

North Northamptonshire Shadow Executive Committee

At 7:00 pm on Wednesday 10th February 2021

Held as a virtual meeting via Zoom

Present: -

Shadow Members

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

Councillor J Addison

Councillor T Partridge- Underwood (Joined 7:40 pm)

Councillor D Jenney

Councillor J Smithers (Deputy Leader of the Shadow Authority)

Councillor W Brackenbury

Councillor T Beattie

Councillor I Jelley

Councillor M Griffiths

Officers

R Bridge – Chief Executive

A Wylie – Monitoring Officer

G Holloway- Assistant Chief Executive

S Darcy – Executive Director Corporate, BCW

G Hammons – Executive Director Finance, ENC

F McHugo– North Northamptonshire Democratic Services

J Gotts – Executive Director Finance

D Watts – Director of Adult Services

M Dickenson – Head of Service – Resources KBC

L.Hyde – Director of Transformation

K Purnell – Assistant Director Corporate & Community Services, NCC

B Smith – North Northamptonshire Democratic Services

Also in attendance – Councillor Stanbra.

The Chair welcomed members and the viewing public to the meeting.

1. Apologies for Absence

Apologies were received from Councillor S North.

2. Notifications of requests to address the meeting

The Chair informed the meeting that one request to address the meeting had been received.

Councillor Stanbra requested to speak on items.5a,5b and 5c.

3. Members' Declarations of Interest

No declarations of interest were made.

4. Minutes of the meeting held on 3rd February 2021

It was noted that the draft minutes of the Shadow Executive Committee meeting held on 3rd February 2021 had been circulated.

Councillor D Jenney MOVED, and Councillor M Griffiths SECONDED that the minutes be approved as a correct record.

RESOLVED that: -

- (i) The minutes of the Shadow Executive Committee meeting held on 3rd February 2021 be approved as a correct record and signed by the Chair.

5. a) Housing Revenue Account – Draft 2021/22 Budget and MTFP Proposals

Councillor Stanbra entered the meeting.

Councillor Stanbra commented that within the HRA, the rent increase was complemented by the maintenance decrease. Councillor Stanbra raised concerns over the Council Tax Reduction Scheme and the missed opportunity for a discretionary fund and welcomed the references to climate action within the HRA.

Councillor Stanbra returned to the waiting room.

The Executive Director for Finance introduced the report and outlined a rental increase of 1.5%. Tenants had been informed of the proposed increase and agreed with proposals as part of the consultation. Comments from Overview and Scrutiny were recognised in the report and further scrutiny was welcomed to continue to monitor the position.

It was noted that the potential for efficiencies and the future investment potential would be considered when bringing accounts together

It was highlighted in response to the Overview & Scrutiny Committee comments that although funding was available for capital investment, the lack of clarity over build times means this had not yet included.

Councillor I Jelley commended the comprehensive and balanced report and thanked Councillor Stanbra for his comments. Councillor Jelley acknowledged areas of concern and stated that support for residents will be monitored going in to new council.

Councillor Griffiths responded to comments regarding Climate Change and highlighted that this will be considered in all council actions, including within reports and recommendations.

Councillor I Jelley MOVED and Councillor J Smithers SECONDED the recommendations.

RESOLVED that:-

- (i) The draft 2021/22 Housing Revenue Account Budgets consisting of the Corby Neighbourhood Account and the Kettering Neighbourhood Account as set out in Appendix A be proposed for consideration at the Shadow Authority meeting to be held 25th February 2021.
- (ii) An increase in dwelling rents for 2021/22 of 1.5% (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 proposed for consideration at the Shadow Authority meeting on 25th February 2021
- (iii) The draft Housing Revenue Account Medium Term Financial Plan consisting of the Corby Neighbourhood Account and the Kettering Neighbourhood Account, for 2022/23 to 2025/26 as set out in Appendix B be proposed for consideration at the Shadow Authority meeting on 25th February 2021

(Reason for decision- To ensure that the Shadow Authority complies with its Constitution in setting the budget for North Northamptonshire and meets its statutory duties.)

5 B) Final Budget 2021-22 and Medium-Term Financial Plan

Councillor Stanbra re-entered the meeting.

Councillor Stanbra referenced the idea of a council tax discretionary fund and the non-inclusion in budget. Cllr Jelley's comments regarding council signposted advice for residents were noted but Councillor Stanbra expressed concern over this not going far enough to support residents' direct access to monetary funds.

