

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 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

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.

Corporate Overview and Scrutiny Committee – Budget Scrutiny Task and Finish Group

Breakout Room – Children's Trust Budget

Councillors:

Cllr Mohammed Aziz

Cllr Maggie Clubley

Cllr Koulla Jolley

Cllr Walter Tarasiewicz

Officers:

Colin Foster

Andrew Tagg

Chris Kiernan

Richard Woods

Councillor Maggie Clubley was nominated Lead Councillor to report back to the Task and Finish Group.

When NCT was formed there was concern over the engagement of scrutiny and role of Members in the process - many of the NCT leaders come from a local govt background so fully understand the importance of scrutiny.

Most important thing from a budget perspective is to ensure that the processes and the culture is right, and with that comes budgetary success and financial propriety. Robust and effective resource management is key in the operation of NCT, working alongside the Councils.

A breakdown of services and budget percentages was provided on the PowerPoint presentation, along with an explanation of the nature of the services provided in each area. There are currently 1177 children in care across Northamptonshire as at today. There are currently 196 CIC placements out of county and roughly a total of 7.5k children "in the system" at in various stages in Northamptonshire at this time.

Ensuring that all CIC placements are appropriate for the individual child is absolutely key for the child and their long-term wellbeing.

A lot of the current budget structure is based on what was previously in place at NCC, and this is being worked through to determine what works, and what does not.

The current ambitions of the NCT were set out in the presentation. It is hoped to make some on the current budget, if this is achievable. Services were previously rated

inadequate as the needs assessment for children was not fit for purpose, this has led to inequality of cost of individual placements.

Corporate Overview and Scrutiny Committee - Budget Scrutiny Task and Finish Group

27 January 2022

Breakout Room – Strength Based Working

Councillors

Councillor Mark Hughes – Lead Councillor for the Breakout Room

Councillors: Sally Beardsworth, Richard Solesbury-Timms and Danielle Stone

Officers

Stuart Lackenby – Executive Director Adults, Communities & Wellbeing

Maisie McInnes – Democratic Services Officer

The Breakout Room confirmed that Councillor Mark Hughes would be the lead Councillor for this Group and would report back the recommendations of the Breakout Room to the main Task and Finish Group.

The Executive Director Adults, Communities & Wellbeing gave the Breakout Room background information on the budget and challenges faced by the Adults, Communities and Wellbeing area and delivered informative presentation on Strength Based Working.

Key points:

- For 2022/23 the total budget for Adults, Communities and Wellbeing is £115.7m. Biggest area within the Council and largest workforce.
- The Strength Based Working approach started in 2019 and is based around three conversations
- The first conversation is the initial meet, where we listen to the person and hear their story and problems, and make sure we really understand what they want and need. Signpost people to local volunteers and other support groups.
- Secondly, deliver a period of short intervention, cocooning them through crisis by connecting them with friends/family and services in the community.
- Thirdly, if further support is needed, we will think creatively about their support and keep people at home for as long as possible.
- Emphasised that the care home context has changed, recommended for people with complex needs and not a quick solution.
- There were opportunities identified for savings as summarised in the presentation with projected £7.5m Medium Term Financial Plan Savings for 2021-2024.

Area	Summary of Opportunity	West	Current
OP Decision Making	<ul style="list-style-type: none"> Supporting more people in a more independent setting and better matching support to need using a strength based approach focusing on independence. <i>Target reduced areas of spend: OP Residential, Nursing and Home Care</i> 	£1.1m	£2.1m
Older People Reablement	<ul style="list-style-type: none"> Increasing the capacity and volume of service users who can benefit from Reablement services, increasing effectiveness in the process to ensure maximum independence. <i>Target reduced areas of spend: OP Home Care</i> 	£2.6m	£0.2m
WAA Decision Making & Progression	<ul style="list-style-type: none"> Better matching support to needs using a strength based approach focusing on independence and by reducing the need for formal support over time <i>Target reduced areas of spend: WAA Home Care, WAA Direct Payments, WAA Supported Living</i> 	£3.6m	£1.7m
WAA Moving on	<ul style="list-style-type: none"> Supporting more young adults in a more independent setting outside of Residential care by identifying and supporting people to move settings <i>Target reduced areas of spend: WAA Residential Care</i> 	0.2m	£0.2m
Pathways & Processes	<ul style="list-style-type: none"> Changing the daily activities of staff to enable an improved new ways of working meaning backlogs can be cleared and the required demand serviced without hiring more people. <i>Target reduced areas of spend: Cost avoidance on Staff spend</i> 		

