

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a remote meeting of the **Cabinet** held on Tuesday 12 January 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

Crosby, B.	Stewart, G.
Flux, B.	Wallace, R.
Pattison, W.	

OFFICERS IN ATTENDANCE

Angus, K.	Executive Director of HR/OD and Deputy Chief Executive
Aviston, S.	Head of School Organisation and Resources
Bradley, N.	Service Director – Strategic Commissioning and Finance
Hadfield, K.	Democratic and Electoral Services Manager
Hand, C.	Executive Director of Finance
Lally, D.	Chief Executive
Masson, N.	Principal Solicitor
McLoughlin, J.	Executive Director: Regeneration, Commercial and Economy
McEvoy-Carr, C.	Executive Director of Adult Social Care and Children's Services
O'Farrell, R.	Interim Executive Director: Place
Roll, J.	Head of Democratic and Electoral

Ch.'s Initials.....

144. MINUTES

RESOLVED that the minutes of the meeting of Cabinet held on 8 December 2020, as circulated, be confirmed as a true record and signed by the Chair.

145. DISCLOSURE OF MEMBERS INTERESTS

Councillor Wearmouth disclosed an interest in items 6 and 10 on the agenda as Chair of Advance Northumberland and would switch off his microphone and camera for the first matter and leave the meeting for the second matter. Councillor Renner Thompson disclosed an interest in the same items as a member of the Advance Board, advising he would do the same.

146. REPORTS OF THE EXECUTIVE DIRECTOR OF FINANCE

Notification of the Estimated Collection Fund Balances 2020-21 – 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 2021 (copy attached to the signed minutes as Appendix A).

The S151 Officer highlighted the main points of the report for members. Members noted the severe impact on collections this financial year.

RESOLVED that:-

- (a) Cabinet approve the declaration of a deficit on the Collection Fund for the year ending 31 March 2021 in relation to Council Tax of £2.552 million to be distributed to the Council and Northumbria Police and Crime Commissioner in accordance with Council Tax regulations; the Council's share being £2.376 million;
- (b) a. Cabinet note the overall estimated deficit on the Collection Fund for the year ending 31 March 2021 in relation to Business Rates of £42.505 million; the Council's share being £21.427 million (which largely relates to the extension of rate reliefs announced by the government in response to the Covid-19 pandemic and for which the Council was reimbursed through S31 grants); and,

- b. Cabinet note that, after taking account of the extension of rate reliefs funded through S31 grants, the impact on the Council's General Fund will be a £1.549 million deficit for the three-year period (£0.865 million deficit in 2021-22);
- (c) Cabinet note the distribution of the estimated Collection Fund deficit for Council Tax to the Northumbria Police and Crime Commissioner of £0.176 million and the distribution of the estimated Collection Fund deficit for Business Rates of £21.078 million to the Secretary of State;
- (d) Cabinet note the inclusion of the Council's share of the estimated Collection Fund balances distributable in 2021-22 of £1.268 million deficit and £20.743 million deficit, for Council Tax and Business Rates respectively, within the Council's budget 2021-22;
- (e) Cabinet note the inclusion of the Council's share of the estimated Collection Fund balances distributable 2021-2024 of £2.376 million deficit and £21.427 million deficit, for Council Tax and Business Rates respectively, within the Council's Medium-Term Financial Plan 2021-2024; and
- (f) Cabinet note the Spending Review 2020 announcement that the government will "compensate local authorities for 75 per cent of irrecoverable loss of council tax and business rates revenues in 2020-21 that would otherwise need to be funded through local authority budgets in 2021-22 and later years.

147. REPORT OF THE EXECUTIVE DIRECTOR OF ADULT SOCIAL CARE AND CHILDREN'S SERVICES

National Funding Formula & School Funding 2021/22

The report updated Cabinet on the National Funding Formula (NFF) and the implications for 2021/22 School Funding in Northumberland (copy attached to the signed minutes as Appendix B, along with the report of the FACS OSC).

The report was introduced by Councillor Renner Thompson who highlighted the main points of the report.

Sue Aviston advised members that this was the usual annual report to Cabinet. The report sought delegated approval of the final formula values to the Executive Director and the Portfolio Holder once the final 2020/21 Schools Block figure from the DfE was known. Approval had been sought from Schools Forum to transfer 0.5% from the Schools Block to the High Needs Block to address the

growing population of children with additional needs.

The Authority had been moving towards the NFF for the last four years, and only three values were now outside the NFF. A two step approach was proposed towards these values which had been supported by Schools Forum. This would ensure a smooth and gradual transition to bring the Authority in line with NFF.