Councillor Stanbra asked the Committee if a reconsideration of the saving on the book fund could be offered to support the library service and showcase the importance of books. Stanbra also sought detail of the headline figures for service areas and hoped that the Executive members had accessed further details on specific spending before considering recommendations.

Councillor Stanbra returned to the waiting room.

The Executive Director of Finance introduced the final budget proposals and an update of movement from the last position which included the final settlement update. J Gotts walked members through the changes which included an additional grant funding of 2.4 million, guidance for use of grant was not ring fenced. It was stated that this enabled the council to lower the draw-down of reserves and maintain a balanced budget. The council would set aside an amount of £0.5 million to meet potential losses from a future Covid impact.

Feedback from the Overview and Scrutiny Committee had highlighted significant concerns over fees and charges, specifically the scale of increase and requirement for wider engagement. Members noted that proposals for a change to taxi licensing and

cemetery and crematoria charges had been removed with a suggestion for further review later in the year.

Other amendments outlined movement to and from the reserves. Covid funding amounting to £7 million would be carried forward from 20/21. A waste reserve of £ 2.3 million would seek to mitigate risk of a higher than anticipated waste service budget as tonnages were seen to be rising.

Subject to sign off by the individual authorities, £600,000 of additional funding support over a 3-year period was announced for the voluntary sector.

The latest forecast from NCC had seen an increase of £21.5 million in their reserves largely resulting from business rates grants.

The Executive Director for Finance noted that this was a challenging MTFP with an uncertain future as the Business rates, Fair Funding and specific social care announcements remained unclear. It is expected that these will come forward in 2022/23.

It was noted that the Dedicated Schools Grant allocations remained the same and had been approved by the Schools Forum.

376 responses to the consultation had been received to the budget consultation. The report presented to members outlined responses in section 5.

Councillor Smithers welcomed the £600,000 being made available to the voluntary sector over the upcoming 3 years and felt this highlighted the value of their input and that this will be continued with the new council.

Councillor Addison noted the difficult climate and that the council was fortunate to have reserves. Concern was expressed for resident families that would not have reserves to fall back on and felt a discretionary council tax fund for 1 year should be reconsidered.

Councillor Jelley noted Councillor Addison's concerns. Councillor Jelley expressed confidence in the budget and highlighted the good level of support from the Overview and Scrutiny Committee and the MHCLG.

Councillor Griffiths supported the £600,000 of support for voluntary services and felt it would be vital to continue good work in supporting the third sector. Councillor Griffiths suggested that Fees and Charges would need to be standardised but now was not the right time.

Councillor D Jenney felt that coming together as 5 organisations they had tackled harmonisation head on, and that overall no area would win or lose outright. Councillor D Jenney felt the budget was fair and reasonable with support available when needed.

Councillor I Jelley MOVED, and Councillor J Smithers SECONDED the recommendations.

It was RESOLVED that:-

- (i) The 2021-22 revenue budget, for approval and adoption, which sets:
 - a. A budget requirement of £608.5m including Dedicated Schools Grant of £316.0m resulting in a net revenue budget requirement of £292.5m as set out in Appendix A.
 - b. A total Council Tax requirement for the Council's own purposes of £171.5m as contained in paragraph 8.14.
 - c. A Band D Council Tax of £1,532.90 for North Northamptonshire Council, including a 1.99% increase in 'core' Council Tax and 3% Adult Social Care Precept, noting that a separate Council Tax Resolution Report will be presented at the Shadow Authority meeting 25th February 2021 as set out in paragraph 8.16.
 - d. Council Tax harmonisation for North Northamptonshire using the alternative notional amount approach to harmonise in the first year, as contained in paragraphs 8.19 to 8.22.
 - e. Savings, pressures and income generation proposals of £26.5m net as set out in Appendix A
 - f. Maximised Council Tax Long Term Empty Property Premium as set out in paragraphs 8.27 to 8.28. Page 42
 - g. The detailed proposals of savings, pressures and income generation for 2021-22 as set out within the report and Appendix B;
 - h. The gross and net budgets for the Directorates and Corporate as set out in Appendix D;
 - i. A contingency sum of £5.7m as set out in paragraph 11.1;
 - j. Corporate budget requirements to cover capital financing costs of £18.2m as set out in paragraph 11.2;
 - k. The revisions to fees and charges for 2021-22 as set out in Appendix E, noting the changes contained within section 9 of the report;
 - l. The planned use of, contribution to, and movement in, reserves as identified in the report and in Appendix F subject to the final call on reserves after any changes are required to account for final charges etc;
 - m. The Treasury Management Strategy for 2021-22 as set out in Appendix K, including the Affordable Borrowing Limit of £824m, and to note an update to the

Strategy will be provided once the disaggregation of Northamptonshire County Council's Balance Sheet has been finalised.

