

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the **Cabinet** held at County Hall, Morpeth on Wednesday 21 September 2022 at 4.40 pm.

PRESENT

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

CABINET MEMBERS

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

OTHER MEMBERS

Ferguson, D.	Seymour, C.
Stewart, G.	

OFFICERS IN ATTENDANCE

Aviston, S.	Head of School Organisation and Resources
Binjal, S.	Monitoring Officer
Bradley, N.	Director of Adult Social Services
Brannigan, S.	Planning Manager, Neighbourhood Planning and Infrastructure
Brown, Dr J.	Consultant in Public Health
Hadfield, K.	Democratic and Electoral Services Manager
Hunter, P.	Interim Senior Service Director
Kingham, A.	Interim Joint Director of Children's Services
Morgan, L.	Interim Executive Director for Public Health and Community Services
O'Farrell, R.	Interim Chief Executive
Roll, J.	Head of Democratic and Electoral Services
Rushton, S.	Environment and Design Team Manager
Simpson, P.	Public Health Protection Unit

Ch.'s Initials.....

Taylor, M.

Willis, J.

Manager
Interim Executive Director for
Communities and Business
Development
Interim Executive Director of
Finance and S151 Officer

One member of the press was present

26. MINUTES

RESOLVED that the minutes of the meeting of Cabinet held on 12 July 2022, as circulated, be confirmed as a true record and signed by the Chair.

27. REPORT OF THE JOINT INTERIM DIRECTOR OF CHILDREN'S SERVICES

Outcomes of Consultation on Proposals for the Coquet Partnership

The report set out the analysis of feedback from consultation on proposals for schools in the Coquet Partnership to reorganise to a 2-tier (primary/secondary) system of education. It also set out an analysis of the feedback on the proposal to provide additional specialist SEND places to meet the growing need for places for children and young people diagnosed with a primary need of Autistic Spectrum Disorder (ASD) and Social, Emotional and Mental Health needs (SEMH) within the Coquet Partnership area (copy attached to the signed minutes as Appendix A, along with the report of the FACS OSC).

The report was introduced by Councillor Renner Thompson and he was pleased to inform members that James Calvert Spence High School had recently been awarded a good Ofsted rating which was the best result the school had ever had and was a great achievement for all involved. He advised members that FACS OSC had supported the report. Sue Aviston then gave a detailed presentation on the key points of the report.

Councillor Watson congratulated officers on an excellent report and consultation process. He fully supported the proposals but reminded members that there was a wider opportunity here to ensure that the sports and recreational element of the school facilities tied in with the needs of the wider community to ensure better provision of services for all.

RESOLVED that:-

- (a) the feedback from the informal (non-statutory Consultation) be noted;
- (b) Cabinet note that consultation that took place between 11 May and 29 June, summarised at paras. 18 to 26 of the report;

- (c) Cabinet agree that, in the light of the report and the report from the Family and Children’s Services Overview and Scrutiny Committee, to permit the publication of a Statutory Proposal setting out the intention of the Council to implement the proposals as follows:
- Extend the age range of Amble First School from an age 4-9 first school to an age 4-11 primary school and relocate the school building with effect from 1 September 2024;
 - Extend the age range of Amble Links First School from an age 2-9 first school to an age 2-11 primary school and expand the school in accordance with table 5 of the report building with effect from 1 September 2024;
 - Extend the age range of Broomhill First School from an age 3-9 first school to an age 3-11 primary school and expand the school building with effect from 1 September 2024;
 - Extend the age range of Red Row First School from an age 3-9 first school to an age 3-11 primary school and expand the school building with effect from 1 September 2024;
 - Reduce the age range of James Calvert Spence College from an age 9-18 school to an age 11-18 secondary school with effect from 1 September 2025;
- (d) Cabinet agree that, in the light of the report and the report from the Family and Children’s Services Overview and Scrutiny Committee, to permit the publication of a Statutory Proposal setting out the intention of the Council to increase the number of pupil places at Barndale House Special School by 50 places for children and young people diagnosed with special educational needs, primarily those with ASD, SEMH, Speech Language and Communication (SLCN) and Moderate Learning Difficulties (MLD) through the addition of a satellite site in the current South Avenue site of JCSC. Cabinet noted that this is a standalone proposal and was not dependent on the outcome of the decision in relation to the proposals for the first schools and JCSC set out at recommendation c;
- (e) Cabinet note that it has previously approved capital investment in the Medium Term Plan to replace/refurbish the buildings of JCSC on its current site. Cabinet therefore noted the preferred building solutions and the associated indicative capital costs of the proposals set out in recommendations c) to f) set out in para. 55 of the report and noted that the Medium Term Plan would need to be increased by £11.1m to accommodate these capital costs as detailed in para. 55 of the report. Also, it noted that £2m of the additional funding required from MTFP would be achieved by reducing the budget for Astley as detailed in para. 55 of the report;
- (f) Cabinet note that the outcomes of the publication of the Statutory Proposals will be brought back to Cabinet within 2 months of the date of their publication for a final decision; and
- (g) the report of the FACS OSC be noted.

