

NORTHUMBERLAND COUNTY COUNCIL

At a meeting of the **Northumberland County Council** held on Wednesday 5 January 2022 at County Hall, Morpeth at 3.00 pm.

PRESENT

Councillor B. Flux
(Business Chair of the Council) in the Chair

MEMBERS

Ball, C.	Lang, J.A.
Bawn, D.	Mather, M.
Beynon, J.	Morphet, N
Bowman, L.	Murphy, M.
Bridgett, S.	Nisbet, K.
Carr, D.J.	Oliver, N.
Cartie, E.	Parry, K.
Castle, G.	Pattison, W.
Cessford. T.	Ploszaj, W.
Clark, T.	Purvis, M.
Dale, P.A.M.	Reid, J.
Daley, W.	Renner-Thompson, G.
Darwin, L.	Richardson, M.
Dickinson, S.	Riddle, J.R.
Dunbar, C.	Sanderson, H.G.H.
Dunn, L.	Scott, A.
Ezhilchelvan, P.D.	Scott, P.
Fairless-Aitken, S.	Seymour, C.
Foster, J.	Sharp, A.
Gallacher, B.	Simpson, E.
Grimshaw, L.	Stewart, G.
Hardy, C.R.	Swinbank, M.
Hill, G.	Taylor, C.
Humphrey, C.	Thorne, T.N.
Hunter, I.E.	Towns, D.
Hutchinson, J.I.	Waddell, H.
Jackson, P.A.	Watson, A.
Jones, V.	Wearmouth, R.W.
Kennedy, D.	Wilczek, R.

OFFICERS

Binjal, S.	Monitoring Officer
Hadfield, K.	Democratic and Electoral Services Manager
Hunter, P.	Interim Senior Service Director
Lally, D.	Chief Executive

Masson, N. McEvoy-Carr, C.	Deputy Monitoring Officer Executive Director of Adult Social Care and Children's Services
Murfin, R.	Interim Executive Director of Planning and Local Services
O'Farrell, R.	Interim Executive Director Place and Regeneration
Roll, J.	Head of Democratic and Electoral Services
Taylor, M. Willis, J.	Director, Business Development Interim Executive Director of Finance and S151 Officer

Four members of the press and public were present

61. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Dodd, Ferguson, Horncastle, Lee, Robinson, Swinburn and J. Watson.

62. MINUTES

With regard to Minute No. 53 Councillor Reid queried whether a response had been received from the four MPs and if so, could this be shared. The Leader replied that a response was still awaited from one, and when that was received they would all be circulated.

With regard to Minute No. 56(1) Councillor Hill queried the proportionality for the three committees mentioned following the recent by election and the members for the Standards Committee. The Business Chair replied that this was subject to a report later in the agenda and would be dealt with then.

With regard to Minute No.60, Councillor Oliver advised that he had not received an answer in writing to his question about an ex gratia payment to the previous Monitoring Officer and what the terms of his departure had been. He asked for a legal opinion as to whether councillors had a right to that information. The Chief Executive replied that she had provided a response to Councillor Oliver. Councillor Oliver acknowledged that he had received a response which advised that he was not entitled to that information and he was now questioning whether this was correct. The Monitoring Officer advised that the legal team would respond and reminded members that the minutes were on the agenda to agree accuracy only, not for debate.

Councillor Dale queried whether there was an update on the planned briefing for all members on the Local Plan. The Business Chair advised that Councillor Horncastle would respond on this.

RESOLVED that the minutes of the meeting of County Council held on Wednesday 2 November 2021 as circulated, be confirmed as a true record,

signed by the Business Chair and sealed with the Common Seal of the Council.

63. DISCLOSURE OF MEMBERS' INTERESTS

Councillor Kennedy disclosed a personal and prejudicial interest in Motion No.2 as a member of HMRC and advised he would leave the room whilst the matter was discussed.

Councillor Daley referred to item 12(ii) on the agenda and advised that he had sought legal advice as to whether he did or did not have a conflict of interest. In light of this, he was confident that he could participate.

The Chief Executive advised that as the statutory head of paid service, she had been advised that she was conflicted on two reports and would leave the room whilst they were discussed.

64. REPORT OF THE RETURNING OFFICER

The Business Chair reported the return of the person elected as Councillor for Hexham East on Thursday 16 December 2021 as follows:-

Electoral Division Description	Surname and Other Names	Place of residence
Hexham East Liberal Democrats	Suzanne Holly Fairless-Aitken	Merry Leazes West Allendale Road Hexham NE46 2NB

65. ANNOUNCEMENTS

The Business Chair reported that former County Councillor Walter Day died on 17 December 2021. He had represented the Cramlington South East Electoral Division from 1985 until 1993 and was a former mayor of Blyth Valley Borough Council. Members stood for a minute's silence in his memory.

The following people, particularly connected with Northumberland, had received honours in HM the Queen's New Year's Honours list:-

Order of the British Empire

Mrs Lesley MOODY MBE Morpeth, Northumberland

President, North East England Chamber of Commerce.

For services to Business and to the community in North East England

Mr Derek Andrew WOOD Ashington, Northumberland

Head, Retirement Services Assurance, Department for Work and Pensions.

For services to Pensioners

Members of the Order of the British Empire

Ms Bridget Lara STRATFORD Ponteland, Northumberland

Project Coordinator, North East Solidarity and Teaching, Newcastle University.

For services to Refugees and Asylum Seekers, particularly during Covid-19

Medallists of the Order of the British Empire

Miss Lucinda Mary PORTER Ponteland, Northumberland

For services to Girlguiding

The Royal Victorian Order MVO

Mr Robert Patrick BIGGS Morpeth Northumberland

Deputy Clerk to the Lieutenancy of Northumberland.

