

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the Cabinet held at County Hall, Morpeth on Tuesday 16 January 2024 at 10.00 am.

PRESENT

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

CABINET MEMBERS

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

OFFICERS IN ATTENDANCE

Aviston, S.	Head of School Organisation
Bradley, N.	Executive Director for Adults, Aging & Wellbeing
Gerrard, S.	Director of Law and Governance
Hadfield, K.	Democratic and Electoral Services Manager
Hunter, P.	Assistant Chief Executive
Kingham, A.	Executive Director for Children, Young People and Education
McMillan, S.	Director of Economic Development and Growth
Murfin, R.	Director of Housing and Planning
O'Neill, G.	Executive Director for Public Health (DPH), Inequalities & Stronger Communities
Paterson, Dr H.	Chief Executive
Willis, J.	Executive Director for Transformation and Resources (S151)

66. MINUTES

RESOLVED that the minutes of the meeting of Cabinet held on 12 December 2023, as circulated, be confirmed as a true record and signed by the Chair.

67. DISCLOSURES OF MEMBERS INTERESTS

Whilst not specific declarations of interest, Councillors Sanderson and Jones wished to have it recorded that they had family members who worked for the County Council.

68. REPORT OF THE COMMUNITIES AND PLACE OVERVIEW AND SCRUTINY COMMITTEE

Planning Service Performance

Cabinet was asked to consider a report from the Committee on the above (copy of report attached to the signed minutes).

The report was presented by Councillor Oliver, Chair of the Communities and Place OSC. Councillor Oliver set the context to the review which Scrutiny had undertaken, and the current challenges facing the planning service. There had been much change in the last few years.

He commented on the perception that enforcement was not happening as much as it should, and that it was not consistent enough. However, the service had to rely on potential breaches being reported and therefore additional resource would be helpful in this area. It was suggested that the changes introduced by the Government to the way local authorities could charge for planning applications could provide additional revenue to support this.

There had been some discussion about affordable housing, and the point made that this was a joint venture with housing providers, and it was up to the Council to find the best way of ensuring that more of this type of housing was provided.

There had also been discussion around planning performance and whether the service had sufficient resource. There were challenges in recruitment and retention and it was felt that thought needed to be given to how this could be addressed, and that some additional resource was needed in this area as well as in enforcement.

Councillor Horncastle agreed that the report was excellent and represented a well-balanced argument. There were issues within the planning service arising from the pandemic which had created a large backlog of applications to be dealt with by a reduced complement of staff. However, this backlog was now under control and more staff had been recruited so the service was almost back up to full levels.

Recently the Council had agreed a new enforcement strategy. Every single enforcement enquiry had to be responded to and it had been agreed that Local Area Committees would receive some training on enforcement when agendas were quiet to address a perceived lack of knowledge on the subject. This would allow members to respond more effectively to queries from the public and town and parish councils.

Councillor Wearmouth welcomed this and suggested it would be useful to also do this with town and parish councils. He also complimented the work done by Scrutiny on this issue, which was an excellent example of the role Scrutiny should be performing

Councillor Riddle commented that the Authority was in the top 15 in the country for receiving major planning applications and this was because business was encouraged to come to the County. Staff should be complimented for the work they did and he reminded members that the Authority had met every one of its statutory duties, and that enforcement was not a statutory duty.

The Leader echoed these comments and proposed that a Policy Conference be arranged on the planning process and enforcement, which was seconded by Councillor Wearmouth.

RESOLVED that:-

- (a) the recommendation from Scrutiny to consider investment in the enforcement team and the addition of a rolling fighting fund to support this work be accepted;
- (b) the recommendation from Scrutiny to also consider additional support for the Planning Department to deal with the increase in the number of planning applications and enquiries received be considered as part of the forthcoming budget process; and
- (c) a Policy Conference around the planning process and enforcement be set up.

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

Budget 2024-25 and Medium Term Financial Plan 2024-28 Update

The report provided an update on the development of the 2024-25 Budget and the MTFP covering the period 2024 to 2028 following the publication of the provisional Local Government Finance Settlement on 18 December 2023 (copy of report attached to the signed minutes).