The DSG allocation had now been received with £203m allocated to Northumberland, which represented an 8.7% increase. However, the teachers' pay and pension grant was now included in that. This meant additional funding of £3.7m for schools, which was welcomed. Further details would be circulated.

Councillor Wearmouth welcomed the proposal to circulate information about the additional funding, which had come on top of a generous local government settlement. He asked if there was any detail as to where this funding was likely to go. Sue Aviston advised that a further report would be made which would identify the individual allocations for schools, which would also go to FACS OSC.

Members were advised about the content of the FACS OSC report, which supported the report's recommendations.

RESOLVED that:-

- (a) Cabinet approve the proposals for the two-step implementation of the National Funding Formula in 21/22, in line with the recommendation of the Schools Forum meeting of 18 November 2020 and the results of the subsequent consultation exercise held with schools;
- (b) Cabinet approve the delegation of the approval of the final formula values to the Executive Director of Adult Social Care & Children's Services and the Lead Member for Children's Services in line with the principles agreed at Schools Forum on 18 November 2020, once the final budget allocations are released by the Department for Education in December 2020;
- (c) 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 18 November 2020 and the results of the subsequent consultation exercise held with schools; and
- (d) the report of the FACS OSC be noted.

148. 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 3 December 2020 (copy attached to the signed minutes as Appendix C).

Councillors Renner Thompson and Wearmouth switched cameras and mics off at this point.

Neil Bradley presented the report.

Councillor Riddle supported the proposal for additional funding to acquire houses as part of the ongoing HRA affordable housing programme. There was a proven need, and it supported the Council's desire to increase the supply of affordable rented accommodation.

Councillor Oliver welcomed action being taken in a rural area as there was a need for this provision in rural areas as well as in urban ones.

Councillors Renner Thompson and Wearmouth returned to the meeting at this point.

Councillor Wearmouth welcomed the Future High Street Funding announced for Blyth on Boxing Day with over £11m of funding. Previous allocations had also been agreed by the Council and this would allow greater projects to be developed.

RESOLVED that:-

- (a) Cabinet approve the additional budget requirement of £388,800 for the acquisition of the 4 two-bedroom houses at Wooler, as part of the ongoing HRA Affordable Housing programme, and to be met from the 'HRA Re-provision, Re-modelling and New Build' budget in the 2021-22 Capital Programme; (Councillors Renner Thompson and Wearmouth did not take part) and
- (b) Cabinet agree the allocation of £3m of the existing MTFP provision for the Energising Blyth Town Deal to show the Council's commitment to unlock up to £25m of investment from MHCLG.

149. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF PLACE

Decision under Finance and Contract Rules - Acquisition of Car Park at Bunker Site, Hexham

A decision was taken by the Interim Executive Director of Place, in consultation with the Leader and Cabinet Member for Environment and Local Services under Rule 2.4 of the Council's Finance and Contract Rules (Spending Limits for Corporate Directors and Executive Members), to approve an increase of £0.402 million to the existing £1.5 million capital budget provision made for the acquisition of the Bunker site car park in Hexham, from the £10 million capital allocation made in the MTFP for car park improvements (recommended to County Council on 19 February to be reduced to £8.477m in the revised MTFP).

In accordance with Rule 2.5 of Finance and Contract Rules, the decision of the Leader to agree with the urgency of this matter was being reported to Cabinet for information.

Mr O'Farrell provided some background to this, which was welcomed by members.

RESOLVED that the decision be noted.

150. 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	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).
AND	The public interest in maintaining this exemption outweighs the public interest in disclosure because disclosure would prejudice Advance Northumberland's

ability to negotiate with partners and give its competitors a commercial advantage.

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

Bedlington Town Centre Redevelopment

The report provided details of the revised proposals and costs for the redevelopment of Bedlington Town Centre, which were required due to the impact the COVID 19 pandemic had had on the commercial viability of the original proposals, and sought approval of the Council’s financial contribution as part of a wider funding package required to enable the redevelopment of the town centre to be undertaken by Advance Northumberland (copy attached to the signed minutes as Appendix D, coloured pink and marked “Not for Publication”, along with the report of the CSEG OSC).

In accordance with Minute No. 145 above, Councillors Renner Thompson and Wearmouth left the meeting.

Members were provided with further details about the current position, including the funding strategy, by Juliemma McLoughlin and Heather Smith.

Members supported the proposals and thanked officers for their work on this.

The report of the Corporate Services and Economic Growth OSC had been circulated to members, which supported the report’s recommendations and drew other points to Cabinet’s attention.

RESOLVED that:-

- (a) the recommendations, as detailed in the report, be approved; and
- (b) the report of the CSEG OSC be received.

CHAIR.....

DATE.....