28. REPORT OF THE INTERIM CHIEF EXECUTIVE

Energising Blyth Culture Placemaking Programme: Outline Business Case

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report sought approval of the Town Deal Outline Business Case (OBC) for the Culture Placemaking Programme which was pending approval by the (Department of Levelling Up, Housing and Community (DLUHC). The OBC had been externally appraised with a recommendation to proceed to Full Business Case (FBC). It was approved by Town Deal Programme on 29 June 2022 (copy attached to the signed minutes as Appendix B).

Councillor Ploszaj introduced the report, highlighting the challenges which Blyth town centre was facing and the plans detailed in the report to address this. Funding would come from the Town Deal and £0.5m from the County Council.

The Interim Chief Executive provided members with some background detail to this and the next two reports.

Councillor Wearmouth commented that much work had been done on this not just by councillors, but also by the local MP who had been a champion for securing investment for Blyth.

RESOLVED that:-

- (a) the Outline Business Case (OBC) for the Culture Placemaking Programme be approved to enable progression to Full Business Case; and
- (b) authority be delegated, in accordance with the Local Assurance Framework, to the Council's s151 Officer following consideration by the Energising Blyth Programme Board to approve the Full Business Case and to report the capital implications to Capital Strategy Group for inclusion in the Capital Programme.

29. REPORT OF THE INTERIM CHIEF EXECUTIVE

Energising Blyth Energy Central Campus Phase 1 - Learning Hub: Outline Business Case

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report sought approval of the Town Deal Outline Business Case (OBC) for the Energy Central Campus Phase 1 - Learning Hub which was pending approval by the Department of Levelling Up, Housing and Community (DLUHC). The OBC had been externally appraised with a recommendation to proceed to Full Business Case (FBC). It was approved

by Town Deal Programme on 29 June 2022 (copy attached to the signed minutes as Appendix C).

Councillor Ploszaj introduced the report.

Councillor Renner Thompson supported the report. The energy central learning hub was a key project for the Council to help with tackling inequality through better education. Audrey Kingham informed members that a lot of work had gone into this. It was a good accelerator and should be the hub of change for Blyth. All primary and secondary schools in Blyth were linked into this and the aim was to develop it into a regional facility.

Rick O'Farrell advised that he would declare an interest in this matter as a director of Energy Central Campus Limited, following consultation with the Monitoring Officer.

RESOLVED that:-

- (a) the Outline Business Case (OBC) for the Energy Central Campus Phase 1 - Learning Hub be approved to enable progression to Full Business Case; and
- (b) authority be delegated, in accordance with the Local Assurance Framework, to the Council's s151 Officer following consideration by the Energising Blyth Programme Board to approve the Full Business Case and to report the capital implications to Capital Strategy Group for inclusion in the Capital Programme.

30. REPORT OF THE INTERIM CHIEF EXECUTIVE

Energising Blyth Offshore Renewable Energy Catapult Technology Demonstration Centre: Outline Business Case

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report sought approval of the Town Deal Outline Business Case (OBC) for the OREC Technology Demonstration Centre (formerly Bearing Technology) which was pending approval by the Department of Levelling Up, Housing and Community (DLUHC). The OBC had been externally appraised with a recommendation to proceed to Full Business Case (FBC). It was approved by Town Deal Programme on 27 July 2022 (copy attached to the signed minutes as Appendix D).

Councillor Ploszaj introduced the report. This was a great project and was completely externally funded.

RESOLVED that:-

- (a) the Outline Business Case (OBC) for the OREC Technology Demonstration Centre be approved to enable progression to Full Business Case; and

- (b) authority be delegated, in accordance with the Local Assurance Framework, to the Council's s151 Officer following consideration by the Energising Blyth Programme Board to approve the Full Business Case, subject to a satisfactory subsidy control solution and to report the capital implications to Capital Strategy Group for inclusion in the Capital Programme.

31. REPORT OF THE EXECUTIVE DIRECTOR OF PUBLIC HEALTH AND COMMUNITY SERVICES

Food & Feed, Safety & Standards Service Plan 2022/23

The report presented to the Cabinet, for its consideration and endorsement, the Food and Feed, Safety and Standards Service Plan for 2022/23 (copy attached to the signed minutes as Appendix E, along with the report of the Communities and Place OSC).