This was presented by Councillor Wearmouth. He referred to the draft information on efficiencies and the capital programme contained in the appendices and welcomed that he had been able to bring this detail forward at this stage in the cycle. This was not usual, but represented increased transparency with the public and wider Council and elements of these would be highlighted as part of the budget consultation. The draft budget would reflect the Administration's three corporate priorities. An important element to the budget was the amount of funding which had been leveraged in from other sources to support the capital programme. This exceeded anything achieved previously.

Members spoke in support of the proposed budget including the capital programme.

RESOLVED that the update be noted.

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

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

The report sought Cabinet 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) (copy of report attached to the signed minutes).

This was presented by Councillor Wearmouth . He drew members' attention to the recommendations and the key points of the report, including the proposed hardship fund again this year. It was expected that £250,000 of support would be needed, based on last year's demand.

Councillor Horncastle explained to members about the Housing Revenue Account and the restrictions on how it operated. The rent had to be raised to deliver what needed to be achieved, and all Authorities were in the same position.

Councillor Jones welcomed the inclusion of a hardship fund again this year as this would offer protection to tenants.

The Leader agreed. The two key issues here were the need for a reasonable rent increase to make sure that the housing stock was properly maintained and that there was a system in place to help those who needed it, which there was.

RESOLVED that:-

- (a) Cabinet 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;
- (b) Cabinet 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;
- (c) Cabinet approve the increase of 7.70% for housing rents from 1 April 2024 in line with the Government rent standard;

- (d) Cabinet approve the increase of 7.70% for housing service charges from 1 April 2024;
- (e) Cabinet 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);
- (f) Cabinet 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;
- (g) Cabinet note the indicative 30-year Housing Revenue Account business plan as detailed within Appendix 1;
- (h) Cabinet approve the estimated pay inflationary increase for 2024-25 of 4.00% totalling £0.447 million (detailed in point 6.10);
- (i) Cabinet approve the Non-Pay Inflation Schedule for 2024-25 totalling £0.280 million (detailed in point 6.10);
- (j) Cabinet approve the Recurrent Growth as follows:
 - i) 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).
 - ii) Additional staffing budget of £0.367 million from 2024-25 (detailed in point 6.11).
 - iii) Additional budget for consumable materials for void properties of £0.159 million from 2024-25 (detailed in point 6.11).
- (k) Cabinet 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);
- (l) Cabinet 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; and
- (m) Cabinet 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).

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

Notification of the Estimated Collection Fund Balances 2023-24 – Council Tax and Business Rates

The report advised members of the estimated year end balances on the Collection Fund in relation to Council Tax and Business Rates for the year ending 31 March 2024 (copy attached to the signed minutes).

The report was presented by Councillor Wearmouth. He referred to the additional £337,000 being sought by the Police and Crime Commissioner and hoped this money would be spent in Northumberland. He commended the Revenues and Benefits Team for their work.

The Leader echoed this thanks. The work demonstrated great efficiency and effectiveness and should be acknowledged. He advised that he would write to the Police and Crime Commissioner seeking a discussion about how the additional funding might be invested

Councillor Renner Thompson commented that there was a current consultation asking residents for another 7.7% increase in the Police Precept and residents might want to take into account that the PCC was already receiving a lot of additional funding from Northumberland when the Police response was not always great.

RESOLVED that:-

- (a) Cabinet approve the declaration of a surplus on the Collection Fund for the year ending 31 March 2024 in relation to Council Tax of £4.486 million to be distributed to the Council and Northumbria Police and Crime Commissioner in accordance with Council Tax regulations; the Council's share being £4.149 million;
- (b) Cabinet note the overall estimated surplus on the Collection Fund for the year ending 31 March 2024 in relation to Business Rates of £6.943 million; the Council's share being £3.471 million;
- (c) Cabinet note the distribution of the estimated Collection Fund surplus for Council Tax to the Northumbria Police and Crime Commissioner of £0.337 million, and the distribution of the estimated Collection Fund surplus for Business Rates of £3.471 million to the Secretary of State; and
- (d) Cabinet note the inclusion of the Council's share of the estimated Collection Fund balances distributable in 2023-24 of £4.149 million surplus and £3.471 million surplus for Council Tax and Business Rates respectively, within the Council's budget 2024-25.

