

**NORTHUMBERLAND COUNTY COUNCIL**

**CABINET**

At a meeting of the Cabinet held at County Hall, Morpeth on Tuesday 11 April 2023 at 10.00 am.

**PRESENT**

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

**CABINET MEMBERS**

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

**OTHER MEMBERS**

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

**OFFICERS IN ATTENDANCE**

Binjal, S (Remote)	Monitoring Officer
Bradley, N.	Executive Director for Adults, Aging & Wellbeing
Hadfield, K.	Democratic and Electoral Services Manager
Hunter, P.	Interim Senior Service Director
Lawler, J.	Public Health Consultant
Murfin, R. (Remote)	Interim Executive Director of Planning & Local Services
	Regeneration, Commercial & Economy
Paterson, Dr H.	Chief Executive
Roll, J.	Head of Democratic Services
Rose, J.	Interim Executive Director of Regeneration
Soderquest, P.	Service Director - Housing and Public Protection
Willis, J. (Remote)	Executive Director for Resources & Transformation (S151)

**119. MINUTES**

**RESOLVED** that the minutes of the meeting of Cabinet held on 14 March 2023, as circulated, be confirmed as a true record and signed by the Chair.

## **120. DISCLOSURES OF MEMBERS' INTERESTS**

Councillor Wearmouth disclosed an interest in item 8 on the agenda (Flood and Coastal Erosion Additional Schemes), as his property was affected. He advised that he would leave the chamber whilst this matter was discussed.

## **121. REPORT OF THE CABINET MEMBER FOR COMMUNITY SERVICES**

### **Social Housing Regulation Bill**

The report provided members with information relating to the Social Housing Regulation Bill, which was intended to reform the regulation of social housing. The report provided an update on the development of the Social Housing White Paper and the progress through parliament of the Social Housing Regulation Bill (copy attached to the signed minutes as Appendix A).

The report was presented by Councillor Horncastle. He advised that the Authority had been asked by the Regulator to participate in a pilot scheme from September.

The Leader welcomed the idea of a peer review and Councillor Horncastle reported that this would be discussed with officers and a report brought back.

Councillor Riddle asked if every property would receive an energy efficiency audit. Members were advised that at the time of a new tenancy, a full energy audit was carried out for the EPC, but officers were also actively looking at how they could improve energy performance within the Council's stock and had secured grant to do that from Government.

**RESOLVED** that:-

- (a) Cabinet note the content of the report and future requirements and expected outcomes of the legislation when enacted; and
- (b) Cabinet agree to:

- Undertake within service a peer review exercise with an appropriate local authority or registered social housing provider.
- Receive future updates on the implementation of the Social Housing Regulation Bill and implications for Northumberland County Council.
- Receive future updates on any identified service improvements arising from in-service improvement plans, including planning and preparing for inspection, with the support of the Executive Director for Adults, Ageing and Wellbeing.
- Receive details of the named senior officer roles within the council that will be responsible for, lead and ensure compliance with health and safety and consumer standards.

## **122. REPORT OF THE CABINET MEMBER FOR COMMUNITY SERVICES**

### **Introducing services charges into the Council's Sheltered Accommodation Schemes**

The report requested permission to introduce service and heating charges to all Council tenants across seven Sheltered Housing Schemes in line with those currently being charged at Arnison Close in Allendale (copy attached to the signed minutes as Appendix B).

The report was presented by Councillor Horncastle. The report's proposals would protect the Council's HRA and would bring the Council in line with other local authorities.

**RESOLVED** that:-

- (a) service and heating charges be introduced across those sheltered housing schemes for the reasons as set out within the report, where they are not currently applied, to ensure that all those tenants living in sheltered accommodation are paying the required charges for the services they receive, and
- (b) implementation of the newly introduced charges be rolled out on a phased basis for existing tenants and at full cost for new tenants, as set out in paragraph 12 (headed Implementation) of the report.

## **123. REPORT OF THE LEADER**

### **Governance of Council Companies**

The report proposed the adoption of strengthened Governance arrangements in relation to the Council's companies and the relationship between the Council and those companies. These proposals built on the principles and expectations in relation to the governance of the Council's interests in companies approved by Cabinet on 13 December 2022. The proposals also addressed recommendations of the Caller Independent Governance Review to provide the foundation for decision making and the development of a comprehensive company governance framework for companies wholly or partly owned by Northumberland County Council (NCC) and alternative delivery vehicles (copy attached to the signed minutes as Appendix C).

The report was presented by the Leader, which was the final report of three on this subject matter. He detailed the key points.