Councillor Horncastle introduced the report and referred to the suggestion from Scrutiny that the display of ratings be mandatory, however, this was not in the Council's hands. In Northumberland, 98.3% of businesses had a 3–5-star rating which was well above national average. The Produced in Northumberland badge was also good to have.

Peter Simpson detailed the key points of the report for members. 2021-22 had been a very challenging year. The Service was in consultation with all of the members of the Produced in Northumberland Scheme to see how it could be developed and made even better.

Councillor Watson asked whether the very high food rating levels for premises could be used to promote the County as a destination place for food. Councillor Horncastle agreed this could be taken on board.

Councillor Renner Thompson endorsed the Produced in Northumberland Scheme and felt many more businesses could be approached to join the scheme and looked forward to seeing how this could be promoted. Members were advised that around 25 businesses had expressed an interest in joining.

Councillor Riddle commented that the Scheme was much valued. It would be nice to make premises ratings compulsory but this was not in the Council's gift. Members were advised that it was mandatory in Wales and Northern Ireland and there had been some significant lobbying of the Government to do the same for England.

The Leader asked if members could have an update on the Produced in Northumberland Scheme in the next three months.

RESOLVED that:-

- (a) the Food and Feed, Safety and Standards Service Plan for 2022/23 be received and adopted; and

(b) the report of the Communities and Place OSC be noted.

32. REPORT OF THE EXECUTIVE DIRECTOR OF PUBLIC HEALTH AND COMMUNITY SERVICES

Proposals for the allocation of the Public Health ring-fenced grant reserve to reduce health inequalities

The report described the process undertaken to agree proposals for additional investment in public health interventions from the ring-fenced public health grant to reduce health inequalities, and made recommendations (copy attached to the signed minutes as Appendix F, along with the report of the Health and Wellbeing OSC).

The report was introduced by Councillor Pattison. Dr Jim Brown detailed the key points of the report and Audrey Kingham informed members that this was core to the work of her team – narrowing gaps around attainment, ensuring children were ready for school, ensuring children were able to consider a career at an early stage thereby reducing unemployment, considering post 16 opportunities and engaging industry with education.

In response to a question from Councillor Riddle regarding selective licensing, Dr Brown advised that there was a pilot in Cowpen Quay over five years and this would involve an evaluation of private rented properties where there was relatively low demand with the intention of improving the quality of housing and to address anti-social behaviour. Housing was also a key area in terms of its impact on health inequalities.

The Leader asked for an update on the position in 4-5 months.

RESOLVED that:-

- (a) the allocation of funding from the Public Health reserve as proposed in the report be approved; and
- (b) authority be delegated to the Director of Public Health the precise expenditure of the funding set aside to address issues around poverty; and
- (c) the report of the Health and Wellbeing OSC be noted.

33. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF PLANNING & LOCAL SERVICES

Adoption of Hexham Shopfront Design Guide and Alnwick Shopfront Design Guide

The report explained the need for the adoption of Shopfront Design Guides for Hexham and Alnwick, the background to this and the

benefits of doing so (copy attached to the signed minutes as Appendix G).

The report was introduced by Councillor Horncastle. He welcomed the report as it would help developers during the planning process and it was important to have shop fronts which reflected the historic nature of the towns. Rick O'Farrell added that adoption of the design guide meant it would be a material consideration in considering applications.

RESOLVED that the Hexham Shopfront Design Guide and the Alnwick Shopfront Design Guide be adopted as formal guidance and material considerations in the determination of planning applications and to inform relevant Council/stakeholder project design.

34. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF PLANNING & LOCAL SERVICES

Endorsement of Conservation Area Character Appraisal for Bamburgh

The report explained the need for a Conservation Area Character Appraisal for Bamburgh, the background to this and the benefits of doing so (copy attached to the signed minutes as Appendix H).

The report was introduced by Councillor Horncastle.

RESOLVED that the contents of the Bamburgh Conservation Area Character Appraisal be noted and its use as an evidence base to inform Council decisions be endorsed.

35. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF PLANNING & LOCAL SERVICES

Making the Haydon Parish Neighbourhood Plan

The report was introduced by Councillor Horncastle. The Leader thanked the Parish Council and officers for the work which had been done on this.

The report sought approval to formally 'make' the Haydon Parish Neighbourhood Plan. The Plan passed independent examination in March 2022. A local referendum held in Haydon Parish on 30 June 2022 returned a majority vote in favour of using the Plan to make decisions on planning applications. The Council was now obliged by statute to make the Neighbourhood Plan unless it considered that doing so would breach European Union obligations (copy attached to the signed minutes as Appendix I).