- n. The utilisation of the Dedicated Schools Grant (DSG) for 2021-22 as set out in Appendix L; 3.2

Be approved for recommendation to the Shadow Authority.

ii.

- a) That the financial position has been based on the Final Local Government Finance Settlement announced on 4th February 2021 together with any further announcements to the date of the publication of this report be noted
- b) The Consultation feedback as at Appendix G be noted and considered.
- c) The responses to the Shadow Overview and Scrutiny Committee report from its meeting on 28th January 2021, as at Appendix J, and which was presented at the meeting of the Shadow Executive on 3rd February 2021, in reaching the final budget recommendations for 2021-22 be considered.
- d) The Equality Impact feedback as at Appendix H be noted and considered.
- e) The Executive Director of Finance's Section 25 Report as at Section 16 including the review of the robustness of the estimates and the adequacy of the reserves; be noted
- f) Authority be delegated to the Executive Director of Finance to manage any variation in budget prior to 1st April 2021 as a result of final confirmation of funding or income, or unforeseen commitments, in consultation with the Finance Portfolio Holder.
- g) Authority be delegated to the Executive Director of Finance in consultation with the Finance Portfolio Holder to draft the recommended budget resolution for the Shadow Authority in accordance with the necessary legal requirements and taking into account the decisions of the Shadow Executive Committee and any final changes and other technical adjustments
- h) The implementation of any new business rate reliefs in 2021-22 as announced by Government in the Chancellor's Spring Budget, which will increase the relief offering to businesses be approved
- i) The transfer of £21.445m from reserves relates to a timing issue in respect of Business Rates Reliefs to support businesses through COVID-19 be noted.
- j) Authority be delegated to the Executive Director of Finance to agree the use of the following reserves in consultation with Portfolio Holder for Finance (see also section 12.7)
 - i. Social Care Reserve

- ii. Transformation Reserve
- iii. Public Health Reserve
- iv. Waste Management Reserve
- v. COVID-19 related reserves which includes the COVID-19 reserve and those held for the Contain Outbreak Management Fund (COMF) and Test and Trace

(Reasons for Decisions: • To ensure that the Shadow Authority complies with its Constitution and legislative requirements in setting the budget for North Northamptonshire.)

5. C) Final Capital Programme 2021-25 and Capital Strategy

Councillor Stanbra entered the meeting.

Councillor Stanbra reference the housing capital programme and the use of solar photovoltaics. He commented that CBC had an impressive record of fitting solar pv to council owned properties and queried why no further proposals for this were proposed in budget. Councillor Stanbra asked members if they are supportive of the use of solar pv and if this is something the new council would consider.

Councillor Jenney responded with a view that the best way to include environmental technologies was in to new build properties and highlighted the innovative work at Chelverston energy farm. Alongside the advanced energy park at Chelverston Rise, he felt that inroads into our carbon target could be made.

Councillor T Beattie suggested that schemes to encourage investment and meet green commitment going forwards could be looked at and that cheap and affordable energy for residents would be an additional benefit of green energy.

Councillor Griffiths referenced the council's green agenda and that the climate would be considered in all we do. He noted the excellent work of CBC and suggested that low energy housing and looking deeper into housing standards could allow the council to get the best out of both existing stock and future proposals.

Councillor Jelley supported the point raised by Councillor Stanbra and suggested that this be fed into the work of Climate Change officers.

Councillor Smithers commented on the energy efficiency in buildings seen through his NCC portfolio work and reminded members that the Climate Change Task & Finish Group would be presenting ideas to them at the Shadow executive meeting in March.

The Executive Director of Finance outlined the baseline programme and highlighted the 36 key schemes across the development pool, including-cycleways, pathways and green agenda links. The Executive Director for Finance asked members to consider an additional recommendation for delegated authority as the highways funding agreement would not be considered final until late March.

Councillor W Brackenbury commented that she pleased to see a number of the schemes in the capital programme with a key theme around children's services.

