NORTHUMBERLAND COUNTY COUNCIL

At a meeting of Northumberland County Council held at County Hall, Morpeth on Tuesday, 18 February 2014 at 3.00 p.m.

PRESENT

S. Dickinson
(Business Chair of the Council, in the Chair)

COUNCILLORS

OFFICERS

Hedley, P. Assistant Chief Fire Officer
Lally, D. Executive Director - Wellbeing and Community Health
Mason, S. Lead Executive Director – Corporate Resources
Rowland, B. Executive Director – Place
Roll, J. Service Manager: Democracy
Stubbs, K. Committee Services Manager
Thom, A. Chief Legal Officer

64. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Bawn, Dodd, G. Jones, Lindley, Rickerby and Woodman.

65. MINUTES

With regard to Minute No. 55 (8th Report of the Independent Remuneration Panel), Councillor Watkin advised that he had sought reassurance at the meeting that the statutory advertisement notice had been complied with, and felt this should have been reflected in the minutes. The Chief Legal Office confirmed the advice which he had given to members at the time that the statutory notice had been valid.

RESOLVED that the minutes of the meeting of the County Council, held on Wednesday, 4 December 2013 be confirmed as a true record and signed and sealed with the Common Seal of the Council, subject to the above clarification.

66. DISCLOSURES OF MEMBERS’ INTERESTS

Councillor Cartie disclosed a personal interest in relation to the following items:

- Minutes of the Communities and Place Overview and Scrutiny Committee meeting, Minute No. 42 (Commissioning the Council’s Funding for VCS Support Services).
- Minutes of the Audit Committee meeting, Minute No. 34 (Internal Audit report – Community Chest Scheme).
67. **ANNOUNCEMENTS**

The Business Chair reported that the following people, particularly connected with Northumberland, had received honours in HM the Queen New Years’ Honours list:-

**OBE**

Michael John Parker. For services to public transport and voluntary services in the north east of England (Wylam)

Mrs Pamela Mary Waldron. Health and Safety Executive Field Operations, Yorkshire and North East. For services to health and safety in the workplace (Northumberland).

**MBE**

Mrs Jacqueline Axelby. Trustee and non executive director, Azure Charitable Enterprises. For services to young people with special educational needs (Ponteland)

The Reverend Canon Alan Hughes, TD. For services to the community in Berwick upon Tweed (Cornhill on Tweed).

Mrs Margaret Nicholson. For services to education in the north east of England (Newcastle)

Elliott Ward, Chair of Governors, Dame Allan Schools, Newcastle. For services to education and to the community of Newcastle (Corbridge).

68. **QUESTIONS** to be put to the Business Chair, a member of the Policy Board or the Chair of any Committee or Sub-Committee, in accordance with the Constitution’s Rules of Procedure No. 9.

**Question 1 from Councillor A. Tebbutt to the Leader of the Council**

“Councillors Davey and Dickinson have issued written statements to both staff and local councillors indicating that they believe the sale of County Hall and the movement of services to nine different locations across the County would save money and improve service delivery. What is the evidence for such statements given that Councillor Dickinson admits in his letter of 22 January 2014 to Councillor Parker of Morpeth Town Council that no detailed business case has been undertaken?

Can the Leader indicate the location of the 9 proposed sites; whether it is intended to use existing Council properties; the costs of upgrading and refurbishment of those properties and the number of additional staff required to provide a viable decentralised service? When will the Council
produce a comprehensive business plan to include the estimated savings and how they would be achieved?"

The Leader responded that the Council was considering all future office requirements, and part of that review would include the future of all Council owned properties and assets. The current facilities at County Hall were unsustainable and unfit for purpose. The building was inefficient, expensive to run and required major investment to deal with a number of outstanding maintenance issues such as the replacement of lifts, major refurbishment of the roof and new lighting.

Normally new offices were substantially cheaper to operate than older offices, and significantly more energy efficient. Technology and new ways of working reduced the need for office space, and coupled with the financial pressures facing the Council, it could expected to need substantially less central office space. A team was looking at the options and would provide an options appraisal shortly which would enable further decisions to be made.

