

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a remote meeting of the **Cabinet** held on Tuesday 9 March 2021 at 10.00 am.

PRESENT

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

CABINET MEMBERS

Dodd, R.	Riddle, J.R.
Jones, V.	Watson, J.G.
Oliver, N.	Wearmouth, R.
Renner-Thompson, G.	

OTHER MEMBERS

Flux, B.	Pattison, W.
Reid, J. (part)	Stewart, G.

OFFICERS IN ATTENDANCE

Angus, K.	Executive Director of HR/OD and Deputy Chief Executive
Baker, M.	Service Director
Bridges, A.	Head of Communications
Dent, S.	Finance Manager
Hadfield, K.	Democratic and Electoral Services Manager
Lally, D.	Chief Executive
Lancaster, H.	Deputy Monitoring Officer
McEvoy-Carr, C.	Executive Director of Adult Social Care and Children's Services
McLoughlin, J.	Executive Director of Regeneration, Commercial and Economy
Mitchell, A.	Service Director: Corporate Assurance
O'Farrell, R.	Interim Executive Director of Place

Ch.'s Initials.....

Roberts, M. Roll, J.	Commercial Team Manager Head of Democratic and Electoral Services
Turner, M.	Head of Property and Capital Programming
Walsh, N. Willis, J.	Head of Cultural Services Interim S151 Officer

165. DISCLOSURES OF INTEREST

Councillor Renner Thompson disclosed an interest in items 10 and 11 on the agenda as a Director of Advance Northumberland. Councillor Wearmouth disclosed the same interests.

166. MINUTES

Councillor Oliver advised that, in respect of Minute No. 164 (Financial Support to Advance Northumberland), there had been some confusion in the media about use of Covid reserves and the reference to use of un-ringfenced grants in the report to support settlement of any claims. He clarified that that was not the case, and would be funded from general revenue underspends within the year. He asked members that the minutes be agreed subject to this amendment.

RESOLVED that the open minutes of the meeting of Cabinet held on 23 February 2021, be confirmed as a true record and signed by the Chair, subject to this amendment. Councillors Renner Thompson and Wearmouth did not vote on this matter.

167. REPORT OF THE EXECUTIVE DIRECTOR OF FINANCE

Financial Performance 2020-21 - Position at the end of December 2020

The report informed Cabinet of the current financial position for the Council against the Budget for 2020-21 (Copy attached to the signed minutes as Appendix A).

This was presented by Councillor Oliver who wished to record his thanks to all service areas for delivering services and managing them within their budgets during an extraordinary year. He also wished to thank the Finance Team for their efforts. He highlighted the main points of the report.

The S151 Officer advised members that the position was quite favourable in year but there was concern about the ongoing impact of Covid, and the recommendations addressed the need to ensure that the Council remained

sustainable in the long term. 2021-22 would be a much more challenging financial year.

Councillor Oliver referred to the recommendation at the bottom of page 2 regarding the £11.1m reserve and advised that it was not additional to the £8.6m reserve referred to under the minutes. It was the same thing, just a greater figure, as time had moved on and it would continue to change. The S151 Officer asked members to note that the £11.1m figure simply included the £8.6m previously referred to, and was not two separate reserves.

RESOLVED that:-

- (a) the report be noted;
- (b) the projected underspend of £0.309 million and the assumptions outlined in the report be noted;
- (c) Cabinet note the Covid-19 pressures currently identified, and that significant costs have been charged to the Covid-19 grant; including: the cost of the Improvement and Innovation Team (£1.160 million) which has supported Covid-19 related activities during 2020-21; and the cost of school portacabins procured during the year (£1.181 million);
- (d) Cabinet note that the Council will receive further funding in relation to the income that the Council has “lost” as a result of Covid-19. A claim of £1.962 million has been made for April to November. It is anticipated that £2.223 million will be received for the financial year;
- (e) Cabinet approve a further net re-profiling of £8.470 million to the capital programme; £13.291 million from 2020-21 to 2021-22; and £4.821 million from 2021-22 to 2020-21 to reflect estimated expenditure levels in the current financial year;
- (f) Cabinet approve the new grants and amendments to existing grants at Appendix A and the required changes to the budgets;
- (g) Cabinet note the progress on the delivery of the approved savings at Appendix B;
- (h) Cabinet approve financial support for Active Northumberland to fund the 20% furlough top up from 1 April to 30 June 2020 of £0.386 million and up to £3.744 million for the impact of Covid-19 from the Covid-19 grant income;
- (i) Cabinet approve the following which are assumed in the forecast position:
 - Create a reserve of £0.250 million to meet repair and maintenance costs at a property that the Council leases where the leasing

agreement will end during 2021. There is a requirement for the Council to restore the premises to its original condition as part of the leasing agreement. This is an estimate of the cost of the work, and it is prudent for the Council to set funding aside to cover this expenditure. Utilisation of this reserve be delegated to the Head of Property Services in conjunction with the Council's Section 151 Officer.

