

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the **Cabinet** held at County Hall, Morpeth on Tuesday 8 June 2021 at 10.00 am.

PRESENT

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

CABINET MEMBERS

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

OTHER MEMBERS

Dunbar, C.	Seymour, C.
Flux, B.	

OFFICERS IN ATTENDANCE

Bridges, A.	Head of Communications
Elsdon, A.	Service Director: Finance
Hadfield, K.	Democratic and Electoral Services Manager
Lally, D.	Chief Executive
Lancaster, H.	Deputy Monitoring Officer
McEvoy-Carr, C.	Service Director: Corporate Assurance
Mitchell, A.	Head of Democratic and Electoral Services
Roll, J.	

One member of the press was present.

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor P. Scott.

Ch.'s Initials.....

2. MINUTES

RESOLVED that the open minutes of the meeting of Cabinet held on 6 April 2021, be confirmed as a true record and signed by the Chair.

3. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND SECTION 151 OFFICER

Financial Performance 2020-21–Provisional Outturn 2020-21

The report provided members of the Cabinet with the Council's 2020-21 provisional outturn position for the Revenue and Capital budgets, and the Housing Revenue Account: and details of the movement in reserves and provisions (copy attached to the signed minutes as Appendix A).

The report was introduced by Councillor Wearmouth. Mrs Elsdon highlighted the main points including the £12.621m underspend and the £25m covid funding received. Some reserves would be created from the underspend, and she detailed some areas of overspend.

Members raised the following points:-

- Councillor Watson queried whether provision should be made from the underspends to support Active Northumberland. The Chief Executive advised that work was ongoing to look at those areas which needed additional support from a service perspective to identify gaps or issues of funding. This was routinely done as part of the MTFP, but Active was on the radar as there could be some income difficulties over the next few months.
- Councillor Wearmouth queried whether there was any breakdown of the figures for the NHS Partnership agreement and asked that members be provided with information on what the fund would cover. The Chief Executive advised that reports would be made on the details and service arrangements going forward.
- Councillor Wearmouth agreed with the proposal to allocate £0.3m reserve for Northumberland Enterprise Holdings but asked that a report be made on it in due course. The Chief Executive advised that a successful outcome had been achieved at stage two so all matters were covered but Cabinet did need to consider the work undertaken. The main work going forward would be the provision of arm's length companies.

The Leader welcomed the report which was good news overall, and asked that future reports be made on the creation of reserves for the NHS Partnership Agreement and Northumberland Enterprise Holdings Ltd.

RESOLVED that:-

- a. the report be noted;

- b. the projected underspend of £12.621 million be noted;
- c. the pressures currently identified, including the impact of Covid-19, be noted;
- d. it be noted 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 2020-21;
- e. Cabinet approve the following use of the underspend:
 - Create a reserve for one-off costs relating to the transfer of staff and services to the Council as a result of the NHS Partnership Agreement ceasing on 30 September 2021 of £1.500 million.
 - Top up the Strategic Management Reserve by £3.000 million to support the Medium-Term Financial Plan.
 - Top up the Social Fund with the unspent Hardship Funding of £0.973 million to grant further discretionary discounts to working age council tax support claimants in 2021-22.
 - Create a reserve for Firefighters' Pension Admin of £0.033 million from Home Office grant which has been received for this purpose, as specified in the grant offer letter.
 - Create a reserve for Fire and Rescue HMICFRS Improvement Fund of £0.060 million from a refund from an insurance cost review, to deliver a range of initiatives and projects in 2021-22 linked to the HMICFRS improvement action plan - specifically focused on staff engagement, service culture, Equality, Diversity & Inclusion and staff-initiated service improvements.
 - Create a reserve for Northumberland Enterprise Holdings Ltd of £0.300 million to support the creation of the new Company.
 - Create a reserve for the Borderlands Energy Masterplan project of £1.067 million from the underspend to allow the project to be concluded in line with the original approval and timeline.
 - Create a reserve for Firefighters' Immediate Detriment of £0.250 million to cover the employers' pension contribution costs associated with immediate detriment;
- f. Cabinet note the balance of £5.438 million remaining:

	£m
2020-21 Underspend	12.621
- Reserve for one-off costs relating to the transfer of staff and services to the Council as a result of the NHS Partnership	1.500

Agreement ceasing 30 September 2021.	
- Top up of the Strategic Management Reserve to support the Medium-Term Financial Plan	3.000
- Top up the Social Fund with the unspent Hardship Funding	0.973
- Reserve for Firefighters' Pension Admin	0.033
- Reserve for Fire and Rescue HMICFRS Improvement Fund	0.060
- Reserve for Northumberland Enterprise Holdings Ltd	0.300
- Borderlands Energy Masterplan	1.067
- Firefighters' Immediate Detriment	0.250
Balance Available	5.438

- g. Cabinet approve the transfer of the remaining balance to the General Fund (provisional figure £5.438 million), noting that this balance may change and is subject to the impact of any technical accounting adjustments required in finalising the statement of accounts, including the calculation for the outturn of the Collection Fund;
- h. Cabinet approve the transfer of £11.960 million from the Northumberland Line Reserve to the Strategic Management Reserve as confirmation has been received that the scheme is part of the Government's Project Speed initiative and can now funded through the capital programme;
- i. Cabinet note that the planned transfer of £2.790 million to the HRA Investment reserve has not been made in line with the significant reprofiling of the programme for HRA reprovision and new build;
- j. Cabinet note the level of reserves as at 31 March 2021 are £327.185 million as detailed in Appendix P;
- k. Cabinet note the level of provisions as at 31 March 2021 are £9.325 million as detailed in Appendix P;
- l. Cabinet approve net re-profiling of £9.070 million to the capital programme; £21.612 million from 2020-21 to 2021-22; and £30.682 million from 2021-22 to 2020-21 to reflect expenditure levels in the current financial year;
- m. Cabinet approve the virements at Section 7;
- n. Cabinet approve the new grants and amendments to existing grants at Appendix A and the required changes to the budgets;
- o. Cabinet note the progress on the delivery of the approved savings at Appendix B;

- p. the Interim Executive Director of Finance (Section 151 Officer) be authorised, in consultation with the Portfolio Holder for Corporate Services, to finalise the outturn figures once the Statement of Accounts has been prepared and the external audit has been concluded; and
- q. future reports be brought to Cabinet as detailed by the Leader above.

4. 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 1 May 2021 (copy attached to the signed minutes as Appendix B).

In relation to new projects:

4.1 Astley Park Depot

RESOLVED that the proposal to refurbish Astley Park Depot in Seaton Delaval at a cost of £200,000 be approved, to be funded from the Property Stewardship Fund within the Council's 2021/22 Medium Term Financial Plan.

4.2 Lynemouth Bay Waste Recovery Scheme

RESOLVED that: Cabinet approve an update to the current allocation within NCC's Medium Term Financial Plan for the Lynemouth Waste Recovery Scheme from £4.5 million to £7 million with the additional contribution funded by the Coal Board, and approve delivery of the scheme.

4.3 On-Street Residential ChargePoint Scheme

Councillor Watson queried whether the locations had been agreed as tourist spots needed charging points as well as residential areas.

RESOLVED that

- Cabinet note that the Council declared a Climate Emergency in 2019 and that Northumberland must reach net zero emissions by 2030;
- Cabinet note that the Council has allocated £500,000 in its 2021/22 Medium Term Financial Plan for "electric vehicle charger

installation”;

- Cabinet note that the Executive Director and Cabinet Member have delegated authority to agree any further EV charging point locations from any remaining funding up to the total value of the allocation of £500k; and
- Cabinet approve the addition of the expected external funding of £115,337.15 from the Office for Zero Emission Vehicles into the Council’s 20/21 Capital Programme.

In relation to the acceptance of additional grant funding:

4.4 Cramlington Section 106 Highway Improvements

RESOLVED that

- Cabinet note the overall funding contribution of £570,000 for highway improvements secured via a Section 106 agreement from the Cramlington South West Sector development;
- Cabinet note that the first tranche of this funding, amounting to £383,000 has been released to the Council by the developer; and
- Cabinet approve the addition of this £383,000 to the Council’s 2021/22 capital programme to enable the first tranche of works to be carried out.

