

NORTHUMBERLAND COUNTY COUNCIL

At a meeting of the **Northumberland County Council** held at County Hall, Morpeth on Wednesday, 22 February 2017 at 3.00 pm.

PRESENT

Councillor S.J. Dickinson
(Business Chair, in the Chair)

MEMBERS

Arckless, G.R.	Kelly, P.
Armstrong, E.	Kennedy, D.
Bawn, D.	Lang, J.A.
Bridgett, S.C.	Ledger, D.
Burt, E.	Murray, A.H.
Cairns, H.	Nisbet, K.
Cairns, K.	Parry, K.
Campbell, D.	Pidcock, B.
Cartie, E.	Pidcock, L.
Castle, G.	Purvis, M.A.
Dale, P.A.M.	Reid, A.W.
Daley, W.	Reid, J.
Davey, J.G.	Richards, M.E.
Davey, S.	Rickerby, L.J.
Dodd, R.R.	Riddle, J.R.
Dungworth, S.	Robson, T.
Flux, B.	Sambrook, A.G.
Foster, J.D.	Sharp, A.
Gallacher, B.	Simpson, E.
Gibson, R.	Smith, J.E.
Gobin, J.J.	Swithenbank, I.C.F.
Grimshaw, L.	Tebbutt, A.
Hepple, A.	Tyler, V.
Homer, C.	Wallace, A.
Hunter, E.I.	Watkin, R.J.D.
Hutchinson, J.I.	Watson, J.G.
Jackson, P.A.	Webb, G.
Johnstone, T.	Wilson, T.S.
Jones, G.W.	Woodman, J.
Jones, V.	

OFFICERS

Elsdon, A. Hadfield, K.	Director of Corporate Resources Committee Services and Scrutiny Manager
Henry, L. Jones, P.	Legal Services Manager Director of Local Services and Housing Delivery
Mason, S. Roll, J.	Chief Executive Democratic Services Manager

Around 25 members of the press and public were in attendance

71. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Douglas, Graham, Lindley, Sanderson and Thorne.

72. MINUTES

RESOLVED that the minutes of the meeting of the County Council held on Wednesday, 6 December 2016 be signed by the Chair and sealed with the Common Seal of the Council.

73. DISCLOSURES OF INTEREST

Councillor Dodd declared an interest in Minute No.39 of the minutes of Care and Wellbeing OSC meeting of 29 November 2016 (Ambulance Handovers and Patient Flow at the Northumbria Hospital, Cramlington) as a governor of the NEAS Foundation Trust. He also referred to Minute No.5 of the minutes of the Audit Committee meeting of 30 November 2016, identifying himself as the member investigated.

Councillor Sharp declared an interest in relation to item 8(j) on the agenda (Standards Committee minutes) as Chair of Haltwhistle Town Council.

Councillor Watkin advised that, as a director Berwick Rangers Football Club, if there was any discussion of this matter during consideration of the budget he would declare a personal interest and leave if necessary.

In respect of item 10(3) on the agenda (Potential Loan to Northumbria Calvert Trust), Councillor Dale declared an interest as the Council's representative on Kielder Water, which was a partner of the Calvert Trust.

In respect of this item, Councillor Riddle advised that he was the local member and a member of Kielder Partnership Board but felt there was no interest to declare.

With regard to Motion No.1, Councillor Kennedy declared an interest as a member of HMRC and advised that he would leave the chamber whilst the motion was considered.

74. ANNOUNCEMENTS

The Business Chair offered congratulations to Councillor Robert Arckless on his award of the MBE in HM the Queen's New Years Honours List, and to former Chief Fire Officer Alex Bennett on his award of the Queen's Fire Service Medal for Distinguished Service.

He also reminded members about the Civic Head's Charity Ceilidh night to be held on 3 March 2017 at Linton Village Hall.

75. QUESTIONS FROM MEMBERS

Question 1 from Councillor A. Murray to the Leader

County Council has two areas of land in Wooler now advertised for sale. Both of these areas were used in the education of the young people in the area but progress has overtaken their past use.

Our community is now in a situation where there is a pressing need to provide an extension to our burial ground, to extend our forest school attached to our very successful Middle and First School and to provide a new center for our Scouts, Cubs and Brownies who have outgrown their present meeting place.

The ideal solution would have been and would still be a transfer of land from one site which is adjacent to our present burial ground for a future burial ground and a transfer of land and buildings from the other site which is adjacent to our present school for the benefit of our young people.

As a community we are prepared to put in whatever practical work is necessary to carry out these projects but help is needed to meet the initial capital costs.

Would County Council be willing to donate part of the land or part of the proceeds of this sale of ex Glendale Community land to facilitate Glendale Community benefit in the future?

Response

The County Council is required to ensure that it obtains best value from the disposal of surplus land. The Council has always pooled capital receipts from

land disposal and applied this to the agreed capital programme set by County Council as part of the medium term financial plan. The Council is currently using capital receipts to support the Market Towns Initiative, which is a priority for the current administration.

The issues raised are probably best dealt with at Town/Parish Council level as they reflect local priorities rather than the County wide strategic priorities currently being supported by the administration.

Ward Councillors are also able to support projects of particular importance to their communities by using funds from their "small schemes" budget.

Supplementary

Councillor Murray did not agree, adding that he had only a very small amount of money left in his small schemes budget. He asked how much was likely to be raised from the sale of these two assets and how much had the Council invested in non-statutory items in Wooler. The Leader advised that he would respond to Councillor Murray in writing.

Question 2 from Councillor P. Jackson to the Leader

Could you inform the Council of the total cost, including all associated overheads, of the following items of County Council expenditure over the last six months up to the current date and provide the comparable expenditure on these items in the same period during the prior year?

1. The advertising including the Council Leader on the Fire Service vehicles
2. The advertising including the Council Leader on the Council's refuse vehicles
3. The total cost of the Council's advertising in newspapers including the whole page "promoted by" sections in the local newspapers.
4. The total cost of advertising undertaken by Active Northumberland
5. The total cost of advertising undertaken by ARCH.

Response

1. The advertising including the Council Leader on the Fire Service vehicles - Last six months £3,000. Zero for previous year
2. The advertising including the Council Leader on the Council's refuse vehicles - Last six months £8,000. Zero for previous year
3. The total cost of the Council's advertising in newspapers including the whole page "promoted by" sections in the local newspapers - Last six months £27,186. Previous year comparison £13,372.

The images on fire appliances and a range of other Council vehicles are

commercially designed to promote that advertising space is available for hire on Council vehicles as well as the achievements and work of Northumberland County Council. It is an area which the last independent Peer Review of the authority, carried out by the Local Government Association led by Conservative Lead Peer, Cllr Baroness Scott of Bybrook, highlighted the Council fell somewhat short in, although the Review was otherwise generally a very positive one about the performance of the Council. It is considered that these images keep residents informed and involved about our drive to revitalise Northumberland's market towns by returning jobs and frontline services to where local people want them. It's surprising that your Group have asked these questions since the current Conservative Lead Peer for the Local Government Association is the Deputy Leader of the Conservative Group on Northumberland County Council, Cllr Glen Sanderson, who is in charge of all visits to Councils nationally to promote and drive improvements through the Peer Challenge system.

They are part of the Council's commitment to open government and are displayed on a range of vehicles across the county.

They are also part of the Council's Communications Strategy. The inclusion within this promotional material of images of the Leader and Deputy Leader of the Council are designed to attempt to "humanise" the public profile of the authority. All too often public sector organisations of the size and scope of the Council are accused of being faceless and much too remote from the communities which they serve.

It would seem perfectly legitimate then for the authority to seek to identify to the public the most senior councillors of the Council, who together with their colleagues on the Council's Cabinet, are responsible for many of the most important decisions taken by the Council, and do so in a positive manner, which also assists the development of those much valued principles of transparency and accountability.

