlement funds to be paid to an unexpected destination;

Facts which tend to suggest that something odd is happening may be sufficient for a reasonable suspicion of money laundering to arise. In short, the money laundering offences apply to your own actions and to matters in which you become involved.

If you become aware that your involvement in a matter may amount to money laundering then you must discuss it with the MLRO and not take any further action until you have received, through the MLRO, the consent of the National Crime Agency (“NCA”). The failure to report money laundering obligations, referred to below, relate also to your knowledge or suspicions of others, through your work.

### **CONCLUSION**

Given the nature of what the Council does and who it can provide services for, instances of suspected money laundering are unlikely to arise very often, if at all; however, we must be mindful of the legislative requirements, as failure to comply with them may render individuals liable to prosecution.

Please take prompt and proper action if you have any suspicions and feel free to consult the MLRO at any time should you be concerned regarding a matter.





Northumberland  
County Council

## **Corporate Fraud Team**

# **Anti-Fraud, Bribery and Corruption Policy**

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## **1 Introduction**

- 1.1 Northumberland County Council is a major provider of services to the community, and as such the Council's elected members and employees have a responsibility to ensure the highest standards of probity are maintained.
- 1.2 Under the provisions of the Local Government Act 1972 (s.151) the Council has a statutory responsibility to protect and ensure the proper administration of public funds.
- 1.3 Northumberland County Council is committed to sound corporate governance and has demonstrated this by adopting a Code of Corporate Governance in accordance with National and Professional Standards. This requires the Council to define the standards of personal behaviour and conduct that members and staff and those involved in service delivery are expected to display.
- 1.4 An integral element of this approach is the Council's determination to prevent, pursue and protect against fraud, bribery and corruption, whether it is attempted from within or outside the Council, with a zero-tolerance policy.
- 1.5 It is important to emphasise that the County Council has traditionally had a good record with respect to probity and the instances of detected fraud, bribery and corruption within its activities have been relatively few.
- 1.6 In administering its responsibilities, the Council is committed to the highest ethical standards. It expects all its elected members and employees to lead by example in ensuring adherence to rules, procedures and recommended practices whilst maintaining conduct of the highest standards such that public confidence in their integrity is maintained.

- 1.7 The Council also expects that individuals and organisations that it encounters will act towards the Council with integrity and without thought or actions involving fraud, bribery or corruption.
- 1.8 Elected members and employees should be aware that fraud, bribery and corruption will not be tolerated under any circumstances. If they become aware of any malpractice or wrongdoing and they unreasonably fail to take appropriate action to eliminate that activity, then they themselves become implicated in such acts.
- 1.9 If any individual has any information regarding malpractice or wrongdoing in the County Council this should be brought to the immediate attention of their Line Manager.
- 1.10 If a member of staff raises a concern regarding financial malpractice, then the details must be passed immediately to the Corporate Fraud Manager for consideration of appropriate action. Managers should only establish the basic facts of the suspicion and should not attempt to carry out any investigation themselves.

## **2 Policy Aims & Objectives**

- 2.1 This Policy is relevant to the priorities in the Corporate Plan 2023-26 and links to the corporate priority of 'Achieving Value for Money'. The Corporate Fraud Team contributes to the objective by being committed to the prevention, detection and investigation of internal and external fraud and by working in partnership with other organisations reducing the incidence of crime and theft against the Council.
- 2.2 The Corporate Fraud Team will ensure they promptly notify the Head of Internal Audit and Risk Management of all suspected or detected fraud, bribery, corruption or impropriety.
- 2.3 Under the Council's Constitution and the Finance and Contract Rules, the Section 151 Officer has responsibility for the development and maintenance of an anti-fraud and anti-corruption strategy, this includes measures to reduce the risk of money laundering.
- 2.4 This policy provides a framework to enable employees and elected members to understand and implement arrangements enabling compliance. In conjunction with related policies referred to below it will enable employees and elected members to identify and report a potential breach.
- 2.5 We require all employees, including temporary agency staff, all contractors and their employees working on behalf of the County Council, and all elected members to:
  - Always act honestly and with integrity and to safeguard the Council's resources for which they are responsible
  - comply with the spirit and the letter, of the laws and regulations in respect of the lawful and responsible conduct of activities.
- 2.6 Northumberland County Council commits to:

- Setting out a clear anti-fraud, bribery and corruption policy, and keeping this up to date;
- Making all employees and members aware of their responsibilities to always adhere strictly to this policy;
- Encouraging its employees and members to be vigilant and to report any suspicions of fraud, bribery and corruption, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;
- Rigorously investigating instances of alleged fraud, bribery and corruption;
- Taking firm and vigorous action against any individual(s) involved in fraud, bribery and corruption.

### **3 Scope of this Policy**

- 3.1 This policy applies to all the Council's activities. For partners, joint ventures and suppliers, we will seek to promote the adoption of policies consistent with this policy.
- 3.2 Within the Council the responsibility to control the risk of bribery occurring rests at all levels. It does not rest solely within assurance and audit functions, but in all services, business units, corporate functions and elected members exercising their Council functions.
- 3.3 This policy covers all employees at all levels and grades, including those permanently employed, temporary, agency staff, contractors, non-executives, agents, members (including independent members), volunteers and consultants.

### **4 Legal Definitions**

#### **Fraud**

- 4.1 The Fraud Act 2006 describes fraud under the following three sections -

- Fraud by false representation
- Fraud by failing to disclose information
- Abuse of position

and occurs when a person dishonestly acts in a way with the intention of making a gain for themselves or another, or, with the intention to cause loss to another or expose another to a risk of loss.

- 4.2 The term fraud is often also used to describe such acts as deception, forgery, theft, misappropriation, false representation, concealment of material facts and collusion.

#### **Bribery**

- 4.3 Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage.
- 4.4 There are four main criminal offences created by the Bribery Act 2010:

- bribery of another person to induce or reward them to perform a function improperly;
- requesting or accepting a bribe as a reward for performing a function or action improperly;
- bribing a foreign official to gain a business advantage;
- corporate offence of failing to prevent bribery.

4.5 The last is a corporate offence of failure by a commercial organisation to prevent bribery intended to obtain or retain business, or an advantage in the conduct of business. An organisation will have a defence to this offence if it can show that it had in place adequate procedures designed to prevent bribery by or of persons associated with it.

### **Corruption**

4.6 Corruption is defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) as 'the offering, giving, soliciting or acceptance of and inducement or reward which may influence the action of any person'. Corruption will often include bribery, fraud, theft and/or money laundering.

4.7 Section 117 of the Local Government Act 1972, requires that all employees

- must disclose, in writing, any personal interest in contracts that have been, or are proposed to be, entered into by the Council
- must not accept any fee or reward other than their proper remuneration

4.8 In investigating reports, the Council's Corporate Fraud Team will consider all relevant legislation. Below is a list of the more relevant legislation however this list is not exhaustive.

- Fraud Act 2006 - <https://www.legislation.gov.uk/ukpga/2006/35/contents>
- Theft Act 1968 - <https://www.legislation.gov.uk/ukpga/1968/60/contents>
- Forgery and Counterfeiting Act 1981 - <https://www.legislation.gov.uk/ukpga/1981/45>
- Protection from eviction Act 1977 - <https://www.legislation.gov.uk/ukpga/1977/43>
- Proceeds of Crime Act 2002 - <https://www.legislation.gov.uk/ukpga/2002/29/contents>
- Bribery Act 2010 - <https://www.legislation.gov.uk/ukpga/2010/23/contents>
- Local Government Act 1972 - <https://www.legislation.gov.uk/ukpga/1972/70/section/117>

## **5 'Acknowledge'**

5.1 The Council acknowledges that, as with every organisation, there is a risk of fraud, bribery or corruption. It aims to understand and assess the risks, and to take appropriate action.

5.2 The Council is committed to tackling this risk and as such has a dedicated Corporate Fraud Team who are professionally trained and qualified. They work alongside the Internal Audit Team, under the supervision of the Council's Head of Internal Audit & Risk Management (Chief Internal Auditor).

5.3 The Corporate Fraud Manager, and through this Counter Fraud Policy the Corporate Fraud Team, will:

- Provide an effective counter fraud service.
- Develop and implement measures to prevent and detect all forms of fraud, bribery and corruption against the Council.
- Develop a range of initiatives aimed at reducing and ultimately eliminating all forms of fraud and error as far as possible in Northumberland County Council through the building of effective controls into our working practices.
- Conduct high quality assessments with appropriate investigations when fraud is suspected to ensure that full compliance with legal requirements is met to enable prosecution where appropriate.
- Take action where appropriate in line with the Corporate Enforcement Policy and use all legal sanctions available for recovery of any losses through fraud, bribery and corruption.
- Provide all Corporate Fraud Team members with appropriate and regular training.
- Deter internal and external fraud by publicising the Council's anti-fraud measures, including details of how any type of suspected fraud may be reported and actively encouraging the public, employees and elected members to report such suspicions.
- Regularly publicise successful prosecutions and achieved savings identified.

## **6 'Prevent'**

6.1 The Council recognises that prevention is the most cost-effective way to tackle any risk of fraud, bribery and corruption and therefore is key. However, resources are still essential to act against those who are determined to abuse our services.

6.2 All levels of the organisation should be committed to preventing fraud, bribery and corruption, and foster a culture within the organisation where it is never acceptable.

6.3 The Council has robust policies, processes and procedures in place which ensure effective controls are in place and ensure these are embedded and understood through communication, including mandatory training that is proportionate to the risks it faces.

6.4 An anti-fraud culture, supported by the awareness of staff across all services, and a zero-tolerance approach is necessary to deter fraud, bribery and corruption from being committed.

6.5 The Council participate in the National Fraud Initiative (NFI), a Cabinet Office, national programme of data matching. In addition, the Corporate Fraud Team will carry out targeted risk-based, pro-active data matching exercises in accordance with the General Data Protection Regulation.

6.6 The Council has disciplinary procedures for employees found to be in breach of the Code of Conduct. Where criminal activity is suspected this will be fully investigated by the Corporate Fraud Team and/or referred to the Police.

6.7 Elected members, employees and suppliers must not -

- give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given
- give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure
- accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them
- accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy
- engage in activity in breach of this policy.

6.8 The County Council policy in relation to gifts and hospitality is clearly outlined in the Employee Code of Conduct.

6.9 Under the Public Contracts Regulations 2006 a company is automatically and perpetually debarred from competing for public contracts where it is convicted of a corruption offence. The County Council extends such automatic barring to any organisations convicted of an offence under the Bribery Act 2010 or any similar offence of fraud or dishonesty which might bring the relationship with the Council into disrepute.

## 7. ‘Pursue’

7.1 It is the responsibility of all employees, elected members and the public to be aware of and report any suspicions of fraud, bribery and corruption so that appropriate action can be taken.

7.2 The Corporate Fraud Team have a number of reporting avenues, including -

- a dedicated email - [fraudline@northumberland.gov.uk](mailto:fraudline@northumberland.gov.uk),
- reporting 24-hour hotline – 01670 624359,
- online link - <https://reportafraud.co.uk/NCC>.

A team of officers are also available to discuss any concerns.

7.3 The Corporate Fraud Team is developing a risk-based programme of data matching pro-active exercises to identify instances assessed as high risk of fraud.

7.4 Where an employee is involved in wrongdoing, they will be subject to disciplinary action in line with the relevant policies and procedures. Where appropriate there will also be a criminal investigation carried out by the Corporate Fraud Team and/or the Police.

- 7.5 The Council will consider and utilise all sanctions available as appropriate, including disciplinary, civil and criminal measures.
- 7.6 Every effort will be made to recover all financial loss to the Council resulting from fraud, bribery and corruption.
- 7.7 Corporate Fraud Investigators will be professionally accredited to gather evidence, interview witnesses and suspects and to investigate instances of fraud, bribery and corruption to a criminal standard. They will conduct all investigations undertaken in compliance with appropriate legislation and powers including -
- Human Rights Act 1998
  - Regulation of Investigators Powers Act 2000
  - The Criminal Procedure and Investigation Act 1996
  - The Data Protection Act 2018 & General Data Protection Regulation
  - Police and Criminal Evidence Act 1984
- 7.8 The Corporate Fraud Team will collaborate and work jointly with external organisations, under agreed data sharing arrangements, including
- Local Authorities,
  - The Department for Work and Pensions (DWP), Single Fraud Investigation Service (SFIS),
  - Police,
  - Registered Social Housing providers,
  - North East Tenancy Fraud Forum.
- 7.9 The Council's Communication Team will liaise with the press to publicise anti-fraud, bribery and corruptions initiatives undertaken by the Corporate Fraud Team.
- 7.10 Successful prosecutions will be publicised where appropriate.
- 7.11 The Corporate Fraud Team present interim and annual reports outlining their work and results to the Audit Committee.

## **8 Reporting**

- 8.1 The Council has several avenues for the public to report concerns or suspicions anonymously, directly to the Corporate Fraud Team:
- email - [fraudline@northumberland.gov.uk](mailto:fraudline@northumberland.gov.uk),
  - 24-hour telephone hotline – 01670 624359,
  - online link - <https://reportafraud.co.uk/NCC>.
- 8.2 Council employees can raise concerns via their manager, the above anonymous reporting lines or by contacting the Head of Internal Audit & Risk Management (Chief Internal Auditor) or a member of the Corporate Fraud Team directly to discuss their concerns.
- 8.3 The Council's Raising Concerns at Work Policy:



- Encourages employees to report suspected wrongdoing as soon as possible, with the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be protected wherever possible.
- Provides employees with guidance as to how to raise those concerns.
- Provides reassurance to employees that they are able to raise genuine concerns in good faith in the Public Interest without fear of reprisals, even if they turn out to be mistaken.

8.4 The reporting form and process is also included within the Council's Raising Concerns at Work Policy at Appendix 1 & 2, which directs any concerns relating to fraud, bribery or corruption to be raised with the Chief Internal Auditor or Fraud hotline (as at 8.1 above).

8.5 You should not make the suspect aware of any report being made as this may prejudice any investigation.

8.6 Any reports received relating to welfare benefits, including Housing Benefit, will be referred to SFIS in line with current investigation and Data Protection arrangements. A member of the Corporate Fraud Team will act as the Single Point of Contact (SPOC) for the transition of information between the organisations. Where appropriate the Council's Corporate Fraud Team will conduct joint investigations with SFIS investigators.

## **9 Linked Policies**

9.1 This Policy should be read in conjunction with the Anti-Money Laundering Policy developed by the Corporate Fraud Team and the Council's Raising Concerns at Work Policy.

9.2 For further information on this policy or for advice on any potential fraud related concerns please contact:

Amy Hodgson, Corporate Fraud Manager

Telephone: 01670 624272

Email: [amy.hodgson@northumberland.gov.uk](mailto:amy.hodgson@northumberland.gov.uk)

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## Northumberland County Council

### COUNTY COUNCIL

21 February 2024

### Pay Policy Statement of Northumberland County Council 2024/2025

Report of Councillor(s): Glen Sanderson, Chair of the Staff and Appointments Committee

Responsible Officer(s): Dr Helen Paterson, Chief Executive and Head of Paid Service.

#### 1. Link to Key Priorities of the Corporate Plan

**Achieving Value for Money** – Pay represents a significant part of overall expenditure of the council. Designing appropriate pay strategies is essential in driving productivity and organisational performance. The pay strategy needs to be effective in engaging and motivating staff, together with delivering value for money.