For personal service to the Monarch

The Leader reported to members that the budget consultation had begun online and this would be on the agenda for the forthcoming Local Area Council meetings with the launch of the budget early in February.

The devolution position was still being discussed and there could be some more information about this in the expected levelling up paper. His position remained the same that Northumberland would not be part of it unless there were real advantages to doing so.

Good progress was being made with the Farming and Environment Group and it was expected that recommendations could be made to Defra within the next two months.

Regarding Storm Arwen, he thanked all staff across the Council for their work to assist residents. He also paid tribute to those members who had gone above and beyond their duty, to volunteers and community groups, and the engineers from PowerGrid. He had spoken to the Prime Minister and told him that he wanted to see both a national and local inquiry. An examination needed to be done of the infrastructure and some assurances sought from the utilities. Work on the local review had begun with evidence gathering sessions in place and would be led by Scrutiny. He had also written to Scottish Power and Northern PowerGrid about the number of houses that had no mains electricity, particularly in the Coquet Valley, asking if they could consider connecting them up.

66. CORRESPONDENCE

The Business Chair advised members that he had received a response to his letter to James Jamieson, Chair of the LGA in which he had expressed concern about having to have meetings face to face and supporting the LGA campaign for remote meetings. Councillor Jamieson had thanked him for his support.

67. MEMBER QUESTIONS

Question 1 from Councillor Oliver to the Leader

What are the correct council processes for the appointment, termination and agreement of significant contractual or remuneration variations for statutory and non-statutory chief and deputy officers (as defined by the Local Government and Housing Act 1989)?

The Leader responded that the Council had set up the following Committees -

1. **Dismissal Advisory Committee** - to provide independent advice to full Council in relation to any proposal to dismiss the Head of Paid Service, Monitoring Officer or Section 151 Officer.
2. **Employment Appeals Committee** - to consider and deal with disciplinary action and appeals from Senior Officers, including matters relating to the Councils Head of Paid Service, Monitoring Officer and Section 151 Officer.
3. **Staff and Appointments Committee** - this Committee considers and determines the overall scheme and policies in relation to employee terms and conditions and deal with the appointment of senior officers including making recommendations to Council on the appointment of the Head of Paid Service.

The process for the recruitment and appointment of the Head of Paid Service, Chief Officers and Deputy Chief Officers was carried out in accordance with the Officer Employment Procedure Rules in page 85/86 of the Constitution. The process for dismissal was also subject to these Rules. For the purpose of the Rules - the Chief Officers were the Head of Paid Service and Executive Directors. Deputy Chief Officers are Directors, Associate Directors, Service Heads and the Chief Fire Officer.

Under the Local Government Act 1989 "chief officer", in relation to a relevant authority, meant each of the following-

- Head of its paid service designated under section 4(1) of the Local Government and Housing Act 1989;
- Monitoring officer designated under section 5(1) of that Act
- The chief finance officer - Section 151 of the Local Government Act 1972
- A statutory chief officer mentioned in section 2(6) of that Act;
- A non-statutory chief officer mentioned in section 2(7) of that Act
- A deputy chief officer mentioned in section 2(8) of that Act.

The following were Statutory Officers
Head of paid service

Monitoring officer

The chief finance officer

The Director for Children's Services - Section 18 of the Children Act 2004 and
The Director for Social Services - section 5(1) of the Local Government and
Housing Act 1989.

Councillor Oliver replied that the 20-21 Accounts on the Council's website there was a single exit payment of £487,591. No-one in the Cabinet at the time had been informed of that despite it being asked for. He asked if the Leader would support his request for an investigation into whether this was done in accordance with the Council's policies and whether other similar actions had also been carried out in accordance with those policies. The Leader replied that he would ask the Cabinet Member for governance to look at this and respond.

Question 2 from Councillor Hill to the Leader

There are always lessons to be learnt for everyone after any emergency situation. What has the Leader personally learnt following Storm Arwen and what could he do better next time?

The Leader replied that in this instance he had learned of the value of human good nature across all sectors who had been involved. Unfortunately one or two members had used the opportunity to make political points but generally he felt very positive about the way people had reacted.

Councillor Hill asked whether the Leader felt that the relief effort and response was in any way hampered by poor communication or poor relationships within the Council. The Leader replied that he was not aware of any poor communications but if the councillor could provide further details outside of the meeting he would look at it.

Question 3 from Councillor Hill to Councillor Horncastle

Berwick-upon-Tweed is, of course, a coastal Town with certain areas, such as Spittal, prone to flooding and associated problems. Why does NCC not hold a stock of sandbags locally?

The Leader replied that the County Council did hold a stock of sandbags at all of its main depots, including the Tweedmouth Depot in Berwick, which were available for use by Local Services staff during flooding incidents. Sandbags were prioritised to areas of greatest need during any incident in order to protect public safety and property, and staff worked closely with other partners, such as Northumberland Fire and Rescue Service, Northumbria Police and the Environment Agency.

The County Council's approach to sand bag provision was clearly stated on the web page and reflected national guidance placing the responsibility firmly on the householder to make their own appropriate property level

flood protection arrangements (as sandbags were not as effective as purpose made flood protection equipment and could not be relied upon).

The advice stated that:-

The County Council does not provide sandbags direct to any residents in the event of flooding. Residents in known flood risk areas were encouraged to make their own arrangements for protecting their properties against the threat of flood water, including buying sandbags.

If residents feel that their property is in danger of flooding, and they do not have suitable protection, then they should call us on 0345 600 6400.

If you call us, the council will arrange for the area to be inspected at the earliest opportunity. Upon inspection, if water ingress is imminent, then a decision will be made by the inspector to arrange for sandbags to be deployed.