The newspaper advertising costs are not restricted to the communications department and include adverts taken out by departments including the Family Placement Team and the Fire and Rescue Service. The 2016/17 figure is also higher due to advertising related to the highly successful North Sea Tall Ships Regatta and the Council's joint sponsorship of this year's Journal Culture Awards.

4. The total cost of advertising undertaken by Active Northumberland - £106,562 for the Join for a Coin campaign

5. The total cost of advertising undertaken by ARCH:

August 2015-January 2016 £33,664

August 2016-January 2017 £61,788

The Arch expenditure excludes the following items:
Sponsorship of events

Event Costs – Hosts
Inward Investment activities
Tall ships
Website Costs
Banner stands

The Arch figures do include:
General Adverts in press
Site signage
Costs of Hoardings at various sites (but just cost incurred in requested periods)

Supplementary

Councillor Jackson referred to the increase in expenditure in the last six months which he felt was bringing the Council into disrepute. He asked whether the Leader felt such expenditure was stretching the rules on the use of Council resources. The Leader responded that this was not the case.

Question Three from Councillor R. Dodd to the Leader

Can we have an update on the felled trees on the County Hall site, will the Forestry Commission look into this, and who would pay any resulting fine?

Response

The County Council has recently cleared some bushes and trees from the County Hall site. This includes work undertaken in the inner quadrant areas, where the trees had become overgrown and were blocking light into the building, as well as an area to the front of County Hall which covers the footprint of the proposed new £5.7m Morpeth First School.

The works to the front of County Hall were undertaken ahead of a planning decision in March for the proposed new Morpeth First School, as by doing some preparatory work now it would allow the scheme to progress more quickly if the proposals are given the green light, by removing those trees within the footprint of the proposed school buildings before birds come to nest in the spring. Any delays caused by nesting birds would adversely impact on both the timing and cost of developing the proposed new first school and risk disrupting the education of the pupils if they had to relocate to their new school mid-way through the academic year.

Subject to planning permission, the new school is expected to open its doors in late 2018 and the landscaping scheme for the school seeks to retain as many of the existing trees as possible. This includes keeping most of the existing tree lined-avenue to create an attractive pedestrian route to the new school entrance, as well as some additional tree planting on the site.

The legal advice that we received is that the work done on the trees in both the quadrants and the area of open space to the front of County Hall is exempt from the requirement of a felling licence. It should also be noted that none of the trees had any Tree Preservation Orders on them and therefore the Council was acting within its rights as a landowner to undertake the management of trees on its land.

I can confirm that Forestry Commission officers have visited the site to investigate whether there has been a breach of regulations. It would not be appropriate to prejudge the outcome of their investigation.

However, I would like to point out that in addition to retaining as many of the existing trees as possible, additional tree 're-stocking' will take place as part of the landscaping works for the proposed redevelopment of the County Hall site; and over and above this as part of our on-going commitment to keeping Northumberland 'clean and green' we also intend to enhance the visual appearance and amenity value of the green spaces along the key gateway routes into Morpeth through some tree re-stocking activity over the next few months.

Supplementary

Councillor Dodd asked whether the Council, as the responsible Authority, would apologise to those who were required to abide by the rules and submit plans for tree work. The Leader responded that there was nothing to apologise for. The work carried out was part of site preparations for the development of the new school.

76. CABINET MINUTES

The Leader moved, duly seconded, the following minutes of Cabinet:

- (i) Tuesday, 6 December 2016**
- (ii) Tuesday 10 January 2017**
- (iii) Thursday 19 January 2017**
- (iv) Tuesday 7 February 2017**

and asked members to approve the following resolutions as they involved budget or policy framework matters requiring Council approval:-

- (i) Minute No. 59 of the 10 January 2017 meeting relating to the report of the Family and Children's Services OSC on funding for the Safeguarding Board.**

(ii) Minute No. 73 of the 7 February meeting 2017 relating to the membership and terms of reference of the Corporate Parenting Cabinet Advisory Group.

With regard to Minute No. 45(1) of the 6 December 2016 meeting, Councillor Dale referred to statements made on the Morpeth and Wansbeck Conservatives website regarding her personal position, Broomley First School and the effects of the national schools funding formula which were incorrect. She sought an apology from Councillor Jackson, who had been quoted.

Councillor Jackson responded that he had taken the figures quoted from the DfE consultation papers and he was not aware of Councillor Dale's change in circumstances.

With regard to Minute No. 72(1) of the 7 February 2017 meeting, Councillor Dale advised that the stress test which Councillor Jackson requested be carried out had already been sent to him.

With regard to Minute No. 57 of the 10 January 2017 meeting (State of Northumberland and Corporate Plan Progress), Councillor Hunter welcomed the roll out of superfast broadband but advised that two cabinets in Berwick were not being upgraded until December 2017, which was affecting businesses in the town. Councillor Ledger advised that he would pursue this.

With regard to Minute No. 55 (2) of the 10 January 2017 meeting (Commuted Sum (S106 Agreements) Developer Fund for Affordable Housing Protocol), Councillor Riddle expressed disappointment that there had been no reference within the Cabinet minutes to the strong views from OSC regarding the involvement of the local member and the recommendation that the Evaluation Panel should be cross party.

RESOLVED that:-

(a) the following minutes be received:-

- (i) Tuesday, 6 December 2016
- (ii) Tuesday 10 January 2017
- (iii) Thursday 19 January 2017
- (iv) Tuesday 7 February 2017

(b) the following resolutions be approved as they involve budget or policy framework matters:-

- (i) Minute No. 59 of the 10 January 2017 meeting relating to the report of the Family and Children's Services OSC on funding for the Safeguarding Board.
- (ii) Minute No. 73 of the 7 February meeting 2017 relating to the membership and terms of reference of the Corporate Parenting Cabinet Advisory Group.

77. COMMITTEE MINUTES

(a) Economic Growth and Strategic Transport OSC

These were presented by Councillor Sambrook.

RESOLVED that the minutes of the Economic Growth and Strategic Transport OSC be received.

(b) Family and Children's Services OSC

These were presented by Councillor Gallacher.

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

(c) Communities and Local Services OSC

These were presented by Councillor B. Pidcock.

With regard to Minute No. 42 (Progress on Green Energy), Councillor Dodd commented that this was something both himself and Councillor Veronica Jones had been championing for some time, adding that the possibility of generating income from wood was a valid proposal.

RESOLVED that the minutes of the Communities and Local Services OSC be received.

(d) Care and Wellbeing OSC

These were presented by Councillor Wallace.

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

(e) Corporate Performance OSC

These were presented by Councillor K. Cairns.

RESOLVED that the minutes of the Corporate Performance OSC be received.

(f) Arts, Leisure and Culture OSC

These were presented by Councillor Johnstone.

RESOLVED that the minutes of the Arts, Leisure and Culture OSC be received.

(g) Corporate Resources and Regional Affairs OSC

These were presented by Councillor Purvis.

RESOLVED that the minutes of the Corporate Resources and Regional Affairs OSC be received.

(h) Health and Wellbeing Board

These were presented by Councillor Dungworth.

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

(i) Audit Committee

These were presented by Councillor Dale.

RESOLVED that the minutes of the Audit Committee be received.

(j) Standards Committee

These were presented by Councillor Burt.

RESOLVED that the minutes of the Standards Committee be received.

78. NOTICES OF MOTION

Motion No.1

In accordance with Council Rules of Procedure No.10, Councillor B. Pidcock moved the following motion, received by the Democratic Services Manager on 6 January 2017:-

This Council notes that:

- corporate tax evasion and avoidance are having a damaging impact on the world's poorest countries, to such a level that it is costing them far more than they receive in aid*
- this is costing the UK as much as £30bn a year*
- this practice also has a negative effect on small and medium-sized companies who pay more tax proportionately.*

This Council further notes that the UK Government has taken steps to tackle the issue of tax avoidance and evasion by issuing Procurement Policy Note

03/14 (PPN 03/14). This applies to all central government contracts worth more than £5m.