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

It was RESOLVED that:-

- (i) The Capital Strategy, Capital Programme 2021-25, HRA Capital Programme 2021-25 and Baseline Development Pool, with the understanding that these will change for any schemes that are not complete by the current predecessor authorities as at the end of March 2021 and for any new schemes submitted through the agreed governance process between now and the end of March 2021 be approved and recommended to the North Northamptonshire Shadow Authority.
- (ii) Authority be delegated to the Executive Director of Finance to manage any variation in budget prior to the start of 2021/22 as a result of final confirmation of funding/income, or unforeseen commitments; in consultation with the Finance Portfolio Holder.

(Reason for Decisions: The option proposed has taken into account the relevant officers and members steer regarding agreeing the principles that most closely align with the New Unitary Council's Safe and Legal perspective whilst including relevant transformation projects and maximising the delivery of currently agreed objectives.)

6. Transformation Director's Update

The Director of Transformation introduced the presentation and noted this would be the penultimate update of the programme. Members were made aware that the presentation was based on start of year information, verbal updates to the current date were given.

It was outlined that live systems that included critical deliverables were monitored on an ongoing basis. Detailed actions and accountable officers were noted for both on track and overdue services. Stand up meetings were implemented to identify obstacles and raise any potential issues ahead of Vesting Day.

A key concern regarding the splitting of data in the eclipse system was identified as remaining on track for plan A. A detailed mitigation plan had been put in place for plan B and C which included trigger points to enact. Inter Authority Agreements for hosted and received services to provide an ongoing framework would be discussed on the later agenda item. If agreed the IAA will return in further detail for March.

Website and staff intranet development remained on target and will lead onto development of legacy systems for historic information. The external communications plan had been drawn up and this would begin to be more visibly implemented. Branding will start to be removed from local points shortly to promote the new council identity. Information sheets explaining what won't change have been welcomed by staff. The programme remained on budget.

Councillor Smithers commented that the transformation programme provided hope for future budgets as an exciting opportunity for a way forward for the new council and residents.

Councillor Addison shared that the Communications Task & Finish Group had received sight of the website and felt that good progress had been made alongside easy navigation.

Councillor Griffiths noted that 36 working days remained until Vesting Day and thanked the transformation team for working on the huge challenge to deliver the programme.

Councillor J Smithers 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

7. Draft Vision Statement

The Chair introduced the report which provided the outcome of the Vision and Values Task & Finish Group. Councillor Roberts thanked fellow councillors for their contributions and insight and handed over to Guy Holloway, Assistant Chief Executive.

G Holloway added a correction to 4.1, Kevin Watt was added to the report. It was noted that vision statements for a council are a difficult task due to the broad spectrum of services provided. G Holloway indicated that stakeholder workshops would also inform the values of the council. Members noted that the draft vision statement would go through the constitutional process at the start of the new council for formal adoption. Members were encouraged to see the setting of a vision statement as a starting point and not an end result.

Councillor Smithers supported the draft vision statement and suggested there was no better paragraph to fly the flag for North Northamptonshire. Councillor W Brackenbury also commented on the visuality of the statement.

Councillor D Jenney and Councillor I Jelley also supported the motion and felt assured that the vision would form part of a Corporate Plan for the ruling group of the new council and evolve alongside the council going forward.

Councillor M Griffiths MOVED and Councillor W Brackenbury SECONDED the recommendations.

It was RESOLVED that:-

- (i) The following draft vision statement for North Northamptonshire Council be endorsed:

“We will work with the local community to make North Northamptonshire a place where everyone has the best opportunities and quality of life, driven by excellent public services. We will strive for an area that is safe and attractive with a thriving economy and green environment.”

(Reason for Decision – The draft vision statement is a proposed output set out in the Terms of Reference for the Vision and Culture Task and Finish Group. It is also good practice to develop a vision statement.)

8. Delegated Authority to approve Policies and Procedures.

The report put before members outlined the requirement of the Structural Changes Order to prepare for the assumption as North Northamptonshire Council, of local government functions and full local authority powers on 1 April 2021.

In instances that would not have a major consequence upon the Authority but are still required to be approved prior to Vesting Day, the report suggested agreement be sought for senior officers of the Corporate Leadership Team to approve policies and procedures within the areas for which they are responsible in consultation with the relevant Portfolio Holder where it is agreed that they do not require approval at Executive Committee.

The Monitoring Officer summarised the background and reasons for report including the urgency of quick decisions in the run up to Vesting Day. It was suggested that CLT and Portfolio Holders would take decisions if approved by members and that the Shadow Executive would be updated through the existing informal processes.