**Tackling Inequalities** - The Hutton report on fair pay made several recommendations, one of which included tackling disparities between the lowest and highest paid employees in public sector organisations.

#### 2. Purpose of report

- 2.1 This report asks Council to receive and consider the report and the recommendation of the Staff and Appointments Committee that met on 8 February 2024, in respect of the proposal that the amended pay policy statement for 2024/25 is approved for adoption.
- 2.2 The link to the full published report received by Staff and Appointments Committee is detailed below.

#### 3. Recommendations

- 3.1 Council is requested to approve the recommendations from the Staff and Appointments Committee held on 8 February 2024 to adopt the amended Pay Policy Statement 2024-25 (Appendix 1).

## 4. Background

- 4.1 The published report and associated appendices considered by the Staff and Appointments Committee on 8 February 2024 and recommended to Council for adoption is linked below.
- 4.2 Under section 39 of the Localism Act the Pay Policy must be agreed by 31 March. The proposed policy is the revised document and is intended to replace the current published Pay Policy 2023/24.

## Legal Due Diligence

- 4.3 In the light of the previous issues that have been identified with the interpretation and application of previous pay policies, the Director of Law and Governance has had the proposed policy reviewed by Leading Counsel to ensure full compliance with appropriate regulatory requirements. Counsel's suggestions have been adopted in full and are reflected in the proposed policy (Appendix 1).
- 4.4 All changes have been made to ensure full transparency and appropriate public and political oversight of the Council's pay and reward arrangements.
- 4.5 The most significant change is a proposal that in future all appointments to posts attracting a salary of £100k or more will be subject to final approval by Full Council following a recommendation from STAC. This will further enhance political oversight of arrangements

## 5. Implications

<b>Policy</b>	The purpose of such a statement is to articulate the Council's policies towards a range of issues relating to the pay of its workforce, particularly its Chief Officers and its lowest paid employees. The Council wishes to ensure that it operates on the principles of equal pay for work of equal value, and also within the various other legislative requirements, including the Equality Act 2010.
<b>Finance and value for money</b>	Pay represents a significant part of overall expenditure of the council and appropriate budgeting is in place to ensure salaries are managed in line with the financial plan. The pay strategy needs to be effective in engaging and motivating staff, together with delivering value for money.
<b>Legal</b>	Section 38-43 of the Localism Act 2011 sets out the requirement for local authorities to prepare and publish a Pay Policy Statement.  Section 38 specifies that the Pay Policy Statement must be prepared for each financial year and must be approved by Full Council.

<b>Procurement</b>	N/A
<b>Human resources</b>	Human Resources will continue to oversee job evaluation process, ensuring roles are evaluated fairly and in line with relevant process. HR will monitor the application of the pay policy, ensure relevant reports are prepared in line with the pay policy statement and submitted to staff and appointments committee.
<b>Property</b>	N/A
<b>The Equalities Act: is a full impact assessment required and attached?</b>	Yes - required and attached  EIA completed and appended to StAC report (appendix 5)
<b>Risk assessment</b>	Risks relating to pay and conditions are managed locally and both Strategic and Operational Risk registers are in operation
<b>Crime and disorder</b>	N/A
<b>Customer considerations</b>	N/A
<b>Carbon reduction</b>	N/A
<b>Health and wellbeing</b>	Effective pay strategies and appropriate application of pay arrangements will support positive health and wellbeing of employees.
<b>Wards</b>	N/A

**6. Links to other key reports already published**

[StAC report of Thursday 8 February 2024 – Pay Policy Statement 24/25](#)

**7. Appendices**

Appendix 1 – Proposed Pay policy statement 2024/25.

## **8. Author and Contact Details**

Sarah Farrell – Director of Workforce and OD  
Sarah.farrell@northumberland.gov.uk



# Northumberland County Council

## Pay Policy Statement April 2024 to March 2025

### Introduction and Purpose

- 1.1 This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of section 38-43 of the Localism Act 2011.
- 1.2 The purpose of such a statement is to articulate the Council's policies towards a range of issues relating to the pay of its workforce, particularly its senior staff and its lowest paid employees.
- 1.3 When developing our approaches to pay and reward, we are guided by the following principles;
  - Shaping policies which will enable the Council to recruit and retain high calibre employees to provide high quality services.
  - Maintaining levels of pay which are in line with the Council's financial policies and provide value for money.
  - Adopting an approach which is open, transparent and accountable.
  - Ensuring we apply our policies fairly and consistently, complying with all relevant employment legislation, including the Equality Act 2010.
- 1.4 This policy statement applies to the 2024-25 financial year and will be put forward for approval at a meeting of the Council which is open to the public and observers. It will be reviewed annually and is in accordance with new or proposed legislation to ensure that it remains relevant and effective.

### Scope

2. This policy applies to all Council employees who are covered by Northumberland County Council's Chief Officer, Senior Manager or NJC for Local Government Service (Green Book) Terms and Conditions of Employment and also the relevant Terms and Conditions applying to employees listed in paragraph 9. This policy does not apply to school staff as it is the responsibility of each school to determine their own pay policies.

## Publication

3. This policy will be published on the Council's website and will be made available to the community. This will enable local people to have an informed view of whether local decisions on all aspects of remuneration are reasonable and make appropriate use of public funds.

## Definition of Chief Officer

4. Chief Officer is defined in s43 of the Localism Act 2011 as follows:
  - The head of the authority's paid service
  - The monitoring officer
  - Any statutory chief officer:
    - The person having responsibility for all statutory purposes (inc. s151 of the Local Government Act 1972), for the administration of the authority's financial affairs.
    - The Director of Children's Services appointed under s18 of the Children Act 2004.
    - The Director of Adult Social Services appointed under section 6 (A1) of the Local Authority Social Services Act 1970 (as amended by the Children Act 2004).
    - The Director of Public Health appointed under s73A (1) of the National Health Service Act 2006.
  - Any non-statutory officer:
    - A person for whom the head of the authority's paid service is directly responsible.
    - A person who, in respect of most of their duties, is required to report direct or is directly accountable to the head of paid service.
    - Any person who, in respect of most of their duties, is required to report direct or is directly accountable to the authority or its committees/sub-committees.

In the case of the Council these posts are:

- Chief Executive (Head of Paid Services)
- Statutory Chief Officers:
  - Executive Director of Children's, Young People and Education.
  - Executive Director of Adults, Ageing and Wellbeing.
  - Executive Director of Public Health, inequalities and Stronger Communities.
  - Executive Director of Transformation and Resources and section 151 Officer.
  - Director of Law and Corporate Governance and Monitoring Officer.



- Non-Statutory Chief Officers
  - Assistant Chief Executive, Corporate Strategy and Communications.
  - Executive Director of Place and Regeneration.
  - Director of Workforce and OD.
  - Chief Fire Officer.

The Council also considers the following posts to be Deputy Chief Officers for the purposes of this policy;

- Director of Finance and Procurement.
- Director of Stronger Communities.
- Director of Assessment and safeguarding.
- Director of Children, Young people and families.
- Director of Education, SEND and Skills.
- Director of Economic Development and Growth.
- Director of Environment and Transport.
- Director of Housing and Planning.
- Director of Digital and IT.
- Director of Strategic Change and service Improvement.
- Deputy Chief Fire Officer.
- Assistant Chief Fire Officer.

With the exception of the Chief Fire Officer, Deputy Chief Fire Officer and Assistant Chief Officer, all of the above officers are employed on Chief Officer terms and conditions.

There are some Deputy Chief Officers who are not employed on Chief Officer terms and conditions. However, the appointment of all Chief and Deputy Chief Officers must be approved by Staff and Appointments Committee (or Full Council for posts attracting salaries of £100,000 or above).

### Chief Officer Pay Structure and Incremental Progression

- 5.1 Chief Officer posts are evaluated using the Local Government Employers (LGE) job evaluation scheme. The evaluation is conducted by senior HR professionals trained in the application of the scheme.
- 5.2 Pay levels are reviewed and locally agreed, taking into account any cost-of-living increase negotiated nationally by the JNC for Chief Officers of Local Authorities Conditions of Services.

- 5.3 The current pay structure for all Chief Officers staff is set out in **Appendix 1A**.
- 5.4 Each band contains several salary points, allowing for incremental progression up to the top of the grade.
- 5.5 Annual progression through the salary points within band boundaries is not automatic. Chief Officers (listed in Paragraph 4 above) have the opportunity to apply bi-annually to be considered for incremental progression within their pay band. This process is assessed based on meeting appraisal objectives and assessment criteria objectively reviewed by Executive Directors (or by the Head of Paid Service in the case of applications made by Executive Directors). The decision to award incremental progression will be reported annually to the Staff and Appointments Committee.
- 5.6 Chief Officers are not awarded bonuses and there is no “earn back” scheme in operation.

#### **Governance arrangements for the appointment and salaries of Chief Officers**

- 6.1 All Chief Officer appointments and their starting salaries must be formally approved at the Staff and Appointments Committee attended by elected members. The committee has access to appropriate independent expert advice where necessary.
- 6.2 In addition, notwithstanding any other requirement of the Constitution, any appointment within the Council that attracts a salary package of £100,000 or more will be considered and approved by a vote of Full Council. For these purposes, a salary package includes salary and any other fees, allowances, bonuses and benefits in kind that the post holder would routinely be entitled to. This does not include the employer's pension contributions should the post holder choose to join a pension scheme.

#### **Bands 1 to 15 pay structure (including the lowest paid employees)**

- 7.1 There are fifteen bands covering posts below those of Chief Officers. Each band has a number of spinal pay points with a differential falling within agreed parameters.
- 7.2 Posts aligned to bands 1-10 (spinal column point 1-43) are determined by the Council's job evaluation scheme, recommended by the NJC for Local Government Services.

- 7.3 Posts aligned to bands 11-15 (spinal column point 44- 63 inclusive) are evaluated using the LGE job evaluation scheme.
- 7.4 A panel of experienced trade union representatives and HR professionals evaluate each post using agreed job descriptions.
- 7.5 There is a right of appeal against the grade determined for the job in accordance with a locally agreed procedure. There is also an agreed procedure for consideration of individual re-grading requests.
- 7.6 Pay levels are reviewed and locally agreed, taking into account any cost-of-living increase negotiated nationally by the relevant NJC for Local Government Services.
- 7.7 The current pay structure for all staff below Band 16 is set out in **Appendix 1B**.

### **Incremental Progression**

- 8.1 Annual incremental progression through the salary points within band 1 - 13 is automatic. Incremental progression within each pay band is normally applicable from 1 April each year up to the maximum of the band, subject to six months' service within the band. Where the service requirement is not met on 1 April, the increment will be paid on the six-month anniversary of the employee's start date on that band.
- 8.2 Annual incremental progression takes place until the maximum salary point within the band is achieved. Thereafter, the employee is only eligible to receive the annual cost of living award, negotiated by the appropriate bodies and implemented by the Council.
- 8.3 Annual incremental progression through the salary points within bands 14 to 15 is not automatic and staff aligned to these bands have the opportunity to apply bi-annually to be considered for incremental progression within their pay band. This process is assessed based on meeting appraisal objectives and an assessment criterion objectively reviewed by Executive Directors. The decision to award incremental progression will be reported annually to the Staff and Appointments Committee.

### **Salaries of other posts**

- 9. There are a small number of other staff groups employed by the Council whose terms and conditions, including pay, are determined by applying the relevant rules applicable within their own nationally agreed terms and conditions. These include;

Youth and Community Workers, Tutors, 'Soulbury' employees (officers providing support to schools in areas such as school improvement and educational psychology), centrally employed Teachers, Coroners and Uniformed Firefighters whose terms and conditions, including pay, are determined by applying the relevant rules applicable within their own nationally agreed terms and conditions.

### **Salary on Appointment**

10. It is the Council's policy to appoint employees at the bottom of the relevant pay band with agreed rules around appointment, promotion or re-grading to a post with a higher maximum salary. In exceptional circumstances where an employee is not appointed at the bottom of the pay band, appointing officers are required to provide clear evidence to Human Resources so that the principles of equal pay are not undermined.

### **Obligation to publish salaries**

- 11.1 Under the Local Government Transparency Code 2015 the Council has an obligation to publish certain salary information. The Council publishes details of all salaries of £50,000 and above by job title only.
- 11.2 In addition, the Council also publishes the salaries of Heads of Service and above together with the postholder's name. The terms and conditions of service for Heads of Service and above require them to agree to the publication of such information.

### **Pensions**

- 12.1 Staff of the council are eligible to join the Local Government Pension Scheme. All employees who have a contract of employment for at least 3 months are automatically enrolled into the LGPS. The benefits and contributions payable under the scheme are set out in the Local Government Pension Scheme Regulations 2013.
- 12.2 All Fire Authority employees are automatically enrolled into the appropriate Firefighters pension scheme.

### **Relationship between Senior Posts and Lowest Paid Posts**

- 13.1 There is no formal mechanism for direct comparison between pay levels of the wider workforce with senior manager pay and there are no Council policies on reaching or maintaining a specific pay multiple.

- 13.2 The lowest paid employee is defined as those full-time employees in jobs paid at Band 1, spinal column point 2, which is £22,366. It excludes apprentices, whose pay remains subject to other regulations or conditions.
- 13.3 The pay multiple recommended by the Hutton Review of Fair Pay for the Public Sector to publish is the ratio between the salary of the highest paid employee and the median full-time equivalent (FTE) salary of the organisation.
- 13.4 The Council's current pay multiple (based on November 2023 salaries) from the highest pay (£207,487 per annum) to the median pay of the organisation (£30,729 per annum) is 1:6.75
- 13.5 This pay multiple is slightly higher than the previous year, which was 1:6.55. This pay multiple is considered to be appropriate and does not represent an excessive pay gap. The pay multiple is in line with other local authorities within the region. The increase from last year is minimal and the multiple is still lower than 2022/2023 when it was 1:8.73.

#### **Market Forces Allowance**

- 14.1 The Council recognises that at times it may be difficult to recruit new employees or retain existing employees in certain key posts. To ensure that the Council attracts and maintains a skilled and experienced workforce, supplements may be paid in addition to the grade of the post in accordance with the Council's Market Supplements Policy.
- 14.2 Market forces allowances will only be considered when all other means of satisfying recruitment and retention have been exhausted. Market forces allowances will only be considered in exceptional circumstances where a clear business case has been identified and the recruitment or retention issues are due to relative labour market pay and are adversely impacting on the Council's ability to retain or attract appropriate candidates. The business case must be reviewed and approved by the relevant Executive Director and Human Resources.
- 14.3 Market forces allowances will be agreed for a 12-month period whereupon a review will take place to confirm whether there is still a business a clear business case to continue with the payment and considering market forces.
- 14.4 Any market forces allowances proposed for Chief Officers must be approved by Staff and Appointments Committee.

## **Pay Protection**

- 15.1 The Pay protection and detriment provision is to provide an initial period of protection during which an employee is able to adjust to a reduction in earnings or other detriment incurred during the course of their employment as a result of changes to their contract.
- 15.2 Eligible employees, in Bands 1-13, who are redeployed to a post with a lower salary or pay band, or whose hours of work are reduced by the Council, shall receive the rate of pay applicable to the new post plus 'protected pay' for a period of three years from the date of appointment to the new post.
- 15.3 'Protected pay' is up to the difference between the employee's current salary and the salary of new post subject to a limit of no more than 15% of the old salary.
- 15.4 Where both hours and pay rate have been reduced, protection will be based on the actual contractual cash loss (up to a maximum of 15% of the old contractual pay).
- 15.5 Where the pay rate has been reduced but hours have increased, protection will be based on the actual contractual cash loss (up to a maximum of 15% of the old contractual pay).
- 15.6 Protection is limited to 6 months for Senior Managers (Pay bands 14 and above), at the full difference between the old rate of pay and the new rate. Where an employee is redeployed from a Senior Management post into a post that is below band 14, they will receive pay protection as above i.e. the 15% rule.
- 15.7 Protected pay will only cover those elements of pay which are contractual.
- 15.8 A review of pay protection or detriment payments may take place, as necessary. This is not a review of the level of protection or the three-year period, but an effort to align employees to a post similar to their previous post as well as to minimise costs. This may involve redeployment to a different post as well as additional training, job enrichment, or additional duties.