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

Summary of New Capital Proposals considered by Officer Capital Strategy Group

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group (copy attached to the signed minutes).

RESOLVED that:-

(1) Greensfield Farm Alnwick

Cabinet approve the spend of £0.333 million to acquire 2 3-bedroom houses on the Wynyard Homes Greensfield Farm development in Alnwick. Note this will be funded using in year capital receipts and retained capital receipts within the Housing Revenue Account.

(2) Lyndon Walk

- (i) Cabinet approve the updated spend of the Lyndon Walk 13 bungalows proposal of £2.796 million. This will be funded from Housing Revenue Account reserves; and
- (ii) Cabinet approve the amendment to the Capital Programme for the updated spend as profiled in the report.

(3) Dene Park Windows

- (i) Cabinet approve the spend of £0.184 million to replace the windows at Dene Park House. Note that the funding for this project will come from the existing Property Stewardship Budget allocation within the Capital Programme; and
- (ii) Cabinet approve the amendment to the Capital Programme to reallocate £0.184 million from the Property Stewardship Budget to Dene Park House in 2023-24.

(4) Energising Blyth Programme – Energy Central Institute

- (i) Cabinet approve the amendment to the Capital Programme to establish the Energy Central Campus Phase 2 (Energy Central Institute) as a defined project in the Capital Programme with a total budget of £15.421 million as profiled in the body of the report.
- (ii) Cabinet approve the proposal to accelerate capital spend of £1.404 million in advance of business case approval to drive forward project development inclusive of spend in 2022-23.
- (iii) authority be delegated to the Executive Director for Place and Regeneration to enter into a contract to the value of £1.060 million to

appoint a multi-disciplinary Design Team, subject to the appropriate procurement processes being followed.

- (iv) Cabinet approve the spend of £0.750 million to commence work on demolishing Keel Row Shopping Centre and 3-5/7-9 Bridge Street.
- (v) authority be delegated to the Executive Director for Place and Regeneration to enter into a contract for the demolition of Keel Row Shopping Centre and 3-5/7-9 Bridge Street, subject to the appropriate procurement processes being followed.

(5) Energising Blyth Programme – Technical Fit-Out and Equipment

- (i) Cabinet approve the amendment to the Capital Programme to establish the Energy Central Campus Phase 1 – Technical Fit-Out and Equipment as a defined project with a total budget of £1.450 million as profiled in the body of the report.
- (ii) 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 report any capital implications to Capital Strategy Group for consideration in the Capital Programme.

(6) Woodhorn Lift Replacement

- (i) Cabinet approve the spend of £0.121 million to replace the lift in the Winding House at Woodhorn. Note that this is funded from the existing Property Stewardship budget in the Capital Programme.
- (ii) Cabinet approve the amendment to the Capital Programme to reallocate £0.121 million from the Property Stewardship Budget to Woodhorn Lift Replacement.
- (iii) Cabinet approve the novation of the MEND grant and accept the Grant Funding Agreement Terms (subject to Legal review) from the Arts Council for the sum of £0.107 million.

(7) County Hall – Print Room Refurbishment

- (i.) Cabinet note the spend of £0.125 million for the refurbishment of the County Hall Print Room. Also noting that the refurbishment work commenced on 28 November 2023, and that this is funded from the existing Property Stewardship budget in the Capital Programme.
- (ii.) Cabinet approve the amendment to the Capital Programme to reallocate £0.125 million from the Property Stewardship budget to County Hall – Print Room Refurbishment.

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

Ashington Regeneration Programme – Update, Funding and Site Acquisitions

This report provided an update on the delivery of the Ashington Regeneration Programme and sought approval for the strategic acquisition of the Wansbeck Square and Woodhorn Road sites from Advance Northumberland (Commercial) Limited to create the required development platform to enable implementation.

