

North Northamptonshire Shadow Executive Committee

At 7:00 pm on Thursday 7th January 2021

Held as a virtual meeting via Zoom

Item No: 04

Present: -

Shadow Members

Councillor R Roberts (Leader of the Shadow Authority and Chair)

Councillor J Addison

Councillor T Partridge- Underwood

Councillor D Jenney

Councillor S North

Councillor J Smithers (Deputy Leader of the Shadow Authority)

Councillor W Brackenbury

Councillor T Beattie

Councillor I Jelley

Officers

R Bridge – Chief Executive

A Wylie – Monitoring Officer

C Hadley – Director of Children’s Services

G Candler – Executive Director Place & Economy

M Cox – Executive Director Corporate, NCC

S Darcy – Executive Director Corporate, BCW

I Smith – Head of Service, Planning & Development, CBC

M Williams – Principal Facilities Manager, CBC

F McHugo – North Northamptonshire Democratic Services

J Gotts – Executive Director Finance

L Hyde – Director of Transformation

D Watts – Director of Adult Services

G Hammons – Executive Director, Resources and Commercial

K Brown – Acting Director of Adult Social Care, NASS

G Kane – Executive Director – Strategic Delivery & Transformation, NCC

M Dickenson – Head of Service – Resources KBC

S Smart – Assets Manager, CBC

G Macdonald – Head of Economic & Commercial Development, ENC

B Smith – North Northamptonshire Democratic Services

Also in attendance – Councillor Stanbra, Councillor Perry.

1. Apologies for Absence

Apologies were received from Councillor M Griffiths.

2. Notifications of requests to address the meeting

The Chair informed the meeting that there had been one request received to address the meeting. Councillor Stanbra, would address the Committee on Agenda Item 6: Transformation Director’s Update, Item 9: Housing Revenue Account and Item 10: Local Council Tax Support Scheme. The Chair also introduced Councillor Perry who

also requested to speak on Item 10 in her capacity as Vice-Chair of the Shadow Overview & Scrutiny Committee.

3. Members' Declarations of Interest

No declarations were received.

4. Minutes of the meeting held on 7th December 2020

The draft minutes of the Shadow Executive Committee meeting held on 7th December 2020 had been circulated.

Councillor I Jelley MOVED, and Councillor S North SECONDED that the minutes be approved as a correct record.

RESOLVED that: -

- (i) The minutes of the Shadow Executive Committee meeting held on 7th December 2020 be approved as a correct record and signed by the Chair.

5. Programme Status Update

Councillor Stanbra entered the meeting. In addressing the meeting, Councillor Stanbra asked officers whether savings figures for BRR09 Adults review of Target Operating Model were gross or net figures. Councillor Stanbra also suggested that figures in Appendix 2.1 could be broken down to individual years for greater transparency.

The Chair thanked Councillor Stanbra for his comments and Councillor Stanbra was returned to the waiting room.

A copy of the Programme Director's report and status summary for November 2020 had been circulated to the Committee. The report provided details of progress made towards the creation of the new unitary council on Vesting Day.

Lisa Hyde, Director of Transformation introduced the report. In relation to the Programme Status Summary, it was noted that a majority of services had moved to amber on the RAG scale due to risks associated with the short timescale of 60 working days until vesting day. It was noted that most of the risks related to NCC systems access beyond vesting and that the work force has a respond and adapt approach to rapidly address risks as they arise.

It was noted in response to previous concerns from members that staff and resources were in place to ensure the close down of sovereign council financial accounts was completed, although due to account reporting this would go on past Vesting Day.

The Director of Transformation highlighted changes in the Change Management reporting system. This would now report on the outcomes and impact of Change Champions rather than the headcount. It was noted that contact was being maintained

with staff and that responses were being issued to feedback which would ensure that staff comments had an impact. It was stated that the HR team had provided support and clarity to staff over the Tier 1-3 structure.

It was noted that the Communications & Engagement team were working on delivering Day 1 rebranding and promoting the new authority.

In response to Councillor Addison's question, J Gotts, stated that a level of uncertainty was the key implication until sovereign accounts are signed off.