This Council also notes the existence of voluntary schemes promoting tax compliance such as the Fair Tax Mark, which can serve as an independent means of verification.

This Council notes the 2015 Public Contract Regulations which state (in section 4) that local government can choose to adopt Procurement Policy Note 03/14.

This Council believes that bidders for Council contracts should be asked to account for their past tax record, using the higher standards in PPN 03/14. This Council therefore calls for procurement procedures to be amended to require all companies bidding for service contracts worth more than £50,000.00 and for works contracts worth more than £50,000.00 to self-certify that they are fully tax-compliant in line with central government practice using the standards in PPN 03/14, applying to contracts of the size specified above.

This Council asks the Cabinet to publicise this policy and to report on its implementation annually.

In accordance with Minute No. 73 above, Councillor Kennedy left the chamber whilst this matter was under consideration.

Councillor Pidcock advised members that he had brought this motion to Council on behalf of Christian Aid. The motion was to require prospective suppliers to furnish the Council with proof that they had paid their taxes.

The vision behind the motion was twofold; first that the words famine, hunger, refugee, asylum seeker, migrant, starvation should become obsolete. The concepts were no longer part of the world. Second, that all human beings had access to a private toilet with running water.

He urged members to support his motion, which was seconded by Councillor Johnstone.

Councillor Jackson expressed support for the motion, and all members agreed.

RESOLVED that:-

(a) this Council notes that:

- corporate tax evasion and avoidance are having a damaging impact on the world's poorest countries, to such a level that it is costing them far more than they receive in aid

- this is costing the UK as much as £30bn a year

- this practice also has a negative effect on small and medium-sized companies who pay more tax proportionately;

(b) this Council further notes that the UK Government has taken steps to tackle the issue of tax avoidance and evasion by issuing Procurement Policy Note 03/14 (PPN 03/14). This applies to all central government contracts worth more than £5m;

(c) this Council also notes the existence of voluntary schemes promoting tax compliance such as the Fair Tax Mark, which can serve as an independent means of verification;

(d) this Council notes the 2015 Public Contract Regulations which state (in section 4) that local government can choose to adopt Procurement Policy Note 03/14;

(e) this Council believes that bidders for Council contracts should be asked to account for their past tax record, using the higher standards in PPN 03/14. This Council therefore calls for procurement procedures to be amended to require all companies bidding for service contracts worth more than £50,000.00 and for works contracts worth more than £50,000.00 to self-certify that they are fully tax-compliant in line with central government practice using the standards in PPN 03/14, applying to contracts of the size specified above;

(f) Cabinet be asked to publicise this policy and to report on its implementation annually.

Motion No.2

In accordance with Council Rules of Procedure No.10, Councillor B. Pidcock moved the following motion, received by the Democratic Services Manager on 12 February 2017:-

This Council urges the Government's Fair Funding Review:

1. To have, as its guiding principle fairness, This should be at the heart of business rates retention. It will enable local authorities to fund local services, stimulate reform and make a significant contribution to helping people and places realise their full contribution.

2. *To have a coherent strategy to combat poverty as a key driver of spend.*

3. *To include tax resources equalisation to ensure fairness of resources capacity at the outset, which will include a mechanism to relocating disproportionate tax windfalls and addressing tax shortfalls.*

Councillor Pidcock urged members to support his motion as he felt all members would agree that the funding of local authorities was fundamentally flawed and unfair. To highlight this unfairness, he reported that the Borough of Westminster received a local government funding allocation twice the size of Northumberland, while its rate payers had a £350 Council Tax bill, compared with a Northumberland band D of £1,400.

Government policy to replace Revenue Support Grant by making local authorities raise their own taxes through the businesses in their communities would severely disadvantage Northumberland. Such Government plans would destroy businesses, which would have to pay more than three times what they were currently paying. There was a genuine lack of understanding of the needs of rural communities, of wage levels and working conditions which had to form part of any fundamental review by the Government. Even Conservative Councils did not support it. Northumberland was facing a massive contraction of services whilst people were paying more and seeing less. He urged Conservative colleagues to lobby their Government for reform.

The motion was seconded by Councillor Dungworth.

Points made by members included:-

- Councillor Jackson commented that the inequalities in the County had got worse during the years of Labour Government but had improved since. There was a duty on all members of the Council to work together to improve the funding formula for the Authority and for schools as there was insufficient recognition given to the rurality and sparsity factors which affected the County. He was also determined to get a better deal on business rates and confirmed he would support the motion.
- Whilst he understood and supported the motions, Councillor J. Reid felt they should call for clear action and that a progress report should be made back to members on action taken.
- Councillor Dale felt it was important to recognise that this issue was not just about the uniqueness of Northumberland; the funding formula affected all parts of the country and the move from central government funding to local government meant that the most deprived areas would have less to contribute and authorities would not be able to raise

enough to keep services going. The number of businesses in Northumberland could not be compared to other authorities such as Newcastle and a report would be made to Audit on this issue as it was a significant risk.

Councillor Pidcock thanked members for their support but did not agree that things were not better under a Conservative government, adding that there was a clear need for action.

RESOLVED that the Council urges the Government's Fair Funding Review:

- (a) to have, as its guiding principle fairness, This should be at the heart of business rates retention. It will enable local authorities to fund local services, stimulate reform and make a significant contribution to helping people and places realise their full contribution;
- (b) to have a coherent strategy to combat poverty as a key driver of spend; and
- (c) to include tax resources equalisation to ensure fairness of resources capacity at the outset, which will include a mechanism to relocating disproportionate tax windfalls and addressing tax shortfalls.

Motion No.3

In accordance with Council Rules of Procedure No.10, Councillor D. Bawn moved the following motion, received by the Democratic Services Manager on 13 February 2017:-

This Council recognises the importance of a balanced and healthy diet to safeguard the health of local residents especially children.

In light of the Council's statutory role in the promotion of good health it should take all appropriate steps to safeguard health and promote a healthy diet.

In promotion of this aim, the location of fast food outlets next to school premises should be discouraged, and this Council resolves to make such changes to the planning priorities of the Council as shall be required to prevent fast food outlets being opened in close proximity to our schools.

Councillor Bawn felt this was a cross party issue and Newcastle MPs had been very vocal on it. The issue of tackling obesity through planning and development had also been discussed by the LGA and he called for members' support. The motion was seconded by Councillor Jackson.

Councillor Dungworth moved an amendment, seconded by Councillor Hepple, so that the final paragraph of the motion read as follows:-

“This Council resolves to review the planning priorities of the Council in relation to fast food outlets after adoption of the core strategy”.

The reason for the proposed amendment was because of the need to protect the current progress of the Core Strategy. Any changes now would revert the Core Strategy back to consultation and it was imperative for the economic benefit of the County that this did not happen.

The Business Chair reminded members that there was a live planning application and debate could not stray into that area. The motion was about a general policy of fast food outlets next to school premises and about having a safeguard in place for future applications.

Councillor Hepple reminded members that the Core Strategy needed to be submitted to Government by 31 March or the Authority would face the possibility of sanctions. Also, advice from planning officers was that accepting the original motion would require a material change to policy. The proposed amendment from Councillor Dungworth would give a degree of commitment after adoption of the Core Strategy.

Councillor Tebbutt supported the amendment but reminded members that there was still the option for individual submissions to be made at the EIP in due course.

Councillor Jackson did not support the amendment as similar approaches had been adopted by many local authorities. No timescale had been identified in the motion and he did not see why work could not begin on a policy to start a focus on the problem of dealing with childhood obesity.

Councillor J. Reid supported the amendment as he felt this had made the motion now worthy of support. Childhood obesity was an important issue and businesses needed to be tackled on that.