The team was also looking at the main towns to rationalise the Council’s property holding, reduce running costs and dispose of surplus property. There were opportunities to improve efficiency through the more effective use of the Council’s buildings, and it was important that these efficiencies were realised to protect front line services. Plans for each location would be subject to a business case to support investment in buildings which were retained. The number of proposed sites was still to be decided, and reports in the media of a specific figure were press speculation.

In each case, the initial assumption would be to use existing council buildings wherever possible. New ways of working would enable staff to work effectively from different locations, reducing travel time and increasing productivity. Plans would be brought forward but an initial option appraisal would be completed during the first half of 2014.

Councillor Tebbutt queried why the sale of buildings had not been flagged up in the emerging core strategy and whether any account had been taken of potential contamination of the County Hall site and the associated implications for sale.

The Leader responded that the Government had forced the Authority into its current position and money needed to be found to retain services. Any possibility of pollution would be investigated.

**Question 2 from Councillor G. Sanderson to Councillor I. Switchenbank**

“During the six months up to February 1st 2014, on how many occasions has the NSRI (Northumbria Safer Roads Initiative) deployed mobile speed
detection cameras on the A697 through Northumberland, where were these located, and for what periods of time were they active?"

Councillor Swithenbank advised that from 1st August 2013 to 1st February 2014, the NSRI (Northumbria Safer Roads Initiative) had carried out 9 mobile deployments on the A697 at Millfield. The total time of deployment was 27 hours. The NSRI also had two fixed cameras on the A697 at Longframlington and Longhorsley, and over the same 6 month period usually had one of the two sites live 24 hours a day. He felt it would be useful to also have some data on the number of speeders caught by the cameras.

Councillor Sanderson referred to the mobile camera located at Fairmoor north of Morpeth which had been there at least 18 times in the last six months with no accidents recorded. Given the Council's financial contribution to the mobile cameras, he queried whether representations should be made to have them located at more dangerous locations where they would be of more benefit.

Councillor Swithenbank advised that he had asked the same question of officers, including data on the number of convictions. This was currently being gathered and he was happy to share it with all members. He agreed there was a need to identify where the blackspots were to ensure that cameras were being effectively deployed, and to find out how many speeders were being caught.

**Question 3 from Councillor G. Sanderson to Councillor I. Swithenbank**

“Will the Administration of the Council be doing everything possible to meet the Department of Transport's call for evidence to support the dualling of the A1 north of Newcastle, which will include providing a dossier of economic evidence to the Feasibility Review team in sufficient time to meet the deadline of March 2014?”

Councillor Swithenbank confirmed that the justification for the dualling of the A1 north of Newcastle rested as much with identifying the wider economic benefits to Northumberland and the North East as it did with quantifying the improved journey times and reduced accident rates. Council officers had met with the Highways Agency's consultant in the Autumn of 2013 and again in January 2014 to discuss the Authority's aspirations for the scheme and to share relevant background evidence.

In addition, senior council officers had attended a workshop in Newcastle in January hosted by the DfT and the Highways Agency where the scope of the study was discussed. A key objective of the study was 'To evidence where possible the wider economic impacts from the potential road
infrastructure investment in the A1 corridor.’ and members had stressed to the study team that this objective was critical to a successful outcome.

The Authority would continue to liaise with the Highways Agency and their consultant over the coming weeks to ensure that key data sources relevant to the study were shared for consideration. It did now feel that things were moving to a place where a decision would finally be taken.

Councillor Sanderson welcomed this news and agreed that some progress was being made. He acknowledged the work done to date with the current campaigners to develop all party endorsement.

Question 4 from Councillor G. Sanderson to Councillor A. Hepple

“Given the overwhelming response to the original Issues and Options consultation, has sufficient time been allowed to re-consult upon Renewable Energy and Minerals in the proposed timetable?”

