

WEST NORTHAMPTONSHIRE COUNCIL

Report of the Corporate Overview and Scrutiny Committee

Recommendations of the Corporate Overview and Scrutiny Committee on the draft Budget 2022/2023 and Medium-Term Financial Plan – General Fund Revenue and Capital

1 Recommendations

1.1 It is recommended that:

1.1.1 This report is forwarded to the Executive Director – Finance to be appended to the report to full Council on the budget 2022/2023 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 Carbon Neutrality and Highways

It is recommended that more evidence and detail are required regarding the Council's Policy in respect of Climate Change setting out clear investment and plans.

There needs to be a costed plan which clearly sets out how the Council can be carbon neutral by 2030.

It is recommended to Cabinet that a dedicated Officer, on a fixed term contract for a period of five years, working across the Service Areas on Carbon Neutrality is employed and funded from the Risk Reserves. The initial remit of the role is to understand the Council's own carbon emissions, monitor and look to reduce these emissions. The emissions should be reported publicly.

Cabinet is informed that Corporate Overview and Scrutiny Committee welcomes the investment in the highways service and the increase of 19 new FTEs.

1.1.3 Children's Trust

Cabinet is informed that from the information provided by the Chief Executive of the Children's Trust that the budget for the Children's Trust appears to be robust and achievable and that Corporate Overview and Scrutiny Committee supports the long-term view of aiming for zero based budgeting in future years.

There is a need for more funding for community-based investment.

1.1.4 Strength Based Working

Cabinet is informed that Corporate Overview and Scrutiny Committee supports the Strength Based working model and commends the savings detailed in the draft Budget 2022/2023. Investments should also be made from the outset to maximise long-term savings.

Grant funding must be used more effectively, and efficiency savings highlighted.

Cabinet is informed that Corporate Overview and Scrutiny Committee proposes a move to the Living Wage Foundation's living wage of £9.90 for all staff employed by the Council from 1 April 2022. It is understood this will cost an additional £152,000 compared to what was included in the draft budget proposals.

We commend consideration for Care Staff to be similarly remunerated. Further information be presented to the Corporate Overview and Scrutiny Committee by May 2022 regarding the national recommendation that all Care Staff should be remunerated at £11.50 per hour.

2 Purpose

- 2.1 The purpose of this report is to provide, as part of the budget consultation process, the comments of West Northamptonshire Council's Corporate Overview and Scrutiny committee on the draft Budget 2022/2023 and Medium-Term Financial Plan – General Fund Revenue and Capital.

3 Context and Background

- 3.1 At its meeting on 30 November 2021, the Co-Ordinating Overview and Scrutiny Committee approved the work programme for Corporate Overview and Scrutiny Committee. Budget scrutiny was included within the work programme 2021/2022.
- 3.2 At its meeting on 15th November 2021 the Committee received a verbal update on the Budget Setting Process for 2022-23. At its meeting on 13 December 2021, the Committee agreed how it would undertake budget scrutiny over a series of four meetings:

Meeting 1 – The publication of the draft Budget 2022/2023 and Medium-Term Financial Plan – General Fund Revenue and Capital was highlighted.

Meeting 2 – The Chief Finance Officer went through the draft Budget 2022/2023 in detail to the Committee and responded to many detailed questions on the draft

Budget. The Chief Finance Officer had also received some questions ahead of the meeting and responded to those at the meeting too.

As requested, the Chief Finance Officer provided further information on the draft Budget to the Committee.

This meeting sought mapping of the draft Budget 2022/2023 to priorities contained with the Council's Corporate Plan.

The Committee also identified three areas to focus on:

- Carbon neutrality and Highways
- Children's Trust
- Strength Based Working model and financial savings associated with it

Meeting 3 – At this meeting the Committee, which took the form of a Task and Finish Group, the whole Committee received an update on the draft Budget by the Chief Finance Officer who made reference to the pressures that had emerged since the draft budget was produced and confirmed that no additional 'secret' meetings had taken place since Cabinet met in January on the budget.

The Chief Finance Officer then ran through the exercise that had been completed to map the draft budget to the priorities of the Council as detailed in the Council's Corporate Plan.

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 4 – The Committee at its meeting on 7 February 2022, agreed its final report which comprises a summary of the outcome of its budget scrutiny and recommendations to Cabinet.