## **Allowances**

16. The Council's arrangements for overtime payments, allowances and working on a bank holiday are outlined in Northumberland County Council's Terms and Conditions of Employment.

## Redundancy Payments

- 17.1 The Council's policy on redundancy and severance is reviewed regularly (in accordance with The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. The Redundancy Policy is published on the Council's website. Any changes to this scheme are consulted upon with the relevant trade unions recognised by the Council for collective bargaining purposes. Any significant changes to the scheme must be approved by the Joint Consultative Committee (JCC). This scheme is not contractual, and the Council may vary the discretionary terms of the scheme. Payments must always be in the financial and managerial interests of the Council and all cases must be approved by the relevant Executive Director and the Head of Paid Service or their nominated representative.
- 17.2 Redundancy payments made to any Chief Officers will be published in the Council's Statement of Accounts as required.
- 17.3 The Staff and Appointments Committee has delegated authority from the Full Council to approve redundancy payments for Chief Officers. All exit packages of £100,000 or more must be approved by a vote of Full Council.

## Special Severance Payments

- 18.1 Special severance payments will be considered in accordance with the "Statutory Guidance on the making and disclosure of special severance payments by local authorities in England" published in May 2022. This guidance clarifies that special severance payments are discretionary payments made on termination of employment on top of contractual, and statutory rights, and that such payments should be exceptional and subject to a control process.
- 18.2 The payment of special severance payments will only be considered in exceptional circumstances and where their application is fair, proportionate, lawful and demonstrates value for money for the taxpayer.
- 18.3 The following approval process is in place:
- Payments of £100,000 or above must be approved by a vote of the Full Council.
  - Payment of £20,000 to £100,000 must be approved by the Head of Paid Service who should engage with the Leader.
  - Payments of under £20,000 must be approved according to the Council's scheme of delegation.

- 18.4 Where the proposed payment is to the Head of Paid Service, to avoid a conflict of interest, it is expected that the payment should be approved by the Staff and Appointments Committee and at least two independent persons prior to a vote of Full Council.
- 18.5 Appropriate HR, legal and financial advice will be sought and considered in respect of all special severance payments. In accordance with the statutory guidance on Special Severance Payments, the Council's S151 Officer and, where appropriate, the Monitoring Officer, should take a close interest in and be able to justify any special severance payments made by the Council and in particular any payments that are made that are not consistent with the statutory guidance.

### **Payments to Returning Officer**

19. The Returning Officer is currently the Head of Paid Service. The statutory role of Returning Officer carries a set fee at centrally funded polls such as Parliamentary, PCC elections and national referenda. At such polls this fee is set by order based on local authority size and previous authorised spend. At County Council, Combined Authority and Town & Parish elections (local elections), the Returning Officer's fee is not set by order and is subject to local discretion. The Returning Officer's fee at local elections was agreed as part of the terms and conditions of employment.

### **Contracts for services and appointment of consultants**

- 20.1 Due to the nature and responsibilities of their role, Chief Officers are normally employed on full-time permanent employment contracts. In exceptional circumstances, where the Council remains unable to recruit to a Chief Officer post or where there is a need for interim support to provide cover for a vacant post, the Council may consider engaging an individual as a consultant through a "contract for service". Such arrangements can be advantageous because they can reduce employment costs and are flexible because they can be used for short periods of time without the need to make termination payments. Where these arrangements are used the Council will use the relevant procurement processes to seek value for money.
- 20.2 Such engagements will be approved by the Staff and Appointments Committee.

### **Re-employment of employees previously made redundant from the Council**

21. Where a Council employee has been made compulsory redundant there is no general restriction on any future re-employment of the employee by the council, where such re-



employment occurs at a later date and as a discrete event unconnected with the redundancy, although in certain circumstances the return of pension and redundancy payments is a legal requirement. Where staff have requested voluntary redundancy, and this has been approved, then re-employment with the Council to a permanent, fixed term or temporary post within a period of 2 calendar years will only be with the express approval of the Director of Workforce and Organisational Development. If there are any exceptional circumstances regarding the re-employment of employees, who have been made compulsory redundant, either employed directly by the Council or via an agency/consultancy basis, these must be discussed and agreed in advance with the relevant Executive Director and together with the Director of Workforce and Organisational Development.

### **Secondary Employment**

- 22.1 Chief Officers may undertake secondary employment if a declaration is made, formal approval is sought and approved by the Staff and Appointments Committee.
- 22.2 Other senior officers may undertake secondary employment if a declaration is made, formal approval is sought and approved by the Head of Paid Service.

### **Policy Review**

- 23. This policy statement will be reviewed annually and any disputes relating to interpretation will be considered by the Head of Paid Service or a person nominated by the Head of Paid Service who will be the final arbiter. Where unforeseen circumstances require flexibility of this policy, the Head of Paid Service, or the Staff and Appointments Committee if the matter concerns a Chief or Deputy Chief Officer, will have the power to approve changes.

## Appendix 1a – Chief Officer Salary Structure 2023/23

BAND	SCP	ANNUALSALARY
BAND 16	64	£100,157
	65	£103,133
	66	£106,107
	67	£109,081
BAND 17	68	£119,800
	69	£125,692
	70	£131,580
	71	£143,361
	72	£134,555
	73	£144,774
BAND 18	77	£156,672
	81	£168,582

## Appendix 1b - Salary Structure 2023/24

BAND	SCP	ANNUALSALARY
BAND 1	1	
	2	£22,366
BAND 2	3	£22,737
	4	£23,114
BAND 3	5	£23,500
	6	£23,893
BAND 4	7	£24,294
	8	£24,702
	9	£25,119
	10	£25,545
	11	£25,979
BAND 5	12	£26,421
	13	£26,873
	14	£27,334
	15	£27,803
	16	£28,282
	17	£28,770
BAND 6	18	£29,269
	19	£29,777
	20	£30,296
	21	£30,825
	22	£31,364
	23	£32,076
BAND 7	24	£33,024
	25	£33,945
	26	£34,834
	27	£35,745
	28	£36,648
BAND 8	29	£37,336
	30	£38,223
	31	£39,186
	32	£40,221
	33	£41,418
BAND 9	34	£42,403
	35	£43,421
	36	£44,428
	37	£45,441
	38	£46,464
BAND 10	39	£47,420
	40	£48,474
	41	£49,498
	42	£50,512
	43	£51,515
BAND 11	44	£53,160
	45	£54,353
	46	£55,540
	47	£56,730
BAND 12	48	£60,299
	49	£61,489
	50	£62,680
	51	£63,869
BAND 13	52	£67,437
	53	£68,629
	54	£69,818
	55	£71,008
BAND 14	56	£76,364
	57	£79,336
	58	£82,315
	59	£85,286
BAND 15	60	£88,603
	61	£91,236
	62	£94,116
	63	£97,183

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## Northumberland County Council

County Council

Wednesday, 21 February 2024

### Annual Portfolio Report - Public Health and Wellbeing

**Report of Councillor(s)** Veronica Jones, Cabinet Member for Improving Public Health and Wellbeing

**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 highlights the significant work taking place to tackle inequalities across protected groups, socio economic disadvantage, geographical disparities and parts of our population who are sometimes less heard. All the work takes into consideration value for money and growing the economy from an inclusive perspective.

#### 2. **Purpose of report**

The purpose of this report is to set out some of the key achievements for Public Health, Northumberland Communities Together and the work we have undertaken with the voluntary and community sector of Northumberland over the last 12 months. The report also highlights some key areas of focus for the year ahead.

#### 3. **Recommendations**

3.1 Council to Note the Cabinet Member for Improving Health and Wellbeing Annual Portfolio Report.

#### • **Forward plan date and reason for urgency if applicable**

6<sup>th</sup> November 2023. The report is to note and does not require key decisions.

#### 4. **Background**

- The Annual Portfolio reports from each of the Council's Cabinet Members provide a valuable opportunity for Council to consider and comment on the work of each Portfolio. This strengthens the important link and accountability between

key decisions taken by the Cabinet and achievement of the three priorities of the Council as set out in the Corporate Plan.

- The Council adopted the Corporate Plan at its Annual General Meeting on 17th May 2023. The Plan establishes three priorities for the Council, underpinned by our approach to tackling Climate Change. The Annual Council Achievements Report sets out overall progress against the three priorities whilst this Portfolio report provides an opportunity for Members to drill down further into the work of Public Health and tackling inequalities.

### **Achievements - Tackling Inequalities: Overarching strategic direction**

- In response to concerns about inequalities exacerbated by the COVID-19 pandemic, the Northumberland's Inequalities Plan was adopted by The Health and Wellbeing Board and endorsed by Council in September 2022. This plan focuses on immediate actions to reshape our collective approach to reducing inequalities by improving our understanding of inequalities at a neighbourhood level, changing the way we work as organisations, how we work together and how we work WITH communities and build on the strengths of communities to support them to take meaningful local actions. Throughout this report there are examples of how we are working with others to:
  - Ensure our residents voice is valued and equal to data.
  - Maximise our civic responsibilities, such as policy, strategy, regulation, financial responsibilities, partnership and coordination and community participation.
  - Develop and coordinate our workforce as a shared asset to maximise impact on reducing inequalities.
  - Develop, deliver and commission services differently
- The Inequalities Plan has significantly informed the refresh of the Joint Health and Wellbeing Strategy for its remaining five years and has guided the development of the future facing County Partnership Mission of changing generational outcomes over the next twenty years to enable people to live their best life. This is within the context of Northumberland being *a land of great opportunities*.

### **Achievements – Public Health: Budget prioritisation**

- We have led a budget prioritisation exercise to inform future decisions on resource allocation to ensure a balanced public health budget that delivers value for money and also maximises our impact on reducing inequalities.

### **Achievements – Public Health: Starting and growing up well**

- Ensuring that children and young people have the best start in life and grow up well has lifelong impacts for health and wellbeing and helps tackle inequalities. We work in close partnership with Harrogate and District NHS Foundation Trust to provide the Growing Healthy Northumberland 0-19 (health visiting and school nursing) service. We have worked together to develop the service to best support children and families from birth to adulthood, with additional help for those families with most need. An extensive training programme has been delivered within the 0-19 service improving quality. A strengthened emotional

health and resilience offer has increased access to support for children with low level mental health needs.

- The Growing Healthy Northumberland 0-19 service is a key partner in Northumberland Family Hubs and is contributing to strengthened perinatal mental health support.
- We lead a range of partnership work including topics such as improving nutrition and healthy weight, increasing breastfeeding uptake and reducing health inequalities through support for vulnerable families managing cost of living challenges. There has been a year on year increase in the prevalence of breastfeeding at 6-8 weeks from 36.6% in 2018/19 to 42.0% in 2021/22. Although this exceeds regional prevalence (35.7%) it remains below the England average (49.2%), though the gap between Northumberland and England has reduced since 2019/20. The development and implementation of an integrated 2 year assessment between the Growing Healthy Northumberland 0-19 service and NCC Early Years is an example of effective partnership working which will help identify and support children with additional needs at an early stage.
- The National Child Measurement Programme (NCMP) measures the height and weight of children in reception (aged 4 to 5 years) and year 6 (aged 10 to 11 years) to assess overweight and obesity levels in children within primary schools. The prevalence of overweight including obesity in 2022/23 for both reception (25.6%, 735 children) and year 6 (38.3 %, 1235 children) was greater than the England average (21.3% and 36.6% respectively) and an increase on the previous year (21.3% and 36.2% respectively). We continue to offer support to children and their families and this year the Public Health team are offering an improved digital programme to encourage a wider reach as well as a more staggered approach to measuring children by locality making the programme and the support offer a more seamless process.

### **Achievements – Public Health: Capacity Building/Making Every Contact Count**

- To ensure that public health is ‘everybody’s business’ we support a comprehensive workforce development offer that enables our communities to value health and to improve and protect the health of all our residents. This includes training and accredited learning for volunteer community health champions, topic-based professional courses and Level 3 and Level 6 public health apprenticeship schemes.
- The Health Improvement Training Programme provides support and training to local organisations and individuals with over 86 short courses offered throughout the year. To date we have received 524 applications for the 2023/24 programme. Health Improvement Practitioner and Specialists who facilitate the courses have many years’ experience of working within public health and are qualified educators and accredited training providers for the Royal Society of Public Health and Mental Health First AID England qualifications. The team have 5 members of staff undertaking the Level 3 Community Wellbeing Worker Apprenticeship and 2 on the Level 6 Public Health Degree Apprenticeship programme.
- Making Every Contact Count (MECC) is an approach to behaviour change that uses the millions of day-to-day interactions that organisations and individuals

have with other people to support them in making positive changes to their physical and mental health and wellbeing. Over 1000 frontline staff, volunteers and residents in Northumberland have been trained in MECC and over 100 have been trained as MECC trainers. Those trained have been from the NHS, the Council (including the Fire and Rescue Service), Citizens Advice, Primary Care Networks, Rise (the sports partnership), social housing providers, residents' associations, and numerous voluntary and community sector (VCS) organisations. There is a MECC Strategic Partnership which is overseeing work to understand the impact of training, in particular the 'train the trainer' approaches. We have also recruited a health improvement practitioner to focus on supporting system partners to deliver MECC for financial wellbeing.

### **Achievements – Public Health: Health Protection**

- Health protection is described as preventing or reducing the harm caused by communicable or infectious diseases and minimising the health impact of environmental hazards. We have effective long-standing relationships with key partners involved in health protection and have developed the multiagency Northumberland Health Protection Assurance and Development Partnership to better understand how we can further protect the health of residents and reduce inequalities. This is overseen by the Health and Wellbeing Board.

### **Achievements – Public Health: Mental Health**

- We facilitate the well-established multiagency Crisis Care, Suicide Prevention and Mental Health Strategic Partnership and operational group which supports this. We are working with partners to deliver our agreed action plan for promoting good mental health.
- We provide a comprehensive county-wide training offer to support suicide prevention and better mental health. This includes Adult Mental Health Awareness, Adult Mental Health First Aid, Basic Suicide Awareness, Youth Mental Health Awareness, Youth Mental Health First Aid and bespoke training such as Mental Health Awareness (including Suicide Awareness) for Elected Members, Wellness sessions for Carers and GP Surgery Staff.
- We coordinate partnership support for a range of mental health campaigns throughout the year including: Time to Talk, Stress Awareness Month, Mental Health Awareness Week, Loneliness Week, World Suicide Prevention Day, Silver Sunday and World Mental Health Day.
- We have very close working relationships with Place Based ICB colleagues and support the NHS Community Mental Health Transformation (CMHT) programme which aims to improve identification and early intervention for those at highest risk encouraging use of self-help resources and community assets to their best advantage. This includes a 'no wrong door' approach with one trusted assessment, and an improved community offer of holistic physical and mental health care. Work is underway to develop a Crisis Cafe/Safe haven in Ashington.