Councillor Hepple advised that there had been a significant level of response to all stages of the core strategy consultation:

- At Issues and Options stage (May 2012) over 12,000 comments were received from almost 1,200 individuals / stakeholders.
- At Preferred Options stage 1 (February 2013) over 4,500 comments were received from over 600 individuals / stakeholders.
- Comments from the last consultation, Preferred Options stage 2 (October 2013) were still being processed. This was already higher than the previous consultations with almost 6,600 comments from almost 1,200 individuals / stakeholders.

The Authority was required to consult for a minimum of 6 weeks on an emerging Local Plan consultation document. At each stage, significantly more engagement had been undertaken than was required by regulations, and feedback sessions with Town and Parish Councils and other groups continued. The next stage of consultation on the full draft plan was not a statutory requirement but had been built in to allow more opportunities for communities and other stakeholders to read the plan as a whole. This would include Renewable Energy and Minerals.

It was anticipated that this consultation would commence late Spring and run for at least 8 weeks, and the same approach taken as with the last consultation. There would be more drop in sessions across the County.

Councillor Sanderson acknowledged the work of officers on consultation events but referred to the huge number of responses received – 2,253 in the last week alone. He questioned whether there could be an effective response given to so many respondents in an 8 week period.
Councillor Hepple was confident that this could be achieved given the ongoing dialogue with town and parish councils and he welcomed this level of input from stakeholders.

The following two questions had been received from Councillor Bawn. However, as Councillor Bawn’s apologies had been submitted, written responses would be provided.

**Question 5 from Councillor D. Bawn to the Leader**

The Leader of the Council has been quoted in the Press as stating that should County Hall be sold and that the site can be used to support the building of 2000 houses. Did the Leader "mis speak" or does he genuinely believe that the site can support 2000 houses and if so, what is the proposed housing density?

What would the effect of this large proposed number of houses be on the Local Plan and Core Strategy? As the Council's Core Strategy consultation is now ended are there any plans to reopen the Consultation on this and/or the Local Plan and what will be the timetable for this process?

**Question 6 from Councillor D. Bawn to the Leader**

Wild figures have been reported in the media regarding the costs and potential savings of such a move. Although it is anticipated that a full feasibility study will be required, to iron out all of the costs and savings, it would be a fair assumption that preliminary figures and valuations must have been undertaken. With this in mind, what would be the estimated net value of the County Hall site if sold for development?

### 69. POLICY BOARD MINUTES

The Leader moved the following minutes of Policy Board:

(i) **Tuesday, 10 December 2013**

(ii) **Tuesday, 17 December 2013**

With regard to Minute No. 63 (Creation of a Combined Authority) Councillor Jackson asked for an update on the position. The Leader advised that discussions were ongoing.

**RESOLVED** that the minutes of the Policy Board meetings held on 10 December and 17 December 2013 be received.
70. COMMITTEE MINUTES

(a) Economic Prosperity and Strategic Services Overview and Scrutiny Committee

These were presented by Councillor Wallace.

RESOLVED that the minutes of the Economic Prosperity and Strategic Services Overview and Scrutiny Committee be received.

(b) Family and Children’s Services Overview and Scrutiny Committee

These were presented by Councillor B. Pidcock.

RESOLVED that the minutes of the Family and Children’s Services Overview and Scrutiny Committee be received.

(c) Care and Wellbeing Overview and Scrutiny Committee

These were presented by Councillor Richards.

RESOLVED that the minutes of the Care and Wellbeing Overview and Scrutiny Committee be received.

(d) Communities and Place Overview and Scrutiny Committee

These were presented by Councillor Lang.

With regard to Minute No. 40 (Current Policing Issues), Councillor Dale asked whether the Police and Crime Commissioner could be invited to address the Communities and Place OSC. The Chair agreed this was a good idea.

RESOLVED that the minutes of the Communities and Place Overview and Scrutiny Committee be received, and the Committee be recommended to invite the Police and Crime Commissioner to attend a future meeting.

(e) Audit Committee

These were presented by Councillor Dale, who drew members’ attention to the findings of the Internal Audit Follow up Report (Section 106 Agreements Monitoring and Enforcement System) and the Internal Audit Report (Community Chest).