Councillor Bawn advised that he could accept the amendment if the words “in close proximity to schools” could be retained. However, Councillor Dungworth advised that she could not change her amendment as requested because the issue was wider than just proximity to schools. If these words were left in, then it became a single issue.

On the required number of members asking for a named vote on the amendment, the votes were cast as follows:-

FOR: 44 as follows

G.R. Arckless	J.A. Lang
S.C. Bridgett	D. Ledger
E. Burt	K. Nisbet
H. Cairns	K. Parry
K. Cairns	B. Pidcock
D. Campbell	L. Pidcock

E. Cartie	M. Purvis
P.A.M. Dale	A.W. Reid
J.G. Davey	J. Reid
S. Davey	M.E. Richards
S. Dickinson	L.J. Rickerby
S. Dungworth	A. Sambrook
J. Foster	A. Sharp
B. Gallacher	E. Simpson
J.J. Gobin	J.E. Smith
L. Grimshaw	I.C.F. Swithenbank
A. Hepple	A. Tebbutt
E.I. Hunter	V. Tyler
T. Johnstone	A. Wallace
G.W. Jones	R.J.D. Watkin
P. Kelly	G. Webb
D. Kennedy	T.S. Wilson

AGAINST: 16 as follows:-

E. Armstrong	J.I. Hutchinson
D. Bawn	P.A. Jackson
G. Castle	V. Jones
W. Daley	A.H. Murray
R.R. Dodd	J.R. Riddle
B. Flux	T. Robson
R. Gibson	J.G. Watson
C. Homer	J. Woodman

ABSTENTIONS: 0

On the substantive motion being put to the vote there voted **FOR: 45;**
AGAINST: 14; ABSTENTIONS: 1

It was therefore **RESOLVED** that:-

- (a) the Council recognises the importance of a balanced and healthy diet to safeguard the health of local residents especially children;
- (b) in light of the Council's statutory role in the promotion of good health it will take all appropriate steps to safeguard health and promote a healthy diet; and
- (c) the Council resolves to review the planning priorities of the Council in relation to fast food outlets after adoption of the Core Strategy.

The Business Chair then adjourned the meeting for a comfort break at 4.15 pm. The meeting reconvened at 4.25 pm.

79. REPORTS OF THE CHIEF EXECUTIVE

(1) Medium Term Financial Plan 2017-20 and Budget 2017-18

The report was in two parts; a ring bound document which provided an update to the Medium Term Financial Plan 2017-2020 and Budget for 2017-18 which were approved by Council at its meeting on 24 February 2016, following the Government's Autumn Statement of 23 November 2016 and the publication of the Local Government Finance Settlement on 15 December 2016.

The second part was included in the bound agenda for the meeting and this requested that the Council approve delegated authority to the Section 151 Officer or Deputy Section 151 Officer to adjust the 2017-2018 budget and Medium Term Financial Plan 2017-2020 for any changes announced as part of the final settlement following the delay in the announcement until late February 2017.

Some members queried the need for a video presentation to be made on the budget. The Business Chair responded that he had agreed to the request that this be shown.

Councillor Ledger introduced the report reminding members that the Council approved the Medium Term Financial Plan covering the period 2016 to 2020 and two year budget for 2016-2018 in February 2016. It included the requirement to deliver budget reductions equating to £6.0 million in 2017-2018 and £46.0 million over the period 2017-2020. This report updated the Medium Term Financial Plan position and second year of the 2016-2018 Budget.

The overall reduction target over the period of the Medium Term Financial Plan had reduced by £10.0 million when compared to the figure reported to Council in February 2016. The main reasons for this were increased income from Council Tax receipts linked to economic growth and housing development in the county, and increased income from third party loans.

The Leader expressed disappointment that no alternative budget proposals had been put forward by opposition groups. He was proud to put forward a budget which reduced cuts to delivery of services and maintained jobs, whilst continuing to deliver infrastructure projects across the County.

Following presentation of the video a number of comments were made by members including the following:-

- Councillor Hutchinson commented that the video demonstrated that there had been a focus on investment in the south east of the County.
- Councillor J. Reid made a number of comments:
 - The video wrongly focussed on past investment when members should have been given more relevant information about future plans.
 - There was no information about the planned 5% council tax rise or the funding being cut from the fire service and Active Northumberland, which meant job losses.
 - He was very concerned at the proposal to lend £8.5m for the Alnwick Garden project which the Council was going to have to borrow in order

- to lend out. He suggested that the Council borrow the money and use it to build Council houses.
- He suggested that the Council tax rise be spread over three years instead of asking residents to pay it all up front.
 - He could not vote for a budget which proposed lending money to the already wealthy and advised that he would abstain from the vote as he did not support the budget, but recognised that a budget in some form had to be in place.
 - Councillor Jackson made a number of comments:
 - There was no information about how much each department had to save, nor any comparison to last year's figures. £6m of cuts were not clearly identified.
 - The capital projects identified in the video had been financed by government funding such as flood damage repairs, pothole repairs, flood defence schemes and new roads and schools.
 - The Council's core spending power stayed broadly the same over the next four years.
 - The problem for the Authority was the level of debt which had increased to £1bn, rising to £1.4bn. This issue was being glossed over but members needed to be made aware that the Council's interest payments would increase by £16.4m per year for the next three years.
 - He referred to the financial risks being taken by Arch, which he felt had now gone beyond its original remit by investing taxpayers money in risky propositions. He cited the Manor Walks purchase, which had brought significant liabilities but which was not expected to make much profit. He was also concerned that Arch was ignoring the regeneration needs of other towns across the County and focussing too much on the south east, and he suggested that the Chair of Arch should consider resigning.
 - He felt the most concerning proposal in the budget was the recommendation to delegate a fund of £450m to the Leader and Chief Executive to allocate without any accountability.
 - Many of the capital proposals were supported by his Group including additional car parking, leisure investments, Alnwick Playhouse and the Queens Hall schemes, and the Ashington Blyth and Tyne Line, but he was very concerned about the proposal to lend £8.5m to Alnwick Gardens which he felt brought the Authority into disrepute.
 - He also felt it was wrong to sell the Loansdean site to a developer which would include a fast food outlet directly across from a first school when childhood obesity was a major problem;
 - Setting aside £40m in the capital programme for S106 monies on the Dissington Garden Village scheme smacked of pre-determination.
 - He moved an amendment to delete the line in the capital programme on page 152 of the report (Loans to Third Parties (eg Arch) £150,000,000), which was seconded by Councillor Bawn.

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

FOR: 15 as follows:-

E. Armstrong	P.A. Jackson
D. Bawn	V. Jones
G. Castle	A.H. Murray
W. Daley	J.R. Riddle
R.R. Dodd	T. Robson
R. Gibson	J.G. Watson
C. Homer	J. Woodman
J.I. Hutchinson	

AGAINST: 44 as follows

G.R. Arckless	J.A. Lang
S.C. Bridgett	D. Ledger
E. Burt	K. Nisbet
H. Cairns	K. Parry
K. Cairns	B. Pidcock
D. Campbell	L. Pidcock
E. Cartie	M. Purvis
P.A.M. Dale	A.W. Reid
J.G. Davey	J. Reid
S. Davey	M.E. Richards
S. Dickinson	L.J. Rickerby
S. Dungworth	A. Sambrook
J. Foster	A. Sharp
B. Gallacher	E. Simpson
J.J. Gobin	J.E. Smith
L. Grimshaw	I.C.F. Swithenbank
A. Hepple	A. Tebbutt
E.I. Hunter	V. Tyler
T. Johnstone	A. Wallace
G.W. Jones	R.J.D. Watkin
P. Kelly	G. Webb
D. Kennedy	T.S. Wilson

ABSTENTIONS: 0

The amendment was therefore lost.

