

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the Cabinet held at County Hall, Morpeth on Tuesday 14 January 2025 at 10.00 am.

PRESENT

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

CABINET MEMBERS

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

OFFICERS IN ATTENDANCE

Bradley, N.	Executive Director, Adults, Ageing and Wellbeing
Gerrard, S.	Director of Law and Corporate Governance
Hadfield, K.	Democratic Services Manager
Kingham, A.	Executive Director of Children, Young People and Education
Neilson, S.	Executive Director, Place and Regeneration
O'Neill, G.	Executive Director, Public Health, Inequalities and Stronger Communities
Willis, J. (remote)	Executive Director for Transformation and Resources (S151)

80. Apologies for Absence

Apologies were received from Councillor Ploszaj.

81. Minutes

RESOLVED that the minutes of the meeting of Cabinet held on Tuesday 10 December 2024, as circulated, be confirmed as a true record and signed by the Chair.

82. Budget 2025-26 and Medium Term Financial Plan 2025-29 Update

Report of the Cabinet Member for Corporate Services

The report provided an update on the development of the 2025-26 Budget and the MTFP covering the period 2025 to 2029 following the publication of the provisional Local Government Finance Settlement on 18 December 2024.

This report was presented by the Leader. He highlighted that the Council's settlement had not been a good one.

RESOLVED that the update be noted.

83. Budget 2025-26, Medium Term Financial Plan 2025-29 and 30 Year Business Plan for the Housing Revenue Account

Report of the Deputy Leader and Cabinet Member for Supporting Business and Opportunities

The report sought Cabinet approval for the updated Budget 2025-26, Medium Term Financial Plan (MTFP) 2025-29 and 30-year Business plan for the Housing Revenue Account (HRA).

The report was presented by Councillor Horncastle. He reported that the HRA was under a lot of pressure at the moment and he detailed some of the key points and pressures.

RESOLVED that:-

- 1.1 Cabinet approve the Housing Revenue Account 2025-26 budget as detailed within Appendix 1, which will reduce the balance on the HRA reserve from £24.379 million at 31 March 2025, to £16.030 million at 31 March 2026; and note the indicative budgets to 2028-29 which will reduce the balance of the HRA reserve to £12.178 million;
- 1.2 Cabinet note that from 1 April 2025, 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 1.70% plus 1.00% with recoverable service charges also rising by CPI plus 1.00% for the period 1 April 2025 to 31 March 2026;
- 1.3 Cabinet approve the increase of 2.70% for housing rents from 1 April 2025 in line with the Government rent standard;
- 1.4 Cabinet approve the increase of 2.70% for housing service charges from 1 April 2025;

- 1.5 Cabinet approve the Non-Recurrent Growth Item of £1.000 million for additional resources to tackle the backlog in the turnaround of void properties (detailed in point 6.11);
- 1.6 Cabinet approve the Non-Recurrent Growth Item of £0.600 million for demolition costs of unused dwellings (detailed in point 6.11);
- 1.7 Cabinet approve the Non-Recurrent Growth Item of £0.400 million for additional consumable materials (detailed in point 6.11);
- 1.8 Cabinet approve the use of £0.400 million from the Rent Hardship Fund Reserve, to contribute to the additional non recurrent growth. (detailed in point 6.6);
- 1.9 Cabinet approve the use of £2.003 million from the HRA Reserve to fund non-recurrent growth and to contribute to the ongoing pressure within the budget and to ensure the HRA sets a balanced budget (detailed in point 6.13);
- 1.10 Cabinet approve the estimated pay inflationary increase for 2025-26 of 3.00% totalling £0.723 million, which includes the impact of increased national insurance contributions (detailed in point 6.9);
- 1.11 Cabinet approve the Non-Pay Inflation Schedule for 2025-26 totalling £0.298 million (detailed in point 6.9);
- 1.12 Cabinet approve the Recurrent Growth as follows:
 - a) Additional Stock Condition Survey budget of £0.098 million from 2025-26 to cover cyclical costs of carrying out surveys on current properties to inform future capital expenditure (detailed in point 6.10).
 - b) Additional budget of £0.100 million for electrical testing to comply with The Regulator of Social Housing (detailed in point 6.10);
- 1.13 Cabinet approve the expenditure plan relating to £36.347 million which has been set aside over the 4-year period 2025-26 to 2028-29 in the HRA Capital programme to invest in Affordable Housing. Details are set out in Appendix 1;
- 1.14 Cabinet approve the expenditure plan relating to £48.200 million which has been set aside over the 4-year period 2025-26 to 2028-29 in the HRA Major Repairs Programme to invest in continued improvement to the HRA housing stock. Details are set out in Appendix 1; and

84. BEST Next Phase of Ways of Working Developments

Report of the Leader

The report presented an update to Cabinet on the evolving BEST Strategic Business Case and proposals for the next phase of ways of working which built upon the previous business case approved in January 2023, incorporating valuable lessons learned and outlining a clear roadmap for accelerated delivery over the next three years. It also set out the anticipated benefits and costs associated with this next phase.

