

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the Cabinet held at County Hall, Morpeth on Tuesday 9 May 2023 at 10.00 am.

PRESENT

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

CABINET MEMBERS

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

OTHER MEMBERS

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

OFFICERS IN ATTENDANCE

Aviston, S.	Head of School Organisation & Resources
Bennett, L.M.	Senior Democratic Services Officer
Bradley, N.	Executive Director for Adults, Aging & Wellbeing
Kingham, A.	Executive Director for Children, Young People & Education
Murfin, R. (Remote)	Interim Executive Director of Planning & Local Services Regeneration, Commercial & Economy
O'Neill, G	Executive Director for Public Health (DPH), Inequalities & Stronger Communities
Paterson, Dr H.	Chief Executive
Roll, J.	Head of Democratic Services
Rose, J.	Interim Executive Director of Regeneration
Willis, J. (Remote)	Executive Director for Resources & Transformation (S151)

128. APOLOGOIES FOR ABSENCE

Apologies for Absence were received from Councillor J. Watson.

129. MINUTES

RESOLVED that the minutes of the meeting of Cabinet held on 11 April 2023, as circulated, be confirmed as a true record and signed by the Chair.

130. REPORT OF THE LEADER

Corporate Plan

This Report presented the Council's Corporate Plan for 2023-2026. The Plan built on the progress from the previous Corporate Plan and presented a refreshed vision, and three Council priorities. This refresh took account of the changing operating context and the recommendations of the Independent Review of Governance ('Caller Review') which reported to Full Council in June 2022. Moving forward, the three Priorities in the Plan would set the context for the Council's Budget and Medium-Term Financial planning process. Service planning, the performance framework, and staff appraisal process would all contribute to achieving the priorities. (Copy attached to the signed minutes as Appendix A).

Members were informed that a copy of the report had been made available to all Group Leaders and was being shared widely. There had been significant effort in producing the document with wide consultation, meetings all over the County along with two Policy Conferences. The document was full of real ambition and commitment to work hard to ensure that the programme was delivered.

RESOLVED that Cabinet:

- (1) recommend to Full Council the new Corporate Plan 2023-26 for adoption at its meeting of 17th May.
- (2) note the proposal to Full Council to receive and consider an annual Corporate Plan Achievements Report at Full Council in March each year.
- (3) note the proposal to Full Council to receive and consider an annual Corporate Plan Performance Report at Full Council at the conclusion of Quarter four of the performance cycle.

131. REPORT OF THE LEADER

North East Bus Service Improvement Plan

The report outlined the implications of the Bus Service Improvement Plan for Northumberland bus services and infrastructure (copy attached to the signed minutes as Appendix B).

The Leader presented the report and reported that significant funding was being made available regionally to encourage bus use in Northumberland with

the aim of changing people's travelling habits. This would be achieved by having more attractive fares and encouraging car users to consider looking at the enhanced bus service. Bus lanes were being proposed in Blyth and Cramlington which, it was hoped, would ease the flow of buses through those towns.

RESOLVED that Cabinet:

- (1) note the decision of the North East Combined Authority and the North of Tyne Combined Authority, acting together through the North East Joint Transport Committee to make an Enhanced Bus Partnership for the region;
- (2) delegate authority to the Executive Director for Regeneration, in consultation with the Executive Director of Finance (Section 151 officer), to accept the funding for bus service improvements, once confirmed, from Transport North East; and
- (3) authorise the creation of a Northumberland Local Bus Board as set out in Appendix 2.

132. REPORT OF THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR CORPORATE SERVICES

Financial Performance 2022-23 – Position at the end of February 2023 (Provisional Outturn 2022-23)

Members received a report informing them of the provisional outturn position for the Council against the Budget for 2022-23. Due to the timing of the statutory accounts deadline the forecast provisional outturn was based on the position at the end of February (copy attached to the signed minutes as Appendix C).