- Councillor Castle commented that that he supported parts of the budget but could not support others. As regards the proposed contribution to Alnwick Gardens, as one of the local members he felt he should have been involved in discussions and queried whether the Council had become the lender of first resort. He moved an amendment, seconded by Councillor Bridgett, to delete the line in the capital programme on page 152 of the report (Alnwick Garden Project Contribution £8,500,000) until satisfactory completion of the risk appraisal panel process. The Business Chair advised that the project would

not proceed until the satisfactory completion of the risk appraisal panel process in any case.

- Councillor Bridgett advised that he would not be supporting the budget because of the proposed contribution to Alnwick Gardens, which was one of the most successful tourist attractions in Northumberland. He felt there was some ambiguity about the relationship between Alnwick Gardens and Alnwick Castle, and he queried the involvement of the risk appraisal panel and what due diligence had been done. He could not support a loan to an organisation which employed staff on zero hour contracts and would not pay the living wage. He had been contacted by a number of current and ex employees who were dismayed at the proposal, some of whom had had to resort to using the Alnwick food bank.
- Councillor H. Cairns agreed with Councillor Bridgett's comments, advising that she could support the budget if that line in the capital programme were removed. She acknowledged that efforts of the Duchess of Northumberland and the success of the Alnwick Gardens to the economy of the local area but queried what level of support would be given to the ordinary local businesses of Alnwick.
- The Leader responded that he had met with the Trust, not the Duke, or Northumberland Estates. The proposal was for a world class tourist attraction which envisaged the creation of 48 jobs and 32 hospitality jobs within Alnwick. More jobs in the area would have a beneficial effect on local wages and the initiative would provide the opportunity to raise the local economy in line with other opportunities in the budget.
- Councillor Kennedy handed in a petition from the residents of Hexham against this issue. He understood the ambition behind the project but was uncomfortable with the number of times the Council was lending out money, which he felt went against the market economy as that was the role of banks. He was sceptical about how much debt and risk the Authority could tolerate.
- The Leader highlighted a number of organisations which the Authority had supported in the past and he reminded members that this organisation was a charitable trust.
- Councillor V. Jones commented on how offended Northumberland people were at this proposal. She understood the difference between capital and revenue funding but people were contacting the Council because of essentials like potholes and lack of buses. This proposal was just not necessary.
- The Chief Executive reminded members that this was a loan and would have to be paid back. If the Council allocated it to something else, the money would still have to be borrowed.
- The Leader advised that Councillor Castle's amendment could be accepted and a further report would be made to Council on this issue following the risk appraisal panel process.

The debate then continued as follows:-

- Councillor G. Jones advised that he would support the budget as it represented a positive approach and would benefit his area.
- Councillor L. Pidcock called for a more honest approach to politics from opposition members, who she felt were exploiting the public's political awareness and understanding. She felt that they found the scale of the cuts uncomfortable to hear.

- Councillor Dale reminded members of the need to adhere to the code of conduct and due diligence. If any Arch Board member felt there had been any suspicious activity then it should have been reported. With regard to loans, the Council had a long history of this and it had to borrow to deliver services. Ernst Young advised that the Authority was one of the most financially viable in the north east and Arch had achieved £10m in income. She called on members to work together to make things happen and referred to many local initiatives she had achieved for her area.
- Councillor Homer commented that there was a lack of detail in the budget but she welcomed proposals for extra car parking provision which was badly needed in Hexham. She was also pleased to be working on the Hexham House plan but was concerned about the inability to contact council officers, particularly planning officers, when needed. Whilst she welcomed the development of the new fire station and bus station there was still no evidence of regeneration of the old bus station site. The reduction in funding for Queen's Hall was concerning and there appeared to be no return of the 300 jobs back to the town which had been promised. She did not feel this represented a return of services to the market towns.
- Councillor Johnstone felt that opposition members had no vision and no understanding of the invest to save approach. They had put no alternatives forward and could not see past the argument about county hall. He urged them to support the budget for the sake of jobs and people.
- Councillor Hunter supported the planned investment in Berwick Leisure Centre but the cuts to Active Northumberland were disappointing and would need to be properly worked out. There was also no detail of the return of jobs to Berwick.
- Councillor A.W. Reid commented that the Government did not hold local government in high esteem, yet their own record on the NHS, transport and defence was deplorable. He advised members that Berkshire Council had invested £30m in a private investment company to achieve what the Authority had done through Arch. He fully supported the budget.
- Councillor Kennedy agreed with the need to get staff out of the centre and back to Hexham, and he urged members to support investment in Queens Hall which was a key part of the town. He advised that he would support the budget for the benefit of his area, though he did not agree with everything in it.
- Councillor V. Jones also supported some of the budget but disagreed with the proposed capital expenditure for Dissington Garden Village detailed on pg 154 as this pre-empted the planning decision on the application. She moved an amendment, seconded by Councillor Jackson, that this be removed. In response to this, the Chief Executive advised that it had been felt sensible to include provision subject to planning permission or government call in. If financial provision was not included, then there would be no option to ensure that infrastructure work proceeded quickly.
- The Leader advised that removing provision would defer funding for the schemes indefinitely which would impact on all Ponteland residents.
- Councillor Jackson denied that this was correct, adding that these schemes were part of the garden village planning application.

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

FOR: 12 as follows:-

E. Armstrong	J.I. Hutchinson
D. Bawn	P.A. Jackson
W. Daley	V. Jones
R.R. Dodd	A.H. Murray
R. Gibson	J.R. Riddle
C. Homer	J. Woodman

AGAINST: 44 as follows

G.R. Arckless	J.A. Lang
S.C. Bridgett	D. Ledger
E. Burt	K. Nisbet
H. Cairns	K. Parry
K. Cairns	B. Pidcock
D. Campbell	L. Pidcock
E. Cartie	M. Purvis
P.A.M. Dale	A.W. Reid
J.G. Davey	J. Reid
S. Davey	M.E. Richards
S. Dickinson	L.J. Rickerby
S. Dungworth	A. Sambrook
J. Foster	A. Sharp
B. Gallacher	E. Simpson
J.J. Gobin	J.E. Smith
L. Grimshaw	I.C.F. Swithenbank
A. Hepple	A. Tebbutt
E.I. Hunter	V. Tyler
T. Johnstone	A. Wallace
G.W. Jones	R.J.D. Watkin
P. Kelly	G. Webb
D. Kennedy	T.S. Wilson

ABSTENTIONS: 3 as follows:-

G. Castle	J.G. Watson
T. Robson	

The amendment was therefore lost.

In commending the budget to members, the Leader made a number of comments, including:-

- The budget video identified the many positive initiatives delivered by the administration over the last four years and some of the plans for the next four which supported the positive Peer Review findings.
- The administration was focussed on health, education, employment and

affordable housing and the budget focussed on rebuilding infrastructure whilst working within the constraints imposed by national government policy.

- He referred to the massive and unfair cuts in central government funding; affluent areas had been protected, whilst places which required regeneration and rural areas were disadvantaged. The Administration had embraced commercialism in the co-operative sense by using ARCH to generate jobs and housing, retaining any generated wealth within the County, then returning money to the Council to protect services and jobs. This was why the Administration was seeking to hit national targets for housing, not only to provide for local residents but to grow council tax receipts to support Council services and front line jobs, and he recommended all Councillors to support the budget.
- He referred to the Conservative party manifesto which he felt was sadly lacking and did not mention core issues such as the harsh reality of Government policy, the retention of jobs within the local authority or how the ageing population would be supported in the face of some of the worst cuts in health finance ever known. Instead it was focussed on negative issues such as scrapping ARCH and preventing all growth and future development.
- He expressed concern that the Leader of the Group had placed a letter in the Pont News in the name of the four Councillors from the area to say they would stop:
 - the building of new schools.
 - the development of a new leisure centre.
 - the delivery of affordable homes
 - a flood alleviation scheme.
 - a much needed bypass

He also wanted to have the Secretary of State call in all planning decisions naming the green belt as the reason why.