### **Achievements – Public Health: Oral health**

- Our multiagency Oral Health Strategic Implementation Group continues to meet with a wide range of partners. The Northumberland Oral Health Strategy and Action Plan has been updated and agreed at Health and Wellbeing Board for the period 2022-2025 with a stronger emphasis on reducing inequalities and supporting vulnerable groups. In Northumberland, as part of the oral health strategy we are supportive of the expansion of the Community Water Fluoridation scheme.
- Achievements include establishing an oral health referral pathway for cared for children, so they are now routinely referred to the community dental service at Northumbria Healthcare NHS Foundation Trust. There is ongoing work to strengthen oral health support for these young people including training for foster carers.
- The Growing Healthy Northumberland 0-19 service oral health offer for children aged under 5 years has been refreshed, including comprehensive provision of training for staff. Family Hubs are working with NHS England to introduce an oral health champion in every family hub to strengthen health promotion activities.

### **Achievements – Public Health: Tobacco**

- Sustained local action in partnership, coordinated by the Northumberland Tobacco Control Partnership, alongside and complementing our commissioned regional programme and national activities, has resulted in Northumberland's latest reported adult smoking prevalence rate (2022) at 9.6%, making us lower than the England average and lowest in the region.
- NCC Public Health and Stop Smoking Service (SSS) working with NENC ICB Northumberland and Northumberland Community Outreach team as an Early Implementer Site to test a partnership approach to helping serious mental illness (SMI) patients to reduce and stop smoking, as part of their physical health check. Outcomes for this group are encouraging - up to October 2023, 74 patients have been referred, 61 engaged (83% engagement) and 14 quit (23% quit rate).
- NCC Trading Standards (TS) and Public Health have worked together to augment illicit tobacco and alcohol work and engage in prevention by appointing a Fair Trading Officer with this focussed remit. Outcomes are impressive with the TS team conducting investigations and enforcement on a bigger scale, resulting in the seizure of over 33,000 sticks of illicit cigarettes between October 2022 and October 2023, and the closure of premises found to be selling illicit products.
- NCC Public Health, Housing, and SSS participation in a national 'Swap to Stop' opportunity. Social housing tenants offered a bespoke stop smoking support programme, access to the SSS digital webpage, and a free vape starter-kit. 10 tenants from social houses in Blyth and Cramlington engaged with the programme, 6 set quit dates and from these, two people quit, two people reduced consumption and two are continuing with the programme.

### **Achievements – Public Health: Drugs and Alcohol**

- The drug and alcohol treatment service was successfully re-procured in 2023/24 and the new contract commenced on 01/10/23. The service model has been updated to reflect changes in the sector and drug/alcohol using trends, and additional investment has increased service quality and capacity, ensuring we can offer an effective service to some of our most vulnerable residents.
- Data for Sep 2023 demonstrates that 56% of people accessing our treatment services are making significant progress in either reducing or stopping their problematic use of substances. This is an increase from 52% for the same period last year and is above the 47% England figure.
- In line with Home Office requirements, we have co-developed the Northumbria Combating Drugs Partnership, with the Police and Crime Commissioner, Northumbria Police and the other five Tyne/Wear Local Authorities, to oversee local delivery of the National Drug Strategy.
- In 2023/24, almost £1m of additional funding was secured via the Government's Drug Strategy Grant and the ICS Healthy Inequality Fund, and invested in our local drug and alcohol systems, increasing resource and improving outcomes.

### **Achievements – Public Health: Sexual Health**

- The re-procurement of our sexual health service was successfully completed in early 2023, and the new contract commenced on 01/04/23. The service helps address inequality and protects the sexual health of our residents by providing targeted, needs led treatment. The new service model has been improved, creating more capacity and providing a variety of on-line and digital interventions. We have enhanced local contract reporting arrangements between NCC and the service provider, ensuring a better and more timely exchange of information. We are working with the service provider and GP partners to expand the provision and long-acting reversible contraception (LARC) to increase patient choice and access.
- The service provides a young person clinic and access to contraception, and we are seeing a steady decline in the number of teenage pregnancies, with current figures below regional averages – 13.8 per 1,000 population for Northumberland, compared to 19.8 for the North East. Availability of HIV testing is also worth noting, as although providing widespread coverage across Northumberland can be challenging, we continue to improve. In 2021 (most recent data), the percentage of eligible people who received an HIV test was 60.5%, representing a 79% increase since 2020, and a 28% increase since 2016.

### **Achievements – Public Health: NHS Health Checks**

- Heart disease and stroke are 80% preventable, and people living in the most deprived areas are more than twice as likely to die early because of these conditions compared to people living in less deprived areas. All people aged 40-74 years without existing conditions are eligible for a free check-up to help understand their risk of developing heart disease, stroke and diabetes, and put in place actions to reduce their risk of developing these conditions as well as dementia.

- Up until recently, NHS Health Checks were delivered only in GP surgeries. However, a health equity audit found that uptake is disproportionately low among 40-60 year olds, men and in more deprived areas. As a result, the NCC Public Health team has implemented a community outreach programme in which health trainers are visiting workplaces, social venues, VCS organisations, and other agencies and locations to offer NHS Health Checks to people who would not otherwise attend their GP for the check. This is alongside work to improve uptake, quality and equity of NHS Health Checks delivered in GP surgeries.

#### **Achievements – Public Health: Healthcare public health**

- We have updated against the achievements the Joint Health & Wellbeing Strategy theme of 'Adopting a whole system approach to health and care' over the past 5 years, and refreshed the actions and indicators or evidence of progress for the next 5 years.
- We have supported Primary Care Networks to develop and implement health inequalities and population health management plans.

#### **Achievements – Public Health: Building blocks for good health**

- The NHS was never meant to be the only institution working to improve health, it was always intended to be part of a broader system of support addressing jobs, housing, education, and infrastructure. A healthy and thriving community needs all the right building blocks in place, for instance stable, high-quality jobs, high-quality housing and good education. For some of our residents these building blocks are missing, weak or need replacing. Over the last 12 months we have invested additional capacity into working with Council departments with civic responsibilities such as policy, strategy, intelligence, housing, inclusive economy and planning to increase the impact that the Council and our partners has collectively on reducing inequalities. This has included the Health and Wellbeing Board refreshing the 'Building Blocks of a good health' theme of the Joint Health and Wellbeing Strategy.

#### **Achievements – Public Health: Healthy housing and planning**

- The Northumberland Local Plan was adopted in 2022 which included a range of new policies to improve health and wellbeing, these include the requirement for developers to complete Health Impact Assessments (HIA) on certain developments and a Hot Food Takeaway to limit new takeaways in certain areas. An audit of the HIA policy identified low levels of understanding of this policy. Joint training was delivered by Planning Policy and the Public Health team to the Planning Service and the guidance has been reviewed. Since then, rapid HIAs and Full HIAs have been either undertaken by developers or are in the process which should contain recommendations of how the developers will mitigate any negative impact or maximise positive impacts to health through their development. These recommendations can be built into planning conditions.

### **Achievements – Public Health: Financial wellbeing**

- NCC increased its financial contribution to Citizen's Advice Bureau in 2022 and has seen an increase in capacity building as a direct result of this increase. We have since established a financial well-being network (including the likes of Northumberland Community Bank, faith groups, CAB, Northumbria Health Care Trust and NCC) to help build financial resilience across the county. We have prioritised three themes of the government's financial well-being.

### **Achievements – Public Health: Health and inclusive growth**

- Since the pandemic, awareness has grown that our populations health is an asset which should be protected and nurtured, and the strong connection between health and the economy. Over the last 18 months closer relationships have developed between public health, economy and regeneration teams, the Combined Authority, and the Integrated Care Board culminating in the development of a North of Tyne Work and Health Strategy during 2023. This strategy has short and long-term aspirations focussed on strengthening strategic partnerships and seizing opportunities from devolution, integrating frontline health and employment support through commissioning pilots and strengthening referral pathways and finally creating and promoting good work in the local public and private sector. The Health and Wellbeing Board has also updated the Work and Health Joint Strategic Needs and Assets Assessment (JSNAA).
- The Public Health team continues to support the North East Better Health at Work award, a regional award scheme which promotes and motivates businesses and their employees in developing and embedding a sustainable, positive culture around staff health and wellbeing. There are currently 32 active businesses who have achieved some level of the award and last estimates indicate this is equivalent to an employee reach of over 27,000.

### **Achievements – Public Health: Policy and strategy**

- In response to the call in our Northumberland Inequalities Plan to 'look at everything through an inequalities' lens, which includes developing a shared understanding of the 4 domains of inequalities (protected characteristics, geographical, socio economic factors and inclusion groups), a cross council working group led by Public Health was established to review our approach to impact assessment. This included learning from our current assessment processes for Equalities and Carbon Impact and from other areas who have incorporated a focus on socio-economic inequalities. This review identified the need to bring together the triple impact of the Equality Duty, the environment, and inequalities into a single Integrated Impact Assessment (IIA) process and for impact to be considered earlier in the decision-making process so that negative impacts can be minimised, and positive impacts maximised where possible. Also, there is a workforce development need to ensure this process is embedded across the Council rather than the responsibility of a few key individuals.

### **Achievements – Public Health: Intelligence**

- The Data Intelligence Team has supported several projects and workstreams including the Strategic Needs Assessment for Community Safety, the

Communities First Workstream and Northumberland Communities Together data collection and reporting project. Additionally, the JSNAA has been refreshed and published on the NCC website. The Ageing Well chapter is currently being updated, following a workshop in April 2023, topics include Employment and Civic Participation and Falls Prevention. Other topics are still being finalised for publication. A workshop is being arranged in February 2024 to refresh the Long-Term Conditions chapter. The team supports the Emergency Preparedness work across the council to ensure an appropriate response to emergencies.

### **Achievements – Public Health: Health Trainers**

- Following re-organisation, Health Trainers and the Community Health Champions programme moved to the Policy and Strategy portfolio of the directorate. A short programme of Team development sessions have supported this change and shaped future programme development. Achievements include development of the new NHS Health Checks model as outlined at (paragraph 5.20). This model went live October 2023 and to date 19 eligible people have accessed a health check. With support through the NHS Health Check steering group we have a robust delivery plan targeting areas with high CVD risk, areas of deprivation and areas and groups where uptake is low. The health trainer team continue to support residents to implement lifestyle behaviour changes and a new website (<https://www.livingwellnorthumberland.co.uk>) supporting the programme has been developed.
- The Community Health Champions programme is being reshaped as part of this transition. The programme co-ordinator is leading the refresh of comms and engagement across the Champions and Health Trainer programmes to ensure our residents voice informs and influences the information we share and shapes the way we share this. Key theme areas will include; alcohol, healthy weight, physical activity, mental health awareness and suicide prevention.

### **Achievements – Public Health: Asset Based Community Development**

- Skills and workforce development is a key theme in Northumberland Inequalities Plan to support system wide culture shift to create and enable the conditions necessary to foster 'at scale' transformation and meaningful change. To take this forward, 5 cohorts of Discover Asset Based Community development training were planned with Nurture Development. To date 4 cohorts (total 75 people) have been completed with cohort 5 planned January 2024. Cohort 1 involved participants from key teams across the system, whilst cohorts 2-4 were place based; Blyth, Hirst Ashington and Alnwick. Cohort 5 will be people (20) drawn from key frontline community-based teams across the Northumberland system. Early evaluation highlights strong system commitment, increased confidence and collaboration and an early shift in thinking, behaviour and language. This indicates that Northumberland has made significant progress in embracing ABCD as a community development approach in a relatively short space of time and that the commitment to continuous learning and fostering trust bodes well for future aspirations.
- As part of Heart of Blyth and the Blyth Better Together Partnership, a multi-agency group completed the ABCD training early in 2023, this included council staff, the Town Council, the Police and voluntary sector partners. A recent

evaluation has indicated that this has shifted practitioners' mindsets about the value that residents can bring – and, in some cases, stakeholders identified that this was impacting on how they now interact with residents.

- Ensuring our residents voice is equal to other data and is key to shaping our future direction is a key theme within Northumberland Inequalities Plan. Public Health, in partnership with colleagues in NCC Regeneration and Northumberland Communities Together, have been hosting community conversations using the [Place Standard Tool](#). To date we have hosted conversations in Hirst Ashington, Bedlington and Cramlington speaking with 722 residents aged 11-78. All conversations to date have directly influenced locality Place Plans and Hirst Master Plan, ensuring these are underpinned by a strengths-based, community centred approach. We have developed Place Standard Tool to incorporate a digital offer and cascaded training to some key community teams and continue development to enable broader reach and scale.
- Asset Based Community Development (ABCD) training, of both NCC staff and partners such as the police and VCS organisations helps us to support growth, building on the assets that exist in all our communities across the county.

### **Achievements – Public Health: Physical Activity**

- Physical Activity Strategy Refresh – North-East Directors of Public Health (DsPH) and Office of Health Improvement and Disparities (OHID) North-East centre have initiated a pilot for a Sector Led Improvement (SLI) process for physical activity. The process aims to provide assurance to both internal and external stakeholders and the public, as well as demonstrate continuous improvement to Public Health Practice. The bespoke assessment tool used for this approach is based on the International Society for Physical Activity and Health (ISPAH) publication, *Eight Investments That Work for Physical Activity*. The ISPAH publication adopts a whole system approach to physical activity and focuses on a number of key areas that are all informed by international evidence on what works for physical activity. NCC have begun to deliver a series of 8 workshops which will gain insight regarding key issues such as active travel, active environments, active school settings and sport and recreation for all. 2 workshops have been conducted with a further 6 to be facilitated before April 2024. The information gathered will be used to update Northumberland's Physical Activity Strategy '*Everyone More Active for Life*'.

### **Achievements – Public Health: Healthy Weight**

- NCC, alongside Northumbria FT and many other North-East Local Authorities have signed, Food Actives, Local Authority Declaration on Healthy Weight. The aim of the declaration is to achieve a local authority commitment to promoting healthy weight across all policy areas with a view to improving the health and well-being of the local population. The Declaration will provide a mechanism for NCC to take leadership at a strategic level, promoting healthy weight whilst influencing the thinking and commitment of departments and agencies outside of public health who can make a direct impact and support Northumberland's vision to support residents to achieve and maintain a healthy weight. Progress to date includes:

Healthy Weight Declaration Commitment	Action
1. Implementing the Local Authority HWD as part of a 'systems wide approach' to obesity	Within the management contract for community leisure and wellbeing services, our Leisure operator is required to consider vending provision, ensuring healthy food and drink provision in line with the Healthy Weight Declaration.
9. Consider supplementary guidance for hot food takeaways, specifically in areas around schools, parks and where access to healthier alternatives are limited.	<p>Policy TCS (Town Centres and Central Services) 6: Hot Food Takeaways has been included within the Local Plan.</p> <p>The Policy looks to protect CYP from the harmful effects of Hot Food Takeaways. New takeaways will not be supported if they are not - over 400 metres walk from any entrance gate of any existing or proposed school or college with students under the age of 18 years</p>
15. Promote the health and well-being of local authority staff by creating a culture and ethos that promotes understanding of healthy weight, supporting staff to eat well and move more	Northumberland County Councils Health Trainer Team have piloted Health Check roadshows in various NCC depots, targeting support for frontline staff. Health Check Measurements included height, weight and Body Mass Index. Health Trainer staff provide health information based on the health check measurements results in addition to signposting appropriately to programmes such as the National Diabetes Prevention Programme, The NHS Digital Weight Management Programme and The Health Trainer Service for 1-2-1 support.