The report was presented by the Leader. He reported that significant savings had been made already and he was hopeful that the targeted savings over the next few years could be achieved.

RESOLVED that Cabinet note the proposals for the next stage of implementation and that the updated Strategic Business Case with associated delivery costs and revenue savings will be brought forward for Cabinet approval as part of the budget setting process in February 2025.

85. Blyth Relief Road

Report of the Deputy Leader and Cabinet Member for Supporting Business and Opportunities

The report provided Cabinet with an update on the progress of the Blyth Relief Road project, sought approval to the submission of the refreshed Outline Business Case to the Department for Transport and delegations to enable the timely submission of the planning application for the relief road. The report also detailed the updated cost and budgetary requirements for the relief road project for inclusion within the Council's proposed MTFP capital programme to be considered by the County Council when setting its budget in February 2025.

The report was presented by Councillor Wearmouth. He stressed the importance of the investment for improving the ability to get round Blyth, and expressed thanks to the people of Blyth for their patience whilst there was so much roadwork ongoing at the moment.

RESOLVED that Cabinet:-

- a) note progress to date on the Blyth Relief Road project;
- b) approve submission of the refreshed Outline Business Case to the Department for Transport for review and approval following approval of the Council budget in February 2025;
- c) delegate authority to the Executive Director for Place and Regeneration to authorise submission of the planning application to the Local Planning Authority on completion of the necessary documentation;

- d) approve £0.720m of capital expenditure to enable detailed design and development of the scheme and preparation of the planning application documentation to progress during 2024/25 to be funded from the virement of £0.720m of Local Transport Plan funds for schemes that were due to be delivered in 2024/25 but which are now being re-programmed for delivery in 2025/26;
- e) approve the proposed inclusion of a £5.006m match funding allocation within the Council's proposed MTFP, to be funded from Strategic Management Reserve for the period 2025/26 to 2027/28, which will be considered by the County Council when setting its overall budget in February 2025, and for £0.650m of this funding to be used to continue progressing the scheme to 'shovel-ready' status by the end of December 2025, to maintain the overall delivery programme for this strategically important project. This will bring the Council's total contribution to the project to £8.963 million, representing 15% of the estimated scheme cost; and
- f) approves the updating of the capital programme as set out in 10.9 Table 1.

86. Notification of the Estimated Collection Fund Balances 2024-25 – Council Tax and Business Rates

Report of the Cabinet Member for Corporate Services

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 2025.

The report was presented by Councillor Wearmouth. He thanked the members of the team for their strong performance again this year.

RESOLVED that:-

- (a) Cabinet approve the declaration of a surplus on the Collection Fund for the year ending 31 March 2025 in relation to Council Tax of £2.497 million to be distributed to the Council and Northumbria Police and Crime Commissioner in accordance with Council Tax regulations; the Council's share being £2.305 million;
- (b) Cabinet note the overall estimated surplus on the Collection Fund for the year ending 31 March 2025 in relation to Business Rates of £7.958 million; the Council's share being £3.979 million;
- (c) Cabinet note the distribution of the estimated Collection Fund surplus for Council Tax to the Northumbria Police and Crime Commissioner of £0.193 million, and the distribution of the estimated Collection Fund surplus for Business Rates of £3.979 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 2024-25 of £2.305 million surplus and £3.979 million surplus for Council Tax and Business Rates respectively, within the Council's budget 2025-26.

87. Corporate Risk Management

Report of the Cabinet Member for Corporate Services

The report informed Cabinet of the latest position of the County Council's corporate risks following review by Executive Management Team and Cabinet portfolio holders, and provided an update in relation to the Council's risk management arrangements.

The report was introduced by the Leader.

RESOLVED that:-

- (a) Cabinet agree the contents of the report in accordance with its responsibility for ensuring effective risk management throughout the organisation; and
- (b) Cabinet note that the report will be presented to the next meeting of Audit Committee as a source of assurance in its role of monitoring the effective development and operation of risk management and risk-related issues across the County Council and as part of its ongoing evaluation of the framework of governance, risk management and control within Northumberland County Council's accounting group boundary.

88. Summary of New Capital Proposals considered by Officer Capital Strategy Group

Report of the Cabinet Member for Corporate Services

This report summarised proposed amendments to the Capital Programme considered by the Capital Strategy Group on 26 November 2024.

