

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the **Cabinet** held at County Hall, Morpeth on Tuesday, 8 February 2022 at 10.00 am.

PRESENT

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

CABINET MEMBERS

Horncastle, C.
Pattison, W.

Ploszaj, W.
Watson, J.G.

OTHER MEMBERS

Flux, B.

Stewart, G.

OFFICERS IN ATTENDANCE

Binjal, S.
Elsdon, A.
Hadfield, K.

Hunter, P.
McEvoy-Carr, C.

O'Farrell, R.

Taylor, M.

Willis, J.

Interim Monitoring Officer
Service Director, Finance
Democratic and Electoral Services
Manager
Interim Senior Service Director
Executive Director of Children's
Services and Adult Social Care
Interim Executive Director of Local
Services
Interim Executive Director for
Communities and Business
Development
Interim Executive Director of
Finance and S151 Officer

82. APOLOGIES

Ch.'s Initials.....

Apologies were received from Councillors Renner Thompson, Riddle, Seymour and Wearmouth.

83. MINUTES

RESOLVED that the minutes of the meeting of Cabinet held on 11 January 2022, as circulated, be confirmed as a true record and signed by the Chair.

84. REPORTS OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND S151 OFFICER

(1) Budget 2022-23 and Medium Term Financial Plan 2022-26

The purpose of the report was to enable the Cabinet to make formal budget recommendations to the County Council. The report provided the Revenue Budget for 2022-23 and Revenue Medium-Term Financial Plan (MTFP) 2022-26 and the Capital Budget for 2022-23 and Capital MTFP 2022-26, following the Government's Spending Round Announcement 2021 (SR 2021), on 27 October 2021, and the publication of the provisional Local Government Finance Settlement on 16 December 2021 (copy attached to the signed minutes, along with the report of the CSEG OSC circulated at the meeting).

Mrs Willis advised members that the final settlement had now been announced by the Government. This contained some very minor changes which had no impact on the overall position. Officers were still working on the detail of this and an update would be provided to members.

The Leader referred to the point made by CSEG OSC regarding housing rents and advised that this point would be picked up. He also informed members about the need for amendments to recommendations 43 and 44 to reflect the delegation to the Cabinet Member rather than the Leader as stated in the report.

RESOLVED that:-

(a) Cabinet make the following recommendations to the County Council:

1. Note that the figures contained within the Budget 2022-23 within Appendix 1 are based on the provisional Local Government Finance Settlement of 16 December 2021.
2. Approve the revenue budget for 2022-23 including, the budget balancing target totalling £9.704 million contained within Appendix 1.
3. Note the Revenue MTFP covering the period 2022-26 detailed within Appendix 1 and the requirement to deliver budget balancing measures in both 2023-24 and 2024-25 of £14.000 million and £12.732 million in 2025-26.

4. Note the estimated receipt of Revenue Support Grant of £10.838 million for 2022-23 contained within Appendix 1.
5. Note the estimated retained Business Rates and the Top-Up grant funding to be received by the Council for 2022-23 of £86.801 million and £278.304 million over the remaining period of the MTFP.
6. Note the estimated deficit from prior years on Collection Fund Business Rates balances of £12.547 million in 2022-23 and £0.342 million in 2023-24.
7. Note the estimated receipt of Rural Services Delivery Grant of £2.456 million for 2022-23.
8. Note the estimated receipt of the New Homes Bonus of £3.983 million for 2022-23.
9. Note the total estimated receipt of Improved Better Care Funding grant of £12.495 million for 2022-23.
10. Note the estimated receipt of Social Care grant funding of £13.287 million for 2022-23.
11. Note the estimated receipt of non-recurrent Market Sustainability and Fair Cost of Care Grant of £1.027 million in 2022-23.
12. Note the estimated receipt of non-recurrent Lower Tier Services Grant of £0.451 million in 2022-23.
13. Note the estimated receipt of the non-recurrent Services Grant of £4.751 million in 2022-23.
14. Approve a 1.99% increase in Council Tax for 2022-23, noting that this is in line with the Government's assumptions regarding the Council's Core Spending Power: and, within the Government's referendum limit of 2.00%.
15. Note that the MTFP 2022-26 includes a 1.99% annual increase in Council Tax for the remaining years of the MTFP and, that an estimate of annual tax base growth has been included.
16. Note the non-collection rate for Council Tax purposes remains at 1.00% for 2022-23 (1.00% in 2021-22).
17. Note the estimated surplus and deficit from prior years on the Collection Fund Council Tax balance, comprising a surplus of £4.215 million for 2022-23 and a deficit of £0.554 million for 2023-24.
18. Approve a 1.00% increase in Council Tax for 2022-23 for use on Adult Social Care services; raising an additional £2.119 million to support the Budget 2022-23, and note the assumed increase included in the MTFP of 1.00% for 2023-24 and 2024-25.