- He referred to the lack of attendance at the LDF Cabinet Advisory Group meetings by Conservative members for two years which called into question their commitment as defenders of the countryside and by so doing, had let down constituents. Nor had they offered a budget for four years.
- The budget before members today was one for growth and jobs, a budget to renew leisure and culture centres in Morpeth, Blyth and Berwick, a budget to improve car parking, and a budget that would work for people and for Northumberland.

He then reminded members that the proposed council tax equated to a rise of 56p per week and he moved the report's recommendations (incorporating the amendment put forward by Councillor Castle detailed above), which was seconded by Councillor Ledger.

On the required number of members calling for a named vote on the report's recommendations, the votes were cast as follows:-

FOR: 39 as follows:-

G.R. Arckless	D. Kennedy
S.C. Bridgett	J.A. Lang
E. Burt	D. Ledger
H. Cairns	K. Nisbet

K. Cairns	K. Parry
D. Campbell	B. Pidcock
E. Cartie	L. Pidcock
P.A.M. Dale	M.A. Purvis
J.G. Davey	A.W. Reid
S. Davey	M.E. Richards
S. Dickinson	A. Sambrook
S. Dungworth	A. Sharp
J. Foster	E. Simpson
B. Gallacher	J.E. Smith
J.J. Gobin	I.C.F. Swithenbank
L. Grimshaw	V. Tyler
A. Hepple	A. Wallace
T. Johnstone	G. Webb
G.W. Jones	T.S. Wilson
P. Kelly	

AGAINST: 15 as follows:-

E. Armstrong	P.A. Jackson
D. Bawn	V. Jones
G. Castle	A.H. Murray
W. Daley	J.R. Riddle
R.R. Dodd	T. Robson
R. Gibson	J.G. Watson
C. Homer	J. Woodman
J.I. Hutchinson	

ABSTENTIONS: 5 as follows:-

E.I.Hunter	A. Tebbutt
J. Reid	R.J.D. Watkin
L.J. Rickerby	

It was therefore **RESOLVED** that:-

1. Council note the significant reduction in Settlement Funding Assessment (24.36 per cent) and Revenue Support Grant (75.21 per cent) and the worse than average growth in Core Spending Power received by the Council (1.17 per cent) in comparison to the England average (2.56 per cent) and the average of the seven North East Councils (2.50 per cent) over the period of the Medium Term Financial Plan;
2. Council note the Government's assessment of Core Spending Power for the Council assumes an annual inflationary uplift for Council Tax, that the additional Adult Social Care Council Tax precept is charged

annually; and, that the Council grows its Council Tax Base year on Year.

No adjustment is made to funding allocations to take into account inflationary increases, which amount to £4.7 million in 2017-2018 and £11.6 million over the period of the Medium Term Financial Plan, or unfunded new burdens costs such as the Apprenticeship Levy; which is estimated to cost the Council approximately £0.5 million per annum (£1.0 million including schools) and the National Living Wage which is estimated to cost the Council in excess of £9.0 million over the remaining period of the Medium Term Financial Plan, £12.0 million over the period 2016-2020;

3. Council approve the revised Medium Term Financial Plan covering the period 2017-2020 detailed within Appendix 1 and the revenue budget for 2017-2018; including, the requirement to deliver budget reduction measures equating to £6.0 million in 2017-2018 and £36.0 million over the period 2017-2020. The target over the period of the Medium Term Financial Plan has reduced by £10.0 million, from £46.0 million, when compared to the figure reported to Council in February 2016. The main reasons for this reduction are: increased income from Council Tax receipts linked to economic growth and housing development in the county, and, increased income from third party loans;
4. Council note the Government's offer of a four year funding allocation;
5. Council note the estimated receipt of the New Homes Bonus of £6.3 million for 2017-2018 and the indicative allocation of £4.5 million by 2019-2020. Also note that the figures for 2018-2019 onwards are indicative and are subject to further Government consultation on the operation of the New Homes Bonus Scheme;
6. Council note the estimated receipt of the non-recurrent Adult Social Care Support Grant of £1.5 million in 2017-2018 which has been funded nationally through savings made from the New Homes Bonus Scheme;
7. Council note the reduction in Housing Benefit Administration Grant of £0.1 million within 2017-2018 to £1.1 million;
8. Council note the estimated reduction of the Education Services Grant in 2017-2018 of £2.43 million to £0.8 million, and, the subsequent cessation of the grant from August 2017;
9. Council note the decision by County Council on 24 February 2016 to increase Council Tax by 1.99 per cent in 2017-2018. In line with the Government's Core Spending Power calculations, the Medium Term Financial Plan also includes an inflationary uplift in Council Tax. The uplift used in both 2018-2019 and 2019-2020 is 1.99 per cent;

10. Council approve the use of protected Collection Fund balances of £9.6 million in 2017-2018 to support the Medium Term Financial Plan;
11. Council accept the Government's offer to increase Council Tax by an additional 3 per cent in 2017-2018 for use on Adult Social Care services; raising an additional £4.6 million in 2017-2018, and, increasing to £12.2 million recurrently by 2019-2020. However, it is estimated that this income will reduce by up to £1.9 million over the period of the Medium Term Financial Plan 2016-2020 after the Local Council Tax Support Scheme is applied, which will need to be funded from existing budgets. Therefore, this increase will not cover the estimated cost of the introduction of the National Living Wage on all Adult Social Care contracts which is forecast to be approximately £12.0 million over the same period. In line with the Government's offer to increase Council Tax for Adult Social Care purposes the Medium Term Financial Plan also includes a 3 per cent per annum increase in 2018-2019 and no increase in 2019-2020;
12. Council approve the revisions to the Revenues and Benefits Service Rates Relief Policy and Corporate Debt Recovery Policy in Appendix 2;
13. Council approve the Inflation Funding Schedule highlighted in Appendix 3;
14. Council approve the 2017-2018 budget reduction targets contained in Appendix 4 of £6.0 million and note that £36.0 million of budget reductions are required over the period of the Medium Term Financial Plan 2017-2020;
15. Council note the Summary of the Reserves and Provisions contained within Appendix 6;
16. Council note the overall reduction in the ring fenced Dedicated Schools Grant of £0.6 million in 2017-2018. This is a result of three schools converting to academies during 2016-2017, plus additional Early Years funding and the transfer of some services and funding formerly funded through the Education Services Grant;
17. Council note that rents for Council tenants are being set on the basis of the Chancellor's announcement in July 2015 - a compulsory reduction of 1 per cent per annum for four years which commenced in 2016-2017, and note from 2017-2018 this now also includes a 1 per cent reduction for supported housing which was exempt in 2016-2017, but has now been confirmed by the Department for Communities and Local Government;
18. Council agree the Housing Revenue Account 2017-2018 budget and note the indicative 30 year Housing Revenue Account business plan as detailed within Appendix 7;
19. Council note the original housing debt cap of £107.3 million plus the additional £2.2 million agreed in 2016-2017 for Morpeth Road will not be increased further, as there are currently no plans to develop affordable housing schemes through the Housing Revenue Account.

Cabinet has already agreed to transfer the 22 Allendale properties into the Housing Revenue Account from Homes for Northumberland. This has been achieved within the current housing debt cap;

20. Council note the 2016-2017 Capital Programme variations and approve the reprofiling of the Capital Programme of £29.5 million detailed within Appendix 8;
21. Council approve the revised Capital Programme as detailed within Appendix 9, subject to the removal of the proposed Alnwick Garden loan until a full risk appraisal process is undertaken and considered by the Risk Appraisal Panel;
22. Council agree that the approval of individual loans to third parties be delegated to the Chief Executive in conjunction with the Leader of the Council, and restricted to Arch, Northumbria Healthcare and Active Northumberland;
23. Council agree the approval of individual projects which propose to utilise the flexibilities of capital receipts be delegated to the Chief Executive; subject to a subsequent update to the Capital Works Programme Cabinet Advisory Group;
24. Council approve the Prudential Indicators based on the proposed Capital Programme detailed within Appendix 10;
25. Council approve the Minimum Debt Provision Policy detailed in Appendix 11;
26. Council approve the proposed Treasury Management Strategy detailed in Appendix 12;
27. Council approve the Pay Policy Statement for 2017-2018 at Appendix 13; and
28. Council delegate authority for any changes in funding as a result of the final local government finance settlement to the Chief Executive (Section 151 Officer) or Director of Corporate Resources (Deputy Section 151 Officer). Any such changes will be met through transfers to/from the general reserves.