Councillor Johnstone advised that Regeneration Working Group were doing a comprehensive review of the S106 agreements process and
would report their findings to Policy Board in due course. Councillor Sanderson welcomed this and suggested that applications currently in the system needed better liaison between Planning and Finance.

Councillor Watkin queried whether planning officers should negotiate S106 agreements as he felt there could be a conflict of interest.

Some comments were expressed by members about the suspension of the community chest funding the previous year. Councillor Dale reminded members that a thorough examination had been done of the processes by internal audit with very few findings.

**RESOLVED** that the minutes of the Audit Committee be received.

(f) **Health and Wellbeing Board**

These were presented by Councillor Dickinson

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

71. **DECISIONS TAKEN BY DIRECTORS**

Delegated Decisions

**RESOLVED** that the decision be received.

72. **REPORT OF THE LEAD EXECUTIVE DIRECTOR – CORPORATE RESOURCES**

**Medium Term Financial Plan and Budget**

The purpose of the report was to agree a medium term financial plan covering the period 2014-2018 and a detailed budget in respect of 2014-15, following recommendations made by the Policy Board at meetings held on 10 December 2013 and 11 February 2014. The draft minutes of the Policy Board meeting of 11 February 2014 were circulated to members before the meeting.

The report had been produced after consideration of feedback received from the Area Committee meetings held on 9, 10 and 11 December 2013, and the Economic Prosperity and Strategic Services Overview and Scrutiny Committee held on 30 January 2014.

Part 2 of the report dealing with the setting of the Council Tax for 2014-15 was circulated to members before the meeting, following confirmation of the Police and Crime Commissioner Precept. Part 2 required the County

Councillor Ledger introduced the report by setting out the challenge facing the Authority in trying to identify £32.5m in savings in the next financial year. The report set out how this would be achieved and how the Administration will deliver on some of its key priorities including improvements to affordable housing, regeneration, local services and free parking where local communities wanted it.

Government policy meant that over the next four years, more than £130m would need to be cut from the Council’s budget, which represented a huge challenge by the Government, in common with other Councils in the North and which was a higher figure than originally expected. This level could increase even further in the long term as many of the projections were based on provisional figures which could still change as a result of future Government decisions.

The Deputy Leader made a number of points in his presentation highlighting:-

- Consultation with the public and town and parish councils at Area Committees and online consultation giving people a chance to have their say on the proposals.
- The reduction in the senior management of the Council from seven posts to three.
- Examination of a range of options on Post-16 transport which would be subject to a separate public consultation exercise. Northumberland was the only Council which funded it in this way, and the ultimate aim must be to encourage and enable students to study at their local establishment in Northumberland.
- Proposed reductions to the youth service would be looked at again to determine whether the savings target could be achieved in a different way, and would include a more specific consultation with young people. Additionally, funding would be found from within existing budgets to maintain Children Centres.
- Creative ways of operating more effectively and efficiently were being investigated. All Council assets would be looked at as a way of driving down running costs or contributing to economic growth.
- A review into the use of assets and property had begun. The possibility of redeveloping County Hall and moving the authority’s workforce to a number of town centre locations was being investigated.

The Deputy Leader asked members to endorse the recommendations and approve the final budget report set out in both Part 1 and Part 2. This
was seconded by the Leader.

The debate on the budget included the following points from members:

- Councillor Jackson felt that the Authority was out of step with others in the north east in its proposed level of council tax increase and in turning down the council tax freeze grant. His Group did support efficiencies in running the organisation, free parking and the Council house building programme, but he expressed concern about other budget proposals which contradicted the Corporate Plan such as the proposals for post 16 transport which would discriminate against families in the north and west of the County, the cuts in funding to the youth service, children’s centres and the leisure service, the addition of £850,000 to the facilities management budget instead of addressing the number of empty and unused properties across the County. He disagreed with the practice of automatic pay increments when the Authority was not paying the living wage to those at the lower end of the salary scale, and with the proposal to borrow money for capital schemes which the Authority could ill afford.