The report was presented by Councillor R. Wearmouth. It was reported that not all of the budget set aside in the last financial year to cover for inflation had been used and there was a net underspend of £2.1 million. The report set out how it was proposed to spend this budget in the current financial year. Thanks was given to the Finance Team and every Directorate as they had kept all costs under control without needing to use reserves and had delivered the underspend. It was added that parks and green spaces had been particularly welcome during the Covid pandemic and continued to be useful.

RESOLVED that Cabinet approve

- (1) the new grants and amendments to existing grants at Appendix A and the required changes to the budgets.
- (2) the following which are assumed in the forecast position:
 1. Create a reserve to carry forward unspent 2022-23 Homes for Ukraine funding as per the conditions. The unspent grant was estimated at £5.026 million. It was proposed that the transfer of the final value and

utilisation of this reserve was delegated to the Executive Director for Place and Regeneration in consultation with the Section 151 Officer.

2. Create a reserve of £2.930 million for the replacement of defective street lanterns. It was proposed that the utilisation of this reserve be delegated to the Executive Director for Place and Regeneration in consultation with the Section 151 Officer.
 3. Create a reserve of £0.250 million for Parks and Green Spaces to supplement the Parks Enhancement Capital Programme. Growth was approved by the Council in the 2022-23 budget but was not utilised and schemes were now to be delivered in 2023-24. It was proposed that the utilisation of this reserve was delegated to the Executive Director for Place and Regeneration in consultation with the Section 151 Officer.
 4. Create a reserve for £1.127 million for Highways Commuted Maintenance Funds received from developers for future use on the maintenance of the highway following adoption by the Council. It was proposed that the utilisation of this reserve be delegated to the Executive Director for Place and Regeneration in consultation with the Section 151 Officer.
- (3) the transfer of the balance of funds from the Economy and Regeneration Investment Reserve to the Regeneration Additional Capacity Reserve to be used to offset the fluctuations in external income received by the service over the medium term to provide a degree of stability for the core capacity of the service. It was proposed that the utilisation of this reserve be delegated to the Executive Director for Place and Regeneration in consultation with the Section 151 Officer.
- (4) the following use of the underspend:
1. Add £1.000 to the Regeneration Development Reserve to enable the continued support of the key economic work of the Council and appropriate external partners, to maximise the benefits of current and future investment opportunities.
 2. Add £0.100 million to the Regeneration Additional Capacity Reserve to offset the fluctuations of external funding income over the medium term, thereby providing a degree of stability for the core capacity of the Service.
 3. Add £1.017 million to the Exceptional Inflation Reserve to offset potential inflationary pressures in 2023-24.
 4. that any balance remaining upon finalisation of the Statement of Accounts is to be transferred to the Council's General Fund (GF).
- (5) **Members were requested to note:**
1. the estimated net re-profiling to the Capital Programme of £14.284 million from 2022-23 to 2023-24 to reflect estimated expenditure levels

in the current financial year.

2. the services projected overspend of £3.091 million and the assumptions outlined in this report.
3. the net forecast underspend of £2.117 million following the utilisation of the Exceptional Inflation Reserve.
4. the forecast net nil impact on the General Fund following the proposed use of the underspend.
5. that this forecast provisional outturn is based on the figures as at the end of February and is subject to change.
6. the delivery of the approved savings at Appendix B.
7. the use of the contingency shown at Appendix Q.
8. the use of reserves shown at Appendix R.
9. the virements requested by services shown at Appendix S.

133. REPORT OF THE DEPUTY LEADER AND PORTFOLIO HOLDER FOR CORPORATE SERVICES

Summary of New Capital Proposals considered by Officer Capital Strategy Group

The report summarises proposed amendments to the Capital Programme considered by the officer Capital Strategy Group (CSG) via email on 6 April 2023 (copy attached to the signed minutes as Appendix D).