RESOLVED that:-

- (a) the referendum outcome of 30 June 2022 be noted;

- (b) Cabinet agree to formally 'make' the Haydon Parish Neighbourhood Plan in accordance with section 38A(4)(a) of the Planning and Compulsory Purchase Act 2004;
- (c) Cabinet approve the decision statement (attached at Appendix 1) required under Regulation 19 of the Neighbourhood Planning (General) Regulations 2012, as amended, and
- (d) Cabinet agree that both the Haydon Parish Neighbourhood Plan and the decision statement are published on the Council's website and publicised elsewhere in order to bring it to the attention of people who live, work or carry out business in the neighbourhood area; and for the decision statement to be sent to the qualifying body and anyone else who asked to be notified of the decision.

36. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND SECTION 151 OFFICER

Financial Performance 2022-23 - Position at the end of June 2022

The report informed Cabinet of the current financial position for the Council against the Budget for 2022-23 (copy attached to the signed minutes as Appendix J).

Jan Willis detailed the key points of the report for members. The Council's revenue budget was under significant pressure as a result of increasing fuel costs, general inflation and the expected pay award leading to a projected overspend of just over £17m at the end of June. A reserve of just over £5m had been set aside for exceptional inflationary pressures so there would be a net overspend of around £12m. Key providers' budgets were also under pressure so the report proposed some inflationary increases for those providers.

The Government had announced a scheme to provide financial help to limit the impact of fuel increases for businesses and it was expected that this would include the Council, and providers such as Active Northumberland. In relation to the increase to commissioned home care providers, officers would be looking at whether the cost of increased travel rates for staff using their own cars could be absorbed as part of the ongoing market sustainability exercise and this would come back to members.

Councillor Wearmouth referred to comments in the press regarding the financial position. The pressures were coming from salary costs which were out with the control of the Council and negotiated after the budget was set, as well as inflationary pressures resulting from the war in Ukraine which could not have been foreseen. The Council had prudently set funds aside in previous years and it was this good financial management which meant the Council had good levels of reserves. In setting next year's budget, the priority would be to protect front line services and deliver good quality services.

Councillor Riddle asked if there was any further information on what help for businesses was likely to be from Government. Jan Willis advised that gas and

electricity was purchased via NEPO so officers were still working through what the announcement actually meant but she did anticipate some significant help. When there were further details, these would be shared with members.

RESOLVED that:-

- (a) the services projected overspend of £4.813 million and the assumptions outlined in the report be noted;
- (b) Cabinet agree the inflationary increase that will be awarded in relation to home to school transport contracts to cover fuel inflation and backdate it to April 2022;
- (c) Cabinet agree the increase for commissioned home care providers to enable them to pay the staff who use their own cars a mileage rate of £0.45 per mile (increased from £0.25 per mile) with effect from 1 September 2022. The increase will be funded from existing resources within the service;
- (d) Cabinet note the potential overspend of £17.135 million following the employer's pay award, utility and fuel inflation;
- (e) Cabinet note the following actions which will be implemented with immediate effect in order to help bring the budget back in line and minimise/contain the overspend:
 - The Council will be inviting applications from staff for voluntary redundancy.
 - The normal budget approval process is now suspended, and all expenditure will be authorised by Executive Directors. A pro forma has been issued and all managers needing to spend will be expected to complete a business case to justify the expenditure and obtain formal sign off.
 - There is now a freeze on in-year contingency requests and the balance on the contingency will be utilised to offset the inflationary increases and potential overspend
 - Whilst there will not be a moratorium imposed in relation to recruitment to vacant posts, a vacancy panel will be established where all requests to recruit to posts will be considered. The vacancy panel will then make recommendations to the Executive Team who will make the ultimate decision.
 - The Executive Team will look selectively to increase fees and charges in year. Any proposals deemed necessary will be referred to Cabinet for a formal decision.
 - The Executive Team has been reminded and will instruct all managers to be proactive and ensure "good housekeeping"; e.g. ensure that all of their suppliers are on the supplier incentive scheme, review contracts and request better value from their suppliers.
 - The capital programme is being reviewed particularly in relation to contract price inflation. Once this exercise is complete then the cost of capital and debt charges (borrowing) will be examined to establish any potential for an in-year revenue budget underspend to offset the impending Council overspend.