- Establishment of Northumberland Healthy Weight Alliance (HWA) – Aiming to make healthy weight everybody’s business. The goal is to ensure consideration and support for healthy weight is included in all our policies and practices. Earlier in 2023, the council’s Public Health Team coordinated the first HWA workshop. Delegates from various organisations with a range of strategic roles attended. The aim of the workshop was to revisit the positive work which had been progressed pre covid pandemic. Formal adoption of the HWA was ratified by H&WBB in September with the HWA planned to meet on a regular basis in 2024.

### Key Areas of Focus for Public Health

- A huge amount of work has been done in the aftermath of the COVID-19 pandemic to create the conditions for people to live healthier lives and to reduce inequalities. The past year has seen some fantastic achievements across the breadth of Public Health and NCT. This is testament to the close and positive working between the Council and all its partners, striving to achieve the very best for our residents. As we move forward our key areas of focus are:
- **Starting and Growing up Well**

- Maintain the focus on emotional wellbeing and mental health support for children, young people and their families
- Review our intervention for children and young people identified by the National Child Measurement Programme as overweight and obese
- Develop and introduce a breastfeeding friendly scheme for businesses and other organisations
- Develop and implement an integrated multiagency enhanced parenting pathway for parents who need the most support
- **Health Protection**
  - Embed the Northumberland Health Protection Assurance and Development Partnership
  - Undertake collaborative work to understand the association between inequalities and health protection impacts for residents
- **Public Mental Health**
  - Continue collaborative work through established groups to promote better mental health
  - Develop a Promoting Better Mental Health Strategy for Northumberland
- **Oral Health**
  - Support the community water fluoridation consultation process as required
  - Continue the implementation of the oral health strategy, identifying priorities for a refreshed strategy in 2025
- **Drugs and alcohol**
  - Increasing numbers accessing structured treatment.
  - Development of an alcohol prevention strategy.
  - Local implementation of an Individual Placement Support programme to create employment opportunities for recovering drug and alcohol users.
- **Sexual health**
  - Development of a system wide sexual health strategy.
  - Work with the service to deliver a health equity audit and implement the findings.
  - Work with GP partners to continue the expansion of LARC provision.
- **Tobacco control**
  - Continue to provide public health leadership for a county-wide collaborative approach to tobacco control.
  - Provision of a specialist stop smoking service, including planning for new additional funding as part of the national drive to create a smokefree generation.



○ **NHS Health Checks**

- Continue to increase quality, equity and uptake of NHS Health Checks, and evaluate the new community outreach project.

○ **MECC**

- Continue to support partners to adapt, embed, cascade and deliver MECC in Northumberland with an additional focus on MECC for financial wellbeing.

○ **Healthcare public health**

- Integrated neighbourhood teams: Support the ICB and others in Northumberland to develop integrated neighbourhood teams across the county.
- Joint Health & Wellbeing Strategy theme of 'Adopting a whole system approach to health & care': Progress and monitor the implementation of the refreshed actions through the Northumberland ICB Place Sub-Committee / System Transformation Board.

○ **Building Blocks of a Healthy Life**

- Increase quality and quantity of Health Impact Assessments and bring full Health Impact Assessments to Health and Wellbeing Board for consideration.
- Complete implementation of the Integrated Impact Assessment Process so that it is fully rolled out by November 2024.
- Work with Regeneration and Place Directorate to ensure Northumberland partners actively contribute to the delivery of the ICB and Combined Authorities Work and Health Strategy.
- Work with Housing directorate to develop a new Housing Strategy for the council, underpinned by improving health outcomes for our residents.
- Implement a 'Housing Pathway' through the use of Frontline, allowing face to face practitioners to refer housing concerns directly to housing providers and other VCS support organisations.
- Respond to the recent Levelling Up and Regeneration Act with the development of enforceable health-based design codes for the county.

**Key achievement – Northumberland Communities Together**

- Northumberland Communities Together (NCT) continues to make sure residents are kept safe and well and provides coordination to support individual volunteers, voluntary groups and communities across our county.
- One of the key responsibilities of NCT is to assist in identifying and developing social value practices and asset-based community development approaches in collaboration with Thriving Together and other statutory and non-statutory partners.

**Achievements**

- **Welfare Support & Assistance**

Northumberland's local welfare support scheme has been located within NCT to connect with a wider welfare support arrangement. Working in partnership with the Voluntary, Community and Social Enterprise Sector (VCSE), NCT has developed a policy and approach which looks at a range of in-kind and voluntary support with links to advice and advocacy exploring a full range of delivery models

- **Poverty & Hardship Plan**

£1million has been set aside from the Public Health Grant to support with an ambitious plan to tackle inequalities and address hardship within communities. The plan brings together a range of proactively targeted strategies and actions along with grant funding opportunities for innovative and entrepreneurial approaches which tackle poverty and hardship at a hyper local level.

- **Northumberland Emergency Transition Support (NETs)**

NCT has processed the discretionary elements of the scheme which consists of the purchase of items or living expenses to help meet expenses that have arisen because of an emergency or a disaster and must also be the only way of preventing serious damage or serious risk to the health or safety of a person or their family. During the past 12 month period the NET's team have processed emergency and transitional claims totalling £80,964 of financial support.

- **DWP Grant Determination – Local Support Grants**

The Department for Work and Pensions (DWP) has provided funding to Northumberland County Council, under section 31 of the Local Government Act 2003, to administer a series of schemes which aim to help households most in need. Authorities were given the ability to deliver the scheme through a variety of routes including providing vouchers to households, making direct provision of food or goods, or issuing grants to third parties. Since December 2020 NCT has been provided over £14million of welfare support to distribute to vulnerable households across Northumberland. Over 275,241 awards have been made to support households in the most need with food, energy and water bills and/or other essentials linked to those items.

- **Holiday Activity & Food Programme**

NCT has been managing the delivery of the DfE Holiday Activity and Food Programme known locally as The Northumberland Holiday Provision. Our Northumberland approach focusses heavily on using fantastic local assets to deliver a high-quality offer for young people in Northumberland. This includes a range of enriching activities, lots of fun and a good nutritious meal during the school holidays (Easter, Summer and Christmas). Since 2021/22 over 24,000 spaces have been provided. During the summer 2023 alone 5,300 young people attended, and the efficacy rate for attendance was 98.6% (no show rate was less than 2%) demonstrating the value of our relational and place based working.

- **Cost of Living Support**

In response to the 'Cost of Living Crisis', NCT has created a dedicated Cost of Living Support Hub online presence, providing a single point of access for information and support. NCT has also delivered over 60 'Here to Help' community placed based events to support residents, with a total of 110 scheduled by April 2024.

- NCT has dealt with 11,194 referrals between 1st November 2022 - 15 November 2023.
- NCT continues to manage the distribution of DfE Holiday Activity & Food programme (HAF) £1,128,130.
- NCT continues to manage the distribution and delivery of DWP Household Support Fund (HSF) £4,044,597 period 2022/2023.
- NCT continues to provide access to Northumberland Emergency Transition Support (NETs) welfare support service distributing £80,964 of financial assistance between 1st November 2022 - 15 November 2023.

- **Community Coordination & Place Based Support**

Local area co-ordination is an approach to supporting people who are vulnerable through economic circumstance, age, frailty, disability, or mental health issues achieve their vision for a good life, to support people to contribute to their communities and to strengthen the capacity of communities to welcome and include people. Built on the assumption that people who may be vulnerable due to age, disability or mental health needs are not just 'passive recipients' of public services such as social and health care, but have expertise, gifts, strengths that can help them achieve their vision for a good life, contribute to their local communities and maximise the impact of resources. Locality coordination promotes cultural change and contributes to, and drives reform of, the existing service system, making services more personal, flexible, accountable and efficient.

Locality coordinators within NCT have and continue to lead local partnerships, with primary care networks, health services, council services and VCS partners, with the aims to move the front end of the service system/primary source of support from assessment, money and services to prevention, helping people to stay strong and supporting practical solutions such as.

- Secured funding through Partnership for People and Place (PfPP) programme with the aim of piloting a new approach to cross-government working to improve local outcomes and efficiency of policy and programmes designed and delivered in place. Hello Hirst was established to support families, children and young people to increase school readiness and work together to develop impactful support provision.
- Establishment of 160 Warm Welcome Spaces including the digital mapping of 105 spaces on the new interactive map.
- Mapping and registration of 90 Community Resilience Hubs to support societal resilience and civil contingencies.
- Appointment of Hirst Community Coordinator securing funding from Police & Crime Commissioner, Northumbria Police and Heritage Lottery to advance ABCD approaches across Hirst.
- Secured Hotspot and Transport Network Safety funding and completed the recruitment and appointment of 4 x Community Support Officers.

- **Frontline**

Working with our VCS commission and Thriving Together partnership NCT is helping to facilitate the continued expansion and rollout of our social prescribing referral platform and mobile application for Northumberland, commonly known as Frontline. We believe our solution is a truly effective whole community support for health, wellbeing and independence, and can provide everyone with the ability to identify and contact local services quickly. That is why we are encouraging the systematic take up amongst all our partners and across all neighbourhoods and communities.

In support of our asset-based approaches to community development the Frontline platform provides the ability to map services easily and generate data on partnership working, search behaviour and identify gaps in services and/or resources.

#### ○ **Community Hubs & Programme Delivery**

The hub model was developed with residents and local partners through a co-design process, involving a range of organisations. The hub sets out to bring different organisations together and to facilitate new interactions between people and organisations, in response to local needs. The hub offers a physical space enabling a range of local organisations to work together under one roof and provide a well-being offer to stimulate, better connections and new relationships, healthier lives.

- Launch of Alnwick Community Hub bringing a newly refurbished community asset back into operation.
- Continued operation and increased delivery through Cramlington Hub, Newbiggin Hub, Haltwhistle Hub; 1117 Hub booking forms have been processed since January and 27,802 people have attended sessions either one off or as part of regular attendance at the hubs.
- Introduction of new Skills Hub operating from Cramlington and the engagement and coproduction by over 20 partners.
- Secured commitment and future investment for the delivery of a new Newcastle United Foundation Family Zone at the Hirst Welfare, Ashington, delivering a suite of employability, welfare and physical activity programmes from January 2024.

#### ○ **Key areas of focus**

- Secure a sustainable long-term funding source to enable the re-tendering and commissioning of the VCSE infrastructure support contract for Northumberland.
- Continue to take a lead role and responsibility in the delivery of new 'Communities First' approaches to ensure residents and communities are empowered to help themselves through the BEST ways of working.
- Implementation of Policy in Practice Low Income Families Tracker (LIFT) to help proactively, target, prioritise and engage early with those most in need of support and assistance, to prevent crisis and escalation of need as part of our BEST ways of working and Communities First approach.

- Manage the safe transfer of Strategic Community Safety from NFRS to Stronger Communities, ensuring appropriate structures are in place to deliver on corporate priorities and mitigate corporate risk.
- Manage the mobilisation and support for transfer of Community Leisure Assets back to Stronger Communities by April 2024 and help establish new sustainable business delivery models which address strategic need and deliver improved outcomes.
- Continue to manage the strategic delivery of Government Grant Determination and Funding programmes including the DWP Household Support Fund and DFE Holiday Activity & Food programme ensuring that all aspects of programme delivery are compliant and sufficient to satisfy grant funding and monitoring requirements.

- **VCSE/Thriving Together**

In August 2021, Thriving Together was awarded the commission from Northumberland County Council to provide VCSE support. The underpinning ethos was to give all organisations within the sector the opportunity to thrive and achieve potential. The aim of the commission is to showcase the work of the sector through collaboration and partnership working to make a positive impact on the lives of Northumberland residents. Thriving Together enables a strategic partnership offering best fit representation, building sustainability through a highly visible presence. The Thriving Together approach is to be inclusive by offering non-membership support to all VCSE organisations throughout the county.

- **Achievements**

- 20% of the funding received from the Thriving Together commission was distributed to the networks to help develop local capability and capacity.
- 156 VCSE organisations have been supported under one of the three main aims of Thriving Together commission.
- 305 individuals have been given 1-2-1 support to take full advantage of the available resources and enable them to operate safely and legally.
- 15 Local Networks have been established offering an integrated means of fostering and linking thematic alliances, promoting the emergence of new leaders, and facilitating collaborative efforts to cultivate a supportive culture throughout the county, with the overall aim of improving the lives of Northumberland residents.
- Thriving Together has helped leverage an additional £2 Million of funding to VCSE organisations across Northumberland through collaborative and partnership approaches to funding bids.
- Thriving Together has developed a strong social media presence to engage in mixed dialogue and interaction, resulting in 77,351 impressions (the number of times content was displayed); 30,648 reach (number of people who see content) and 1,072 comments, reactions, shares (number of people who have directly commented and shared content).
- £425K secured through the Adult Education Budget to lead a VCS consortium to provide Community based training.

- Working with NCT to develop a new TT network for Veterans’ organisations.
- Commenced a project through VONNE focusing on Healthy Communities by working with Social Prescribing Link Workers (SPLW’s) to identify gaps in provision and creating better links with the VCS organisations to build capacity. Supported by £10,000 secured from Assura to provide small grants for grassroots organizations in Cramlington.
- **Key areas of focus**
  - Establishment of new thematic networks including Faith Groups, Armed Forces & Veterans Groups, and VCSE Leaders Group.
  - Secure the necessary sustainable funding source to maintain delivery of Thriving Together the Northumberland VCSE infrastructure support contract
  - Support delivery of Northumberland Inequalities Event 2024 providing opportunity to Showcase the VCSE in Northumberland and their contribution to tackling inequalities.
  - Continue to develop the delivery model and platform for the Adult Education Budget.
  - Continue to maintain and strengthen Thriving Together networks with particular emphasis on connecting and aligning Churches and Community Faith Groups.

• **Options open to the Council and reasons for the recommendations**

- The report highlights the key achievements across Public Health, Northumberland Communities Together and the VCSE commission Thriving Together. Council is recommended to note the content of the report.

• **Implications**

<b>Policy</b>	This report highlights the policy work being undertaken and aligns to the Corporate Plan
<b>Finance and value for money</b>	The work within this report is funded by the Public Health Grant and also includes national grants such as the Household Support Fund
<b>Legal</b>	No implications to note
<b>Procurement</b>	Where there have been procurements undertaken over the last 12 months all have followed due process of NCC policy and procedures
<b>Human resources</b>	No implications
<b>Property</b>	No implications

<b>The Equalities Act: is a full impact assessment required and attached?</b>	No This report is a highlight summary of work over the last 12 months. All work is designed to ensure no populations are disadvantaged and targeted based on needs and evidence base
<b>Risk assessment</b>	All risks are managed as part of service level risk registers
<b>Crime and disorder</b>	No implications
<b>Customer considerations</b>	All outward facing services are designed to best meet the needs of residents and seeks feedback from residents where applicable
<b>Carbon reduction</b>	None identified
<b>Health and wellbeing</b>	All work documented is designed to improve health and wellbeing
<b>Wards</b>	(All Wards);

- **Background papers**

Not applicable

- **Links to other key reports already published**

Not applicable

- **Author and Contact Details**

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## Northumberland County Council

County Council

Wednesday, 21 February 2024

### Annual Portfolio Report – Promoting Healthy Lives Report

**Report of Councillor(s)** Councillor Jeff Watson, Cabinet Member for Promoting Healthy Lives

**Responsible Officer(s):** Simon Neilson, Executive Director - Place and Regeneration, and Gill O'Neill, Executive Director for Public Health (DPH), Inequalities & Stronger Communities

#### 1. Link to Key Priorities of the Corporate Plan

##### **Culture and Tourism**

- **Achieving Value for Money** – the Portfolio contributes to this priority by securing best value in all contracting and commissioning, working closely with local businesses and communities to ensure we add value and efficiency in shared projects and programmes.
- **Tackling Inequalities** – the Portfolio is fundamental to Tackling Inequalities by providing access to employment and training opportunities in the visitor economy and the culture and creative sector. In addition a broad range of quality cultural activities are available to support confidence building, development of skills and better health and wellbeing.
- **Driving Economic Growth** - the Portfolio is essential in expanding significant regeneration programmes in the creation of placemaking. We utilise and draw on our wealth of heritage, cultural and natural assets through the strength of our creative industries. The Corporate Plan also highlights the role of a thriving and sustainable visitor economy in supporting inclusive economic growth.