It is important to stress that, whilst every effort is made to ensure that water ingress is avoided, we must also ensure that our resources are carefully utilised and only where immediate water ingress to properties is verified will sandbags be deployed.

Sandbags are readily available at builders' merchants and there are lots of modern alternatives that are easier to store and expand.

The Council is also working closely with both the Environment Agency and Northumbrian Water on integrated modelling work on the drainage systems within Berwick to help inform improvement and investment plans to help reduce the risk of flooding in the area.

Councillor Hill commented that she had raised the question because there had been very bad flooding in Berwick on the Saturday after the storm and there had been no sandbags available locally, the nearest available was at Amble. She felt that there should be a stock available closer as it had been on the brink of a very serious situation.

Question 4 from Councillor Kennedy to the Leader

“.....alongside £5m to regenerate the former bus station site.” These are the words of the Hexham MP in a letter to those who live in Hexham East during the December 2021 by-election.

I assume the statement is accurate and therefore Can I ask the Leader of the County Council to work with me and other Hexham County Councillors and the Hexham Town Council in developing this important site to one that Hexham can be proud of. Hexham has had to endure the former bus station in its dilapidated state for far too long and I am pleased that County Council is planning on making such an investment.

The Leader replied that was £5m in the capital programme for the regeneration of Hexham, which included the bus station. The project couldn't be progressed without the agreement of the land owners concerned and negotiations were continuing. The £5m would be retained in the capital budget for it. The funding was in addition to that provided for the Hexham Heritage Action Zone and the new car parking at the old bunker site. The County

Council was committed to working with its partners in Hexham and was providing funding to back that up.

Question 5 from Councillor Bridgett to the Leader

On Friday 3rd December, a week after Storm Arwen first hit, Cllr Sanderson, announced via social media that a major incident had been called “as per my request”. Could Councillor Sanderson please tell me that why, if he had the authority as leader to make such a request, did it take a week for him to do so, and does he agree that a major incident should have been called far sooner than 7 days after the storm?

The Leader replied that when it became clear how serious the incident was, a tactical group had been set up of chief operating officers which made the tactical decisions needed and he had remained in close communication with them throughout. He had decided at the start that there would be no political interference in the tactical group as it was an operational function and not his place to get involved with that. However, on 2 December Northern PowerGrid put out a text message to people who had been without power since the preceding Friday advising that they might not be reconnected until 6 or 7 December. At that point he felt that extra help was needed and the Chief Executive had been in agreement.

Councillor Bridgett replied that Storm Arwen had highlighted that in those houses where air source heat pumps and solar panels were installed, in most cases fires and log burners had been removed which would have provided an alternative source of heat. Some residents had had to be moved out of their homes into alternative accommodation. He asked the Leader if he would agree that the Housing Team look into this so that alternative heating methods should not be removed when solar panels were installed into council and housing association properties. The Leader agreed this was a valid point and it was those kinds of issues that would be picked up by the review.

Question 6 from Councillor Bridgett to Councillor J. Watson

Despite repeated requests, I have been unable to gain any information in recent months, from officers, in relation to what is happening with the swimming pool at Rothbury and why it is still devoid of water. Would Cllr Watson be able to enlighten my residents and I, into exactly what is going on there and what the council plans are for leisure services in the Rothbury area, and will Cllr Watson give me his assurance that as the elected member for Rothbury, I will be kept fully informed going forward?

The Business Chair replied for Councillor Watson and advised that investigations had determined that the significant problems with the swimming pool resulted from faults both with the pool liner, and the water circulation system. He assured Councillor Bridgett that officers now had the necessary information to present options to Cabinet for detailed discussion later this month. These options had been prepared in the context of both the technical inspection, and the findings of a specifically commissioned analysis of current

and future facility requirements. Key stakeholders would also be consulted before any final decisions were made.

Councillor Bridgett looked forward to a significant capital investment in the forthcoming capital programme if this was the case.

68. CABINET MINUTES

- (1) Tuesday 9 November 2021**
- (2) Thursday 18 November 2021**
- (3) Tuesday 7 December 2021**

With regard to Minute No. 51(1) Councillor Cartie queried why the extension was being done in the existing areas, why this could not be done in another area, when the rollout would happen across Northumberland and how confident the Administration was about securing funding to roll it out fully.

Councillor Riddle replied that excess capacity was being used for the extension in the current runs. This would maximise the efficiency of the current collections without extra resources. He couldn't give a firm answer regarding the wider rollout but there would be something in the budget on this.

With regard to Minute No.54, Councillor Dickinson asked why this had been discussed in private. If communities were expected to buy into this he felt more information should be available. The Leader replied that he would have Councillor Watson provide a response.

Regarding Minute 58, Councillor Dale advised that the caption on page 3 of the Corporate Plan needed amending as it did not fit the picture. She also referred, in connection with climate change, to the toolkit promised to parish councils and asked that this be rolled out. The Leader replied that the Council was working with community groups and there would be an announcement in the budget about climate change and working with community groups.

With regard to Minute No. 55 (Northumberland Energy Park – Update on Disposal to British Volt), Councillor Grimshaw asked if this could now be shared with all members. Councillor Ploszaj advised that he would discuss this with the Executive Director to see if it could be shared. The request was supported by Councillor Dunn. She acknowledged that this had been a confidential report but Scrutiny had not had the opportunity to see it and this was a massive project for the area which all members needed to be kept up to date on.

Also, with regard to Minute No.66 (Household Support Fund), Councillor Dunn advised that it had been established that this could not be used to support those struggling with Council Tax but she welcomed the news that the team were exploring other options and looked forward to the report at the next OSC meeting.

Councillor Bawn reported that British Volt were coming to a future meeting of CSEG OSC to provide and update and any member was welcome to attend for that.