The report was presented by Councillor Wearmouth.

RESOLVED that:-

Cramlington Regeneration Programme Alexandra Park Activity Trail

- (a) Cabinet approve the spend of £0.150 million in 2025-26 to deliver the Alexandra Park Activity Trail project. This spend will be funded from the existing Cramlington Regeneration project in the capital programme; and
- (b) Cabinet approve the amendment to the capital programme to reallocate £0.150 million from the Cramlington Regeneration project to

the Cramlington Regeneration Programme Alexandra Park Activity Trail project in 2025-26.

89. Setting the Dedicated Schools Grant (DSG) 2025-26

Report of the Cabinet Member for Inspiring Young People

The report updated Cabinet on funding arrangements for financial year 2025/26 for Northumberland schools, and sought approval for the transfer of funding between the funding blocks. It also sought delegated powers to set the formula values in order to distribute the 2025/26 Dedicated Schools Grant.

The report was presented by Councillor Renner Thompson. He advised that at the time of writing the report, only estimated figures had been available. The final figures had now come in and were substantially less than had been expected. This still had to be discussed with Schools Forum so he could not go into further detail, but it did mean that it would not be possible to deliver some of the things which had been hoped for.

RESOLVED that:-

- (a) Cabinet approve the proposals for the continuing implementation of the National Funding Formula for 2025/26 as agreed previously, in line with the recommendation of the Schools Forum meeting of 27 November 2024;
- (b) Cabinet approve the transfer of up to 1% funding from the Schools' Block to the High Needs Block, in line with recommendation of the Schools Forum meeting of 27 November 2024. Note any amount above 0.5% will require the approval of the Secretary of State for Education (SOS); and
- (c) Cabinet approve the delegation of the final formula values and transfer from the Schools' Block to the High Needs Block, to the Executive Director for Children, Young People and Education in consultation with Cabinet Member for Inspiring Young People in line with the principles previously agreed at Schools Forum on 27th November 2024, once the final budget allocations are released by the Department for Education in December 2024.

90. Conservation Area Character Appraisals for Alnmouth, Lesbury, Warkworth, Embleton, Seahouses and North Sunderland

Report of the Cabinet Member for Looking after our Environment

The report explained the requirements to undertake reviews of Conservation Area Character Appraisals for Alnmouth, Lesbury, Warkworth, Embleton, Seahouses and North Sunderland, and sought their endorsement to inform Council decision making.

The report was presented by Councillor Horncastle. He detailed the main points and thanked officers for the amount of work which had gone into this very substantial report.

Councillor Watson commented that he was impressed with the way officers had gone about this, by coming to each of the Parish Councils to gather information they not otherwise have known about.

Councillor Pattinson commented that it was vitally important that these conservation area reviews were undertaken in order to preserve the historical value and the charm of these villages.

RESOLVED that the contents of the Conservation Area Character Appraisals for Alnmouth, Lesbury, Warkworth, Embleton, Seahouses and North Sunderland be noted, and Cabinet endorse their use as an evidence base and guidance to help manage change in the Conservation Areas.

91. Northumberland Air Quality Strategy

Report of the Cabinet Member for Looking After our Communities

The report shared the draft Northumberland Air Quality Strategy and sought approval for publication.

The report was presented by Councillor Stewart. He detailed the key points of the report, advising that the Strategy would be revised every year.

Councillor Wearmouth thanked Councillor Stewart and the officer team for this work which needed to be properly acknowledged. He agreed that it was important to keep on top of infrastructure and get the decisions correct otherwise the result was the imposition of low emission zones, such as in neighbouring authorities, which was not what was wanted.

Councillor Riddle commented that Northumberland had the highest standard of dark skies in Europe, a great National Park and areas of tranquillity, the cleanest rivers as well as the best air quality. These were great attractions for tourism.

RESOLVED that Cabinet approve the Northumberland Air Quality Strategy 2025-2030 and agree to its publication.

92. Data and insights to start well, live well and age well in Northumberland

Report of the Cabinet Member for Tackling Inequalities

The report updated Cabinet on development of our Joint Strategic Needs and Assets Assessment (JSNAA) and sought agreement of the plan for future development.

The report was presented by Councillor Jones. This was an update and was a statutory responsibility, and was unique to Northumberland's needs. She detailed the highlights of the report and encouraged members to look at the details on the website. The Public Health team were very keen to get some feedback on it.

RESOLVED that:-

- (a) Cabinet approve the use of the data on the JSNAA website where applicable to inform relevant policies, strategies and programmes across the Council; and
- (b) Cabinet agree the work plan for 2025-26 to further build our intelligence about Northumberland's health and wellbeing.

CHAIR.....

DATE.....