- Councillor J. Reid commented that his Group could not support a budget which would increase Council Tax when, in his view, the government grant should have been accepted. Regarding recommendation 6, he repeated his previous comments that the decision on council tax support funding for 2014-15 had been left as a decision for the present Administration. The proposed budget did not show how the savings would be achieved; the virement of underspends between budgets and use of reserves would not achieve the savings necessary and a change in government was unlikely to alter the financial situation.

- Councillor Kelly commented that two practices needed to be corrected; the acceptance of the council tax freeze grant had shrunk the council tax base and should not be continued, and the policy to fund post 16 transport had damaged the financial viability of every high school in Northumberland. On the whole, he felt the budget was fair and its amendment as a result of public consultation demonstrated a more considered approach. Cuts proposed were fair and necessary.

- Councillor L. Pidcock drew members’ attention to the requirements of the equality impact assessments which had been carried out, and commended the Council for its thorough review of its duties in this respect.

- Councillor Castle sought reassurance that £200,000 allocated by Alnwick District Council for infrastructure support and playing fields at the new High School at Alnwick was still in existence.
Councillor Hepple commented that 34% of Councils raising their Council Tax were Conservative controlled, including several in Conservative Ministers’ constituencies.

With regard to the Leisure Review Savings detailed on page 111, Councillor Sanderson referred to his query at Scrutiny about what implications the planned savings would have on the service, and repeated his request to see the review report. He also queried how Councillor Kelly could support the budget when he did not know its effect. Councillor Dickinson advised that that information should have been emailed out to Councillor Sanderson that morning.

Councillor Tebbutt felt that the Administration had started late with this budget and was taking the wrong approach with post 16 transport. Funding such transport provided educational opportunities for NEET youngsters and kept them off the streets. A previous Labour administration had introduced charges in the past with the result that take up of further education in the County had plummeted. He urged the Administration to produce its poverty strategy which had been promised for some time, and to stop the proposal for free parking in order to retain £2m income.

Councillor Burt supported what she felt was a fair budget, modified as a result of consultation. Cuts which had to be made were as a result of reductions in government grant, and she felt the government was using the grant system to penalise deprived areas of the County.

Councillor Dale commented that members needed to work together to get the best services for the people of Northumberland. With reference to the subsidised bus services review, she asked that all rural members be included in this as it also affected them.

Councillor Dungworth commented that much had been achieved in the last 8 months and she urged members to support the budget as it was the only one before them. She did not agree with the call to support acceptance of the Council Tax freeze grant when this would reduce the Council’s ability to deliver services and was not a good long term strategy. Everyone wanted to pay less but still have better services, and that was why members were elected to take tough decisions.

Councillor Arckless assured members that genuine reviews would be carried out on the services indicated. A balanced budget had to be achieved whilst still delivering as much as possible in front line services, and it was hoped that planned restructures would make front line services less vulnerable in the future.

Councillor Swithenbank refuted any claim that the car parking resolution was being imposed on anyone. The situation had been unfair for years, and he was keen that all areas be treated equally. As regards post 16 transport charges, he advised that the Authority would work with High Schools and Northumberland College to get
youngsters back into education within the County. Funding post 16 transport had already cost the Authority £7m and would continue at this level if the situation was not changed. A significant amount from the Authority’s budget was being spent in other Authorities’ schools and this could not be maintained.

- Councillor Watkin feared that pupils would quit courses if their support was withdrawn, and by agreeing to the budget in front of them, members would in effect be endorsing the removal of this support before any review was completed. 2,000 students had been lost during the 4 years when charges were introduced previously, and he queried how the charges would be calculated.

In response to some of the comments made, the Leader advised that the proposed Council Tax was not one of the highest in the country, but was in fact well below the average on Band D, and average as a whole. He reminded members of some of the things which had been achieved since May 2013 – 806 building starts, 312 affordable homes, 150 Council houses, a higher than national fall in unemployment in the County, health trust investment and a reduction in the number of potholes from 35,200 to 12,213. He advised members of an amendment to the budget proposals to move £600,000 from the insurance fund to road maintenance to ensure that the backlog of remaining potholes was eliminated by June. In response to some concerns expressed, he reassured members that funding would remain in services until any reviews had taken place and he commended the budget proposals, as amended above, to members.