- Create a Collection Fund Smoothing Reserve of £25.795 million, £5.296 million from Council funds. As a result of Covid-19 the Council is estimating a Collection Fund deficit in relation to Council Tax and Business Rates. Government funding will be forthcoming to cover some of this; however, the balance needs to be met by the Council. The Government will allow this deficit to be recovered over a period of 3 years and this has been built into the Council's 2021-22 Budget and Medium-Term Financial Plan. It is prudent for the Council to set this sum aside in the current financial year. The final contribution to this reserve will be determined when the 2020-21 year-end position within the Collection Fund is calculated.
- Create a reserve to support businesses during the Covid-19 recovery period totalling £2.322 million. This is the funding received from the Business Rates pooling exercise which the Council participated in with the other North of Tyne local authorities. The money is to be utilised to support economic growth. Utilisation of this reserve be delegated to the Executive Director of Regeneration, Commercial & Economy and the Council's Section 151 Officer.
- Realign the outstanding debt position and increase the Bad Debt Provision at a cost of £0.674 million.
- Create a Restructuring Reserve of £1.000million. This reserve will fund the one-off voluntary severance staffing costs required to support the Council's transformation agenda. All costs will be signed off by the relevant Executive Director and the Council's Section 151 Officer.
- Create a reserve of £11.100 million to support Council-commissioned services during the Covid-19 recovery and Advance Northumberland in relation to financial pressures arising from the Covid 19 pandemic. Utilisation of this reserve be delegated to the Section 151 Officer in conjunction with the Head of Paid Service and Leader of the Council.

Councillors Renner Thompson and Wearmouth did not vote on this matter.

168. REPORT OF THE HEAD OF CULTURAL SERVICES

Northumberland Public Library Service Consultation

The report provided members with an overview of the key findings from the Library Service public consultation completed in June 2020. The report also identified the capacity and accessibility improvement measures introduced to the Service during 2020 and outlined a three-stage approach to Service

redesign based on evident need (copy attached to the signed minutes as Appendix B, along with the report of the Communities and Place OSC circulated at the meeting).

Councillor Watson introduced the report, which he felt was excellent and the result of a very comprehensive survey and he thanked officers for their efforts. There were over 30 libraries of all different types in the County. His intention was to look at the Council's hubs and how satellite branches could work with them, at the management of the digital service going forward and at more mixed use facilities such as in leisure centres.

Nigel Walsh detailed the main points of the report for members, advising that this was a very significant report in many respects and he paid tribute to the staff throughout the service for how they had responded to Covid, and to members for their support.

- Councillor Pattison welcomed the report on this vital service and asked when Alnwick Library was likely to reopen. Nigel advised that he would get an update from Property Services on this.
- Councillor Dodd welcomed the positive messages coming out from the report about the library service.
- Councillor Renner Thompson referred to Parish Council comments about retaining the informal service at Seahouses Hub, and asked if it would be continuing. Nigel confirmed there was no intention of pulling library services out of any locality. Any changes would be to improve the level of service and there would be more of this type of arrangement going forward.
- Councillor Watson commented that he had been very impressed with the people he had met in the library service. Staff now had stability and confidence, which was having a very positive effect all round.

Councillor Reid commented that Communities and Place OSC had very much welcomed the report and supported the recommendations. There were excellent officers in place.

RESOLVED that:-

- (a) Cabinet note the completion of the Library Service consultation in accordance with the project brief and to consider the findings of the study;

- (b) Cabinet agree a three-phase approach for redesign of the Library Service based on:
 - (A) Strengthening the core service
 - (B) Establishment of Library Hubs within each Locality area
 - (C) Extending reach and partnerships;
- (c) Cabinet note the capacity and accessibility improvement measures introduced to the Service during 2020;
- (d) Cabinet note progress on the development of a Library Service Strategy 2021-2026; and
- (e) the report of the Communities and Place OSC be noted.

169. REPORT OF THE EXECUTIVE DIRECTOR OF HR/OD AND DEPUTY CHIEF EXECUTIVE

Northumberland Sports Facility Strategy 2019-2031
Northumberland Playing Pitch Strategy 2019-2031

The report confirmed that the Northumberland Indoor Sports Facility Strategy (IFS) and Northumberland Playing Pitch Strategy (PPS) had been completed in accordance with the study briefs, identified the key findings and recommendations, and asked Cabinet to consider the use and publication of these documents (copy attached to the signed minutes as Appendix C, along with the report of the Communities and Place OSC).

Councillor Watson briefly introduced this report which he felt was another excellent effort.

Nigel Walsh advised members that these documents were adopted evidence. They were not a statutory planning instrument, however, the Council would adopt the documents for its own purposes, if Cabinet approved them, and they would constitute evidence for other uses, such as planning. He then drew members' attention to the main points of the report.

Councillor Reid advised members that the Communities and Place OSC had been satisfied with the high standard of the documents and had been assured that these were living documents. There had been no reference to

Covid and how there might be a need for change in light of that but the Committee had supported the recommendations.

Members very much supported the report.