Mr Hammons introduced the Budget Monitoring report and highlighted a £190,000 saving which resulted from the later than planned start date within the budget for statutory and director roles. It was noted that a slippage of around £1 million had occurred through the combination of extra Children's services slippage and the impact of Covid-19. It was noted that the programme would remain on track to realise the planned benefits in future financial years. Mr Watts echoed comments made by Mr Hammons and assured members that net savings would be made.

Councillor North asked how central Covid-19 funds to sovereign councils would be reported and was assured that reductions would be offset from funding going forwards.

Councillor W Brackenbury MOVED, and Councillor I Jelley SECONDED the recommendations.

It was RESOLVED that:-

- (i) The high-level Programme Delivery Status be noted;
- (ii) The update on Change Readiness be noted;
- (iii) The Communication and Engagement update be noted; and
- (iv) The Finance Monitoring report be noted.

6. Assets, Capital Schemes & Reserves Notifications

Members were presented with an overview of the original structure for Assets, Capital Schemes and Reserves Notifications which had been agreed by the Shadow Executive in June 2020. Officers provided a summary of minor changes including removal of reference to interim roles and an extension to include leases and licenses.

It was noted that Kettering Borough Council had given approval for a lease extension for the Green Patch Kettering. Councillor North expressed support for the community garden and cited the health and wellbeing benefits of the facility.

The additional fund requirement of £870k for the Shire Lodge extension was recommended with the funds to come from Corby Borough Council reserves. This would meet the demand for a space increase over a 25-30 year period.

Councillor Jelley endorsed Green Patch Kettering and offered support to the Shire Lodge extension as a great project and necessary addition to cemetery provision.

Councillor I Jelley MOVED, and Councillor S North SECONDED the recommendations.

It was RESOLVED that:-

- (i) The proposed changes to the Assets, Capital Schemes and Reserves Notification Process as detailed in Appendix 1 to this report be approved;
- (ii) The decision by Kettering Borough Council to grant Groundworks Northamptonshire a 99 year lease of The Green Patch, Kettering at a undervalue rent (Appendices 2 and 3) be noted and endorsed;
- (iii) The decision by Corby Borough Council to allocate an additional £870,000 to the Shire Lodge Cemetery Extension capital project, with the additional funds being drawn down from the Council's Reserves (Appendices 4 to 6) be noted and endorsed.

7. Blueprint Change Requests

Members were presented with the report which detailed a series of change requests in the attached appendices 1-11 which sought to ensure a robust change management and recording process for the Blueprint for the new unitary authorities.

K Brown summarised the small sections of Adult's services that would be unable to disaggregate on day 1 and requested that they be hosted for a 12 month period. Statutory roles and the need for team resilience were noted as an area that would need to be addressed through recruitment and transformation during the hosted period after Vesting Day.

M Cox updated members on the HR traded services agreements with schools and stated that the 3 staff would need to remain in situ to deliver the existing commercial arrangements. It was noted that these agreements ran for academic years and the new authority would have the opportunity to decide upon the future strategy for 22/23 onwards.

G Kane introduced the proposed changes and stated that the small team of 4 with varied skills and disciplines, meant the team could not be disaggregated on day 1. Mr Kane explained that a technicality in instructing contractors to carry out works existed which meant that contracts for Community Liaison Officers remain with the West as the contracting authority until the contract term ends.

C Hadley introduced the alteration of a move from disaggregation to a 12 month hosted model for the Information Advice and Support Service (IASS). It was noted that this would avoid duplication and retain service impartiality. The service would be allocated to the Intelligent Client Function department, which has been created as a lead function for service provision to the West.

Councillor W Brackenbury MOVED, and Councillor S North SECONDED the recommendations.

It was RESOLVED that:-

- (i) The changes requested to the Blueprint as outlined in Appendix A to this report be approved.

8. Draft Budget and Medium Term Financial Plan

Members were presented with an update to the first draft Revenue Budget 2021-22 and Medium-Term Financial Plan for North Northamptonshire Council that was considered by the Shadow Executive on 7th December 2020. The update sought to provide members with an update following the announcement of individual authority allocations in the Provisional Local Government Finance Settlement announced on 17th December 2020.