19. Approve the remainder of the 3.00% allowed by Government in 2021-22, an increase of 1.25% in Council Tax in 2022-23 for use on Adult Social Care services; raising an additional £2.648 million to support the budget in 2022-23.

20. Approve the Reserves Policy for 2022-23 detailed in Appendix 2.

21. Note the Schedule of Reserves and Provisions contained within Appendix 3.

22. Approve:

(a) the net contributions to the Strategic Management Reserve of £1.587 million in 2022-23 and note the proposed contributions from reserves of £10.216 million in 2023-24, £15.494 million in 2024-25 and £2.953 million in 2025-26, comprising:

- non-recurrent pressures of £3.338 million for 2022-23, and note the non-recurrent pressures totalling £2.834 million in 2023-24; £0.409 million in 2024-25 and £0.909 million in 2025-26 (as detailed within Appendix 8 excluding the Transformation Programme),
- the Active Northumberland Management fee of up to £1.000 million in 2022-23, and note the Active Northumberland Management fee of up to £1.000 million in 2023-24,
- delayed receipt of investment income of £1.025 million in 2022-23; and note that delayed receipt of investment income of £0.513 million is forecast for 2023-24 and that interest of £0.398 million will be repaid into the reserve in 2024-25 and 2025-26 in this respect,
- revenue contribution to capital (RCCO) of £12.231 million in 2024- 25 and £2.442 million in 2025-26 for the Schools' Development Programme,
- contribution to the reserve of £6.950 million in 2022-23 and note the subsequent proposed use of £5.869 million in 2023-24, and £3.252 million in 2024-25 in order to balance the budget.

(b) the use of the Severe Weather Reserve of £2.500 million in 2022-23, to fund the RCCO for the Todstead Landslip project, and

(c) the use of the Contain Outbreak Management Reserve of £0.132 million in 2022-23, to fund the RCCO for the Multi Use Vehicles.

23. Approve the use of the General Fund Reserve: £25.000 million in 2022-23 to be set aside as a voluntary minimum revenue provision (MRP) to enable the Council to repay debt at an appropriate time in the future and note the proposal to use a further £7.850 million in 2024-25 for the same purpose.

24. Approve the use of the Regeneration Additional Capacity Reserve of £0.190 million in 2022-23, to contribute to the funding of Regeneration staffing costs.

25. Approve the use of the Council Transformation Fund Reserve of £3.000 million in 2022-23 and note the use of £3.000 million from this reserve in financial years 2023-24 and 2024-25.

26. Approve the use of the Collection Fund Smoothing reserve of £10.129 million in 2022-23, to part fund the 2021-22 forecast deficit of the Business Rates element of the Collection Fund, and prior year deficits on Business Rates and Council Tax; and note the proposed use of this reserve in 2023-24 to fund £0.896 million Collection Fund deficit; being the final year of the 2020- 21 Council Tax and Business Rates deficits spread over 3 years.

