

WEST NORTHAMPTONSHIRE COUNCIL

Report of the Corporate Overview and Scrutiny Committee

Recommendations of the Corporate Overview and Scrutiny Committee on the draft Budget 2023/2024 and Medium-Term Financial Plan – General Fund Revenue and Capital:

DRAFT VERSION 4 3 February 2023

1 Recommendations

1.1 It is recommended that:

1.1.1 This report is forwarded to the Executive Director – Finance (Chief Finance Officer) to be appended to the report to Cabinet and then to full Council on the budget 2023/2024 and Medium-Term Financial Plan – General Fund Revenue and Capital and Housing Revenue Account; and the following recommendations of the Corporate Overview and Scrutiny Committee are highlighted:

1.1.2 Fees and Charges

Having carried out scrutiny on the Fees and Charges contained within the draft budget and having received a detailed presentation from the Executive Director – Finance which addressed all the elements set out in the terms of reference for the scrutiny work on Fees and Charges members of the Committee were generally supportive of the approach adopted on Fees and Charges.

Members of the Committee recommended that a Communications Plan is put together for some of the main fees and charges which focusses on the increase in cash terms rather than in percentage terms which can be misleading. It should also highlight that benchmarking information was used to be able to propose an increase in Fees and Charges.

1.1.3 Capital Programme

Cabinet is informed that that Corporate Overview and Scrutiny Committee is concerned that adequate budget is available for the Council to be net Zero by 2030 and that there needs to be a costed plan setting out how this will be achieved.

Cabinet is informed that in general, Corporate Overview and Scrutiny Committee is satisfied that Cabinet has demonstrated that monitoring, and oversight is in place.

Robustness of Budgets

1.1.4 Care

Corporate Overview and Scrutiny can see that budgets for both Adults and Children's Social Care have increased significantly for next year to reflect current levels of demand for the service and provision for some continued increase in demand over next year. The Committee

acknowledges that the budgets have been put together using the best information currently available and therefore are as robust as they could be at the time of setting the budget.

However, given it is difficult to foresee the future demand in the need for Children's and Adult's services and how this will affect budgets for both, Corporate Overview and Scrutiny Committee considers that the budget for both Children's and Adult's Services is an area of continued risk to the Council's budget for 2023/24.

General

The Committee acknowledges that there was approximately £48 million of base budget changes and believes that this budget should be more accurate and more deliverable than previous versions.

2 Purpose

- 2.1 The purpose of this report is to provide the comments of West Northamptonshire Council's Corporate Overview and Scrutiny committee on the draft Budget 2023/2024 and Medium-Term Financial Plan – General Fund Revenue and Capital.

3 Context and Background

- 3.1 Budget scrutiny is included within the work programme 2022/2023 for Corporate Overview and Scrutiny Committee (the Committee).
- 3.2 At its meeting on 7 November 2022 (**meeting 1**), the Committee commenced its budget Scrutiny process for 2023/24 focussing on the Northamptonshire Children's Trust budget and the key cost drivers to the Children's Trust budget . At this meeting the Committee agreed it would undertake budget scrutiny over a series of four meetings.

Meeting 2 (5 January 2023)– The Committee considered and scrutinised the draft Budget 2023/2024 and confirmed its budget scrutiny process.

Meeting 3 (10 January 2023) The Committee, in the form of a Task and Finish Group put key questions to the Leader of the Council, Assistant Cabinet Member for Finance and the Executive Director for Finance (Chief Finance Officer) on key areas of the budget.

The Committee also identified three areas of the draft budget to focus on:

- Fees and Charges
- Capital Programme
- Care – Robustness of Budgets

The Committee requested:

- Interim results of the Budget Consultation process as they are received and these have been provided

- For the capital and revenue budget to be mapped to the priorities of the Council and this has been provided.

Meeting 4 (31 January 2023) – At this meeting the Committee, which took the form of a Task and Finish Group of the whole Committee, Members received a short update on the draft Budget by the Chief Finance Officer who made reference to any changes that had emerged since the draft budget 2023/24 was produced.

Following the short address of the Chief Finance Officer, the Task and Finish Group then split into three breakout groups, each looking at one of the key areas of the draft budget that had been identified previously. The lead councillor from each breakout group fed back the views and comments of each of the breakout groups. Each breakout group had 45 minutes to consider the key areas.

Meeting 5 – The Committee at its meeting on 6 February 2023, agreed its final report which comprises a summary of the outcome of its budget scrutiny and recommendations to Cabinet.