4 Budget Scrutiny

4.1 Key areas of the draft Budget 2022/2023 were considered by "Breakout Groups" of the Budget Task and Finish Group in relation to:

- Carbon neutrality and Highways
- Children's Trust
- Strength Based Working model and financial savings associated with it

Carbon Neutrality and Highways

4.2 The comments and questions that the Task and Finish Group raised in relation to Carbon Neutrality and Highways were around the issues as detailed below:

- The Breakout Group conveys its concerns regarding the underinvestment of buses and bus services across West Northamptonshire. The current Policy is to ensure bus services are the same as they were five years ago, in five years' time. Several options are currently being investigated to do this.
- More evidence and detail are required regarding the Council's Policy in respect of Climate Change. There is a need for concrete performance and a need for more budget for climate change, i.e., there needs to be clear investment and plans set out; for example, more detail about the invest to save proposal and how money will be borrowed. The Breakout Group queried whether being carbon neutral by 2030 was a realistic target; especially as it perceived that the cost of borrowing would rise. Currently, £500,000 has been put in the budget for the next three years. The Council has a big ambition to be carbon neutral by 2030 but the Breakout Group queried that there is not a project in place to meet the ambition. It is important to have the pledge but there is not a clear steer of how much carbon the Council is omitting and the savings to be made. It needs to be ensured that the Council can be carbon neutral by 2030.
- The investment in the highways service and the increase of 19 new FTEs was welcomed.
- Important savings made will benefit other services, such as schools and school transport.

Children's Trust

4.3 The Breakout Group made the following comments in relation to the budget for the Children's Trust:

- The Breakout Group agreed, that from the information provided by the Chief Executive of the Children's Trust that the budget was appeared to be robust and achievable. It was further agreed that the Task and Finish Group was comfortable with the budget and that improvement would be looked at following the next Ofsted report. It was added that it supported the long-term view of aiming for zero based budgeting in the future.
- The welcome and retention bonuses now paid to staff were welcomed as was the reduction of the use of Agency Staff from 22.5% to 16%. The recruitment drive was being working upon with the aim to reduce this further. An initiative of this was to try to encourage Social Workers that had left the service to come back. The Task and Finish Group was pleased to note also that paperwork reduction was being investigated with the aim of giving Social Workers more time to look after children and therefore reduce the number of children living in care. Reduction of Social Worker caseloads was also being investigated.
- The drive to recruit more foster carers was welcomed.

- There is a need for more funding for community-based investment

Strength Based Working model and financial savings associated with it

4.4 The comments and questions that this Breakout Group raised in relation to Strength Based Working model and financial savings associated with it were around the issues as detailed below:

- The Breakout Group support the Strength Based working model, noting that it ensures that a simple, timely pathway is provided to residents and independence is maximised. The Strength based working approach promotes independent living and drives supported living over residential care so that individuals have access to allowance and can live a better life
- The national (foundation) living wage would be recommended to be paid to staff at a cost of £152,000
- The Breakout Group agreed that West Northamptonshire Council should be the largest care provider in order that it could effectively manage the governance arrangements and ensure there is quality assurance and better delivery of training for staff.
- The rationale for the current overspend was noted as a result of hospital discharges. The Breakout Group highlighted the need for a model for Adult Social Care that is sustainable.
- The Breakout Group commended the savings detailed in the draft Budget 2022/2023 and felt that investments should also be made from the outset to maximise long-term savings.
- The need to more effectively use grant funding and how efficiency savings could be made was highlighted.

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 2022/2023 as detailed above.

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 2022/2023: providing comment as part of the West Northamptonshire Council's budget consultation process.

5.2 The Committee agreed that its inaugural Budget Scrutiny process had worked very well and had been both engaging, informative and had enabled the Committee to fulfil its Budget Scrutiny role. It agreed that the process would commence earlier

Final Budget 2022-23 and Medium Term Financial Plan – Appendix I

next year, around late autumn and training for the Committee on Budget Scrutiny will be scheduled.

- 5.3 The Overview and Scrutiny Committee requested further information and has been pleased to receive reports on how the budget aligns to the corporate plan, and our investment portfolio.
- 5.4 The Overview and Scrutiny Committee requested member training on Treasury Management and is pleased to report this has been delivered.