

**Draft Report of the Budget Scrutiny Task and Finish Group – Final
Recommendations of Corporate Overview and Scrutiny Committee to Cabinet
on the Draft Budget 2024-25**

Northamptonshire Children’s Trust

In appraising what areas to scrutinise the committee was very conscious of the areas of greatest pressure and overspend. The largest is the Northamptonshire Children’s Trust which the latest figures projected to be £29.7m overspent.

The Committee was aware that actions have been taken by the council to try to support and get a better understanding of the financial situation of the trust. The Committee felt that the Trust and Cabinet needed to be given breathing space to show results from these interventions and therefore did not wish to ask the same questions of the same people to get the same answers.

The committee remain concerned at the level of overspend of the Trust and the unpredictability of their budgeting processes. The committee will return to the Children’s Trust as part of its normal business.

The committee wishes to be clear that a conscious choice to allow all those space to implement new measures should not be interpreted as satisfaction with, or approval of, or resignation to these continual significant overspends that have been a recurring feature since the inception of the Trust.

Homelessness and Temporary Accommodation

Scrutiny of the budget for homelessness and temporary accommodation contained within the draft budget was undertaken. A detailed presentation from the Executive Director for Place and Economy and the Assistant Director for Finance (Strategy) was received which addressed all the key lines of enquiry as detailed in the terms of reference for this budget scrutiny group.

The good work that is being undertaken in relation to temporary accommodation was recognised but the Committee has concerns regarding a potential increase in homelessness and proposed to Corporate Overview and Scrutiny Committee that it includes within its work programme a review of the budget and situation in relation to temporary accommodation.

The Committee notes that considerable work has been undertaken in various work strands in relation to homelessness and temporary accommodation.

The Committee recommended to Cabinet that:

- (1) Cabinet accelerates consideration of innovative, modular housing, and building repurposing options in order to reduce housing costs as quickly as possible.

Adult Social Care

The Committee has concerns regarding Adult Social Care budgets as it is aware the budgets are always overspent, which is a national problem. At the time of the earlier budget scrutiny session there was a key challenge with the 10% reduction in unavoidable budget growth for 2024-25. We acknowledge that since this meeting the risks have been reduced by finalised settlement figures. The Committee realises that the projected overspend at budget period 9 is £4.1 million but welcomes and notes the building blocks that are in place for next year's budget and welcomes that the base budget has been developed based on forecast demand. It acknowledges that this may however be challenging.

The Committee supports the stringent financial control mechanisms that are in place for every pound that is spent and, in general, is satisfied that Cabinet has demonstrated that appropriate monitoring, and oversight is in place.

The Committee noted the severe change in demographics, especially the projected increase in the numbers of those aged 75 in the next few years. This too may not be evenly spread and could affect parts of the district in a greater way than others.

The Committee recommended to Cabinet that:

- (1) Cabinet sets out its strategy to deal with the demographic changes over the medium term as highlighted above.

Miscellaneous Budgets

The Committee undertook budget scrutiny of a number of 'miscellaneous budgets' namely:

- Trading standards
- Historic spending analysis by directorate
- Analysis of contract inflation focussing on the growth in this area for 2024- 25 (£15.5m) compared to 2023-24 (£17.9m), analysis of the areas and percentage getting contract inflation this year compared to last year
- Capital projects analysis
- Analysis on the use of reserves
- Pothole funding analysis; and
- Council Tax hardship fund

Note: The final two bullet points were added to the terms of reference of the group at the request of the Chair of the Adult Social Care Overview and Scrutiny and the Chair of Corporate Overview and Scrutiny Committee.

The Committee recommended to Cabinet that:

- (1) Long term base budget investment is provided to the roads maintenance budget so that it is less reliant upon ad-hoc grant funding.

- (2) The Council's hardship fund is reviewed and maintained to an appropriate level.
- (3) Cabinet gives assurance that the level of funding in Trading Standards is sufficient to enable them to fulfil their statutory duties, considers investment that would allow greater income to be generated from this area to provide better services and greater safety and confidence for consumers.