4.5 Rural Business Growth Fund

Councillor Pattison advised that 10 grants had been approved so far and it was hoped to support about 300 businesses by the end of the programme.

Councillors Renner Thompson and Wearmouth did not vote on this matter as Advance was a delivery partner.

RESOLVED that Cabinet approve the addition of £2,475,000 European Regional Development Fund (ERDF) funding being provided to the Council for the provision of capital grants to businesses, to the Council’s capital programme.

In relation to the re-profiling of previously approved capital expenditure:

4.6 Fire and Rescue Service – Risk Critical Equipment Replacement

RESOLVED that Cabinet approve a realignment of the capital profile for 2021/22 and 2022/23 in relation to Northumberland Fire & Rescue

Service and its ongoing programme to replace critical equipment required to maintain the current emergency services provision to protect communities within Northumberland.

5. OUTSIDE BODIES

Cabinet was asked to make its nominations to the outside bodies detailed in Appendix C (copy attached to the signed minutes).

RESOLVED that the following nominations be agreed:-

ANEC Limited – Leaders’ and Elected Mayors’ Group	H.G.H Sanderson
ANEC Limited – North East Cultural Partnership	J. Watson
ANEC Limited – Resources Task and Finish Group	R. Wearmouth
Collaborative Procurement Sub-Committee of the Association of North East Councils	W. Ploszaj
Council of Management of Counties Furniture Group	B. Flux
County Councils Network - Council	H.G.H. Sanderson R. Wearmouth B. Flux G. Renner-Thompson
County Councils Network - Executive	H.G.H. Sanderson
Industrial Communities Alliance	B. Gallacher, K. Nisbet (sub)
LGA - Fire Commission	C. Dunbar
LGA - General Assembly	R. Wearmouth B. Flux G. Renner-Thompson (Northumberland entitled to 7 votes)
LGA - Group Leaders	
LGA - Leaders	
LGA Coastal Special Issues Group	G. Renner-Thompson
National Association of Councillors	C. Seymour
NEREO	R. Wearmouth W. Ploszaj

	G. Renner-Thompson J. Watson
NEREO Executive Committee	R. Wearmouth
Newcastle Airport Consultative Committee	R, Dodd
Newcastle Airport Holding Company	H.G.H. Sanderson R. Wearmouth (Alternate)
North East Migration Partnership	G. Renner-Thompson W. Pattison
North Pennine Dales LEADER Local Action Group	C. Horncastle
Northumberland Coast and Lowlands LEADER Local Action Group	G. Renner-Thompson
Northumberland Tourism	J. Watson
Northumberland Uplands LEADER Local Action Group	C. Horncastle
Northumberland, Tyne & Wear NHS Foundation Trust - Council of Governors	J. Watson
Northumbria Healthcare NHS Foundation Trust Governing Body	J. Watson W. Pattison
Safer Northumberland Partnership	C. Dunbar
The Joint OSC for the NE & NC ICS & North & Central ICPs	B. Flux K. Nisbet J. Reid J. Riddle (alternate)
Woodhorn Charitable Trust	H.G.H. Sanderson

6. 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

9-10 3
Information relating to the financial or business affairs of any particular person (including the authority holding that information).

AND (9) The public interest in maintaining this exemption outweighs the public interest in disclosure public interest in disclosure because disclosure could adversely affect the business reputation or confidence in the person/organisation, and could adversely affect commercial negotiation.

(10) The public interest in maintaining the exemption outweighs the interest in disclosure because the information can be considered to be commercially sensitive

7. MINUTES

RESOLVED that the confidential minutes of the meeting of Cabinet held on Tuesday 6 April 2021, be confirmed as a true record and signed by the Chair.

8. REPORT OF THE CHIEF EXECUTIVE

Northumberland Business Park

The report sought approval to terms for the disposal of the site by way of an option agreement and sale (copy attached to the signed minutes as Appendix D, coloured pink and marked Not for Publication).

RESOLVED that the recommendation, as detailed in the report, be approved.

CHAIR.....

DATE.....