##### **Libraries, Archives and Leisure**

- **Achieving Value for Money** – the Portfolio contributes towards this priority by aiming to innovate in its ways of working, looking to extend reach and impact whilst realising value for money and securing best value when commissioning services.
- **Tackling Inequalities** – the Portfolio in provides residents with access to heritage, archival and life long learning and reading resources, assets which provide communities with places to network, collaborate and grow together and facilities and opportunities to promote physical activity and healthy living for all supports the Council's commitment to tackling inequalities.

- **Driving Economic Growth** - the Portfolio in its community led and broad geographical reach and level of service delivery aims to support a constantly growing economy by providing learning, development and healthy living opportunities for all residents.

## 2. Purpose of report

This is the Annual Performance Report from the Portfolio Holder for Promoting Healthy Lives. The report provides context in relation to the delivery of the Portfolio objectives and priorities, highlights achievements over the past year and sets out areas of focus for the coming year.

## 3. Recommendations

- 3.1 Council to note the Cabinet Member for Promoting Healthy Lives Portfolio Report.

## 4. Forward plan date and reason for urgency if applicable

The report is to note and does not require key decisions.

## 5. Background

- The Annual Portfolio reports from each of the Council's Cabinet Members provide a valuable opportunity for Council to consider and comment on the work of each Portfolio. This strengthens the important link and accountability between key decisions taken by the Cabinet and achievement of the three priorities of the Council as set out in the Corporate Plan.
- The Council adopted the Corporate Plan at its Annual General Meeting on 17 May 2023. The Plan establishes three priorities for the Council, underpinned by our approach to tackling Climate Change. The Annual Council Achievements Report sets out overall progress against the three priorities whilst this Portfolio report provides an opportunity for Members to drill down further into the work of Public Health and tackling inequalities.

### 5.1 Portfolio Achievements

#### a) Achievements: Library Service

##### Partnership Working

- The service continues to work in partnership to develop new aspects to our established relationships, but also to particularly initiate activity with new community partners.
- Our *Bookstart* partnership will feature as a model of good practice on the Booktrust website in March 2024, highlighting our work to support resettled Afghan families, using book packs to engage parents with shared reading, improving their English language skills at the same time, and promoting the Northumberland Library Service as a beacon of excellence.

- Schools Library Service (SLS) have maintained the book stock available to families across the Family Hubs network as part of our joint ambition to engage families and support them to become independent users of their local library. This strengthens the best start in life NCC are committed to provide to children across the county enabling families to benefit from the positive impacts of reading for pleasure and participation in a range of high quality, free and cost-effective activities ranging from story times to STEM (Science, Technology, Engineering and Mathematics) activities such as coding and constructive playtime activities such as Lego clubs.
- Exchange of information and intelligence between Northumberland Communities Together (NCT) Locality Coordinators and Mobile Library service staff to improve provision of information and signposting to support for customers from rural areas.
- Health Trainers have successfully piloted the delivery of some of their services using the neutral, safe and inclusive environment and social setting of Hexham Library with a view to roll out to other libraries across the county.
- Where key regeneration projects are developing e.g. Blyth, libraries are facilitating the sharing of information with the public (exhibition and hosting public engagement), supporting cultural elements e.g. artist workshops as well as delivering our own programme of activities and events that support the initiatives
- The service has delivered a programme of events, activities and displays this year that reflects corporate priorities by working in partnership with the Diversity, Equity and Inclusion team to support initiatives e.g. Northumberland Pride, Autism Awareness, Carers Week and our Climate Change team.
- Hosting a collection of balance bikes at Bedlington Library and managing their loan on behalf of the Sustainable Transport team, promoting physical activity and active travel.
- Collaboration with Barclays saw the bank previously located on Westgate in Haltwhistle in a traditional banking setting, relocate to the Mechanics Building in Haltwhistle, and be co-located with the library in a broad community setting. This initiative offered Barclays a solution which would enable them to stay in Haltwhistle and continue to offer face to face banking support to customers via their pop-up cashless banking site. It has also presented some collaboration and digital learning opportunities in tandem with the library where for example customers have been able to access opportunities to digitally upskill, gaining confidence and moving towards being able to independently bank and transact online.

### **Library Service Prospectus**

- The Library Service has developed and designed a Prospectus which will be representative of each Local Area Committee (LAC) locality and aligned to the five hub libraries (Berwick, Hexham, Morpeth, Blyth, Cramlington). By using data and business intelligence the Prospectus sets out the service delivery priorities of the Library Service beyond the Universal Library Offer, which will support the community in meeting their informed needs and enable NCC to tackle inequalities

and achieve corporate priorities. Additional partnership working and opportunities to support partner initiatives will be driven by the Prospectus initiative. Each Prospectus aligned to a hub library and its locality will be presented to each LAC no later than summer 2024 for discussion and awareness.

### **An Evolving Service**

- The Library Service has worked with colleagues from the Homeless Unit to develop digital channels which directly connect library staff to Duty Officers in a timely manner to support homeless customers at that first point of contact, ensuring that those in need who present at any of our 30 libraries are signposted and supported as a priority.
- In April 2024, Morpeth Library relocated from a commercially rented property into the new purpose-built leisure centre development in the town. Staff completed the relocation on time and met the anticipated surge in new membership uptake and increased usage. Since then, staff have established a programme of activities and events to further raise the profile of the library in its new location, offering a range of events from performance to community groups and encompassing all age demographics.
- The Library Service and Customer Service teams based at Hexham Library in Queens Hall have developed a blended way of working which focuses upon first point of contact resolution for those residents who present in person at this location seeking support and service across a range of areas. Working to the principles established as part of the BEST Service to Customers workstream, this initiative delivers operational efficiencies alongside excellence to customers. This new way of working will be extended across the library network.
- The Prison Librarian based at HMP Northumberland was selected by Arts Council England to attend a two-day residential course ‘New and emerging library lead officers programme’ at Warwick University in January 2024. The course is designed to support officers who are on a career pathway to become a senior leader in libraries, helping them build the skills and networks that will support their development. The programme helps officers develop the strategic thinking that joins up library activities with wider outcomes and approaches that support local communities, cross cutting council priorities and partnership working. This initiative is part of ongoing succession planning in the service.
- A restructured pricing model (developed in response to customer feedback and good practice elsewhere) introduced by School Library Service has resulted in an increased number of subscriptions, thereby ensuring a high-quality selection of reading and project resources for pupils to use for study and pleasure and priority access to author visits throughout the year. Networking opportunities with leadership teams from the county school network are presented and capitalised upon by working in tandem with the Executive Director of Children, Young People and Education.

- During the calendar year 2023, the Library Service saw an increase in issues from libraries with 470,703 physical items borrowed (an increase of 4% from the previous year) and 321,674 digital items borrowed (an increase of 22% from the previous year). In addition, 12,152 new members joined the library and the service hosted 3,021 events which 39,899 people attended. The in person and online event programme goes from strength to strength and in March 2024, Haltwhistle Library will welcome Simon Armitage the UK Poet Laureate as he visits and hosts an event as part of his nationwide library tour.

### **Supporting Economic Growth**

- Steps taken to increase the study and workspace at Hexham and Morpeth Libraries have been well received by those who use these spaces, as demonstrated by increasing numbers and the established user base continues to grow.
- Continuation funding for our three local Business and Intellectual Property centres in Berwick, Hexham and Morpeth from the UK Shared Prosperity Fund enables businesses and entrepreneurs to access information and expert advice close to home or work. Regular events and local meet ups such as 'Breakfast Coffee and Catch Up' networking and support meetings enable local business people to connect and be part of a thriving and supportive community. Several Northumberland businesses feature on the BIPC website as successful support case studies such as EvaAnna Leisure and Adventurous Coaching Morpeth.
- The Library Service has delivered a programme of events that has developed a following beyond residents of the county. For example, a couple who had previously travelled into the county to visit the HW1900 exhibition hosted in Haltwhistle Library, returning for their second stay in the county to attend the recent Humphrey Davy poetry workshop hosted in Morpeth Library and in doing so, contributed to the visitor economy. Regular author events hosted across the library network prioritises the employment of local authors, particularly those who are fledgling, invests our budget locally and provides them with the opportunity to develop their presentation skills.

### **b) Achievements: Archive Service**

#### **Funding and Innovation**

- The Archive Service have completed development of an online shop that will promote the purchase of digital images and other archive-related products in a user friendly and convenient manner. Production of the online shop has been entirely grant funded by the Covid Recovery Fund. Our aspiration is that the convenience of the online shop will increase sales and therefore income but also allow for the provision and production of some images without staff intervention enabling customers to self-serve and promoting best use of resource.
- Working with our charity (Northumberland Archives Charitable Trust) the service has collaborated to raise £46,985 to support archive projects since March 2023. Projects focus on cataloguing, digitisation and education work. Some of these monies have

funded the engagement of a part-time Digitisation Assistant post at Berwick. All the monies raised by our Charitable Trust have been grants from bodies that are inaccessible to Local Authorities.

- In partnership with the Friends of Berwick & District Museum and Archives, the service has collaborated to raise funding for community projects. These projects have supported the work of the Berwick Record Office specifically in the North Northumberland area. They have raised £9,399 to support community projects in Eglingham and Kyloe parishes and a Coronation exhibition at Berwick.
- The Archive Service is a partner to the Village Halls Heritage Project. The project has engaged with 30 village halls encouraging them to research and celebrate their heritage. Archives staff have provided training in archival skills and oral history, have digitised content for the group and will develop an exhibition to be shown in County Hall from 11 March 2024.
- A grant award of £103k by the National Lottery Heritage Fund has been secured by the Archive Service to work with youth groups in two rural areas of Northumberland. The project named 'Digitally Disrupting the Archives' will commence in April 2024 and run for 12 months. The project will engage with young people who do not traditionally engage with Archives and will culminate in public community events, developing digital, creative and team working skills across delegates.

### **Collaboration with Partners and Our Communities**

- Over the previous 12 months, the service has increased presence in rural communities by engaging with audiences that do not traditionally interact with our services via attendance at county shows at Allendale, Bellingham, Glendale and Swarland. This has been received very well by our rural communities, and plans are in place to attend six county shows in 2024/25.
- In 2023, the service ran a high-quality education project 'Blyth To The Future' with 207 children from four schools in Blyth over one term. The project allowed children to plan and visualise what Blyth might look like in the future and was aimed to raise the aspirations of children in the town and consider future careers linked to STEM subjects. As part of the project the children visited Northumbria University to carry out research and learn about higher education and its opportunities. Funding for this work was provided by the Platten Fund via the Community Foundation, which kindly donated £10,000 to support this venture.
- The project is being repeated, this time known as 'Ashington To The Future' with funding once again provided by the Platten Fund, with £15,000 provided as a grant. Children recently visited the Farrell Centre in Newcastle which focuses upon architecture and cities and spent the day using historic photographs of Ashington to create a film about what their town may look like in the future. Building on the success of the Blyth and Ashington projects, the Archive Service hopes to roll this learning and development opportunity to more children across a broader range of Northumberland communities.
- The continuation of the Living Barracks Project has seen pilot work with community groups over the past year develop and has allowed Berwick Record Office to work with the King's Own Scottish Borderers to deliver talks and practical archives

sessions to groups who do not normally engage with archives. These include Memory Laners (dementia group); Headway (brain injury group) and Young Carers.

- The Archive Service County Hall offer. Archives have had significant engagement with the exhibition offer at County Hall, developing exhibitions and supporting the exhibition programme. In January 2024 the service began to have a regular one day per week presence in the reception study space offering free mentor sessions to members of the public and staff. These activities along with our regular monthly County Hall talks aim to encourage members of the public who do not visit the search rooms in Berwick and Woodhorn to engage with our service and early indications are that this will prove successful.

## **Supporting Regeneration**

- The Living Barracks Project is a partnership project involving English Heritage, The Maltings, Kings Own Scottish Borders Museum and Northumberland County Council. It is intended that the Berwick Record Office will move onto the site and have a permanent home for the archives it stores and a public search room facility. This project is now in a Stage 1 Development Phase and NCC officers are involved at both Board and Task Group level shaping the application for the future of this project, undertaking pilot work and contributing to the site layout and museum design and themes. This project will help regenerate the town of Berwick through Heritage Regeneration. It is expected that the Archive Service will fully relocate from the Walkergate Building in Berwick to the Barracks site during 2027.

## **c) Achievements: Leisure**

### **Opening of the New Morpeth Leisure Centre**

- In Spring 2023, we were incredibly proud to open a new Sports, Leisure, and Community Hub to serve the people of Morpeth, its surrounding communities, and visitors to the town. The facility incorporates a community services hub, including a new improved library accommodated over two floors and an extensive adult learning facility complete with classrooms. Barclays Bank and Citizens Advice both now operate from this site offering convenient community services. A six-lane swimming pool with spectator gallery, flexible learner pool, spa facilities, fitness spaces, a multi-use sports hall and large studio space provide an excellent range of physical activity facilities. A cafe, poetry garden and outdoor terrace space act as a social space for families and tourists alike. The new Centre is expected to result in a 69% reduction in carbon emissions compared to the previous traditional leisure facility that it is has replaced.

### **Leisure Review and Leisure Transformation**

- Northumberland County Council (NCC) has invested heavily in leisure and sports facilities in the county over recent years and the portfolio is deemed to be one of the highest quality in the country. The review of the current leisure service which concluded in September 2022 presented a unique opportunity to focus future investment and service delivery based on tackling inequalities and impacting positively on the health needs of Northumberland residents. The findings and recommendations of the leisure review were presented to Cabinet in November 2022

where the decision to proceed with a formal tender exercise for future management of Leisure Services was made. Cabinet also gave formal approval for the development of a new Service Specification which would maximise the health and wellbeing impacts of the Council's investment into leisure, both through facility-based activity and through wider community engagement and provision.

- A further key recommendation of the Leisure Review was that the smaller facilities included in the current contract should be excluded from the scope of the new arrangements, and that asset-based community development principles should be considered for the following sites:
  - The Dave Stephens Centre, Blyth
  - The Blyth Beach Huts
  - Northburn Sports and Community Centre, Cramlington
  - Druridge Bay Fitness Centre, Hadston
  - The Hirst Welfare Centre
  - Rothbury Sports Centre
  
- The newly developed operating contract and service specification for the Northumberland Community Leisure and Well-being Service Contract is for a 10-year period and includes the following facilities:
  - Ashington Leisure Centre, Ashington
  - Berwick Sports & Leisure Centre, Berwick
  - Blyth Sports Centre
  - Concordia Leisure Centre, Cramlington
  - New Morpeth Leisure Centre, Morpeth
  - Newbiggin Sports & Community Hub
  - Ponteland Leisure Centre, Ponteland
  - Prudhoe Water World, Prudhoe
  - Wentworth Leisure Centre, Hexham
  - Willowburn Sport & Leisure Centre, Alnwick

### **The Leisure Procurement Process**

- Under procurement law the authority must conduct a procurement process to ensure the authority is receiving good value for money and the best services possible. The Council has used this opportunity to transform the current model of provision to a Community Leisure and Wellbeing Service.
  
