

NORTHUMBERLAND COUNTY COUNCIL

CORPORATE SERVICES AND ECONOMIC GROWTH OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the **Corporate Services and Economic Growth Overview and Scrutiny Committee (at which all Overview and Scrutiny Committee Members were invited to attend)** held in Committee Room 1, County Hall, Morpeth on Thursday, 1 February 2018 at 1.30 p.m.

PRESENT

Councillor D. Bawn
(Chairman, in the Chair)

COUNCILLORS

Armstrong, E.
Beynon, J.
Campbell, D.
Castle, G.
Cessford, T.
Dunbar, C.
Dunn, E.
Foster, J.
Gallacher, B.
Grimshaw, L.
Lang, J.

Moore, R.
Parry, K.
Reid, J.
Richard, M.
Robinson, M.
Roughead, G.
Simpson, E.
Stewart, G.
Stow, K.
Swithenbank, I.C.F.
Wallace, R.

PORTFOLIO HOLDERS

Jackson, P.
Jones, V.
Homer, C.
Oliver, N.
Riddle, J.
Sanderson, H.G.H
Dodd, R.

Leader of the Council
Adult Wellbeing and Health
Culture, Arts and Leisure
Corporate Services and Cabinet Secretary
Planning, Housing and Resilience
Environment and Local Services
Business Chair

ALSO IN ATTENDANCE

A. Dale
I. Hutchinson
D. Towns
A. Elsdon
A. Ward
S. Nicholson

Councillor
Councillor
Councillor
Service Director: Finance
Communications
Scrutiny Co-ordinator

49. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors E. Cartie, R. Gibson, C. Horncastle, D. Ledger, W. Pattison, G. Renner-Thompson, C. Seymour, M. Swinburn and T. Wilson.

50. SCRUTINY OF CABINET REPORTS

Members were advised that the following report would be considered by the Cabinet on 13 February 2018. Members of the OSCs were asked to comment on the proposals contained in the report. Those comments would then be presented to the Cabinet by the Chairman.

Medium Term Financial Plan 2018-22 and Budget 2018-19

The purpose of this report was to enable the **Cabinet** to make formal budget recommendations to the County Council.

The report provided the Medium Term Financial Plan 2018-22 and Budget for 2018-19, following the Government's Autumn Budget of 22 November 2017 and the publication of the provisional Local Government Finance Settlement on 19 December 2017.

Members were advised that it was important to note that there may need to be some revisions to the figures following receipt of the Government's February 2018 final Local Government Finance Settlement figures. It was proposed that any changes to the figures as a result of this announcement, which impacted on the 2018-19 budget and 2018-22 Medium Term Financial Plan was delegated to the Director of Finance in consultation with the Portfolio Holder for Corporate Services. Members were further advised that the report to Cabinet may be amended to reflect any other changes as they became apparent.

Following an introduction to the report from Councillor Oliver and a detailed presentation from the Service Director: Finance, members were invited to comment on the proposals. The main issues raised included:

- reference was made to the proposed efficiency savings in Neighbourhood Services and the impact that may have on the provision of existing services. Members were advised that Town and Parish Councils would be consulted on the Service Level Agreements that they had with the Council to agree a workable arrangement that would ensure a satisfactory level of service;
- members were assured that proposed housing rent increases would be based on the percentage of the current house value. There were no plans to review those valuations. It was further anticipated that the proposed devolution deal would accelerate the delivery of housing by working with a range of partners and through community led projects;
- the schedule of efficiencies referred to a number of reviews and concern was expressed that in previous years, such reviews had not realised the

promised savings. Members were advised that many of the reviews were put forward by officers that they believed to be genuinely achievable;

- concern was expressed that the new level of debt would exceed £1bn. Members were advised that the proposals would replace the budget agreed by the previous Administration which would have created a debt liability of £1.5bn. The Council debt was managed through a package of short and long term borrowing, ensuring that loans would mature at different times. The Administration believed that the new proposals were relatively modest and affordable;
- in respect of loans to external bodies, concern was expressed at the level of delegation being authorised to the S151 Officer/Chief Executive in consultation with the Leader of the Council. The Leader confirmed that the level of delegation had been significantly reduced from previous years, but that he was content that this Overview and Scrutiny Committee received an annual report to include details of any approved delegated decisions within the terms of the Medium Term Capital Plan to ensure transparency, and
- in respect of the Section 106 Reserve, members were advised that the Administration would be more robust in collecting revenue from developers. Infrastructure plans were being prepared so that collected monies could be allocated to new projects.

In addition, clarification would be provided to members on the value of the 1% funding from the Schools Block referred to in paragraph 73 (School Funding).

A member also highlighted reference in the Capital Programme to the Newcastle Northumberland Rail Line and expressed disappointment that members had not be consulted on the change of name from the “Ashington - Blyth - Tyne Line”. Members were advised that the new name better reflected the area it would serve which would include Bedlington, Seaton Valley and Newcastle.

RESOLVED that the comments raised by members, as set out above, be presented to the Cabinet.

Chairman _____

Date _____