J Gotts introduced the report and updated members on the mitigation work undertaken to close the £10 million gap following the Local Government Financial Settlement and balance the budget. It was noted the settlement assumed councils apply the precept in full when looking at local government funding.

J Gotts outline the improved position following greater than anticipated New Homes Bonus, Covid-19 funding and Lower Tier funding. This was complemented by improvements to NCC budget disaggregation, the freeing up of reserves, reductions in the forecast of election costs and improvements to the collection fund to give a balanced budget.

Councillor North thanked the finance team for achieving a balanced budget and emphasised the need for clarity over the term 'reserves' when referencing the use of Covid-19 funding to offset the impact of the pandemic on the base budget.

Councillor T Beattie shared his disappointment at the Local Government Finance Settlement and the exclusion of any new money to support the new council. Concerns were expressed over the expectation of a 4.99% raise in council tax. R Bridge responded to these concerns and expressed hope that the new authority would be a beneficiary of the MHCLG exceptional support grants when announced in the coming weeks.

Councillor I Jelley echoed support for the financial team in balancing the budget and reminded both members and the public that the budget consultation is live until 29th January and encouraged views to be submitted.

Councillor I Jelley MOVED, and Councillor S North SECONDED the recommendations.

It was RESOLVED that:-

- (i) The updates to the 2021-22 draft budget and medium term financial plan as set out in this report be approved;
- (ii) This report shall be considered by Task and Finish groups that have been established by the Shadow Overview and Scrutiny Committee to scrutinise the draft budget; and
- (iii) The addition of this report to the consultation process outlined at section 11.8-11.11 which commenced on 11th December 2020 be endorsed.

9. Housing Revenue Account

Councillor Stanbra was admitted back into the meeting. Addressing the meeting, Councillor Stanbra raised concerns over a lack of proposals for addressing inefficiencies and the missed opportunities for reinvestment for the benefit of residents.

Councillor Stanbra was returned to the waiting room.

J Gotts introduced the report and gave a brief overview of the MTFP for the single HRA of North Northamptonshire. It was stated that there would be two Neighbourhood Accounts, Corby and Kettering, which amounted to a £35 million spending income.

J Gotts outlined the rent increases of 1.7% in line with government guidance for rent increases within both of the Neighbourhood Accounts. This followed a four year period of 1% rental decreases. It was noted that the HRA Capital Budget information is included to provide context but forms part of the Capital Strategy which is out as part of the consultation. J Gotts stressed the importance of tenant engagement and welcomed responses to the consultation.

In response to Councillor Stanbra's question, it was suggested that efficiencies would be addressed by the new authority and that further work was also part of the Climate Change working group consideration.

Councillor T Beattie MOVED, and Councillor T Partridge-Underwood SECONDED the recommendations.

It was RESOLVED that:-

- (i) The draft 2021/22 Housing Revenue Account Budgets consisting of the Corby Neighbourhood Account and the Kettering Neighbourhood Account as set Janice Gotts Item Subject Decision Responsible Officer out in Appendix A be noted, which will be consulted upon with Tenants and which includes: a. an increase in dwelling rents for 2021/22 of 1.7% (based on the Consumer Price Index (CPI) for September 2020 + 1%) which is in line with the Ministry of Housing, Communities and Local Government (MHCLG) Policy statement on rents for social housing published in February 2019 be noted;

- (ii) The draft Housing Revenue Account Medium Term Financial Plan beyond 2021/22 consisting of the Corby Neighbourhood Account and the Kettering Neighbourhood Account, for 2022/23 to 2025/26 as set out in Appendix B be noted;
- (iii) The draft 2021/22 Housing Revenue Account Capital Budgets for both the Corby Neighbourhood Account and the Kettering Neighbourhood Account and that these were subject to a separate report to the December Shadow Executive be noted.

10. Local Council Tax Support Scheme 21/22

Councillor Stanbra re-entered the meeting and was invited by the Chair to address the meeting.

In addressing the meeting, Councillor Stanbra highlighted that the recommendations from the working group in 3.6 did not represent a unanimous view of the Task & Finish group. Councillor Stanbra expressed disappointment in the 25 % scheme and the omission of a discretionary fund and transition period.