- The areas were identified and summarised and aligned against current savings in green with the expected target under West.
- Areas are on target with OP Decision Making having achieved over the target already.
- Savings achieved already amount to £5.9m so already near to target of £7.5m by 2024.
- Target of £7.5m is achievable, but savings will be stretched to meet new target of £9.1m
- Reablement service for older persons experiencing crisis/deterioration of health is a free service for 6 weeks and includes occupational therapy.
- 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 Breakout room made comment, asked questions and heard:

- Members felt that £152k is a justified spend to bring LA workforce out of poverty and demonstrate support for staff and give recognition for their hard work. The pay rise would help to increase morale.
- Members agreed that pay rise was needed and felt more could be done to improve morale to retain staff.
- The Breakout room suggested that this is fed back to committee that Cabinet use funds to deliver pay rise from this year's budget.
- There were chronic staff shortages in the sector. The UK Homecare published a report this week and findings show that a minimum wage of £11.15ph is needed for

care to be an attractive job. At present £26ph is paid to care provider services but staff receive in the main a much lower amount in line with legal minimum wages.

- Consideration to be given to similarly remunerating external care staff
- Members expressed concerns with outsourcing as companies were profiting from vulnerable people
- Homecare currently had 76 external providers; largest provider has a 6% share. For the future we need to look at how we can support local providers. Can have up to 5 providers in the same street, so need to streamline providers as this will reduce budget and travel costs.
- Members felt that the Council needed to be the largest care provider in order to have a better grip on governance and ensure quality assurance and better delivery of training.
- There was a service gap in finding providers to deliver support in rural areas such as in South Northants
- Current overspend is a result of hospital discharges, need to come up with a model for adult social care that is sustainable.
- Members were worried about how the social care sector would be able to recruit reliable workforce and asked about overseas workers
- It was heard that there were not many overseas workers.
- Job roles were not suitable for those looking for immediate start as DBS checks which could take 3-5 weeks and training required to start the job.
- Need to change way job is promoted and marketed to natural born carers and those looking for long-term career progression.
- Members commended the savings in the budget and felt that as the largest area in the Council, investments should be made from the outset to maximise long-term savings.
- Preventative care would continue to be explored and how the public grant could be used more effectively and how efficiency savings could be made.

Corporate Overview and Scrutiny Committee - Budget Scrutiny Task and Finish Group

27 January 2022

Break out Room - Highways and Transport Services - Carbon neutrality and Highways

Councillors

Councillor Ian McCord Lead Councillor for the Breakout Room

Councillors: Andrew Grant, Keith Holland- Delamere, Rupert Frost, David James, Colin Morgan and Ken Pritchard

Officers

Stuart Timmiss – Executive Director - Place and Economy

Tracy Tiff – Deputy Democratic Services Manager

The Breakout Room confirmed that Councillor Ian McCord would be the lead Councillor for this Group and would report back the recommendations of the Breakout Room to the main Task and Finish Group.

The Executive Director, Place and Economy, gave the Breakout Room a comprehensive presentation – Highways and Transport Services

Key points:

- Highways and Transport Services and the main roles undertaken by the Team were highlighted, included enabling sustainable travel including active travel and public transport; planning, procurement, and delivery of home to school transport (mainstream, SEN, and Post 16) and Social Care and Health Transport on behalf of Adult Services and Children's Trust. Home to school transport needs to be more efficient and effective
- Estimated savings required from the Place directorate at the start of the Star Chambers process was approximately £4m
- Infrastructure managed includes: 1528 miles of roads, 846 miles of footpath, 308 miles of bridleway and 23,200 streetlights (ex NCC under private finance initiative (PFI))
- Work undertaken since 1 April 2021 was highlighted for example: emergency incident responses – 2785, sinkholes repaired – 24, bikeability training – 1962 people
- HR information – 112 posts (110FTE); staffing budget including on costs £3,695,000. 13 vacant posts
- Key service projects include: new contract procurement, highways and transport disaggregation and restructure, home to school transport, bus service improvement plan, active travel strategy development, parking team – to all disaggregation, delivery of major highways projects and development of infrastructure projects pipeline
- Key Covid19 pressures – highways maintenance social distancing £160,000 (expenditure), parking enforcement £201,200 (income pressure) and sustained footfall for 2022.2023 and roundabout sponsorship £14,000 (income pressure)