RESOLVED that the minutes of Cabinet detailed above be received.

69. COMMITTEE MINUTES

(1) Corporate Services and Economic Growth OSC

These were presented by Councillor Bawn.

RESOLVED that the minutes of Corporate Services and Economic Growth OSC be received.

(2) Family and Children's Services OSC

These were presented by Councillor Daley

RESOLVED that the minutes of Family and Children's Services OSC be received.

(3) Communities and Place OSC

These were presented by Councillors Oliver and Reid.

With regard to Minute No. 38 (Destination Management – Structure and Future Funding Arrangements), Councillor Dale suggested that a longer arrangement than two years was needed for the partnership. She asked Councillor Reid to revisit the issue with the Scrutiny Committee and perhaps involve the tourism operators and Visit Northumberland. The Business Chair advised that Councillor Watson would pick this up as portfolio holder.

RESOLVED that the minutes of Communities and Place OSC be received

(4) Health and Wellbeing OSC

These were presented by Councillor Reid.

RESOLVED that the minutes of Health and Wellbeing OSC be received.

(5) Health and Wellbeing Board

These were presented by Councillor Flux.

Councillor Dickinson referred to the fantastic efforts of GP surgeries and others involved in the delivery of the booster programme, which needed to be recognised.

RESOLVED that the minutes of Health and Wellbeing Board be received.

(6) Audit Committee

These were presented by Councillor Towns.

It was noted that with regard to Minute No. 27.2, it should refer to maturing debt of £1/4 billion.

RESOLVED that the minutes of Audit Committee be received.

70. DELEGATED DECISIONS

RESOLVED that the delegated decision detailed in the agenda be noted.

71. MOTIONS

Motion No. 1

Councillor Bridgett moved the following motion, received by the Head of Democratic and Electoral Services on 20 December 2021:-

Considering the recent events both during and in the aftermath of Storm Arwen and rather than waiting for some form of national enquiry to take place (if it ever does), this council resolves:-

- to agree that it will undertake its own investigation into what occurred during and after the storm and it will task the most appropriate scrutiny/council committee to carry this out. This will include reviewing our own council policies and procedures and gathering evidence from councillors and council officers, but also questioning and gathering evidence from the utility companies such as Northern PowerGrid, BT Openreach, Northumbrian Water and the mobile telecoms operators.*
- to request, where necessary, that they come and provide information to the relevant scrutiny committee so that as a council, we can ensure lessons are learnt from this storm to enable all parties to build better resilience into their systems with the ultimate goal of ensuring that our residents will hopefully never have to experience such significant problems as they did as a result of Storm Arwen*
- to request that the relevant scrutiny committee (in conjunction with officers) will bring together a report which outlines the issues and how those problems can potentially be mitigated. This will be brought back to the full council for debate and agreement, and will be used by this authority as a formal response should any government body or agency decide to carry out an enquiry into what happened as a result of the storm.*

In introducing his motion, Councillor Bridgett advised that he should have included a thank you to Council staff, the Police, Fire Service, Armed Forces, local councillors, volunteers and everyone else who had helped to keep residents safe. He wanted to add this statement as an amendment to his motion. This amendment was seconded by Councillor Dickinson.

Councillor Dale queried whether all members could have an input, not just Scrutiny members. Councillor Bridgett wished to keep his motion as it stood as the Leader had already given that assurance in his earlier statement. Councillor Reid added that as Chair of the Scrutiny Committee, this would be the case.

Councillor Castle pointed out that work had actually already begun on this.

Councillor Hill commented on the fantastic job done by Councillor Bridgett on the relief effort in his area. She queried whether the County Council could feed into the debriefings being undertaken by the utility companies as well as doing its own review.

Councillor Kennedy commented that it was the question of resilience which had presented the challenge for the County. It was not acceptable for people to be without power for two weeks.

Councillor Dickinson sought clarity on whether members were now debating the amended motion, or the amendment. The Monitoring Officer advised that technically, it was an alteration to the motion which had been seconded and was now being debated and there would be a right of reply at the end from the mover of the motion. There appeared to have been a general consensus in the room that members were happy with the alteration proposed.

Councillor Gallacher hoped that Scrutiny would be given sufficient time to do its job properly and bring back thorough reports and that all comments made through Scrutiny would be reported. Councillor Reid advised that the meeting the following week would establish the programme for the review and he encouraged all members who wanted to contribute to do so.

Councillor Flux wished to mention other councillors who had done sterling work in their vast wards including Councillors Mather, Jones, Pattison, Sanderson and Horncastle and he was sure there were many others, as well as those in the community.

Councillor Dickinson recognised the efforts of staff but felt it was equally important to recognise the efforts of the third sector, volunteers and ordinary residents who had helped each other. What was clear was that the infrastructure needed to be able to cope with these events was outdated with no investment for decades. He welcomed the way Councillors Sanderson and Bridgett had brought this forward. The Labour Group would support this because there had been problems across the County and he felt sure every member would have played a part in supporting residents. It was fundamental to recognise the issues from the utility companies, the lack of communication, lack of investment and all other issues which were outside of the Council's

control but had been left to the Council to deal with. For this reason, he fully supported the amended motion.

Following an invitation from the Business Chair, Councillor Bridgett reminded members of his altered motion to add the following wording to the end “this Council thanks the hard work and efforts during Storm Arwen which were put in by both Northumberland County Council staff, Northumberland Fire and Rescue Service, Northumbria Police, Armed Forces personnel, local councillors both County and Town/Parish, volunteers and neighbours and anyone else who assisted in helping keep residents of Northumberland safe and well”.

On the altered motion being put to the vote there voted FOR: a substantial majority; AGAINST:0; ABSTENTIONS:0.