27. Note: a) the Schedule of Service Specific grants of £238.825 million contained within Appendix 4. b) the 2022-23 Public Health grant allocation of £16.891 million contained within Appendix 4, and it's proposed usage.

28. Approve the Inflation Schedule for 2022-23 totalling £19.767 million detailed in Appendix 5.

29. Approve the Recurrent Growth and Pressures Schedule of £8.746 million and the additional revenue costs associated with the Capital Programme of £6.081 million for 2022-23; and note the growth and pressures of £2.609 million in 2023-24; £3.261 million in 2024-25; and, £0.906 million in 2025-26 and the additional revenue costs associated with the capital programme of £5.907 million in 2023-24; £16.878 million in 2024-25; and £5.783 million in 2025-26 included within Appendices 1, 6 and 7.

30. Approve the Non-Recurrent Pressures of £6.338 million for 2022-23 and note the non-recurrent pressures of £5.834 million for 2023-24; £3.409 million for 2024-25 and £0.909 million for 2025-26 included within Appendix 8.

31. Approve the Non-Recurrent Income of £2.770 million for 2022-23 and note the non-recurrent income of £0.466 million for 2023-24 included within Appendix 8.

32. Approve the identified budget balancing measures contained within Appendix 9 of £9.704 million for 2022-23; and note those budget balancing measures totalling £10.466 million already identified for 2023-24 to 2025-26.

33. Note the Corporate Equality Impact Assessment at Appendix 10.

34. Note the Budgets by Service Area 2022-23 detailed in Appendix 11.

35. Note the receipt of Dedicated Schools Grant of £152.123 million in 2022-23; and note the revised allocation of £146.729 million for 2021-22. This is following the conversion of one school to academy status during 2021-22.

36. Agree the Housing Revenue Account 2022-23 budget as detailed within Appendix 12, which will reduce the balance on the HRA reserve from £29.596 million at 31 March 2022, to £22.011 million at 31 March 2023; and note the indicative budgets to 2025-26 which will reduce the balance on the HRA reserve to £16.637 million.

37. Note that from 1 April 2022 in line with the Rent Standard for rent setting for Council tenants, the budget detailed in Appendix 12 assumes that rents and service charges will rise by the Consumer Price Index of 3.10% plus 1.00% for the period 1 April 2022 to 31 March 2023.

38. Approve the increase of 4.10% for Housing rents from 1 April 2022.

39. Note the indicative 30-year Housing Revenue Account business plan as detailed within Appendix 12.

40. Note that £48.221 million has been set aside over the 4-year period 2022-23 to 2025-26 in the HRA Capital Programme to invest in Affordable Housing. Details are set out in Appendix 12.

41. Approve the Capital Strategy 2022-23 to 2025-26 contained within Appendix 13.

42. Approve the revised Capital Programme as detailed within Appendix 14; and the projects highlighted within the main body of the report which will complete after 2025-26; and note the changes in the Capital Programme 2022-26 of £118.380 million detailed in Appendix 15.

43. *"Approve the delegation of the detail of the final Local Transport Programme and any subsequent in-year amendments to the Executive Director responsible for Local Services and the Cabinet Member for Environment and Local Services"*

44. *"Approve the delegation of the detail of the capital allocation for highways maintenance investment in U and C roads and footpaths to the Executive Director responsible for Local Services and the Cabinet Member for Environment and Local Services".*

45. Agree delegation to Cabinet to approve individual projects which propose to utilise the flexibilities of capital receipts.

46. Agree a delegation which enables the Cabinet to approve expenditure and funding for projects (revenue and capital) to be added to the budget which are 100.00% grant funded.