RESOLVED that:-

- a) Cabinet note the completion of the Northumberland Indoor Sports Facility Strategy, and Northumberland Playing Pitch Strategy, in accordance with the agreed study brief;
- b) Cabinet note the Vision and Aims of the Strategies;
- c) Cabinet note the Priority Investment Needs identified from the research informing the Strategies;
- d) the Principles for future provision of Indoor and Outdoor Sports Facilities across the County be agreed;
- e) Cabinet note the Recommendations and Action Plan underpinning delivery of the Strategies;
- f) Cabinet agree that the Strategies provide an evidence base to support the implementation of the Northumberland Local Plan and other local development documents, as a material consideration for the determination of relevant planning applications, and provide an evidence base for use by other Council Services; and
- g) the report of the Communities and Place OSC be noted.

170. REPORT OF THE SERVICE DIRECTOR - STRATEGIC COMMISSIONING AND FINANCE

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 on 2 February 2021 (copy attached to the signed minutes as Appendix D).

170.1 Bearl Depot Vehicle Covered Storage

Councillor Riddle commented this was a very exposed site and in need of investment.

RESOLVED that the proposal to erect a new vehicle storage and office facility on the Bearl Depot site at a cost of £540,000, to be funded from the Property Stewardship Fund within the Council's 2021/22 Medium Term Financial Plan, be approved.

170.2 Public Sector Decarbonisation Fund – Ground Source Heat Pump Projects

Mike Turner advised that the proposed school sites were still subject to discussion with the relevant headteachers and detailed surveys. Investment in these sites would save over 330 tonnes of CO2 per annum. Matt Baker made a brief presentation to members on the overall impact of the schemes, which included the saving in carbon, £6m of inward investment and the creation of around 60 jobs in the green economy. It would also support those in fuel poverty which was a very important element, and would provide savings to the Council.

Members were supportive of the proposals. Councillor Pattison asked if she could use some of the information in relation to the green homes grant for her parish councils' newsletter. Matt advised that a press release had been done which he could share. This also contained information about how to register for the scheme.

RESOLVED that Cabinet accept, in principle, the grant award of £3.013m from BEIS through the Public Sector Decarbonisation Fund; and subject to receipt of the grant, Cabinet approve the installation of ground source heat pumps at six sites identified in Northumberland to enable the Council to meet key parts of its Climate Emergency Commitment, detailed within the Climate Action Plan 2021-23.

170.3 Green Homes Grant

RESOLVED that Cabinet accept the grant award from BEIS through the Green Homes Grant voucher scheme and approve the installation of carbon reducing technologies into both private and council owned properties in Northumberland to enable the Council to meet key parts of its Climate Action Plan 2021-23.

At this point, Councillor Renner Thompson advised that his disclosure of interest related to item 10 on the agenda, not 10 and 11.

171. 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
10-11	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).
AND	(10) 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. (11) The public interest in maintaining this exemption outweighs the public interest in disclosure because it contains confidential information which is subject to commercial Non-Disclosure Agreements

Councillors Renner Thompson and Wearmouth were not present for this item.

172. MINUTES

The S151 Officer reminded members of the clarification which had been dealt with under Minute No. 166 above regarding the funding source. The reserve would be funded from general corporate underspends, not from the Covid grant. Councillor Oliver asked members that the confidential minutes be agreed subject to this.

Councillor Watson queried whether the minute could be changed as the minutes recorded what happened on the date of the meeting. Members were advised that they could agree the minutes subject to the clarification which had been provided.

RESOLVED that the confidential minutes of the meeting of Cabinet held on Tuesday 23 February 2021, be confirmed as a true record and signed by the Chair, subject to this clarification.

173. REPORT OF THE EXECUTIVE DIRECTOR OF REGENERATION, ECONOMY AND COMMERCIAL

Northumberland Energy Park Phase 3 Site at East Sleekburn – Delegated Arrangements for Purchase and Potential Onward Resale

The report updated Cabinet on the position of the ongoing work being undertaken to enable the Council to make a decision on whether it wished to

proceed with the purchase of the Northumberland Energy Park Phase 3 (NEP3) site (copy attached to the signed minutes as Appendix E, coloured pink and marked not for publication, along with the report of the Corporate Services and Economic Growth OSC).

The Executive Director of Regeneration, Economy and Commercial updated members on the current position.

There was a long debate on this issue during which time a number of questions were asked and answered.

The Leader summed up the view of Cabinet that recommendation one should be agreed, and should that not be achieved in the necessary timescale, then an additional Cabinet meeting would be convened on the first Tuesday in April to look at the options recommended by the Head of Paid Service and S151 Officer. This was proposed by Councillor Wearmouth and seconded by Councillor Riddle.

Councillor Wearmouth confirmed his proposal then that Cabinet move forward with option one and if this was not achieved by the end of the month, then Cabinet meet again on 6 April to reconsider the report as necessary and decide the way ahead. This had been seconded by Councillor Riddle.

On this being put to the vote there voted **FOR:5; AGAINST:3.**

It was therefore **RESOLVED** that Cabinet agree option one as detailed in recommendation 2.1 of the report, and if this was not achieved by the end of the month, then Cabinet meet again to reconsider the report as necessary and decide the way ahead.

CHAIR.....

DATE.....