- Highways –The proposed WNC Team will comprise 59 posts (19 of which are new.) The total pressures for 2022/2023 equate to £1,591,000. Costs could be less if the same contractor is awarded both WNC and NNC contracts. Changes to in/out of scope were provided.
- The new Highways Contract will include a Climate Change and Environment Action plan and will be required to be carbon neutral for its scope 1 and 2 emissions and be able to demonstrate progressive and significant reduction in Scope 3 emissions by 2030. The contractor will be required to report on Scope 1,2 and 3 emissions annually.
- The Council’s carbon plan will include buildings, fleet, energy use, energy production, procurement, `Cloud `IT, emissions from land and staff – climate champions and leads
- Summary of highways budget proposals in the draft budget include:

Pressure	Highways – new contract and increased client side	£1,591,000
Pressure	Home to school transport	£150,000
Income	Parking – pressure due to reduced enforce. Income	£201,000
Pressure	Active Travel – Scheme Design and Promotion	£215,000
Saving	Street Lighting	(£280,000)
Pressure	Pipeline Projects	£500,000
Pressure	HS2 Marshall and young drivers training	£65,000

- The presentation included key points around WNC meeting its climate change challenge – financial opportunities and issues.
- Details regarding Assets: contractor occupied buildings were provided as were the procurement for construction and maintenance and that it would include adopting a high standard of environmental construction, areas of investment that would lower carbon emissions; best use of land and green travel and ensuring all developers employ high level of sustainability.

The Breakout Room made comment, asked questions, and heard:

- It was noted that the there would be a new Highways contract that would be split between the North and West Northamptonshire. By 30 June 2022 it is expected that the successful bidder would be identified.
- The Active Travel Strategy was expected to include walking, cycling, scooters, e-scooters and e-lambretas.
- The home to school transport policy is continuing in the same format is it was pre 1 April 2021. Spend is £21million per year across Northamptonshire. Pressure is due to the change in legislation.
- Parking is being monitoring going forward and it is expected that there will be a Car Parking Strategy within the next 12 months. There has been reduced footfall that has meant less pay and display.
- In response to a query regarding the reduction in bus services, the Breakout Room heard that it was expected that within the next five years the numbers of individuals travelling on buses would be at the level it was five years previously. It was emphasised that this needs to focus on all four towns in West Northamptonshire. Concerns were raised that the numbers

of those travelling on bus services would not return to pre pandemic levels for some time. The Bus Strategy would be fully costed to ensure the most effective and efficient service was offered. It was hoped that there would be some Government matched funding that could be used.

- The Breakout Room heard that savings in respect of street lighting were expected using LED bulbs and remote control of the street lighting, which would require less maintenance. There is a 42.5% increase in energy costs could create lower payback period and increase revenue savings. Street lighting savings are revenue savings.
- There would be a reduction in carbon within the Authority and by making investments, costs would be saved and therefore a reduction in carbon. Invest to save would be key and any savings would pay for the revenue payback over the years. The Capital Programme will detail over the next three years the climate programme, for example adapting the refuse lorries to electric. There is a lot of work taking place regarding the climate programme and the reduction in carbon. “False” savings would be avoided by moving buildings to alternative ownership. Maximising the use of buildings such as shared ownership, improved energy efficiencies, on site renewable generation, offsetting remaining emissions and new ways of working. Options are being developed for energy use such as on building solar, use of open land for solar, solar highways, energy generation from waste
- In response to a question regarding £500,000 for road design, Members were advised that £500,000 is a starting point for pipeline projects. The transformation project will review and update S278 and S38 commuted sums for highways, which will include planning charges such as S106 developer costs.

Councillor McCord, Lead Member for the Breakout Room confirmed with Members which were the key areas that he should report back to the Task and Finish Group for inclusion within the Committee’s report in respect of: Highways and Transport Services - Carbon neutrality and Highways:

- The Breakout room 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. A number of 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 Room 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 Room 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.