**RESOLVED** that Cabinet approve the establishment of a Cabinet Shareholder Committee, the terms of reference of which were set out at Appendix A, as the Governance arrangements, being part of the development of a comprehensive governance framework, for companies that are wholly or partly owned by the Council.

## **124. REPORT OF THE CABINET MEMBER FOR BUSINESS**

## **Energising Blyth: Energy Central Campus Phase 1: Learning Hub: Full Business Case**

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report sought the approval of the Town Deal Full Business Case (FBC) for the Energy Central Campus (ECC) Phase 1 - Learning Hub which received approval at OBC stage from Levelling Up, Housing and Community (DLUHC) and Northumberland County Council (NCC) Cabinet. The FBC had been internally reviewed with a recommendation to award a Grant Funding Agreement and proceed to project delivery and entering into the works contract. Since Cabinet approved the OBC, final project costs had increased as the works procurement process and tender price had concluded and contract terms agreed. A proposed Delivery Model was also detailed which addressed financial management, asset ownership and procurement complexities manifested by multi-organisation interest and contribution to the Energy Central Learning Hub (ECLH) (copy attached to the signed minutes as Appendix D).

The report was presented by Councillor Ploszaj and he detailed the key points.

Councillor Renner Thompson supported this key project for Northumberland Skills, which was part of the wider education and industrial strategy to produce good schools and good educational attainment levels. He felt it was an exemplar project.

Councillor Ploszaj reminded members that the welding and fabrication facility right next door would be opening very soon.

Councillor Wearmouth agreed this was a very good project and would provide a pathway to all of the jobs which had been created in the Blyth Estuary for local people. The cost benefit ratio which had been identified in the report was a phenomenal achievement and the wage uplift benefits were significant.

Councillor Watson asked about the area of land for additional car parking for the site and whether this was to be a not for profit or commercial sale. Members were advised that this was not for profit arrangement as it was not currently development land.

The Leader welcomed this fantastic project and he paid tribute to all businesses who had got involved and recognised the need to upskill residents.

### **RESOLVED** that:-

- (a) Cabinet approve the Full Business Case (FBC) for the Energy Central Campus Phase 1 - Learning Hub to enable a Town Deal and Northumberland County Council (as Accountable Body) Grant Funding Agreement to be entered into between the Accountable Body and Energy Central Campus Ltd;
- (b) Cabinet approve a total budget for inclusion in the Capital Programme of £13.580m Capital and £0.200m Revenue, including £4.480m from

the Energising Blyth Project Delivery Support Budget which is included in the Mid -Term Financial Plan;

- (c) authority be delegated to the Executive Director for Place and Regeneration to enter into the main construction contract relating to the project, subject to the appropriate procurement processes being followed; and
- (d) Cabinet approve the proposed Delivery Model including the following key elements:
  - (i) Northumberland County Council to be responsible for delivering the capital build of the Energy Central Learning Hub (ECLH), on behalf of the Energy Central Campus Ltd.
  - (ii) NCC to act as guarantor to the Grant Funding Agreement for Energy Central Campus Ltd to satisfy the Due Diligence requirements of the Agreement.
  - (iii) approve Northumberland County Council entering into a 'Shareholder Agreement' with the Port of Blyth and Offshore Renewable Energy Catapult (OREC) (co-founders of ECC Ltd) in order to protect the financial interests of all partners and funders given ECC Ltd landownership and in the event that ECC Ltd fails.

## **125. REPORT OF THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR CORPORATE SERVICES**

### **Summary of New Capital Proposals considered by Officer Capital Strategy Group**

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group (CSG) via email on 3 March 2023 (copy attached to the signed minutes as Appendix E).

Councillor Wearmouth left the Chamber at this point.

#### **125.1 Flood and Coastal Erosion Additional Schemes**

**RESOLVED** that Cabinet approve a request to update the budget allocations within the Council's 2023-24 MTFP for several existing schemes as summarised in the Table at paragraph 5.10 in the report, to reflect the Environment Agency's refreshed programme and to add the new Blenkinsopp Flood Alleviation Scheme to the Council's 2023-24 MTFP. It was noted that all schemes will commence in Summer 2023 and will be fully funded by the Environment Agency except for the Hepscott Scheme, which requests a £50,000 contribution from NCC already identified in the 2022-23 Budget which will be slipped into the 2023-24 MTFP.

Councillor Wearmouth returned to the Chamber.

#### **125.2 Riding for the Disabled Adaptations at Kirkley Hall**

**RESOLVED** that Cabinet approve a request to allocate an additional £50,000 from the 2023-24 MTFP Capital Contract Price Inflation Budget to meet inflationary pressures for the Kirkley Hall Adaptation works originally approved by Cabinet in March 2022.