- Following a comprehensive and robust procurement process, Places for People Leisure Limited (Places Leisure) will manage the Council's Leisure Centres from 1 April 2024. The award of the contract is for a period of ten years with the opportunity to extend for a further five years. The value of the contract is circa £250m (based on turnover).
  
- Places Leisure submitted the most economically advantageous tender in terms of the cost but also scored highest overall on the qualitative criteria including partnership working, approach to tackling inequalities and the delivery of corporate priorities.



- Places Leisure is one of the UK's leading social enterprises and leading leisure management contractors, currently employing over 6,000 staff and operating over 100 sites on behalf of 33 local authorities.

### **Community Assets**

- The six 'Community' sites currently managed by Active Northumberland vary significantly in terms of origin, purpose, condition, and usage. NCC Officers worked with stakeholders to assess the potential of the six smaller sites to be managed by community partners and potentially, if the business case is sustainable, that applications for Community Asset Transfers are considered. The aim being to ensure that residents and local organisations gain maximum benefit from the sites and that they are programmed according to local need and opportunities. This process has been undertaken in the context of the NCC Community Asset Transfer Policy.

### **The Dave Stephens Centre and Blyth Beach Huts**

- An application for a combined Community Asset Transfer of the Dave Stephens Centre and the Blyth Beach Huts was received from Blyth Valley Enterprise Limited (BVEL). This application was considered by an Officer Panel and approved by Cabinet. The terms of transfer of both assets to BVEL will be developed by Strategic Estates, for implementation from 1 April 2024.
- The transfer to BVEL is being supported with a one year allocation of £50,000 to cover transition, and a £72,000 allocation to cover outstanding repairs.

### **Druridge Bay Fitness Centre, Northburn Sports and Community Centre, and Rothbury Sports Centre**

- Based on consideration of the Asset Transfer Policy, financial considerations and the need to ensure continuity of vital highly valued community provision, Northburn Sports and Community Centre, Rothbury Sports Centre and Druridge Bay Fitness Centre will be managed by NCC on an interim basis from April 2024.
- These interim arrangements will enable a period of close working with local communities to determine the most appropriate and sustainable future management arrangements. Due to the similar nature of the facilities, it will allow NCC to manage the sites collectively bringing economies of scale and a central oversight of programming and operation. These arrangements, whilst ensuring continuity of provision, will also allow consideration of the community outreach potential of the new leisure delivery arrangements. To support the interim operation of the sites, NCC have allocated a funding provision of £111,000 for the financial year 2024/25, and £89,000 for 2025/26.

### **Hirst Welfare Centre**

- The Hirst Welfare Centre remains a prominent asset of community value and is very much in the long-term plans and aspirations of both NCC and the Ashington Town Board. The Hirst Welfare Centre features within the current consultation and engagement regarding a future Hirst Masterplan and has the potential to play a pivotal role in helping address inequalities within communities.

- To ensure the continuation of both the leisure and early years offer operating from the site and to help prepare the foundations for the development and delivery of a wider Community Welfare offer, the Board of Trustees will be supported to manage the transition away from Active Northumberland back to a Local Community Management provision from 1 April 2024. The Trustees are being supported with a year one contribution of £250,000, a year two contribution of £180,000 and a year three contribution of £100,000 (funded from the Public Health Grant).

### **Current Leisure Centre Performance**

- Membership numbers for Active Northumberland have increased in 2023, building upon the 2022/23 total membership of 18,850, to 19,835 for year-to-date December 2023 (a 5.2% increase on 2022/23). In January 2024, following the best sales month to date where 1,788 new members joined, membership levels rose further to 20,737.
- Fitness memberships by age continue to be monitored with growth seen in the under 18 junior membership, and 35 to 65 age range categories. A large increase in the 65+ age group is attributed to a targeted marketing campaign which has focused on the availability of daytime activities such as badminton and fitness classes.
- The Learn2Swim programme continues to develop with 6,464 total swimmers taking part in 2022/23. Year to date in January 2024, programme attendance has risen to 7,441, with a further two months remaining. General swim usage figures show that during 2022/23 795,972 sessions took place, and year to date in January 2024 547,007 swim sessions have taken place with Morpeth Leisure Centre proving to be the most popular site.
- Quest is the Sport England recommended continuous improvement tool for leisure facilities designed to measure how effective organisations are at providing customer service and good quality facilities. During 2022/23, Berwick Sports and Leisure Centre, Ashington Leisure Centre, and Wentworth Leisure Centre were classified as 'Very Good' in terms of Quest accreditation, and during 2023 Morpeth Sports and Leisure and Ponteland Leisure Centre were accredited as 'Excellent', the highest Quest accreditation achievable.

### **Northumberland Physical Activity Strategy**

- At 70.1%, Northumberland presently has the highest percentage of adults who are physically active in the North East. This compares to 65.4% regionally, and 67.3% across England. This performance continues to be built upon by the NCC Physical Activity Strategy (PAS).

5.2

- The PAS is currently under review and focus continues to be on the target groups of women and girls, people with a long-term health condition, and those from a lower socio-economic background in the county. The work of the review will look to understand whether any additional underrepresented population subgroups require representation as part of this strategy.

### **c) Achievements: Visitor Economy**

## Accreditation

- Visit Northumberland achieved LVEP accreditation from Visit England in February 2023, alongside 14 other destinations across the country, including Newcastle Gateshead Initiative and Visit County Durham from the north east region.
- At the same time, the North East of England was selected to operate a new DDP pilot, under the leadership of NewcastleGateshead Initiative. Visit Northumberland became a primary LVEP partner in the North East Destination Development Partnership pilot alongside Visit County Durham. The role of the DDP is to develop and oversee the delivery of region wide activity and lead on advocacy, partnership working, funding bids, major events, data, and business support. The immediate impact of the DDP has been the strengthening of the regional dialogue about the importance of the visitor economy, including a commitment in the North East devolution deal to write a ten-year strategy for the Northeast allowing for projects to be delivered at scale beyond the lifespan of the initial pilot.

## Destination Management Plan

- Visit Northumberland is also responsible for the development and updating of the Northumberland Destination Management Plan (DMP). Destination Management is a process of leading, influencing and coordinating the management of all the aspects of a destination that contribute to a visitor's experience. A Destination Management Plan is a shared statement of intent to manage a destination over a stated period, articulating the roles of the different stakeholders and identifying clear actions that they will take. The Northumberland Destination Management Plan is now into its first full year of delivery and structures are well established. Key achievement include:
  - Convened a Tactical Visitor Management working group through the summers of 2022 and 2023 to review community issues to aid visitor management and mitigate issues as they arise. The multi-stakeholder 'Love it Like It's Yours' campaign has been delivered through Northumberland County Council communications team, driving behaviour change messaging via visitnorthumberland.com
  - Development and Launch of a Northumberland Pledge to encourage visitors to act responsibly and sustainably whilst visiting to underline Northumberland as a responsible tourism destination.
  - Development and promotion of thematic tourism products such as Dark Skies and Step into Alnwick and promotions of events with campaigns focussing on spreading activity across Northumberland and extending the duration of visits.
  - Provided business development opportunities to over 100 businesses through Visit Northumberland partner engagement activity and product development strands and widened the partnership programme to include events, and suppliers to industry with food and drink and previously lapsed partners a focus on business development.
  - Relunched "Know your Northumberland" to support industry's people development priorities, identified all establishments offering career training in tourism related industries and developed education resources for teachers, and encouraged more Northumberland organisations involved in Visit England inspections and Tourism Award entries.

- Established a sustainability advisory group with representatives from the county's protected landscapes, climate action team and interested parties to address sustainable transport, accessibility and broadening participation in the Green Tourism Accreditation Scheme, sustainable food practices to help support food and drink product development and waste recycling.
- Building on opportunities through the North East Destination Development Partnership, have expanded the evidence base with Northumberland datasets emerging from regional accommodation, accessibility and sustainability studies, with opportunities for Northumberland businesses to participate as these evolve.

## **d) Achievements: Culture**

### **Support and Funding**

- The Council provides core funding to 15 organisations as part of the Council's commitment to Culture and the positive benefits in relation to regeneration, economic growth, skills development, employability, health, and wellbeing. This includes Museums Northumberland (MN) to deliver a Museums Service on behalf of the Council and four theatres in Berwick, Alnwick, Blyth, and Hexham that act as cultural hubs reaching out to communities beyond their buildings. It also provides funding to 10 organisations that range in art form from internationally recognised, Berwick Film & Media Arts Festival to award winning youth theatre company Mortal Fools based in Ashington. In 2022-23 the portfolio of organisations engaged with 398,032 people as audience members and people who have taken part in cultural activity. These cultural organisations are charities and invest funding they lever back into their organisations to provide public benefit. In 2022/23 they achieved £2,557,285 of further funding into Northumberland which is an exceptionally good return on investment and value for money building on Council investment of circa £1m per annum.
- There are 8 National Portfolio Organisations (NPO) (Arts Council funded) in Northumberland in this round of Arts Council funding. Two new organisations have been added to the portfolio and two received uplifts in funding. The Arts Council has extended this round of NPO funding by a year to provide cultural organisations with more time to deliver their programme after the effects of the pandemic. The round now covers 2023 – 2027 and is a total investment of £1,290,452 into Northumberland. For the scale and population of the County, achieving this amount of Arts Council funding is impressive. Northumberland has a highly regarded reputation in the sector for the quality of the organisations that are based here and the work they deliver for local people and visitors.

### **Implementation of the Council's Cultural Review**

- The Council commissioned an independent review of its cultural investment portfolio which concluded in late 2022. In February 2023 Cabinet agreed a series of actions and recommendations in response to the review, these are:
  - **Action 1:** Develop a strategy that protects Northumberland's cultural properties for the future
  - **Action 2:** Transform the partnership agreement with Museums Northumberland (Woodhorn Charitable Trust)

- **Action 3:** Optimise the engagement of people in museums, heritage, and culture through place-based approaches
- **Action 4:** Prioritise inclusive approaches to cultural activity that reach people and communities who face barriers to engagement
- Work against all four actions is ongoing through a coordinated programme approach.

### **Create Berwick, Northumberland's Culture and Creative Zone**

- With the support of the North of Tyne Combined Authority, Northumberland, North Tyneside, and Newcastle have received in the region of £1.5m each until 26/27 to support pilot Culture and Creative Zones (CCZ). Northumberland's Zone, called Create Berwick focuses on the town centre of Berwick upon Tweed and is investing in creative led regeneration of Berwick, helping creative, cultural and community led organisations to innovate and strengthen the local economy. Taking inspiration from Berwick's rich coastal and borderlands heritage, traditions, and landscapes the CCZ will help create new contemporary cultural experiences and support thriving creative businesses. It provides business support and skills development, working with the National Art Fundraising School, analysis of spaces for production and growth, bringing together the sector to raise its profile and be attractive to visitors. Launched in October it announced the Creative Action Fund before Christmas 2023 to support artists with studio time, project delivery and R&D. The project continues until 2027 providing a positive amount of time to ensure culture and creativity is embedded in the town to benefit local people in projects such as a youth training community radio and every wider town project includes opportunities to commission artists, e.g., Bridge 400 (400th anniversary of Berwick Old Bridge) Create Berwick is providing support to commission an artist with the Bridge 400 town partners.
- Create Berwick is bookended by two strategic capital projects, The new Maltings supported through the Borderlands Inclusive Growth Deal to transform the existing theatre and cinema into an expanded arts and entertainment centre of national significance. The Berwick Maltings is also a key partner in the Living Barracks partnership with the Council and the lead organisation, English Heritage. The project sets out to provide a high quality and cohesive visitor experience showcasing a number of collections. In May 2023 Cabinet took a decision that the Berwick collections should be retained within the Barracks complex as part of the Living Barracks initiative. Plans for the Living Barracks also include a series of artist studios and temporary public art interventions.

### **A new Cultural Venue for Blyth**

- Energising Blyth is a Town Investment Plan to grow, renew and connect the town agreed locally by partners with the UK Government. Following the recent Levelling Up Deep Dive funding announcement the Programme is now expanded to be the £110m Regeneration Programme to transform Blyth, funded by UK Government through Future High Streets Fund (FHSF), Town Deal and Levelling Up Deep Dive, the Council, North of Tyne Combined Authority and other partners alongside a wider programme of investment including the Northumberland Line, Blyth Relief Road, Northumberland Energy Park and Heart of Blyth.
- The Council undertook an in-depth consultation with local people and businesses in Blyth and local people identified a desire for a cinema and cultural facility in the

town centre as a catalyst to draw in desperately needed footfall and spend. Feasibility and business planning work was commissioned by independent cultural consultants, David Clarke Associates, which included a mapping of the creative and cultural sector in Blyth, to identify gaps and opportunities.

- A new Cultural Venue built on a newly designed Market Place, in Blyth's town centre is being delivered as part of the £90m Energising Blyth Programme to grow, renew and connect the town and is funded by the UK Government, Northumberland County Council, and North of Tyne Combined Authority and is due to open in summer 2025. The new cultural hub will:
  - provide a major accessible attractor that will increase vibrancy and footfall, bring visitors and spending to the town, boost pride of place amongst residents, encourage more a night-time economy, and stimulate the wider regeneration and renewal of the town centre.
  - Reinvent the Market Place to compliment the cultural facility and provide a more intimate, safe, and attractive space for residents and visitors to meet, sit and play encouraging people to dwell and utilise local facilities including the local Market;
  - Complement and enhance the historic character and identity of the town and other planned projects close by including a hotel/restaurant and Energy Central Campus Institute;
  - Provide a hub for the ongoing and planned improvements to the walking and cycling infrastructure around the town, improving legibility, access to facilities and ease of movement;
  - meet demand and need from the community demonstrated in previous consultations and;
  - deliver against Business Case/Grant Funding conditions of the Future High Streets Fund capital funding awarded which is to directly improve the core town centre around market place for the benefit of the whole community.
- Jam Jar Cinema have been announced as the new venue's operator after a full procurement process. The enabling works have started on site and within the erection of the building's steel frame in early spring, the Council will be announcing the new brand and name of the venue which will include 3 cinemas, a studio theatre, a creativity space, and cafe/bar offer.
- A Culture Placemaking Programme (CPP) includes artist's commissions in and outside the new building and public realm. Neon Studio an artist and architect duo, Poet, John Challis and Candle & Bell award winning filmmakers have all been appointed. All are working with local people and communities in the development of their commissions. The CPP also includes an exciting and diverse events programme, and lighting and signage strategy to bring vibrancy and colour to the town centre and Market Place.

## 5.2 Portfolio Key Areas of Focus

### a) Library Service

- In line with the recent Policy Paper 'An independent review of English public libraries' produced by Baroness Sanderson and published January 2024, the opportunity will be taken to consider the recommendations of the review which considers matters such as brand and identity, volunteer networks, workforce skills

and knowledge and the connection to hubs and communities and understand how this can shape our library service, ensuring it continues to meet present and future needs.