It further set out the associated holding costs post-acquisition that the Council will incur and requested an allocation of £160,000 revenue to meet these costs in 2023/24 and 2024/25 from the Regeneration Reserve Development Fund.

The report also sought approval for the development and submission of an outline bid for £2.5m to the North of Tyne Combined Authority's Northumberland Line Economic Corridor Investment Programme which, if successful, would provide important match funding for the redevelopment of Wansbeck Square Strategic Site (copy attached to the signed minutes).

The report was presented by Councillor Ploszaj. The programme hoped to replicate what was being done in Blyth and aimed to boost the town's economy with funding from the Government and the County Council. He detailed the key points of the report and informed members that he would continue to work closely with town and local County Councillors as the programme developed. A wide range of engagement events were planned.

The Leader expressed his gratitude to the Ashington Town Board and the Town Council. He fully supported this ambitious scheme which was very much needed.

Councillor Watson also expressed his support for it, as well as thanks to Advance Northumberland for the work they had done on this. The Leader agreed they had and continued, to play a major part in this project.

Councillor Wearmouth agreed with this and particularly commended John Johnston who led the Town Board for his leadership. This was only part of a wider programme of investment which included the new College, the Northumberland Line and the forthcoming regeneration of the Hirst. This project was testament to the persistence of Regeneration staff when the Town Deal funding application had not been successful, and showed that the Government did listen when proper connections were made.

Members fully supported the report.

RESOLVED that:-

- (a) Cabinet approve the following in respect of site acquisitions and required funding:

- i) that the Council complete the acquisition of the Wansbeck Square site with vacant possession, as previously agreed in principle, at a market value of £1,365,000, plus Stamp Duty Land Tax.
 - ii) that the Council complete the acquisition of the Woodhorn Road site with vacant possession, as previously agreed in principle, at a market value of £210,000 plus Stamp Duty Land Tax.
 - iii) that the Council approves an allocation of up to £160,000 of revenue funding from the Council's Regeneration Reserve Development Fund to pay for the holding costs which will be incurred, following acquisition of the Wansbeck Square and Woodhorn Road sites as set out in Section 6 of the report;
- (b) Cabinet note that following a competitive tender process, Identity Consult has been appointed as the Design Team to take forward ambitious plans for the redevelopment of Wansbeck Square and progress the designs for the Public Realm and Connectivity project, which will enable the creation of Grand Corner Gateway; and
 - (c) Cabinet approve the development of a high-level business case to the North of Tyne Combined Authority in order to secure funding from the Northumberland Line Economic Corridor Investment Fund for the redevelopment of Wansbeck Square, with approval of the final bid submission delegated to the Council's S151 Officer. The Accountable Body will monitor the use of funding subsequently awarded and ensure adherence to the Grant Agreement.

74. REPORT OF THE CABINET MEMBER FOR INSPIRING YOUNG PEOPLE

National Funding Formula & School Funding 2024-25

The report updated Cabinet regarding the National Funding Formula (NFF) and the implications for 2024/25 School Funding in Northumberland (copy attached to the signed minutes).

The report was presented by Councillor Renner Thompson. He detailed the key points of the report.

RESOLVED that:-

- (a) Cabinet approve the proposals for the continuing implementation of the National Funding Formula for 2024/25 as agreed previously, in line with the recommendation of the Schools Forum meeting of 22 November 2023 and the results of the subsequent consultation exercise held with schools;
- (b) Cabinet approve the transfer of up to 0.5% funding from the Schools' Block to the High Needs Block, in line with recommendation of the Schools Forum meeting of 22 November 2023 and the results of the subsequent consultation exercise held with schools; and

- (c) Cabinet approve the delegation of the approval of the final formula values to the Executive Director of Children Young People & Education and Cabinet Member for Inspiring Young People in line with the principles agreed at Schools Forum on 22 November 2023, once the final budget allocations are released by the Department for Education in December 2023.

CHAIR.....

DATE.....