- All capital projects going ahead will be contained within their existing approvals even if it means revisiting the scope of the project. Value engineering will be considered as well as a reduction to or a deferral of each project.
- (f) Cabinet approve re-profiling to the Capital Programme of £41.706 million from 2022-23 to 2023-24 to reflect estimated expenditure levels in the current financial year;
- (g) Cabinet approve the new grants and amendments to existing grants at Appendix A and the required changes to the budgets;
- (h) Cabinet note the progress on the delivery of the approved savings at Appendix B;
- (i) Cabinet note the use of the contingency shown at Appendix Q;
- (j) Cabinet note the use of reserves shown at Appendix R;
- (k) Cabinet note the virements requested by services shown at Appendix S; and
- (l) Cabinet note that the outcome of the strategic review of Advance Northumberland will be reported to the November Cabinet meeting and will include a request to commission external advice on the group structure and financial model.

37. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND SECTION 151 OFFICER

Summary of New Capital Proposals considered by Officer Capital Strategy Group

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group (CSG) via email on 4 July 2022 and 5th August 2022 (copy attached to the signed minutes as Appendix K).

RESOLVED that:-

37.1 NFRS Fire Control Mobilising System:

Cabinet approve spend of £89,000 for further necessary upgrades to the Northumberland Fire & Rescue Service (NFRS) Fire Control Mobilising System to be funded from the FRS Risk Critical Equipment Budget for 22/23 (£25,000) and 23/24 (£64,000) in the Council's 2022-26 MTFP.

37.2 Longframlington Affordable Housing Units

Cabinet approve the acquisition of two 3 bedroom, section106 houses on the Cussins Lightpipe Farm Development in Longframlington at a total cost of £312,000 funded through the HRA Affordable Homes Budget included in the 2022-26 MTFP.

37.3 Desktop Refresh Preparation

Cabinet approve the transfer of £100,000 from the Cloud Migration Budget to the Desktop Refresh Budget in 2022/23 with a corresponding reversal in 2023/24 to enable the appointment of an external IT consultancy to commence the necessary planning and scoping for the roll out of the Desktop Refresh Programme which will commence in 2023/24.

37.4 Pegswood Children's Home Grant Award

Cabinet accept a grant award of £429,000 from the Department for Education as a contribution towards the construction of the Children's Home at Pegswood and increase the budget accordingly. The original project was approved by Cabinet in December 2019 at a cost of £648,000. However due to construction cost inflation since that date, the build cost has increased to £960,000. The Grant will therefore enable the project to be delivered within the approved budget limit.

37.5 B6344 Todstead Landslip Repairs

Cabinet approve repairs to the B6344 at Todstead at a total cost of £9,316,000, to be funded from the Todstead Landslip budget included in the Council's Medium Term Financial Plan for 2022-26 with £2,500,000 being spent in 2022/23 and £6,816,000 in 2023/24.

Authority be delegated to the Council's Interim Chief Executive to sign the works contract for the project up to a value of £8,600,000.

37.6 Next Generation Flood Resilience

Cabinet:-

- (a) approve the allocation and associated expenditure for Next Generation Flood Resilience within the Council's MTFP of £5,605,000 for the years 2022/23 to 2026/27 to be fully funded by the Environment Agency's Flood & Coast Resilience Innovation Fund and increase the budget accordingly; and
- (b) delegate authority to the Council's Interim Chief Executive to sign relevant works contracts up to a value of £5,000,000.

37.7 Contracts in excess of Delegated Limits

Cabinet had previously approved capital investment for the County Hall Solar PV Carport Project in June 2019 and October 2020 to a total budget value of £3,362,120.

RESOLVED that Cabinet approval be given to award the contract for the project to UK Power Network Ltd at a price of £3,059,767 in order to carry out the works.

Cabinet had previously approved capital investment of £5,500,000 to refurbish the vacant Richard Coates School in Ponteland to enable the relocation of Atkinson House Special School from Seghill.

RESOLVED that Cabinet approval be given to award a contract for the project to Robertson Construction Group Ltd for the sum of £4,943,168.

38. EXCLUSION OF PRESS AND PUBLIC

RESOLVED

- (a) That under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the Agenda as they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and
- (b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Item	Paragraph of Part I of Schedule 12A
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17	3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information
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AND	The public interest in maintaining this exemption outweighs the public interest in disclosure because disclosure could adversely affect the business reputation or confidence in the person / organisation and could adversely affect commercial revenue.
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39. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND S151 OFFICER

Trading Companies' Financial Performance 2022-23 - Position at the end of June 2022

The report informed Cabinet of the current financial positions of its trading companies and of any relevant issues arising (copy attached to the signed minutes as Appendix L, coloured pink and marked Not for Publication).

Councillors Renner Thompson, Riddle and Watson did not take part in this matter.

RESOLVED that the recommendations detailed in paragraph two of the report be approved.

CHAIR.....

DATE.....