RESOLVED that, in relation to the matters at 2.1, 2.2, 2.3 and 2.4 which were considered by the Officer Capital Strategy Group, the Cabinet:

(1) Fly Tipping Intervention Grant Award:

Accept a grant of £33,025 into the Capital Programme for 2023-24 awarded from DEFRA's fly tipping intervention fund for investment in CCTV to support fly tipping enforcement.

(2) Northumberland Play Zones:

Approve an allocation of £300,000 from the Strategic Regeneration Projects budget within the Capital Programme for 2023-24 to support the development of a network of PlayZones across the county.

(3) Reallocation of funding for IT Capital Schemes:

Approve the reallocation of IT capital funding to support the DeskTop Refresh Project as detailed in para 7.6 below noting no overall increase in capital spend for 2023/24.

(4) Local Authority Housing Fund Grant Award:

1. Accept a Local Authority Housing Fund (LAHF) grant award of £1,120,827 into the Capital Programme for 2023-24 to fund the acquisition of 12 homes.
2. Approve match funding of £1,069,628 from the Council, funded from a revenue contribution of £566,400 from the Homes for Ukraine funding and £503,228 from the HRA Affordable Homes Budget as detailed in para 8.5.

134. REPORT OF THE CABINET MEMBER FOR CHILDREN'S SERVICES

Outcomes of the Consultation on Proposals for the Berwick Partnership

This report presented the outcomes and analysis of feedback received from stakeholders arising from Phase 2 pre-statutory consultation with stakeholders in the Berwick Partnership area approved by Cabinet on 22 October 2022. The Phase 2 consultation set out possible models of school organisation within both the current 3-tier system and within a 2-tier (primary/secondary) system. Consultation was also undertaken with stakeholders on proposals for increased specialist provision within the Berwick Partnership area and feedback and analysis arising from this aspect of the consultation was also set out in the report. Feedback received during consultation had been used to assist with the determination of the final conclusions and recommendations. Cabinet was now asked to approve the recommendation to publish statutory proposals for the implementation of a 2-tier (primary/secondary) structure in the Berwick Partnership, which included the proposed closure of some schools (copy attached to the signed minutes as Appendix E).

A copy of a report on the outcome of the discussions at the Family and Children's Services OSC meeting on 4 May 2023, was circulated to members at the meeting. The report was presented by Councillor G. Renner-Thompson.

RESOLVED that Cabinet:

- (1) note the feedback from the informal and pre-statutory consultations set out at paragraphs 30 to 77 of the report.
- (2) decide in the light of the feedback from consultation set out in this report and any recommendations from the Family and Children's Services Overview and Scrutiny Committee whether to approve the publication of the statutory proposals setting out the intention of the County Council to implement the following proposals:
 1. Extend the age range of Spittal Community First School from an age 4-9 first school to an age 4-11 primary school with effect from 1 September 2025; although not a prescribed alteration, approve the reduction of the planned admission number of the school from 40 to 30 from the same date;