47. Approve the Prudential Indicators based on the proposed Capital Programme detailed within Appendix 16.

48. Approve the Annual Minimum Revenue Provision Policy detailed in Appendix 17.

49. Approve the proposed Treasury Management Strategy Statement 2022-23 detailed in Appendix 18.

50. Approve a delegation to amend the Budget 2022-23 and MTFP in light of any changes as a result of the final Local Government Finance Settlement to the Council's Section 151 Officer in consultation with the Portfolio Holder for Corporate Services; and

(b) the report of the CSEG OSC be accepted.

(2) Approval of Revenues and Benefits Policies for 2022-23

The report updated members on the policies governing the administration of Revenues and Benefits and sought approval for the updates and amendments highlighted (copy attached to the signed minutes as Appendix B, along with the report of the CSEG OSC circulated at the meeting).

RESOLVED that:-

(a) County Council be recommended to approve the Revenues and Benefits Policies attached as Appendix 1 to Appendix 9 to the report; and

(b) the report of the CSEG OSC be noted.

85. REPORT OF THE DEPUTY LEADER

Budget Consultation Report 2022-23

The report provided a summary of results of the budget consultation undertaken between 10th December 2021 and 21st January 2022. The budget consultation helped to inform the Council's Budget and Medium-Term Financial Plan (copy attached to the signed minutes as Appendix C, along with the report of the CSEG OSC circulated at the meeting).

The Leader thanked all those who had responded to the public consultation. This would be continued, and hopefully, for next year's budget could be done in person.

CSEG OSC had requested that they have sight of the draft questionnaire for next year, which would be done.

RESOLVED that:-

(a) the summary results of the budget consultation undertaken between 10th December 2021 and 21st January 2022, as well as wider engagement undertaken, be noted; and

(b) the report of the CSEG OSC be agreed.

86. REPORT OF THE REPORT OF THE EXECUTIVE DIRECTOR OF ADULTS AND CHILDREN'S SERVICES

School Admission Arrangements for Community and Voluntary Controlled Schools for the 2023/2024 Academic Year

The report informed Cabinet of the outcomes of the consultation on School Admission Arrangements for Community and Voluntary Controlled Schools for the 2023/24 Academic Year as required by the School Admissions Code 2021. Approval (determination) of these admission arrangements was also sought (copy attached to the signed minutes as Appendix D, along with the report of the FACS OSC on this matter circulated at the meeting).

RESOLVED that:-

- (a) the outcomes of the six week consultation undertaken in relation to the Council's proposed admission arrangements for community and voluntary controlled schools for 2023/24 that took place between 22nd November 2021 and 18th January 2022 be noted;
- (b) the proposed co-ordinated admission scheme for all maintained schools and academies, as provided in Appendix 1 of the report be approved;
- (c) Cabinet approve (determine) the proposed admission arrangements, including proposed oversubscription criteria and proposed admission numbers for First and Primary community and voluntary and controlled schools, as provided in Appendix 2 of the report;
- (d) Cabinet approve (determine) the proposed admission arrangements, including proposed over subscription criteria and proposed admission numbers, for Middle, High and Secondary community and voluntary controlled schools, including sixth forms, as provided in Appendix 3 of the report;
- (e) Cabinet approve a reduction of the Published Admission Number at Pegswood Primary School from 40 to 30, in view of current and future pupil numbers;
- (f) Cabinet approve a reduction of the Published Admission Number at Seaton Delaval First School from 45 to 30 in recognition that the continuing extent of parental choice in the partnership means that in reality a PAN of 30 is more realistic and sustainable; and
- (g) the report of the FACS OSC be noted.

87. REPORT OF THE CHIEF FIRE OFFICER

Northumberland Fire and Rescue Service: Community Risk Management Plan 2022-26 Consultation

The NFRS Community Risk Management Plan 2022-26 was presented as part of the consultation process (copy attached to the signed minutes as Appendix E).

RESOLVED that Cabinet note the consultation on the Northumberland Fire and Rescue Service Community Risk Management Plan 2022-26 to date.

88. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND S151 OFFICER

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 via email on 7 January 2022 (copy attached to the signed minutes as Appendix F).