Members then received legal advice on the requirements of the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, which came into effect on 25 February 2014. These made it mandatory for Councils to amend their standing orders to include provisions requiring recorded votes at budget meetings. However, the Administration was minded to adopt the spirit of the Regulations early for the purposes of today’s budget meeting.

On the amended recommendations being put to the vote, there voted as follows:

**FOR: 36** as follows:

| G.R. Arckless     | P. Kelly |
| S.C. Bridgett     | J.A. Lang |
| E. Burt           | D. Ledger |
| D. Campbell       | K. Nisbet |
| E. Cartie         | K. Parry  |
| P.A.M. Dale       | B. Pidcock |
| J.G. Davey        | L. Pidcock |
AGAINST: 25 as follows:-

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ABSTENTIONS: 0

It was therefore **RESOLVED** that:-

**Part 1 of the report**

(a) the revised Medium Term Financial Plan covering the period 2014-2018 detailed within Appendix 1; including the requirement to deliver budget reduction measures equating to £32.5 million in 2014-15 and £130 million over the period 2014-2018 be approved;

(b) the use of £0.75 million of the Collection Fund surplus for 2014-15 be approved;

(c) the Council Tax Freeze Grant for 2014-15 not be accepted;

(d) Council Tax be increased by 1.92 per cent; the Council’s element
equating to 1.98 per cent. This would mean that Band D equates to £1,399.61 for the Council element and £1,399.77 including special expenses;

(e) the implementation of the Council’s Localisation of Council Tax Support Scheme be approved as detailed within Appendix 2 and the subsequent revisions to associated policies (also detailed at Appendix 2) relating to:

- council tax discounts policy
- corporate debt recovery policy
- discretionary housing payment policy
- revenues rate relief policy (including rural settlement list)
- war widows and armed forces compensation disregard policy
- the benefits fraud prosecution and sanction policy
- local housing allowance safeguard policy
- housing and council tax benefit anti-fraud policy and statement
- code of conduct for investigators
- code of practice for authorised officers
- caravans and chalets policy
- local welfare assistance policy.

(f) the decision taken by the Executive on 7 January 2013, (due to the increased financial pressures imposed by the Government) not to share the Council Tax Support funding with Town/Parish Councils for 2014-15 be noted;

(g) the receipt of the New Homes Bonus estimated at £3.9 million be noted;

(h) the increase in formula funding of £1.2 million in 2014-14 following the Provisional Settlement in comparison with the Medium Term Financial Plan contained within the Policy Board report of 10 December 2013; and additional cost pressures of £1.0 million for pension deficit costs, support to schools, carbon reduction scheme and contribution to NELEP, be noted;

(i) the continuation of the cash limited approach in line with the Medium
Term Plan 2012-2016 agreed in February 2012 for the financial year 2014-15, and the Group cash limit 2014-15 contained within Appendix 3 (shown in the format of the structure prior to 1 January 2014) be noted;

(j) corporate funding be approved in respect of:
- Car Parking loss of income £2,134,560
- School Improvement £250,000
- Community Chest £79,040 (£39,520 for 2 years);

(k) the inflation funding schedule highlighted within Appendix 4 be approved;

(l) the schedule of budget reduction measures highlighted in Appendix 5 be approved;

(m) the Summary of the Reserves contained within Appendix 6 be noted;

(n) the Housing Revenue Account (HRA) 2014-15 budget be approved and the indicative 30 year HRA business plan as detailed within Appendix 7 be noted;

(o) rents for Council tenants be set on the basis of the Government’s rent “convergence model”, as used in calculating the Housing Revenue Account Settlement, which will mean an average increase in rent of 6.74 per cent;

(p) the debt cap in respect of housing of £107.3 million be noted, which will allow investment of £8.4 million over the Medium Term Plan in social housing;

(q) the revised Capital Programme as detailed within Appendix 8 be approved;