2. Extend the age range of Tweedmouth Prior Park First School from an age 3-9 first school to an age 3-11 primary school with effect from 1 September 2025;
 3. Extend the age range of Tweedmouth West First School from an age 4-9 first school to an age 4-11 primary school with effect from 1 September 2025;
 4. Extend the age range of Wooler First School from an age 2-9 first school to an age 2-11 primary school with effect from 1 September 2025;
 5. Extend the age range of Scremerston First School from an age 4-9 first school to an age 4-11 primary school with effect from 1 September 2025; although not a prescribed alteration, approve the reduction of the planned admission number of the school from 18 to 10 from the same date;
 6. Close Berwick Middle School with effect from 31 August 2026;
 7. Close Glendale Middle School with effect from 31 August 2026;
 8. Close Tweedmouth Community Middle School with effect from 31 August 2026;
 9. Establish an SEN unit at the site of Berwick St Mary's Church of England First to be managed by the school with specialist provision for up to 30 places reserved for pupils aged 4 to 11 with primary needs in SEMH, ASD, MLD and SLCN with effect from 1 September 2025.
- (3) Cabinet would be asked to approve the following non-statutory proposals included in Phase 2 pre-consultation in conjunction with its final decision on the statutory proposals set out in para. b) and these proposals would be included in the published statutory proposal for information;
1. Extend the age range of Berwick St Mary's Church of England First School from an age 3-9 first school to an age 3-11 primary school with effect from 1 September 2025 and reduce the planned admission number of the school from 30 to 15;
 2. Extend the age range of Holy Trinity Church of England First School from an age 3-9 first school to an age 3-11 primary school with effect from 1 September 2025;
 3. Extend the age range of Holy Island Church of England First School from an age 3-9 first school to an age 3-11 primary school with effect from 1 September 2025;
 4. Extend the age range of Hugh Joicey Church of England First School from an age 4-9 first school to an age 4-11 primary school with effect from 1 September 2025;
 5. Extend the age range of Lowick Church of England Voluntary Controlled First School from an age 2-9 first school to an age 2-11 primary school with effect from 1 September 2025;
 6. Extend the age range of Norham St Coelwulf's C of E Controlled First School from an age 3-9 first school to an age 3-11 primary school with effect from 1 September 2025.
- (4) Approve the allocation of the catchment area of Belford Primary School (including a slight reduction in its size) from the Berwick Partnership to the greater Alnwick Partnership as part of an amendment to the Council's admissions arrangements taking effect from 1 September 2024, and

thereby permit that a request is submitted to the Schools Adjudicator to amend the relevant admissions arrangements approved in February 2023.

- (5) Note that local authorities do not have powers to propose or change the organisation of academies. Therefore, the proposed changes to the age ranges of St Cuthbert's Catholic First School to become an age 3-11 primary school with effect from 1 September 2025 and for Berwick Academy to become an age 11 to 18 secondary academy, consulted on as part of the Phase 2 wider Berwick partnership reorganisation would need to be approved by the Bishop Bewick Academy Trust and Trustees of Berwick Academy respectively. In addition, the Trustees of Berwick Academy would need to approve the establishment of an SEN unit on the site of Berwick Academy to be managed by the academy with specialist provision for up to 40 places reserved for pupils aged 11 to 16 with primary needs in SEMH, ASD, MLD and SLCN with effect from 1 September 2026.

If approved, the academy trusts would need to take a request for final approval forward to the Regional Department for Education (DfE) Director North East. The decision of the Bishop Bewick Academy Trust and Trustees of Berwick Academy Regional DfE Director to approve the changes in ranges of St Cuthbert's and Berwick Academy and to approve the establishment of an SEN unit on the site of Berwick Academy would be contingent on the Council's final approval of the statutory proposal, if approved for publication.

- (6) Note that the outcomes of the publication of the Statutory Proposals would be brought back to Cabinet in July and in any event within two months of the date of their publication for a final decision in relation to the proposals set out in paras. b) to d).
- (7) Note the indicative capital costs outlined in this report and the implications for the Medium-Term Capital Programme.
- (8) Note the implications for Home to School Transport set out in this report.

135. REPORT OF THE CABINET MEMBER FOR CHILDREN'S SERVICES

Public Report from the Local Government and Social Care Ombudsman (LGSCO)

Members were informed that a Public Interest Report had been issued by the Local Government and Social Care Ombudsman (LGSCO) in relation to a complaint raised by a Northumberland County Council resident in relation to the Post 16 Transport Policy.

In accordance with Section 31(2) of the Local Government Act 1974, "*The report shall be laid before the authority concerned and it shall be the duty of that authority to consider the report and, within the period of three months beginning with the date on which they received the report, or such longer period as the Local Commissioner may agree in writing, to notify the Local Commissioner of the action which the authority have taken or propose to*

take.” The Cabinet was asked to consider recommendations made to rectify council policy relating to the Post-16 Transport Policy and address any subsequent injustice to service users.

In an email dated 14/03/23, the LGSCO confirmed “we are satisfied the Council has completed the remedy action, but we cannot confirm compliance until the Council has formally considered the report.” (Copy attached to the signed minutes as Appendix F).