It was therefore **RESOLVED** that:-

- (a) Council agree that it will undertake its own investigation into what occurred during and after the storm and will task the most appropriate scrutiny/council committee to carry this out. This will include reviewing council policies and procedures and gathering evidence from councillors and council officers, but also questioning and gathering evidence from the utility companies such as Northern PowerGrid, BT Openreach, Northumbrian Water and the mobile telecoms operators;
- (b) Council will request, where necessary, that they come and provide information to the relevant scrutiny committee so that as a council, we can ensure lessons are learnt from this storm to enable all parties to build better resilience into their systems with the ultimate goal of ensuring that our residents will hopefully never have to experience such significant problems as they did as a result of Storm Arwen;
- (c) Council request that the relevant scrutiny committee (in conjunction with officers) will bring together a report which outlines the issues and how those problems can potentially be mitigated. This will be brought back to the full council for debate and agreement, and will be used by this authority as a formal response should any government body or agency decide to carry out an enquiry into what happened as a result of the storm; and
- (d) Council thanks the hard work and efforts during Storm Arwen which were put in by Northumberland County Council staff, Northumberland Fire and Rescue Service, Northumbria Police, Armed Forces personnel, local councillors both County and Town/Parish, volunteers and neighbours and anyone else who assisted in helping keep residents of Northumberland safe and well.

In accordance with Minute No. 63, Councillor Kennedy left the meeting.

Motion No. 2

Councillor Morphet moved the following motion, received by the Head of Democratic and Electoral Services on 20 December 2021:-

The Councils for Fair Tax Declaration: An opportunity for the County Council to show support for responsible tax conduct

Full Council notes that:

- 1. Organisations are morally obliged to pay the right amount of tax, in the right place, at the right time.*
- 2. Polling from the Institute for Business Ethics finds that “corporate tax avoidance” has, since 2013, been the number one concern of the British public when it comes to business conduct.*
- 3. Almost two-thirds (63%) of the public agree that the Government and local authorities should consider a company’s ethics and tax conduct, as well as value for money and quality of service provided, when undertaking procurement.*
- 4. Around 17.5% of public contracts in the UK have been won by companies with links to tax havens.*
- 5. It has been conservatively estimated that losses from multinational profit-shifting (just one form of tax avoidance) could be costing the UK some £7bn per annum in lost corporation tax revenues.*
- 6. The Fair Tax Mark offers a means for business to demonstrate good tax conduct and has been secured by a wide range of businesses across the UK, including FTSE-listed PLCs, co-operatives, social enterprises and large private businesses.*

Full Council believes that:

- 1. Paying tax is often presented as a burden, but it shouldn’t be.*
- 2. Tax enables us to provide services from education, health care and social care, to flood defences, road maintenance and policing. It also helps to counter financial inequalities and rebalance distorted economies.*
- 3. As recipients of significant public funding, local authorities should take the lead in the promotion of exemplary tax conduct, be that by ensuring contractors are paying their proper share of tax or by refusing to go along with offshore tax dodging when buying land and property.*
- 4. Where substantive stakes are held in private enterprises, then influence should be wielded to ensure that such businesses are exemplars of tax transparency and tax avoidance is shunned. For example, there should be no use of marketed schemes requiring disclosure under Disclosure Of Tax Avoidance Schemes (DOTAS) regulations or arrangements that might fall foul of the General Anti-Abuse Rule.*
- 5. More action is needed, but current law significantly restricts councils’ ability to either penalise poor tax conduct or reward good tax conduct when buying goods or services.*

6. *Local authorities can and should stand up for responsible tax conduct – by doing what they can within existing frameworks and by pledging to do more, given the opportunity, as active supporters of international tax justice.*

Full Council resolves to:

1. *Approve the Councils for Fair Tax Declaration.*
2. *Lead by example and demonstrate good practice in our tax conduct, right across our activities.*
3. *Ensure contractors implement IR35 robustly and pay a fair share of employment taxes.*
4. *Not use offshore vehicles for the purchase of land and property, especially where this leads to reduced payments of stamp duty.*
5. *Undertake due diligence to ensure that not-for-profit structures are not being used inappropriately as an artificial device to reduce the payment of tax and business rates.*
6. *Demand clarity on the ultimate beneficial ownership of suppliers and their consolidated profit & loss position.*
7. *Promote Fair Tax Mark certification for any business in which we have a significant stake and where corporation tax is due.*
8. *Support Fair Tax Week events in Northumberland and celebrate the tax contribution made by responsible businesses who “say what they pay” with pride.*
9. *Support calls for urgent reform of UK law to enable local authorities to better penalise poor tax conduct and reward good tax conduct through their procurement policies.*

In introducing the motion, Councillor Morphet referred to those organisations and businesses who were accredited by the Fair Tax Foundation. Seventeen Councils had demonstrated their support so far. Responsible tax conduct mattered because of public concern regarding corporate tax avoidance and the Government and councils should consider a company's ethics and tax conduct when they made procurement decisions. £7billion a year was lost to profit shifting by companies, which could have been used to fund public services and action on tax evasion and tax avoidance was needed at all levels of government. He outlined some of the measures being proposed to level the playing field and make things fairer. If the Council supported the motion today, it would be joining a very important movement that sought to make poor tax conduct a thing of the past, and which transcended party politics.

The Council's Head of Procurement was very supportive of the motion and he advised that he wished to alter his motion with the addition of the following words as No.7 under the first section:-

“7. The Procurement Service supports the motion in principle to ensure that the Council can do what it can to promote greater tax transparency from suppliers, subject to completing legal due diligence before implementation.”

He hoped members would support the motion. This was seconded by Councillor Swinbank.

Councillor Ezhilchelvan agreed with the spirit of the motion but queried how it could be implemented. He asked who the judge of poor conduct would be.