4 Budget Scrutiny

- 4.1 At its meeting on 7 November 2022 (**meeting 1**), the Committee commenced its budget Scrutiny process for 2023/24 focussing on the Northamptonshire Children’s Trust budget and the key cost drivers to the Children’s Trust budget which were an increase in children’s social care cases in the care system, and increased number of children in care, increased cost and reduced availability of placements, increasing independent fostering agency fees, and workforce pressures. Additional pressures aside from the key cost drivers included the contract negotiation and the implementation of a staff pay award above the contract sum provision (£1.9m) based on the flat rate of increase of £1,925. There were also additional pressures related to demand growth in children’s placements (£4.380m), inflationary increases above the contract sum in placements (£2.062m) and transport (0.675m), the non-delivery of £1.2m for the development of children’s homes which had been built into future savings forecasts following the confirmation of capital funding in October 2022, and a cost of £0.844m following a Local Government Ombudsman judgement relating to adoption. The information on cost drivers of the Children’s Trust budget was fully utilised in informing the Committee’s budget scrutiny activity at latter meetings of the process (meeting 3).
- 4.2 At its meeting on 5 January 2023 (**meeting 2**) the Task and Finish Group considered and scrutinised the draft Budget 2023/2024 and decided how it would undertake budget scrutiny.
- 4.3 At its meeting on 10 January 2023 (**meeting 3**) The Committee in the form of a Task and Finish Group put key questions to the Leader of the Council, Assistant Cabinet Member for Finance and the Executive Director for Finance (Chief Finance Officer) on key areas of the budget:

Overview and Scrutiny Involvement and Engagement

- The Committee agreed that the scale of the Council’s financial deficit could have been shared with the Committee when this had become apparent in September 2022. Sharing this information earlier would have led to more transparency and could have provided a more open and coordinated response for all staff and Members to work together on this.

- There is a need for Cabinet to work with Corporate Overview and Scrutiny to improve information sharing, so that when challenges arise in the future they do not come as a surprise, this will improve preparedness, collaboration, and resilience of the wider Council along with establishing more trust between the Cabinet and non-Executives. Cabinet should make use of the knowledge and experience of all Members of the Council.

Draft Budget Consultation Process

- As requested, the Committee was provided with the interim consultation reports on the draft budget 2023/2024 in order to provide detail on the emerging themes of the consultation.

Corporate Plan, Strategic Vision and Business Intelligence

- In response to how the strategic plan would deliver the Council’s commitment to becoming carbon neutral by 2030, the Leader of the Council advised that West Northamptonshire Council is now a member of UK100, which is a network of local leaders who have pledged to lead a rapid transition to Net Zero with Clean Air in their communities ahead of the government’s legal target which will inform the strategic plan how the Council will deliver its commitment to become carbon neutral by 2030.
- The Council will be publishing its energy efficiency report on a regular basis in order to understand our carbon footprint, emissions, and progress towards the goal of becoming carbon neutral by 2030. Work is underway to understand how Capital budgets could be earmarked for capital works, however in the immediate future there were plans to add more solar panels to the roof of One Angel Square, and to make the best use of the Council’s buildings estate as part of the ongoing office optimisation project.
- The Business Intelligence service interacts will all other services Council-wide, in order to compile performance data to ensure that services are performing well and identified priorities are monitored and delivered against. Performance is monitored within services and owned by service Directors. Performance data is provided to both the Executive Programme Board and Executive Leadership Team.
- Home to School Transport service for the county was hosted by West Northamptonshire Council and provided to North Northamptonshire Council, however this had recently been disaggregated. It is provided the following services:
 - Home to school transport for pupils of statutory school age (4 – 16 inclusive) under s509 of the Education Act 1996.
 - Pupils with Education Health and Care Plans (EHCP) of statutory school age
 - Students aged 16-18 in further education and continuing students aged 19 and over
 - Children’s Social Care Transport, including respite care transport and family visits
 - Adult Social Care Transport

4.3 At its meeting on 31 January 2023 (**meeting 4**) which took the form of a Task and Finish Group, the whole Committee received a short update on the draft Budget by the Chief

Finance Officer who made reference to any changes that had emerged since the draft budget was produced.

Following the short address of the Chief Finance Officer, the Task and Finish Group then split into three breakout groups, each looking at one of the key areas of the draft Budget that had been identified previously.

key areas of the draft Budget 2023/2024 were considered by “Breakout Groups” of the Budget Task and Finish Group in relation to:

- Fees and Charges
- Capital Programme
- Care - Robustness of Budgets

The Lead Councillor from each Breakout Group fed back the views and comments of each of the Breakout groups. Each Breakout Group had 45 minutes to consider the key areas.