RESOLVED that:-

88.1 Hexham High Street Heritage Action Zone

Cabinet approve an additional allocation of £835,000 in 2022/23 from the Strategic Regeneration Projects Budget within the Council's 2021-24 Medium Term Financial Plan to invest in public realm works at Eastgate Junction, and along the Priestpottle/Battle Hill corridor at a total scheme cost of £1,447,436.

88.2 Public Convenience Improvements

- Cabinet approve the allocation of £1,500,000 from the Property Stewardship Fund included in the Council's 2021-24 Medium Term Financial Plan across the public convenience facilities detailed in this report, enabling Property Services to develop an investment plan and a 3 year programme of work aligned with the 3 key themes outlined in the report;
- Cabinet agree that any changes to the proposed programme of toilets identified for refurbishment and modernisation be delegated to the Service Director – Local Services, in consultation with the Cabinet Member for Local Services;
- Cabinet request that particular attention is paid to signage, both physical and virtual, and further consultation is done with Town and Parish Councils regarding the scope for contributions from them to the improvements programme.

88.3 Parks Enhancement Projects

Cabinet approve a maximum Council contribution of £61,660 towards the following schemes to enhance parks in Berwick and Ashington during 2021/22 funded from the Parks Improvement Budget included in the Council's 2021-24 Medium Term Financial Plan:

- Re-lining the Lily pond in Castle Vale and replacement of the gates and reconfiguration of the terracing in Coronation Park in Berwick at a total cost of £20,060 with £17,560 contributed by NCC and £2,500 contributed by the Freemen of Berwick.
- Improvements to the Children's Play area in Wansbeck Riverside Park in Ashington at a total cost of £44,100. An application for grant funding of £21,600 has been submitted to Ashington Leisure Partnership which if successful will reduce NCC's contribution from £44,100 to £22,500.

88.4 Social Housing Decarbonisation Fund

Cabinet approve a proposal to improve energy efficiency across 120 social housing units in Northumberland in 2022/23 subject to receipt of a grant award of £1,193,000 from the Social Housing Decarbonisation Fund which will be added to the Capital Budget included in the Councils 2021-24 Medium Term Financial Plan. The Council has put forward the proposed scheme in partnership with Bernicia and Karbon Housing Associations with each organisation providing an element of match-funding for their homes included in the scheme. The Council's contribution of £366,167 towards the work to be carried out on its own stock will be funded through the Housing Revenue Account.

89. RECORD OF DECISION TAKEN IN CONSULTATION WITH THE LEADER ON GROUNDS OF URGENCY

Use of Further Covid Related Grants for Adult Social Care

Cabinet was asked to note a decision taken by the Chief Executive, in consultation with the Leader of the Council (copy attached to the signed minutes as Appendix G).

RESOLVED that the decision be noted.

90. 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
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12-13	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).
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AND	The public interest in maintaining this exemption outweighs the public interest in disclosure because disclosure at this stage may prejudice the ongoing Transport and Works Act Order process (Item 12), and disclosure could adversely affect the business reputation or confidence in the person/organisation and could adversely affect commercial revenue (Item 13) .
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91. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF REGENERATION

The Northumberland Line

The report provided Cabinet with an update on progress on the Northumberland Line project and recommended acceptance of the final tranche of government funding which would enable the project to move towards delivery (copy attached to the signed minutes as Appendix H, coloured pink and marked Not for Publication, along with the report of the CSEG OSC circulated at the meeting).

RESOLVED that the recommendation in the report be approved, and the report of the CSEG OSC be noted.

92. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF COMMUNITIES AND BUSINESS DEVELOPMENT

Leisure Review: Extension of Active Northumberland Contract

The report sought approval to extend the existing contract (copy attached to the signed minutes as Appendix I, coloured pink and marked Not for Publication).

RESOLVED that the recommendation in the report be approved.

CHAIR.....

DATE.....