Councillor Hill commented that she had had similar concerns but felt that the alteration covered that point. She supported the altered motion and was aware that the Green Party had submitted motions elsewhere regarding universal basic income trials which she hoped would be developed.

Councillor Reid did not support the motion and did not feel it would serve any useful purpose. He believed in paying fair tax but did not feel that the Council could ensure what the motion contained. He suggested that the Petitions Committee should also be tasked with monitoring motions once they had been passed by Council.

Councillor Dickinson advised that his Group fully supported the motion in light of the tax avoidance which happened in business. He would have liked to see the motion being withdrawn with the mover's agreement so that it could be examined further and the appropriate policy developed to back it up so that it could be monitored and managed. He didn't want to see a good motion with valid points fall into a place where it couldn't be implemented.

Councillor Daley felt there was nothing in the motion that the Council couldn't agree with because it could support what was being asked and the Council's own Procurement Team already dealt with many of the issues which were referenced in the motion. All that was needed was a Cabinet Member to take this on as a project to see it through.

Councillor Dale felt there was an opportunity for the Council to look at things where it could make a difference even in a small way.

In response, Councillor Morphet advised that the motion didn't commit the Council to identifying organisations with poor tax conduct, but committed the Council to encourage their suppliers to voluntarily improve their tax conduct, and to push for reform of procurement law. He also gave a commitment to ensure that the motion if passed would not just disappear.

On the altered motion being put to the vote there voted FOR: a substantial majority; AGAINST:0; ABSTENTIONS;0. It was therefore **RESOLVED** that:-

Council notes that:

1. Organisations are morally obliged to pay the right amount of tax, in the right place, at the right time.
2. Polling from the Institute for Business Ethics finds that "corporate tax avoidance" has, since 2013, been the number one concern of the British public when it comes to business conduct.
3. Almost two-thirds (63%) of the public agree that the Government and local authorities should consider a company's ethics and tax conduct, as well as value for money and quality of service provided, when undertaking procurement.

4. Around 17.5% of public contracts in the UK have been won by companies with links to tax havens.
5. It has been conservatively estimated that losses from multinational profit-shifting (just one form of tax avoidance) could be costing the UK some £7bn per annum in lost corporation tax revenues.
6. The Fair Tax Mark offers a means for business to demonstrate good tax conduct and has been secured by a wide range of businesses across the UK, including FTSE-listed PLCs, co-operatives, social enterprises and large private businesses.
7. The Procurement Service supports the motion in principle to ensure that the Council can do what it can to promote greater tax transparency from suppliers, subject to completing legal due diligence before implementation.

Council believes that:

1. Paying tax is often presented as a burden, but it shouldn't be.
2. Tax enables us to provide services from education, health care and social care, to flood defences, road maintenance and policing. It also helps to counter financial inequalities and rebalance distorted economies.
3. As recipients of significant public funding, local authorities should take the lead in the promotion of exemplary tax conduct, be that by ensuring contractors are paying their proper share of tax or by refusing to go along with offshore tax dodging when buying land and property.
4. Where substantive stakes are held in private enterprises, then influence should be wielded to ensure that such businesses are exemplars of tax transparency and tax avoidance is shunned. For example, there should be no use of marketed schemes requiring disclosure under Disclosure Of Tax Avoidance Schemes (DOTAS) regulations or arrangements that might fall foul of the General Anti-Abuse Rule.
5. More action is needed, but current law significantly restricts councils' ability to either penalise poor tax conduct or reward good tax conduct when buying goods or services.
6. Local authorities can and should stand up for responsible tax conduct – by doing what they can within existing frameworks and by pledging to do more, given the opportunity, as active supporters of international tax justice.

Council resolves to:

1. Approve the Councils for Fair Tax Declaration.
2. Lead by example and demonstrate good practice in our tax conduct, right across our activities.
3. Ensure contractors implement IR35 robustly and pay a fair share of employment taxes.
4. Not use offshore vehicles for the purchase of land and property, especially where this leads to reduced payments of stamp duty.
5. Undertake due diligence to ensure that not-for-profit structures are not being used inappropriately as an artificial device to reduce the payment of tax and business rates.

6. Demand clarity on the ultimate beneficial ownership of suppliers and their consolidated profit & loss position.
7. Promote Fair Tax Mark certification for any business in which we have a significant stake and where corporation tax is due.
8. Support Fair Tax Week events in Northumberland and celebrate the tax contribution made by responsible businesses who “say what they pay” with pride.
9. Support calls for urgent reform of UK law to enable local authorities to better penalise poor tax conduct and reward good tax conduct through their procurement policies.

At this point the Business Chair adjourned the meeting for a comfort break. The Chief Executive left the meeting in accordance with Minute No.63 above. The meeting reconvened at 17:01.

72. REPORT OF THE MONITORING OFFICER

Constitutional Updates

(i) Re-Endorsement of Appointment of Independent Chair of Standards Committee and Independent Person and Appointment of Additional Independent Person

The report sought Council’s endorsement of the continued appointment of Joe Jackson, the Independent Chair of the Standards Committee and Karen Milner, the Council’s Independent Person under the relevant provisions of the Localism Act 2011 and requested that Council delegated to the Standards Committee the process of the appointment of two further Independent Persons.

Councillor Dickinson advised that he could not support recommendations (b) and (c) as he already advised the MO that he wished to see the recruitment process for the independent persons and he could not support the delegation to the MO without sight of it. The MO advised that with regard to (b), the report detailed what the recruitment process would be, which was the same as used previously. Recommendation (c) was a belt and braces delegation to pick up any inconsistencies in the Constitution.

Councillor Dickinson replied that he had not seen the process which had been used previously and this was valuable information in agreeing and progressing the recommendations in the report. The MO agreed that she would identify the adverts, process etc and circulate them to members.