Fees and Charges

The comments and questions that the Task and Finish Group raised in relation to fees and charges were around the issues as detailed below:

- There is a need to communicate that the proposed increases in Fees and Charges as an absolute amount rather than communicate the percentage increase.
- A recent meeting with the BID and traders had been held regarding the proposed increases and changes to car parking charges in central Northampton. Traders had conveyed concerns regarding the current regeneration that is taking place in the town and the disruption to the town centre. They appreciated the Cultural Quarter and the night time economy but felt that similar to other town centres, Northampton town centre is struggling and the increase in parking could affect shoppers, events and those attending church. The Cabinet Member noted the comments and emphasised the costs of maintaining car parks and the Council cannot keep absorbing these costs.
- It was commented that people’s salaries are not increasing with inflation which will have a knock on effect on using Council facilities such as car parking.
- The issue of the lack of public transport at night from Towcester to Northampton was highlighted.
- The Breakout Room realised that car parking charges had not increased for four years.
- The Breakout Room noted that Cabinet had withdrawn its decision to propose car parking charges at the Racecourse and there was currently no plan to introduce these at this point, it had been removed from the draft budget proposals. However, the Cabinet Member confirmed that car parking at the Racecourse was a problem as often the car park was full all day, leaving it unavailable for Racecourse users. It was also full in the evenings of vehicles, whose owners were not necessarily using the facilities at the Racecourse.
- In response to a query regarding the proposed all day charge of £12 for parking at the country parks, the Breakout Room heard that the proposal was to harmonise the country parks - Daventry and Brixworth. Research had been undertaken that had shown when people use the parks. Season tickets would also be offered at a cost of £100 per year that could be used for both parks. Comments received as part of the consultation process would

be considered regarding the charges. The breakout room acknowledged the value of a season ticket for those who used the country parks on a regular basis.

- The breakout room considered the information provided and understood the rationale for the proposed increases to the building control fees.
- There is a need to ensure that residents continue to support the green waste collection service and it is important to communicate that a fee of £55 per a year, costs just over £1 a week, rather than highlight the percentage increase of approximately 30% to £55 per bin from £42 per bin.
- Concerns were raised that replacement or newly issued black bins are now of a smaller size and larger families often appear to require the larger sized black bin. They should be encouraged and advised how to recycle.
- The benefit of offering a direct debit provision for the payment of the charge of green waste collection was raised. It was welcomed that the Place Directorate is working closely with Finance regarding direct debit payments. It was noted that this could be resource heavy. A monthly direct debit was not currently offered but residents could sign up for the year and then pay this fee by direct debit annually.

Capital Programme

The Breakout Group made the following comments in relation to the budget for the Capital Programme:

- As part of scrutinising the capital programme budget the breakout Room looked at contingencies and the carry over of £5 million from the previous financial year
- The breakout room recognised that borrowing is used as a last resort as schemes that have a degree of either full or partial self-financing are always prioritised.
- The breakout room considered Net Zero and how this is interwoven into the Corporate Plan. It was concerned whether there is a large enough allocation in the draft budget for this, and whether 2030 was achievable
- The breakout room was advised that if there was an overspend, assurances were provided on where this would come from.
- Regarding pipeline projects there is a lot of feasibility work being undertaken for future applications for levelling up funding.
- In general, Members were very impressed with the monitoring, oversight and grasp that officers have over capital budget matters.

Care – Robustness of Budgets

The comments and questions that this Breakout Group raised in relation to care were around the issues as detailed below:

- The Breakout Room expressed concern regarding family therapies which are a good preventative tool. It noted that the value in care model did have a therapeutic element, this was removed in the former NCC and has created challenges that the Trust faces now. There is also support available to help children have more stable long-term placements.
- In response to a question whether family planning prevention is in place for women who had multiple births with children removed from the home, it was explained that there were a number of interventions and the Assistant Director Commissioning and

Partnerships worked with public health around this. The Pause project in Northampton is an example of good work in this area. There are linking initiatives such as 0-19 contracts (NHFT), family hubs, reducing parental conflict training in conjunction with the Children's Trust.

- It was welcomed that WNC is the most cost efficient unitary council in the country for Adult Social Care.
- The breakout room was concerned regarding Adult Social Care and Children's Trust budgets as it was aware the budgets were always overspent as it was a national problem.
- The breakout Room was keen that the voluntary sector could be used in being more supportive in aiding the Council to deliver their statutory duties.
- In response to a question regarding zero hours contracts it was explained that the team needs to look at ways to make sure they had enough staff in place for those requiring support. Historically zero hours contracts were viewed negatively but in recent trends some individuals preferred this, but zero hours contracts were not viewed favourably by the public.
- The Breakout Room agreed that Cabinet should be informed that Corporate Overview and Scrutiny Committee recognises the importance of funding to meeting demand and a focus on prevention, with earlier intervention is key to preventing children coming into care and acknowledges that it is difficult to demand rises in pressures and the affect these will have on budgets for both Children's and Adult's services.

4.5 Attached at **Appendix A** are the notes detailing the deliberations of each Breakout Group on the three key areas from the draft Budget 2023/2024, together with the notes from the meeting that the Task and Finish Group had with the Leader and Assistant Cabinet Member on the draft budget 2023/2024.

5 Conclusion

5.1 Over a series of four meetings the Corporate Overview and Scrutiny Committee undertook in-depth Budget Scrutiny and considered three key areas of the draft Budget 2023/2024: providing comment as part of the West Northamptonshire Council's budget consultation process.

5.2 The Committee agreed that its budget scrutiny process had worked very well and had been both engaging, informative and had enabled the Committee to fulfil its budget scrutiny role.