(2) Council Tax 2017-18

Each financial year, by virtue of the provisions of the Local Government Finance Act 1992, the Council is required to set a Council Tax for each Valuation Band in its area.

This report provided information in relation to the Council Tax increases and outlined the position that the Council wished to take for the 2017-2018 financial year.

The Police and Crime Panel had recommended a precept of £9,945,853 to the Police and Crime Commissioner. The figures in the report were based on that figure.

The Local Government Finance Act 1992 and subsequent amendments required the County Council to set its Council Tax before 11 March 2017.

At its meeting on 6 December 2016 the Cabinet set the Council Tax Base as 101,147.70 for Band D equivalent properties (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")). This was based

on a collection rate of 98.8%.

A revised report had been circulated to members (copy attached to the sealed minutes).

RESOLVED that:-

1. The following resolutions be agreed:

- (a) That the Council Tax Requirement for the Council's own purposes for 2017-2018 (excluding parish precepts) is £157,598,283.
- (b) That the following amounts be calculated for 2017-2018 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: £696,164,792
 - ii) Being the aggregate of the gross income which the Council estimates for the items set out in Section 31A(3) of the Act: £530,398,095
 - 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): £165,766,697
 - 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 D for the year (including parish precepts): £1,638.86
 - v) Being the aggregate amount of all special items referred to in Section 34 (1) of the Act (total all parish precepts): £8,171,468
 - 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: £1,558.07
- (c) That the Council Tax for 2017-2018, excluding the Police precept, will be increased by 4.99% (including the Adult Social Care Precept of 3%), equating to a charge per Band D household of £1,558.07 (Band A - £1,038.72), excluding special expenses.

As a result of this increase the Council Tax for Northumberland will be set at £1,558.07 (excluding special expenses) for 2017-2018. The relevant valuation bands are as follows:

Valuation Band	Northumberland County Council £ : p	Adult Social Care Precept £ : p	Total £ : p
A	989.99	48.73	1,038.72
B	1,154.98	56.85	1,211.83
C	1,319.98	64.97	1,384.95
D	1,484.98	73.09	1,558.07
E	1,814.98	89.33	1,904.31
F	2,144.97	105.57	2,250.54
G	2,474.97	121.82	2,596.79
H	2,969.96	146.18	3,116.14

- (d) Under Section 52ZB of the Local Government Finance Act 1992 that the Council's basic amount of Council Tax for 2017-2018 is not excessive in accordance with principles approved under Section 52ZC(1) of the Act.

(i.e. the proposed Council Tax increase for 2017-2018 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 2017-2018 the guideline increase is 5% (including the Adult Social Care Precept).

As the Council is proposing a Council Tax increase of 4.99% (including Adult Social Care and special expenses) for 2017-2018 then the above regulations have no impact for 2017-2018.

2. The following be approved:

- (a) That the matters listed in section 7 of the report are identified as special expenses and that all other matters which might otherwise be considered to be special expenses under the prevailing legislation are deemed to be general expenses.
- (b) That the Council Tax Leaflet continues be made available via the Council's website, rather than enclosed with Council Tax bills, and that the final document be delegated to and finalised by the Chief Executive.

3. The following be noted:

- (a) The Northumberland Police Authority precept of £9,945,853 represents an increase of 5.36%, equating to an additional £5.00 on a Band D property. The Police and Crime Commissioner has agreed the recommended level of precept of £9,945,853 for 2017-2018; the resulting valuation bands will be as follows:

Valuation Band	Northumbria Police Authority
	£: p
A	65.55
B	76.48
C	87.40
D	98.33
E	120.18
F	142.03
G	163.88
H	196.66

- (b) The total amount of parish precepts requested is £8,168,414 as referred to in paragraph 6 and detailed in Appendix 1. This represents an increase of £345,221 when compared to 2016-2017.
- (c) The total amount of special expenses (shown in section 7 below) equating to £3,054 compared to £3,024 in 2016-2017. The increase represents an inflationary uplift for one parish.

(3) Potential Loan to Northumbria Calvert Trust

The report provided details of a potential loan facility to Northumbria Calvert Trust of up to £300,000 for the purchase of staff accommodation within Kielder Village.

RESOLVED that County Council approve a loan facility of up to £300,000 to the Northumbria Calvert Trust subject to the following;

- The Calvert Trust identify to the Council which properties will be purchased and submit a revised financial business plan to the Council.
- The Council's Legal Team agree a legal agreement with the Northumbria Calvert trust in advance of any loan draw down by the trust, containing the terms and conditions set out within this report.
- The Council's Legal Team place a legal charge on the assets which the trust purchase using the loan facility in advance of any loan draw down by the trust.
- State Aid implications are investigated and satisfied.

(4) Local Government Pension Scheme (LGPS) Requirement for Asset Pooling

The report sought approval to establish the governance arrangements to enable the Council to participate in the proposed Border to Coast Pensions Partnership Pool ("BCPP Pool"). Such participation will enable the Council, acting in its capacity as the administering authority for Northumberland County Council Pension Fund (NCCPF), to meet its LGPS regulatory obligation to state its approach to pooling investments in accordance with guidance issued by the Secretary of State for Communities and Local Government.

RESOLVED that:-

The Council, as administering authority for the Northumberland County Council Pension Fund:

- 1 confirms the proposed BCPP Pool as the Council's chosen approach to pooling, as recommended to Council by the Pension Fund Panel and Cabinet;
- 2 establishes the necessary governance arrangements to establish and join BCPP Pool, as summarised in **Appendix 2**:
 - i establish BCPP Joint Committee as a formal Joint Committee under section 102 of the Local Government Act 1972 in accordance with and to carry out the functions as set out in the Inter Authority Agreement (**Appendix 4**), and enter into the Inter Authority Agreement with the other eleven named administering authorities; and
 - ii enter into the Shareholders' Agreement between the Council and the other eleven named administering authorities to form **BCPP Ltd** as an entity to operate collective investment vehicles to allow the administering authorities to pool their LGPS investments, and agree BCPP Ltd's Articles of Association;
- 3 approves the subscription by Northumberland County Council to one Class A voting share in BCPP Ltd and such number of Class B non-voting shares in BCPP Ltd as shall be necessary to ensure that the Council contributes one twelfth of the minimum regulatory capital requirement of the Company to fulfil the requirements of the Financial Conduct Authority;
- 4 authorises the Pension Fund Panel to nominate a representative (and substitute) to vote this shareholding and to represent the Council on the BCPP Joint Committee;
- 5 authorises the Legal Services Manager to make the consequential changes required to the Constitution to reflect these new arrangements; and
- 6 authorises the Chief Executive in consultation with the Deputy Leader

of the Council and the Chairman of the Pension Fund Panel to finalise the approval and execution, where required, of all legal documents necessary to give effect to the above decisions.

(5) Treasury Management Mid Year report for the Period 1 April to 30 September 2016

The report presented the Authority's Treasury Management performance to members in compliance with CIPFA's Treasury Management in the Public Services: Code of Practice, (Revised 2011) and the Prudential Code for Capital Finance in Local Authorities 2003, revised 2011. The report advised members of Treasury Management activity and performance against prudential indicators during the period 1 April 2016 to 30 September 2016.

RESOLVED that:-

- (a) the report be received and the performance of the Treasury Management function be noted; and
- (b) approval be given to the Treasury Management Practices changes detailed in the report.