(r) the recommendation of the Members’ Capital Working Group to allow Members to aggregate the Members’ Small Schemes capital monies over the term of the administration be approved;

(s) the recommendation of the Members’ Capital Working Group to allow in exceptional circumstances Members’ Small Schemes Capital monies to be exchanged for revenue be approved. Cases:
• Will be agreed on a scheme by scheme basis; and,
• would require the approval of the Deputy Leader and the Lead Executive Director – Corporate Resources; and,
• would only be permissible if there was sufficient revenue funding available; and,
• must not exceed £25,000 in aggregate in any one financial year.

(t) the Prudential Indicators based on the proposed Capital Programme as detailed within Appendix 9 be approved;

(u) the Minimum Debt Provision Policy as detailed in Appendix 10 be approved;

(v) the proposed Treasury Management Strategy included as Appendix 11 be approved;

(w) work be commenced early in the 2014-15 financial year to develop the budget reduction strategy for financial year 2015-16;

(x) the Equality Impact Assessment and the overall effect on the budget attached as Appendix 12 be noted, and the budget proposals be confirmed;

(y) the Pay Policy Statement for 2014-15 shown as Appendix 13 be approved and the Equality Impact Assessment shown as Appendix 14 be noted;

(z) the Equality Impact Assessment for Home Care Charges and the overall effect on the budget attached as Appendix 15 be noted; and

(aa) £600,000 be transferred from the insurance fund to road maintenance to address the remaining potholes, and existing funding remain in the following service areas until reviews have been completed:

• Post 16 transport
• Children’s centres
• Youth services
• Employability and skills

Part 2 of the report
(a) the Council Tax Requirement for the Council’s own purposes for 2014-15 (excluding Parish precepts) be calculated as £135,500,587;

(b) the following amounts be calculated for 2014-15 in accordance with Sections 31 to 36 of the Act:

i) Being the aggregate amount of gross expenditure which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils: £733,488,936

ii) Being the aggregate of the gross income which the Council estimates for the items set out in Section 31A(3) of the Act: £590,957,130

iii) Being the amount by which the aggregate at (b) i) above exceeds the aggregate at (b) ii) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act) (including Parish precepts): £142,531,806

iv) Being the amount at (b) iii) above (Item R), all divided by Item T, above, calculated by the Council, in accordance with Section 31B of the Act as the basic amount of its Council Tax at Band for the year (including Parish precepts): £1,472.41

v) Being the aggregate amount of all special items referred to in Section 34 (1) of the Act (total all Parish precepts): £7,046,945

vi) Being the amount at (b) iv) above less the result given by dividing the amount at (b) v) above by Item T, above, calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax at Band D for the year for dwellings in those parts of its area to which no Parish precept relates: £1,399.61;

(c) the Council Tax for 2014-15, excluding the Police Precept, be increased by 1.98%, equating to a charge per Band D household of £1,399.61 (Band A - £933.07), excluding special expenses. Therefore, the County Council is not eligible for the Council Tax Freeze Grant. As a result of this increase and the recommendation not to accept the Government’s grant funding alternative, the Council Tax for Northumberland will be set at £1,399.61 (excluding
special expenses) for 2014-15. The relevant valuation bands are as follows:

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</table>

(d) under Section 52ZB of the Local Government Finance Act 1992, the Council’s basic amount of Council Tax for 2014-15 is not excessive in accordance with principles approved under Section 52ZC(1) of the Act.

(i.e. the proposed Council Tax increase for 2014-15 means that the Council does not need to hold a referendum on its proposed council tax. The regulations set out in Section 52ZC of the Act requires all billing authorities (council and precept authorities (i.e. Fire and Police authorities)) to hold a referendum on their proposed level of basic Council Tax each year if they exceed government guidelines which are set out annually. For 2014-15 the guideline increase is 2.0%.

As the Council is proposing a Council Tax increase of 1.92% (including special expenses) for 2014-15 then the above regulations have no impact for 2014-15.