The Chair thanked Councillor Stanbra for his comments and he was returned to the waiting room.

The Chair then invited Councillor Perry to address the meeting.

Councillor Perry shared that the LCTSS had been a detailed area of debate and summarised the following views arising from the Shadow Overview & Scrutiny Committee:-

- Concerns over a £20 per month increase for some residents
- Phased introduction of new minimum contribution –
- Warning of the potential for arising inequalities claims with a phased introduction
- A discretionary fund to address concerns of the sudden increase in the short term
- Request for details of sovereign council support and what support will be carried forward to the new council.
- Validity of a one option consultation.

The Chair thanked Councillor Perry for her contribution and welcomed L Hogston to introduce the report.

The report which had been circulated included analysis of the public consultation alongside an update on the LCTS claimant caseload.

L Hogston introduced the report and gave an overview of the responses to the public consultation citing a higher than usual level of engagement. Letters had been sent to claimants along with an information sheet on the proposals. There was a low level of telephone responses for assistance with the consultation. It was noted that the Armed

Force Covenant was a protected scheme and along with war pensions and pensioner protection they sit within the harmonised scheme. Members were assured that there was a varied internal and external provision for money and debt advice and that this would be enhanced and developed to shape the service going forward.

Members were reminded that the 25% proposal for LCTS was a cost neutral scheme and that each 1% deduction would equate to a loss of around £109k.

In response to member questions regarding a phased scheme, A Wylie commented that a harmonised scheme must be implemented where practical to do so and that inequalities could be raised if a harmonised scheme were not to be implemented from Day 1.

Councillor D Jenney, Chair of the Council Tax Harmonisation Task & Finish Group, thanked members and officers for the invaluable support and highlighted the focus of the group in achieving a harmonised scheme. Councillor Jenney commented that £20 increases eluded to by members would be unlikely given that less than 1% of claimants live in a Band D or above property. Councillor Jenney expressed caution over prolonging harmonisation and reinforced the desire to avoid legal challenge.

Councillor Addison expressed disappointment in the suggestion to proceed with harmonisation with no phased introduction and shared concerns that this could add to the financial discomfort of low income residents. Councillor Addison shared the view that a discretionary fund should be considered.

Councillor Beattie commented that the LCTSS was clearly a contentious matter which he could not support and raised concerns over the scale of increase for Corby residents, particularly alongside the potential 4.99% council tax base increase.

Councillor Jelley shared an understanding of the concerns felt by members and residents and suggested that this identified a need for clear communication with the new council tax bills including sign posting to available areas of support.

Councillor Smithers thanked members and staff for their work and encouraged the council to see this as an opportunity to demonstrate how to spend money wisely for the benefit of the residents of North Northamptonshire.

Councillor D Jenney MOVED, and Councillor J Smithers SECONDED the recommendations.

It was RESOLVED that:-

- (i) The outcome of the consultation as detailed in Appendix 1 be given due regard;
- (ii) The Equalities Impact Assessment in Appendix 2 be given due regard; and
- (iii) The proposed new North Northamptonshire Local Council Tax Support Scheme 2021/22 as detailed in Appendix 3 be approved.

11. Exclusion of the Press and Public

It was RESOLVED that:-

- (i) The public and press be excluded from the meeting during consideration of the following item of business, 'Assets, Capital Schemes and Reserves Notification', in accordance with Section 100A of the Local Government Act 1972, because exempt information may be disclosed.

12. Assets, Capital Schemes and Reserves Notification

G Macdonald introduced the report and outlined the available options and assessments for asset facility improvements. The report was not for publication by virtue of paragraph 3 of Schedule 12 A of the Local Government 1972.

Councillor Jenney supported the need for the new provision along with the alternative procurement process considered.

Councillor D Jenney **MOVED**, and Councillor I Jelley **SECONDED** the recommendation.

It was RESOLVED that:-

- (i) The decision from East Northamptonshire Council to release funds from its development pool into its facilities management budget to deliver the replacement of two lifts be noted and endorsed.

13. Urgent Items

There were no urgent items.

14. Close of Meeting

Meeting closed at 8:42 pm

This page is intentionally blank