80. REPORT OF THE DIRECTOR OF PLANNING AND ECONOMY

Northumberland Local Plan Core Strategy Draft Plan

The report sought approval to submit the Northumberland Local Plan Core Strategy Draft Plan to the Secretary of State for Communities and Local Government for Independent Examination.

Councillor Hepple moved the report, detailing the next steps and reiterating that the Strategy needed to be submitted to Government by 31 March 2017. He wished to record his personal thanks for the hard work and diligence of officers, and also to the LDF Cabinet Advisory Group whose contribution had been vital to the process.

Councillor Watkin echoed these comments and thanks. The Strategy would provide a framework for the County to move forward, hopefully providing jobs and changing the age profile of the population.

A number of comments were made by members including:-

- Councillor Homer expressed her concerns that, despite a number of meetings held with officers, nothing had changed in the proposals for Hexham since 2016. From the outset, she had challenged the housing figures for Hexham since 1,100 homes would hugely affect the makeup of the town, which was very constrained due to its infrastructure and topography and would not support additional development. She stressed the need for there to be the right number and type of houses built in the right places, with infrastructure to support them. Several sites had been put forward and subsequently rejected for various

reasons. She felt there was a real danger of chaos being created if the Strategy went forward in its current form and she would not support it.

- Councillor Kennedy advised that 600 extra houses planned for his area, which currently had 1700, would balloon his ward, moving the entire town westward away from the centre. The Strategy represented a developers' charter to make as much money as possible, creating a commuter belt for Newcastle and he queried how this would benefit the town of Hexham. He was not against deletions of the green belt where this was appropriate, but felt such housing numbers would swamp the town. Whilst he could not see a satisfactory solution due to the layout of the town, he would not support the Strategy because of the impact on his area.
- The Leader reminded members that Council was not being asked to agree the content of the Strategy but to agree its submission to Government for consultation.
- Councillor Hepple advised that the time for member and other individual input would be at the Examination in Public. Submission of the Strategy could not be delayed and if housing numbers were not included, then the Authority faced the possibility of planning decisions being made for it.
- Councillor Tebbutt commented on the starting position of 24,000 new dwellings to sustain the County, which had to be balanced throughout. The LDF CAG had recognised that Hexham was always going to be a problem because of the constraints of the green belt, and several sites had been rejected. He stressed the situation which had faced Durham County Council could not be repeated. He wished to record his thanks to Councillor Paul Kelly and to Joan Sanderson in particular for their sterling efforts, and advised that Strategy would have greater weight once submitted for EIP, including with regard to neighbourhood plans. The opportunity would be available then for representations to be made.
- Councillor Kelly commented that he had only been involved in the Core Strategy process in the past four years but a significant amount of work had gone into it and he did regret the Conservative withdrawal from the process as they had made a positive contribution. Officers had been abused in public meetings by supposedly educated people and a great deal of debt was owed to them for their professionalism throughout.
- Councillor Sambrook agreed that officers had gone beyond the call of duty to support the process and he wished to record his thanks to Joan Sanderson and her colleagues as Chair of the Scrutiny Committee.
- Councillor Castle queried how he could support the submission of the Strategy when he had formally objected to it in another capacity, and did not agree with some of its content.
- Councillor Dodd asked why the 2000 homes planned for the garden village development had not been included in the 24,000 overall figure or the five year plan. The Business Chair agreed that a response would be made to Councillor Dodd in writing.
- Councillor Jackson felt there had been no consensus in the development of the Strategy and contributions made by both his Group and the public had not been incorporated. There would be no need to encroach onto the green belt if a reasonable number of new homes

was involved, but proposed numbers would overwhelm a number of the main towns. Concentrating development on these towns was wrong and efforts should be concentrated on allowing smaller communities to grow. He agreed it was a developers' charter and would result in a huge commuter society, and he did not support it, adding that the Government had not set any specific housing numbers for the County.

- Councillor Dale responded that if the Core Strategy was not submitted developers would have free rein to build wherever they wanted. Sporadic building needed to be prevented and progress made
- Councillor Homer commented that both Hexham and Ponteland had active groups to protect their green belt. Officers had regularly met with these groups so that their points could be heard but she queried how much notice had been taken of their concerns.
- Councillor J. Reid urged members to abstain from voting if they felt they could not actively support the Strategy. The Authority had to have something in place to protect it. He reminded members that the EIP Inspector would have the final say on the Strategy and that not everything in it would be acceptable to all members.
- Councillor Hepple reminded members that they were not being asked to agree the Strategy, but to agree its submission to Government. Any objections should be forwarded to the Inspector in due course. He responded to some of the individual issues raised by members including the deallocation of the industrial estate at Alnwick and government policy on garden villages.

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

FOR: 38 as follows:-

G.R. Arckless	J.A. Lang
E. Burt	D. Ledger
H. Cairns	K. Parry
K. Cairns	B.Pidcock
E. Cartie	L. Pidcock
P.A.M. Dale	M.A. Purvis
J.G. Davey	A.W. Reid
S. Davey	J. Reid
S. Dickinson	L.J. Rickerby
S. Dungworth	A. Sambrook
J. Foster	E. Simpson
B. Gallacher	J.E. Smith
J.J. Gobin	I.C.F. Swithenbank
L. Grimshaw	A. Tebbutt
A. Hepple	V. Tyler
E.I. Hunter	A. Wallace
T. Johnstone	R.J.D. Watkin
G.W. Jones	G. Webb
P. Kelly	T.S. Wilson

AGAINST: 12 as follows:-

E. Armstrong	V. Jones
W. Daley	D. Kennedy
R.R. Dodd	A.H. Murray
R. Gibson	T. Robson
C. Homer	J.G. Watson
P.A. Jackson	J. Woodman

ABSTENTIONS: 2 as follows:-

G. Castle	A. Sharp
-----------	----------

It was therefore **RESOLVED** that:-

- (a) the following be approved as the submission documents which form the Northumberland Local Plan Core Strategy Draft Plan;
- Northumberland Local Plan Core Strategy Pre-Submission Draft Plan (October 2015) (Appendix A);
 - Northumberland Local Plan Core Strategy Pre-Submission Draft Plan: Schedule of Proposed Major Modifications (June 2016) (Appendix B);
 - Northumberland Local Plan Core Strategy Pre-Submission Draft Plan: Schedule of Proposed Further Major Modifications (November 2016) (Appendix C);
 - Northumberland Local Plan Core Strategy - Pre-Submission Draft: Schedule of Proposed Additional Major Modifications (February 2017) (Appendix D);
 - Northumberland Local Plan Core Strategy Pre-Submission Draft Plan: Schedule of Proposed Minor Modifications (February 2017) (Appendix E);
 - Northumberland Local Plan Core Strategy Pre-Submission Draft - Consolidated document showing proposed modifications (February 2017) (Appendix F);
- (b) approval be given to the submission of the above documents to the Secretary of State for Communities and Local Government for Independent Examination; and
- (c) authority be delegated to the Director of Planning and Economy, in consultation with the Cabinet Member for Economic Growth, to:

Approve any non-material amendments to the Northumberland Local Plan Core Strategy - Pre-Submission Draft: Schedule of Proposed Additional Major Modifications (February 2017) (Appendix D) and the Northumberland Local Plan Core Strategy Pre-Submission Draft Plan: Schedule of Proposed

Minor Modifications (February 2017) (Appendix E) documents prior to submission of the Northumberland Local Plan Core Strategy Draft Plan to the Secretary of State for Communities and Local Government for Independent Examination;

Approve the making of any changes necessary to the Northumberland Local Plan Core Strategy Draft Plan and supporting documentation during its examination; and

Undertake consultation on any modifications to the Northumberland Local Plan Core Strategy Draft Plan recommended by the Planning Inspector acting on behalf of the Secretary of State at examination.

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

.....
Chair of the County Council

.....
Duly Authorised Officer