- The Library Service conference programme will continue, with arrangements in place for a Schools Library Service conference in February 2024 which will see education leaders from around the county and beyond come together to discuss the theme 'Focus on Non-Fiction' in the school curriculum. Guest speakers include Dr Kirstin Mullholland, Assistant Professor in Education from Northumbria University, and Kate Pankhurst, children's non-fiction writer and illustrator.
- The Northern Poetry Library of which an edit of the collection is available for access at The Chantry in Morpeth, will be brought together as a complete collection in the new library located in Morpeth Leisure Centre. This collection is much valued and highlights the largest collection of post WW2 poetry in England outside of London along with first editions and signed copies. The reunification of our poetry collection will align to a series of events to recognise and support the local poetry community in Northumberland.
- The Prison Library SLA with HMP Northumberland will be reviewed for the period 2024 to 2027, ensuring that the changing needs of the increasing prison population are met, and that the service remains fully resourced to meet this.

## **b) Archive Service**

- Further funding will be sought to support Archive activities and programmes across the county. The Northumberland Archive Charitable Trust will apply for funding to the Ray Wind Farm Trust for grant funding which will support the cataloguing of the papers of Philip Cheswright and culminate in an exhibition at Wallington and County Hall.
- Work will continue on the Atkinson Marshall papers, which are an essential reference to the involvement of Northumberland farmers in the Highland clearances. The Archive Service are working with colleagues from academia in this work.
- The service will host a Community Action Northumberland Village Halls event in County Hall on 18 March 2024. This all day event will bring together representatives from many village halls across the county and focus on sustainables and the National Lottery funded Village Hall heritage project that the Archive Service have delivered.
- In partnership with council colleagues, Archives are supporting International Women's Day on 8 March and will deliver talks and an exhibition celebrating exceptional Northumberland women. Mona Taylor who was a pioneer in maternity care will feature, along with Mrs B.F.C. Adams who was the first female Mayor of Berwick.
- Funding streams will be explored with the National Lottery Heritage Fund about possible funding to commemorate the 80<sup>th</sup> anniversary of the end of WW2 in 2025.

- Berwick Record Office will work with The Maltings on an education programme for the forthcoming Lowry Exhibition scheduled for May to October 2024.
- The service will also provide support to Bridge 400 which is a community project to commemorate the 400<sup>th</sup> anniversary of the opening to traffic of Berwick Old Bridge.
- Berwick colleagues will run a Pilot Volunteering Repackaging project for The Living Barracks.
- The Archive Service will curate a series of exhibitions for County Hall. This will include a range of areas of interest such as Everyday Life in a Northumbrian Manor,

## **c) Leisure**

### **Mobilisation of the New Leisure and Wellbeing Contract – Places Leisure**

- The Council has assembled a cross organisation team to support the mobilisation of the new contract arrangements with Places Leisure to ensure a smooth transition with minimum disruption to customers, and staff. The Council are also supporting the orderly closure of Active Northumberland.
- Places Leisure will create opportunities for activity across the county, taking activities to residents within settings where they are comfortable, ranging from bootcamp style circuits to family fun in local parks, to children’s activities in local schools or youth clubs. The Active Communities Programme will be co-designed with NCC Public Health and Sports Development teams. In addition, outreach vans will be used to offer NHS health checks within community settings to advise residents on the best way to monitor and improve their health. A health MOT will be on offer incorporating blood pressure, cholesterol, waist to hip ratio and a wellbeing review.
- The Activity Communities initiative will also ensure that residents in rural areas in the county are afforded the opportunity to engage with such community events and facilities, contributing towards tackling rural isolation. The Places Leisure Community Class Programme will offer outreach across our community settings such as care homes, village halls, and day centres where focus will be places on initiatives such as seated aerobics and falls prevention in care homes.
- A robust set of performance management and reporting standards have been set by NCC to Places Leisure that will see the provider produce an Annual Service Plan, developed in tandem with NCC, that will set out how the service will be developed and delivered over the coming year to meet NCC’s strategic objectives. Continuous improvement will be at the heart of this. Performance standards clearly set by NCC together with reporting requirements will ensure close monitoring of the contract to ensure targets are met, and excellence is delivered.
- The new Leisure and Wellbeing contract, in partnership with Places Leisure enables NCC to redefine the leisure service for the county, strengthening reach and impact, creating new opportunities across our communities, and stretching our ambitions in tackling health inequalities and ensuring Northumberland residents thrive and be the best they can.



- In addition to the routine performance and contract monitoring meetings, a Strategic Partnership Board chaired by NCC and attended by key Officers, senior Places Leisure representatives and the Portfolio Holder for Healthy Lives will be formed to oversee the delivery of the new health and wellbeing focussed Leisure Service. The first meeting being planned four weeks post contract commencement.

### **Prudhoe Waterworld Improvements**

- Following the delivery of new build Leisure projects in Berwick, Morpeth, Ponteland, and the upgrade of both Blyth Sports Centre and Newbiggin Sports Centre, a requirement to improve the customer experience at the ageing Prudhoe site was identified. The project has been awarded a budget of £1.5m for the refurbishment work of the wet-side leisure facilities, together with provision of a new wheelchair accessible ramp from the main road.
- The brief comprises of:
  - Improved layout for toilets, shower and back of house areas.
  - New pool tiling to swimming pool tank.
  - New cubicles, locker, shower, and vanity units to suit new layout.
  - New lighting, ceiling tiles, wall and floor finishes to changing village area.
  - Improved flume exit provision, along with review of sauna and steam room.
  - Conversion of redundant climbing room into pool side store.
  - Provision of accessible changing area.
  - New glazing to south elevation of the pool.
  - Removal of existing spa pool and associated plant.
  - Review of soft play.

The project will be completed by April 2025.

### **Sports Development – Playzones**

- Ahead of the programme opening nationally, NCC was invited to apply for Sport England and Football Foundation funding to develop Playzones in the county.
- This project aims to provide quality facilities to increase physical activity in areas of high deprivation aligning to the NCC Inequalities Plan. Sixteen communities have been identified and approved for inclusion across Northumberland and have been divided into two portfolios.
- Portfolio One contains six sites (Alnwick, Amble, Ashington, Newbiggin, West Bedlington, West Wylam) which have all received formal funding offer letters, with an anticipated build of summer 2024. The remaining ten sites (Berwick, Blyth, Choppington, Cramlington, East Bedlington, Haltwhistle, Hexham, Lynemouth, Seaton Valley, Wooler) which make up Portfolio Two are being progressed to final application with an expected build time of late 2024 (subject to Football Foundation timescales).
- The total value of the Northumberland Playzone development is estimated at approximately £5 million of which 75% match funding will come through the Football Foundation. The remaining 25% match funding will be sourced from various external sources in addition to S106 funding and SCG allocation.

- Via the Sports Development service, the objective for 2024/25 is to progress the delivery of the whole Portfolio and embed sustainable Playzones into each community.

## **Visitor Economy**

- The focus will be to continue to deliver against the priorities of the Destination Management Plan and undertake a review of actions to ensure the plan's 10-year vision remains relevant and aligned to strategic developments within the sector.
- This next year will also be a critical year for engagement with the regional Destination Development Partnership and the development of a regional 10-year strategy for the visitor economy aligned with regional devolution.

## **Culture**

- The focus will be on continuing the implementation of the Cultural Review through a programme based approach. A programme board and two workstreams have been established focusing on:
  - Museums, Collections and Place-Based Approach and
  - Cultural Estate

Through this overarching programme approach, Northumberland County Council will oversee activity relating to the four actions agreed by Cabinet:

- Action 1 – Develop a strategy that protects Northumberland's cultural properties for the future
  - Action 2 – Transform the partnership agreement with Museums Northumberland (Woodhorn Charitable Trust)
  - Action 3 – Optimise the engagement of people in museums and heritage through place-based approaches in culture
  - Action 4 – Prioritise inclusive approaches to cultural activity that reach people and communities who face barriers to engagement
- In relation to the Berwick Culture and Creative Zone – Create Berwick, activity over this next year will be focused on delivering against the 4 workstreams which are
  - Skills and Enterprise – this includes training and skills development workshops, National Arts Fundraising School, a cultural leadership programme, a peer to peer support programme, the Creative Action Fund, a community radio and a youth training programme.
  - Raising the profile of the Zone through the website, community marketing and delivering artist commissions
  - Engaging Communities which includes support for community led festivals
  - Places and spaces which includes support to bring forward spaces for creatives in Berwick.
- Mobilising the Culture Placemaking programme will be a priority in order to engage local people and communities in the lead up to the new Culture venue in Blyth town centre

Continued support will be provided to the Living Barracks Project which is a partnership project involving English Heritage, The Maltings, Kings Own Scottish Borders Museum and Northumberland County Council as the project progresses through the different funding rounds and implementation.

## 6. Implications

<b>Policy</b>	This report highlights the policy work being undertaken and aligns to the Corporate Plan.
<b>Finance and value for money</b>	Value for money is a priority for the Council. This Report contains no direct financial implications. The ongoing delivery of the individual actions within the Portfolio may have financial implications which would form separate reports as they arise.
<b>Legal</b>	No implications to note.
<b>Procurement</b>	None identified.
<b>Human resources</b>	None identified.
<b>Property</b>	None identified.
<b>The Equalities Act: is a full impact assessment required and attached?</b>	No N/A
<b>Risk assessment</b>	All risks are managed as part of service level risk registers.
<b>Crime and disorder</b>	No implications.
<b>Customer considerations</b>	All services are designed to best meet the needs of residents and seeks feedback from residents where applicable.
<b>Carbon reduction</b>	None identified.
<b>Health and wellbeing</b>	Leisure, libraries, and archives along with the Council's and county's cultural assets play a significant part in the wellbeing, development, and healthy living outcomes for residents.
<b>Wards</b>	(All Wards);

## 7. Background papers

N/A

**8. Links to other key reports already published**

Corporate Plan 2023-26

**9. Author and Contact Details**

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## Northumberland County Council

COUNTY COUNCIL

21 February 2024

### **Strategic Acquisition Fund**

**Report of Councillor(s)** : Councillor Wojciech Ploszaj, Cabinet Member for Supporting Business and Opportunities

**Responsible Officer(s)**: Simon Neilson, Executive Director – Place and Regeneration

#### **1. Link to Key Priorities of the Corporate Plan**

- **Driving Economic Growth** – supporting the Council to create the conditions for growth, specifically via the acquisition of strategic land and / or property with the purpose of encouraging business investment and job creation across the County
- **Tackling Inequalities** – Supporting job creation is a key route to supporting greater prosperity and wellbeing for individuals; wrap around employability and skills programmes ensure jobs that are created will benefit local residents and contribute to tackling inequalities
- **Achieving Value for Money** – Investing in strategic land and / or property which drives economic growth activities, regeneration objectives and brings private investment and jobs into the County demonstrates strong return on investment in the form of increased Business Rate income, spend in the wider economy and wider economic and social outcomes for residents.

#### **2. Purpose of report**

The report seeks the approval of Council to make a £15.000 million provision in the Capital Programme, for the current year, 2023-24, for the acquisition of strategic land and/or property in support of economic growth and job creation in the County.

#### **3. Recommendations**

Council is requested to:

- 3.1 Approve the creation of a £15.000 million Strategic Acquisition Fund and add to the Council's 2023-24 Capital Programme.
- 3.2 Agree that an allocation of £15.000 million is made from the Strategic Management Reserve to fund the Strategic Acquisition Fund.

- 3.3 Note that the money from the Strategic Management Reserve will be transferred to the revenue budget and there will be a contribution made from revenue to fund the expenditure incurred from the Strategic Acquisition Fund at the appropriate time.
- 3.4 Note that there may be the requirement to reprofile all or some of the £15.000 million allocation and funding into financial year 2024-25 from 2023-24. Members will be advised if this is necessary through the financial monitoring reports produced by the Executive Director of Transformation and Resources.
- 3.5 Agree that in order to replenish the Strategic Management Reserve, £15.000 million of the money set aside during 2022-23 for the early repayment of debt as voluntary minimum revenue provision (MRP) is reversed in 2023-24 as part of the close down of the Council's accounts. This creates the headroom in the revenue budget to make a contribution of £15.000 million to the Strategic Management Reserve.
- 3.6 Approve a contribution of £15.000 million to the Strategic Management Reserve from the revenue budget in 2023-24.

#### **4. Forward plan date and reason for urgency if applicable**

The report has been added to the agenda by reason of special circumstances, which shall be specified in the minutes. The chairman of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency. The reason for this is to ensure opportunities are not missed to use to Strategic Acquisition Fund in order to further economic growth and job creation in the County. This is not an executive function and not a key decision.

#### **5. Background**

A key role of the Council in delivering on its corporate priority to drive economic growth is to create the conditions for growth, including supporting business growth and investment into the County which ultimately leads to job creation and greater prosperity across the County.

A key part of this role is investment through the acquisition of land and/or property to accelerate regeneration objectives and realise local economic development outcomes, providing long-term strategic benefits to our communities and in doing so realise the ambitions of the Corporate Plan.

The creation of the Strategic Property Fund will allow the Council to respond to investment opportunities within commercial timescales and ensure opportunities to drive economic growth through strategic land acquisitions is maximised.

It is proposed that the capital allocation is funded from the Council's Strategic Management Reserve, therefore no additional borrowing from the Council is necessary to create this Fund and that the Strategic Management Reserve is replenished by reversing the voluntary MRP which was set-aside to repay debt in 2022-23.

Any future capital receipts achieved from land sales, as a result of acquisitions funded by the Strategic Acquisition Fund will fund the capital programme in general and will reduce the Council's borrowing requirement in the year in which the capital receipts are realised.

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

Not having an allocation in the Capital Programme would mean there was no provision to respond to significant opportunities for land acquisition which are key to driving growth and job creation in Northumberland.

## 7. Implications

<b>Policy</b>	The purpose of the fund proposed in this report provides strong support to the policies and priorities within the Corporate Plan; particularly that of driving economic growth as it will allow the Council to respond to opportunities to acquire strategic land and/or property in key locations to further growth and investment.
<b>Finance and value for money</b>	The financial implications of this proposal are detailed within the recommendations to this report. The Council's Section 151 Officer is satisfied that there is sufficient funding available to fund this capital scheme.
<b>Legal</b>	This report is being included in the agenda under the urgency provisions contained in s.100B Local Government Act 1972. This decision is one which is reserved to Council under the The Local Authorities (Functions and Responsibilities) (England) Regulations 2000
<b>Procurement</b>	N/A
<b>Human resources</b>	N/A
<b>Property</b>	The Strategic Acquisition Fund will allow the Council to maximise economic growth opportunities through the acquisition of strategic land / property
<b>Equalities Act: is a full impact assessment required and attached?</b>	No- not required at this point Northumberland County Council seeks to actively narrow inequality under the terms of the Equality Act 2010. An assessment as to the need for an impact assessment will be undertaken at the time of drawing down the funding.
<b>Risk assessment</b>	N/A
<b>Crime and disorder</b>	N/A
<b>Customer considerations</b>	The creation of the fund will support economic growth ambitions through the creation of jobs for local residents.
<b>Carbon reduction</b>	N/A

<b>Health and wellbeing</b>	The creation of the Fund will positively support the Inclusive economy priorities of the Northumberland County Council, particularly by supporting the creation of jobs which will have a positive impact on the Health and Wellbeing of residents
<b>Wards</b>	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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