Councillor D Jenney MOVED and Councillor W Brackenbury SECONDED the recommendations

It was RESOLVED that:-

- (ii) Authority be delegated to each member of the Corporate Leadership Team (in consultation with the relevant Portfolio Holder) to approve policies and procedures within the areas for which they are responsible, prior to Vesting Day on 1 April 2021, for the new council.

(Reasons for decision – To ensure that the Council has the necessary policies and procedures in place for 1 April 2021)

9. Shared Service Arrangements

The Monitoring Officer introduced the report and outlined the governance and legal arrangements presented in the Blueprint. Hosted/receipt of services outlined would

remain the approach until barriers could be removed. Changes of updated service processes were outlined in Appendix A to the report.

Paragraph 6 outlined the external advice obtained as part of the framework consideration for the Shared Service Agreement. A range of options were outlined within the report with a clear recommendation for a Joint Committee.

High risk services would require delegated authority which would be received through s101 powers as an agreement of the terms.

It was noted that over 50 shared services would initially be a part of the agreed terms and conditions, although natural expiry of the agreements would see the number of services decrease over coming years.

A detailed questionnaire had been sent out to services to make up a skeleton Agreement as set out in Appendix B to the report. Detail of the agreement for principles would be available to be considered in March.

Councillor Griffiths reminded the public that majority of services will not be hosted or led. The Director of Transformation, L Hyde confirmed that singular services made up the majority and that a large proportion of hosted services would return to singular services within 12 months.

The Monitoring Officer A Wylie responded to Councillor D Jenney's concerns and confirmed that the Joint Committee would only be an option if also agreed by West Northamptonshire. Councillor D Jenney was reassured as Chief Executive R Bridge suggested that recommendations in the West should be mirrored at their meeting on Friday 12 February.

Councillor Smithers agreed that a Joint Committee would be the way to discuss any controversial concerns.

Councillor Griffiths supported the Joint Committee and welcomed the opportunity to work with the neighbouring authority as two large councils within a large geographical area.

Councillor J Smithers MOVED and Councillor I Jelley SECONDED the recommendations.

- (i) The sharing of services described as Hosted or Lead Authority, in the Blueprint schedule attached as Appendix A to this report, with the West Northamptonshire Council as detailed in this report be approved;
- (ii) An Executive Joint Committee within the governance framework of the Council with the Terms of Reference set out in Appendix C to oversee the shared arrangements be established;

- (iii) The proposed reservation of delegated powers to the Chief Executive, Executive Directors, Directors and Assistant Chief Executive which will be set out in the Constitution be noted;
- (iv) The Heads of Terms for the inter authority agreements with the West Northamptonshire Council for the delivery of the services set out in Appendix B, be approved including:
 - i. Provision of the services set out in Appendix A and described as hosted by North Northamptonshire Council on a short-term basis in accordance Adele Wylie Item Subject Decision Responsible Officer with the terms of the proposed agreement
 - ii. Provision of the services set out in Appendix A and described with North Northamptonshire as Lead Authority in accordance with the terms of the proposed agreement until the agreement relating to that service is terminated
 - iii. Receipt of the services set out in Appendix A and described as hosted by West Northamptonshire on a short-term basis in accordance with the terms of the proposed agreement
 - iv. Receipt of the services set out in Appendix A and described with West Northamptonshire as lead authority in accordance with the terms of the proposed agreement until the agreement relating to that service is terminated.
- (v) A Joint Officer Board to support the Joint Committee in accordance with the Terms of Reference set out in Appendix D be established.

(Reasons for decisions: a) The Councils have agreed that it is not practicable to disaggregate some services before 1st April 2021 and therefore a short-term agreement will allow the current arrangements to continue until the necessary service changes can be made or contracts replaced to allow the services to be disaggregated. b) The Councils have agreed that some services, which benefit from critical mass where the service will be commissioned from an external provider (and amended the contract now would be cost prohibitive) and where sharing gives both authorities better value for money and/or improved delivery, should continue to be delivered across the whole geographical area of North and West Northamptonshire. Item Subject Decision Responsible Officer c) To give effect to the decisions a Joint Committee will need to be established with agreed terms of reference supported by an Officer Board. d) An agreement will need to set out the terms of the arrangement and specific delegations will need to be made to relevant Chief Officers and Senior managers)

10. There were no urgent items

11. There were no exempt items

12. Close of Meeting

The meeting closed at 8:28 pm