Councillor Hill commented that she had advocated two years ago that additional independent persons should be recruited and agreed that seeing details of the recruitment process would be useful. She sought clarification that delegation was being sought to manage the recruitment process, with approval of the independent persons being done by Council, and asked why two additional independent persons were being sought. The MO confirmed this

was correct, and advised that for an authority of this size, 3-4 independent persons was appropriate.

RESOLVED that:-

- (a) Council endorse the continued appointment of the following for the remaining terms of their four year appointment;
 - i. Independent Chair - Mr Joe Jackson
 - ii. Independent Person - Ms Karen Milner; and
- (b) Council delegate to the Standards Committee, in conjunction with the Monitoring Officer, the process of the appointment of two further Independent Persons; and
- (c) should any consequential constitutional amendment be required, this be delegated to the Monitoring Officer in consultation with the Constitution Working Group.

(ii) Political Proportionality

A report had been circulated to members (copy attached to the sealed minutes). The purpose of the report was to determine the political proportionality of the registered political groups of the Council and to allocate seats on committees in accordance with that proportionality in accordance with the provisions of Sections 15 and 16 of the Local Government and Housing Act 1989. Following the result of the Hexham East Electoral Division by election and the change in the numbers of the political groups, the allocation of seats to be filled by the different political groups has been reviewed in accordance with the requirements of the Act.

Councillor Wearmouth highlighted some of the key points of the report.

Councillor Reid sought clarification that Standards Committee was in fact 9 members, which was confirmed.

Councillor Bridgett could not support the report as this was the fourth version of it he had received. He had gone through the figures in detail on a previous version and in his view, the proportionality did not add up. The report issued the previous Friday gave the LD group a 3.73% increase in places giving them 14 committee places. This was now 0.36% and 10 places. There were also discrepancies in the report on the % for the Green Party. He had no confidence in the figures in the report. The MO advised that the report which Councillor Flux had circulated on Friday had been updated with the following amendments, and which had been circulated to members today:-

Recommendation 5 – “nominations” instead of “wishes” of the Group Leaders
Recommendations 6 and 7 in the earlier version had been removed after consultation with Group Leaders.

Petitions Committee, Staff and Appointments Committee and Standards Committee should be 9 members.

Councillor Bridgett replied that the % were also different, as he had detailed earlier. He had only been able to check the figures from the report circulated on Friday and not the report circulated today. He could therefore not support the report. The MO replied that the report circulated on Friday had included the committee places for the Grievance Committee referred to elsewhere on the agenda, but not yet approved.

Councillor Hill commented that the process in dealing with this report had been shambolic. She felt attempts were being made to confuse members and sought clarification of what the split would be on a committee of 9. Councillor Wearmouth referred Councillor Hill to Appendix 1 and confirmed this would be Con:4, Lab:3, Ind Gp:1, LD:1. The Business Chair pointed out that the Administration did not plan on changing the numbers of some Committees for political advantage, as had been suggested.

Councillor Kennedy referred to the figures for a committee of 4, and then a committee of 5 and the respective splits. He did not understand how the Independent Group did not feature in a committee of 5 and how the Group could lose a seat if the Committee grew in number. The Business Chair advised that it was the difference between .46 and .45 which gave the Conservative Group the place. Councillor Kennedy proposed an amendment that the Employment Appeals Committee should be increased to 6 members. This was seconded by Councillor Hill. He clarified that this related to recommendation 4 and Appendix 2. This would make it 3 Con, 2 Lab and 1 Ind Gp making it more politically balanced. The MO suggested that Council deal with the recommendations in the order they were set out in the report, and when it came to recommendation 4, decide at that point on Councillor Kennedy's amendment.

Councillor Hill asked whether Democratic Services and other officers agreed with the calculations. The MO advised that if members were not happy with some of the figures then they should take some time to consider them.

The Business Chair suggested that the meeting be adjourned and reconvened in 14 days' time. Councillor Daley asked whether this meant the whole meeting was now terminated and the Business Chair confirmed that was the case. Councillor Daley responded that he had been a councillor for many years but have never experienced such a shambolic meeting.

Councillor Dunn expressed her concern that she had indicated to speak some time ago, but had never been given the chance to do so because of the lack of order in the meeting. She agreed the meeting had been shambolic and would not be forced into a vote on something that made no sense.

Councillor Dale commented that if the meeting was to be adjourned, then valid reasons needed to be provided because there were other important matters on the agenda.

Councillor Wearmouth proposed that the meeting be adjourned, which was seconded by Councillor Seymour. The Business Chair advised members that it had been suggested they needed more time to read the reports and he was coming up to the three hour limit. The motion was moved without debate under procedural rules.

On the required number of members calling for a named vote on this motion, the votes were cast as follows:-

FOR: 21

Bawn, D.	Ploszaj, W.
Beynon, J.	Renner Thompson, G.
Castle, G.	Riddle, J.R.
Cessford, T.	Sanderson, H.G.H.
Flux, B.	Scott, P.
Hardy, C.	Seymour, C.
Hutchinson, J.I.	Stewart, G.
Jackson, P.A.	Thorne, T.N.
Jones, V.	Towns, D.
Oliver, N.	Wearmouth, R.
Pattison, W.	

AGAINST: 38

Ball, C.	Hunter, E.I.
Bowman, L.	Kennedy, D.
Bridgett, S.C.	Lang, J.
Carr, D.	Mather, M.
Cartie, E.	Morphet, N.
Clark, T.	Murphy, M.
Dale, P.A.M.	Nisbet, K.
Daley, W.	Parry, K.
Darwin, L.	Purvis, M.
Dickinson, S.	Reid, J.
Dunbar, C.	Richardson, M.
Dunn, L.	Scott, A.
Ezhilchelvan, P.	Sharp, A.
Fairless-Aitken, S.	Simpson, E.
Foster, J.	Swinbank, M.
Gallacher, B.	Taylor, C.
Grimshaw, L.	Waddell, H.
Hill, G.	Watson, A.
Humphrey, C.	Wilczek, R.