RESOLVED that Cabinet:

- (1) receive the LGSCO’s Public Interest report at Appendix A. The LGSCO has confirmed that it is satisfied that the Council had completed all remedy actions as set out in 2, 3 and 4 below.
- (2) note that officers had acted on recommendations in the report in that:
 1. Miss X has been sent a letter of apology and been paid the remedy of £200 for time and trouble and £100 to “*recognise the avoidable uncertainty caused by the failure to keep her properly updated and informed through the application and appeals process*”;
 2. have reviewed the young person’s application;
 3. have reviewed all other applications refused, at that time, under the “flawed” policy;
 4. have reviewed and proposed amendments to the Council’s Post 16 Transport policy in view of the LGSCO recommendations;
 5. reminded staff working on appeals of the need for timely and clear communications
- (3) note revisions to the Council’s policy as set out at Appendix B
- (4) note that in line with the requirements of Section 30 of the Local Government Act 1974 the Council have “placed two public notices” in the News Post Leader dated 11/11/2022 and the Northumberland Gazette dated 10/11/2022; and also made copies of the report available free of charge at County Hall, Morpeth.
- (5) consider whether any further internal scrutiny were required in relation to the handling of LGSCO findings.

136. REPORT OF THE CABINET MEMBER FOR BUSINESS

Energising Blyth Programme: Culture Hub and Market Place Outline Business Case

The report sought the approval of the Outline Business Case (OBC) and project budget for the Culture Hub and Market Place project. This flagship project will initiate the regeneration of Blyth town centre (copy attached to the signed minutes as Appendix G).

The report was presented by Councillor W. Ploszaj. Members welcomed the further investment in Blyth.

RESOLVED that Cabinet

- (1) approve the Outline Business Case (OBC) summarised in this report for the Culture Hub and Market Place project to enable progression to Full Business Case
- (2) approve a total revised budget in the Capital Programme of £14,705,732. There is a current budget in the Capital Programme of £12,536,685 this report requests approval of £2,169,047 drawn from existing Council funds allocated to the Energising Blyth Programme. The project was funded by HM government Future High Streets Fund and the Council as set out in Financial Tables 3-5
- (3) note that Jam Jar Cinema Community Interest Company (CIC) will be formally appointed as the main operator of the Culture Hub and that an operator for the Creative Play concession within the facility will be appointed in due course subject to Cabinet approval of the recommendations in this report
- (4) delegate authority, in accordance with the Energising Blyth Local Assurance Framework, to the Council's s151 Officer following consideration by the Energising Blyth Programme Board to approve the Full Business Case and report any subsequent capital implications to Cabinet (via the Capital Strategy Group) for inclusion in the Capital Programme
- (5) delegate approvals to the Executive Director for Place and Regeneration to enter into any contracts relating to the project subject to confirmation of associated funding being in place and the appropriate procurement processes being followed.

137. REPORT OF THE CABINET MEMBER FOR HEALTHY LIVES

The Future of the Berwick Museum and Art Collections

Members were asked to agree the future housing of the Berwick Museum and Art collections in the custodianship of the Council and currently managed by Museums Northumberland within the context of the opportunities and challenges presented by The Living Barracks Initiative (copy attached to the signed minutes as Appendix H).

Councillor H.G.H. Sanderson presented the report and highlighted that English Heritage be informed of the intention to retain the Berwick collections within the Barracks complex as part of the Living Barracks initiative. There would be further discussions to:-

- Achieve the appropriate balance across the collections as the material on permanent display, whilst recognizing the scope for temporary exhibitions both on site and in other locations.
- Provide increased storage space for the collections, that can also afford the appropriate protection for sensitive artifacts.

- Further develop the operating model to ensure the collections and the wider hub facility are managed appropriately, including the retention of museum accreditation

RESOLVED that Cabinet approve the retention of the Berwick Museum and art collections as part of The Living Barracks initiative, subject to further discussions with relevant partners on the issues set out at paragraph 47 of the report.