(e) the matters listed in Appendix 1 to the report be identified as special expenses, and all other matters which might otherwise be considered to be special expenses under the prevailing legislation are deemed to be general expenses;

(f) the Council Tax Leaflet continue to be made available via the Council’s website rather than enclosed with Council Tax bills which reflects a relaxation of the rules, and, due to timings, the final document be delegated to and finalised by the Lead Executive Director – Corporate Resources;

(g) the Northumberland Police Authority Precept of £8,384,024 be noted. The Police and Crime Commissioner has agreed the
recommended level of precept of £8,384,024 for 2014-15; the resulting valuation bands will be as follows (no change from 2013-14 bands):

<table>
<thead>
<tr>
<th>Valuation Band</th>
<th>Northumbria Police Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>57.74</td>
</tr>
<tr>
<td>B</td>
<td>67.36</td>
</tr>
<tr>
<td>C</td>
<td>76.99</td>
</tr>
<tr>
<td>D</td>
<td>86.61</td>
</tr>
<tr>
<td>E</td>
<td>105.86</td>
</tr>
<tr>
<td>F</td>
<td>125.10</td>
</tr>
<tr>
<td>G</td>
<td>144.35</td>
</tr>
<tr>
<td>H</td>
<td>173.22</td>
</tr>
</tbody>
</table>

This will result in an increase of 6.18% across all NCC bandings shown in paragraph 1c above (excluding parishes);

(h) it be noted that the total amount of parish precepts requested is £7,031,219, as referred to in paragraph 6 and detailed in Appendix 2. This represents an increase of £1,943,594 when compared to 2013-14. This increase relates to local councils establishing meaningful and sustainable partnership agreements with the Council to deliver enhanced environmental services and in addition minor increases across many of the other parishes; and

(i) the total amount of special expenses (Appendix 1) equating to £15,725.50, compared to £87,218 in 2013-14, be noted. The reduction relates to Choppington special expenses ceasing.

73. FEEDBACK ON STATE OF THE AREA DEBATE

Council was asked to receive feedback from the state of the area debates conducted at the three Area Committees and conclude the debate for the County as a whole.

Councillor J. Reid expressed concern that this matter was not being given more detailed consideration.

RESOLVED that the report be noted.
74. REPORT OF THE LEAD EXECUTIVE DIRECTOR – CORPORATE RESOURCES

Community Governance Review

Council was asked to consider the outcome of a Community Governance Review in the County.

RESOLVED that the outcome of the community governance review be noted and the status quo be retained.

75. 2014-15 TIMETABLE OF MEETINGS

Council was asked to approve a timetable of meetings for the Council and its Committees for 2014/15.

A number of comments were made by members including:

- Councillor J. Reid queried why there had been a reduction in Council meetings for the forthcoming year from 10 to 8, when Council policy was to have 10, with no explanation given.
- Councillor Cairns queried the decision to move North Area Committee from Monday to Thursday evenings and the effect that would have on town and parish council meetings. Parish Councils had already changed dates to accommodate Area Committee meetings and there had been no member discussion on the proposal. Councillor Bridgett advised that this had been raised by members and many town and parish councils also met on a Monday evening.
- Councillor Watkin commented that North Area Planning met on a Thursday evening and they often had additional meetings.
- Councillor Sanderson commented that the proposal for North Area Committee had been discussed previously at Constitution Working Group who felt it should not be agreed with without prior consideration by the members of the Area Committee. Those members should now have the opportunity to discuss it.
- The Leader commented that the agenda papers for Council had been out since the previous week and no member had come forward with any concerns.
- Councillor Watson commented that North Area Committee had met on a Monday for a number of years and the Chair’s role was to represent the people on his Committee.

Councillor Dickinson suggested that the matter be discussed further at North Area Committee.
**RESOLVED** that the timetable of meetings for 2014-15 be agreed subject to:-

(a) the exception of North Area Committee dates – these to be considered at North Area Committee and a recommendation made to Council in April; and

(b) further consideration of the number of full Council meetings at Council in April.

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

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Chairman of the County Council

...............................................................
Duly Authorised Officer