### **125.3 Northumberland Pupil Referral Unit Relocation**

**RESOLVED** that Cabinet approve a request to spend £188,312 Basic Need (BN) allocation funding on refurbishment works required to the former Atkinson House SEN school buildings that will enable growth in the capacity of the Northumberland Pupil Referral Unit (PRU) to be funded from the Basic Need Grant included in the 2023-24 MTFP.

### **125.4 Additional Budget 2023 Highways Maintenance and Pothole Repair Funding**

**RESOLVED** that Cabinet approve the addition of £3.872 million Central Government Funding for highways maintenance and pothole repairs to the 2023-24 capital programme and the delegation of the detailed programme of works and any subsequent in-year amendments to the Executive Director for Place and Regeneration in consultation with the Cabinet Member for Local Services.

### **125.5 Blyth Relief Road**

**RESOLVED** that Cabinet approve a request to allocate an additional £431,214 from the 2023-24 MTFP Capital Contract Price Inflation Budget to meet inflationary pressures for the Blyth Relief Road Project; and

Cabinet authorise an amendment to the Medium-Term Financial Plan (MTFP) to reflect a revised contribution from the Department for Transport's National Roads Fund of £39,783,267 to the Blyth Relief Road project.

### **125.6 Contracts in excess of delegated limits**

**RESOLVED** that Cabinet authorise the award of a 1-year contract to replace windows and doors to council-owned dwellings in line with the agreed capital investment programme funded through the HRA. The estimated contract value of £1,384,792 includes the tender submission of £1,258,902 plus a contingency of 10% to allow for an early variation to include a backlog of replacement doors from the repairs and maintenance team. It is anticipated that the contract will commence in April 2023 and run until the end of March 2024 during which time around 450 homes will benefit from having timber windows and/or doors replaced with uPVC.

## **126. DELEGATED DECISIONS**

**RESOLVED** that the following delegated decisions be noted (copy attached to the signed minutes as Appendix F):-

### **126.1 Decision Taken by the Interim Executive Director of Planning and Local Services: Local Transport Plan Programme 2023-24**

## **126.2 Decision Taken by the S151 Officer and Executive Director of Transformation and Resources: Energy Central Learning Hub (ECLH) - Pre- Full Business Case (FBC) /Grant Funding Agreement (GFA) Project Expenditure**

### **127. URGENT BUSINESS**

The Leader had agreed to take one item of urgent business, which had been circulated to members (copy attached to the signed minutes). As required, agreement had also been given by the Scrutiny Chair and the Business Chair. The matter was urgent to ensure that the Northumberland Line was reopened to passenger services by summer 2024, as prescribed by the Rail Minister in confirming the Government's contribution from the Restoring Your Rail Fund to the scheme.

#### **Report of the Cabinet Member for Business**

##### **Northumberland Line Update**

The purpose of the report was to agree the funding package and revised financial profiles for the Council's contribution to the reopening of the Northumberland Line to passenger services and the construction of the bridge over the Line at Newsham Road on the A1061.

The Leader paid tribute to the work of the local MP Ian Levey, Government Ministers, North of Tyne and the Government for their support in getting this project to fruition.

#### **RESOLVED** that:-

- (a) Cabinet note the increased costs principally associated with the construction of the new stations along the Northumberland Line and the bridge over the line at Newsham Road on the A1061;
- (b) Cabinet add a contribution of £5.00m from North of Tyne Combined Authority, subject to their Investment Panel process in May, to the Council's capital programme in 2023/24;
- (c) Cabinet add a contribution of £7.50m from the Department for Transport to the capital programme in 2023/24 that the Council will subsequently reimburse in 2027/28 from land value capture income generated within three years of the Line reopening to passenger services;
- (d) Cabinet approve an allocation of £2.08m in 2023/24 from the Strategic Regeneration Projects budget held within the Capital Programme as a contribution to the delivery of the two schemes;
- (e) Cabinet approve an allocation up to a maximum of £2m in 2024/25 from the Capital Contract Price Inflation budget held within the Capital Programme to address the maximum funding gap associated with these two schemes;

- (f) Cabinet approve the revised financial profile for both expenditure and income to the Council's contribution to the Northumberland Line and Newsham Road Bridge as set out at Appendix 2; and
- (g) approval be delegated to the Executive Director for Place and Regeneration to execute all contracts relating to the Northumberland Line project, through to entry into service, including the construction of Newsham Road bridge, subject to confirmation of associated funding being in place and the appropriate procurement processes being followed.

**CHAIR**.....

**DATE**.....