138. REPORT OF THE CABINET MEMBER FOR ADULT WELLBEING

The Market Sustainability and Improvement Fund 2023/24

Members received proposals for the allocation in 2023/24 of a Government grant for adult social care. Urgent approval of a broad approach to the use of this grant was required to comply with a grant condition requiring submission of proposals by 24 May (copy attached to the signed minutes as Appendix I)

Neil Bradley, Executive Director for Adults, Aging & Wellbeing, informed Members that additional information had come to light after production of the report that he wanted to make Cabinet aware of so they were making a decision today in full recognition of available information. He reported that Care North East Northumberland (CNEN) which represented a number of the Care Homes operating in Northumberland was in disagreement with the County Council regarding care home fees. A Judicial Review had been received by the Council since the papers for this Cabinet had been sent out in relation to its fee setting and its approach to the extraordinary inflation that was applicable to the sector. The report being considered today may supersede the Judicial Review in that it recommended a 1.5% increase in fees for older persons care homes this year to recognise the additional inflation. However, CNEN had raised further objections in relation to the report being considered by Cabinet today once they had seen it. Those were as follows:-

- That a disproportionate amount of the funding was being allocated to the home care market rather than the care home market.

Mr. Bradley commented that he felt this issue was fully addressed in the report.

- That the CNEN should have been consulted at any earlier stage about the recommendations.

Mr. Bradley commented that he had some sympathy for this point, however, this was due to the timescales between publication of guidelines and the limited time for submission to the DHSC of the plan for the use of the grant. It had been made clear to CNEN previously that the officer's view was that the key pressure was in home care rather than in care homes. No significant points had been raised by CNEN in relation to this view other than general statements that they believed care homes were also under pressure.

- The higher hourly rates paid to home care workers may create additional

pressure on staffing within the care home sector.

Mr. Bradley acknowledged that this was a risk, however, it was known that two years ago, a neighbouring Local Authority area raised home care worker hourly rates, but not care home worker rates and had not noted any substantial issues affecting the care home sector. Additionally, some care homes had turned down the offer already in place to upgrade fees to enable them to pay the real living wage. No issues were known to have been reported from the care homes that had chosen to have a differential in fees. The risk was recognised and would be monitored.

A further point was highlighted by Mr. Bradley that there had been a fundamental difference of opinion for a number of years between the County Council and CNEN with CNEN strongly believing that there should be a mathematical calculation of fee increases via a model of the costs of running care homes. Officers have argued that this was too simplistic and that it was necessary to look at a wider number of factors affecting the market and how the market was behaving to understand what was going on in that area. In 2012, the Court of Appeal had backed the County Council's position in relation to this issue. Against this background, Mr Bradley highlighted that the proposed 1½% increase was not the result of a precise calculation but of an officer judgement which took account of the rough potential scale of the cost increase not picked up by the contract inflation formula, but also of the limited evidence that care homes had in practice been facing serious financial difficulties, and the fact that it was home care rather than care home accommodation which the service was currently unable to source.

The Officer judgement was that the recommendations before Members struck the right balance for the use of this fund. It was stressed that this would be reviewed if it became clear that the care home market was suffering difficulties as a result.

RESOLVED that Cabinet:

- (1) approve the proposed uses of the Market Sustainability and Improvement Fund (MSIF) in 2023/24 set out in this report, and the resulting commitments in subsequent years, which it is anticipated can be funded through the increased MSIF grant in 2024/25 and will be covered in later years either by continuation of this grant or by consolidation of the funding into the general local government financial settlement;
- (2) authorise the Executive Director – Adults, Ageing and Well-Being, in consultation with the Portfolio Holder for Adult Well-being, to make detailed decisions about the allocation of this grant, within the broad framework set out in this report, taking account of further consultations with care providers and any other relevant information which becomes available.

CHAIR.....

DATE.....