ABSTENTIONS:0

The motion was therefore defeated.

The MO advised members that they had taken the motion without debate and asked for a recorded vote. Members had now reached the three hours allowed in the Constitution for the meeting. Councillor Reid moved that standing orders be suspended to allow the meeting to continue, which members supported.

Councillor Dunn asked what had happened with agenda item 12 (ii) and whether the Political Proportionality report had now been withdrawn, leaving the rest of the agenda to deal with. Councillor Wearmouth responded that the motion to adjourn had been defeated and members should therefore continue with the debate on the Political Proportionality report, and deal with the rest of the agenda subsequently. Councillor Dunn felt that in that case, it would be sensible to defer this report and continue with the rest of the agenda. Councillor Wearmouth responded that the by election had changed the proportionality of the Council and the decision on committee places needed to come a conclusion now.

Councillor Dunn did not feel that was possible because of the amount of differing information being circulated and would not be bullied into a decision on it.

Councillor Dickinson commented that the table in the appendix did not add up and contained multiple errors, the vote of no confidence in the adjournment was a bad start, there had been many opportunities to present the report properly and in a timely fashion and he had already raised issues and concerns. He felt this matter needed to be voted down and a new proposal with an accurate report which members had confidence in, circulated properly for consideration either by another Council meeting or via delegation to Group Leaders. This was seconded by Councillor Bridgett.

Councillor Wearmouth responded that if members had agreed the adjournment, then Council could have come back in two weeks having had further time to consider the report. However, if the matter was deferred, the next Council meeting was the budget meeting of 23 February. Councillor Dickinson clarified that this report needed to be rejected by members because the figures did not add up in any respect. This report needed to be dealt with, and a fresh report brought to members, through Group Leaders if necessary. This report could not be agreed tonight as it was not the job of members to check the calculations contained in it, for example, Petitions Committee was listed as 8 members but the individual group figures only added up to 7.

The MO sought clarification whether Councillor Dickinson wanted to defer the item to a future date or that the report should be stood down and a fresh report brought. This would need to be done quickly because committees needed to meet. Councillor Wearmouth added that the alternative would be to bring a report to Council in February as there wasn't a mechanism to allow a delegation on this to Group Leaders.

Councillor Dickinson stressed that he was not suggesting a deferment for the existing report to be tweaked. No member had confidence in this report. It had to be rejected and a new report written by Democratic Services.

Councillor Wearmouth said he did have confidence in the report. The option was there for the report to be withdrawn and the matter considered again in February but this would disenfranchise the Lib Dem Group and the Ind Group to a lesser extent as the committees would stay as they were now.

The Leader moved that the report be withdrawn. There was some discussion as to whether this would be for two weeks, or until the February meeting of Council. The Leader advised that he would meet with the Group Leaders in the next seven days to discuss the timeliness of bringing a revised report back, which would either be in two weeks or at the February budget meeting.

Councillor Reid expressed concern at this proposal.

The Leader commented that it was clear agreement was not going to be reached and he felt it was important to do so. He suggested that the committees stay as they were for now, and a meeting of the Group Leaders take place very soon to decide when Council would meet to take this decision. He accepted this was not ideal but urged members to support it so matters could be moved on.

The MO reiterated to members that the report was lawful and correct and that the existing committee proportionalities would remain the same until members agreed differently.

RESOLVED that the report be withdrawn and a new report on Political Proportionality be brought to Council, on a date to be decided, following discussion by the Group Leaders as detailed above.

(iii) Amendments to the Constitution

The report asked Council to consider the creation of a new committee known as the Grievance Committee to hear and determine grievances raised by the Chief Executive and Chief Officers and also grievances made against the Chief Executive and Chief Officers.

The report was introduced by Councillor Wearmouth.

Councillor Hill commented that this was not a housekeeping change as had been suggested. There had been no consultation on this. The Constitution Working Group had been called but when queries had been raised about what was on the agenda and where the reports were, and what changes would be needed to the Constitution, nothing had come back. Then it had been described as an introduction meeting, which had taken place and there was reference to changes and reports to come but there had been no mention of this at all. This involved a huge delegation of power from full Council which members would have to answer to the public for in due course. It was a dangerous thing to do because the Council was in the middle of live proceedings and she was very concerned about the rush to get this through. She proposed that it be deferred which was seconded by Councillor Kennedy.

The Leader agreed that this should not be considered. Holding things back for a couple of weeks should not be a reason to cause problems and if a short delay could achieve consensus then he would support that. He moved the same course of action as for the previous report, possibly with the need for a Constitution Working Group in between. Councillor Reid proposed that Council move to the vote on this. The MO advised that she would recirculate the external legal advice on this matter. There was also further legal advice on the alleged data breach. There had been no data breach and she would circulate this. She reassured members that there was nothing in the report that was underhand and she would ensure that members had all the information they needed to make a sound and reasoned decision.

RESOLVED that report be withdrawn for consideration by the Group Leaders and the Constitution Working Group if needed, and brought back to Council on a date to be decided, following discussion by the Group Leaders as detailed above.

The Business Chair then asked members to confirm that they were happy to defer all remaining agenda items to a future meeting, which they did.

RESOLVED that all remaining agenda items be deferred to a future meeting.

The Common Seal of the County Council
of Northumberland was hereunto affixed
in the presence of:-

.....
Chair of the County Council

.....
Duly Authorised Officer