

## **Minutes of a meeting of the Finance and Resources Scrutiny Committee**

At 7.00 pm on Tuesday 2nd November, 2021 in the Council Chamber, Swanspool House, Doddington Road, Wellingborough, Northants NN8 1BP

### **Present:-**

#### Members

|                                  |                           |
|----------------------------------|---------------------------|
| Councillor Mark Pengelly (Chair) | Councillor Richard Levell |
| Councillor Valerie Anslow        | Councillor David Jenney   |
| Councillor Scott Brown           | Councillor King Lawal     |
| Councillor Jim Hakewill          | Councillor Steven North   |
| Councillor Ken Harrington        | Councillor Malcolm Ward   |
| Councillor Larry Henson          |                           |

#### Officers

Janice Gotts - Executive Director of Finance  
Adele Wylie – Director of Legal and Democratic  
Guy Holloway – Assistant Chief Executive  
Claire Edwards – Assistant Director of Finance & Accounting  
Rob Thompson – Lead Revenue and Benefits Manager  
David Pope – Senior Committee Administrator

#### Also in attendance

Councillor Lloyd Bunday – Executive Member for Finance and Transformation  
Councillor Anne Lee

### **14 Apologies**

Apologies for absence were received from Cllr Ian Jelley. Apologies for absence were also received from Assistant Director of Finance & Strategy, Mark Dickenson and Assistant Director of Revenues & Benefits, Lucy Hogston.

### **15 Minutes of the Meeting Held on 14th September 2021**

RESOLVED that: The Finance and Resources Scrutiny Committee agreed the minutes of the meeting held on 14<sup>th</sup> September 2021 as a true and accurate record of the meeting.

### **16 Members' Declarations of Interest**

No declarations were received.

## 17 Budget Strategy Process 2022/23

The Committee received a report that provided an overview of the Budget Strategy for the 2022/23 budget process in regard to the General Fund, the Housing Revenue Account (HRA) and the Capital Programme. The report also set out proposals for scrutiny in relation to the budget and provided a timeline for both the budget and scrutiny processes.

Members were requested to consider the proposed budget strategy for the forthcoming financial year as well as the approach to consultation and Equality Impact Assessments (EIA) as part of the budget setting process. In addition, members were asked to consider the process to scrutinise the draft budget and Medium-Term financial assumptions.

It was noted that at the 23<sup>rd</sup> February 2022 meeting of Full Council, approval would be required for:

- The General Fund Budget and Council Tax levels for 2022-23
- The General Fund Medium Term Financial Plan for 2023-24 to 2025-26
- The Housing Revenue Account (HRA) Budget for 2022-23
- The level of Housing Rents for 2022-23
- The Housing Revenue Account Medium Term Financial Plan for 2023-24 to 2025-26.

Council would also be asked to approve the Capital Strategy and Capital Programme 2022-26 for the both the Housing Revenue Account and the General Fund.

Prior to the reports outlined above being presented to Council in February, the Finance and Resources Scrutiny Committee would be provided with the opportunity to rigorously scrutinise and review the budget proposals, prior to providing recommendations on these proposals back to the 10<sup>th</sup> February 2022 meeting of Executive.

The Committee noted that it was proposed to commence the budget scrutiny process after the presentation of the 2022-23 budget to the Executive at its 16<sup>th</sup> December meeting, with a view to completing Scrutiny in January 2022 allowing Scrutiny feedback to form part of the updated budget report to the Executive on 10<sup>th</sup> February 2022.

Members heard that in order to assist in the Scrutiny process in reviewing both the revenue budgets and the capital programmes for each of the main service areas, it was proposed that separate scrutiny sessions take place across the main service areas of:

- Place and Economy
- Adults, Communities and Wellbeing Services, including the HRA
- Children's and Education Services
- Enabling and Support Services – Finance, Transformation and ICT and Legal and Democratic including HR.

The Finance and Resources Scrutiny Committee would be able to scrutinise each area and would have the opportunity to request further details on a particular area. Members were requested to identify any areas requiring further detailed information

prior to the meetings with the Directorates taking place in order for this to be collated in advance of the meeting. This would allow for adequate scrutiny of the proposals and would allow for informed recommendations to the Executive.

The Committee broadly welcomed the proposals for budget scrutiny and made the following requests:

- A back-up scrutiny session be made available for each Directorate to allow for further questions and information provision, if required
- The relevant Senior Council Officers and Executive Member portfolio holders should be in attendance at each scrutiny session
- A specific Children's Trust session should be arranged jointly with West Northamptonshire Council
- The scrutiny session timetable should be agreed as soon as possible

The Committee wished to see strong public engagement in the budget consultation process, with members of the public provided with the opportunity to feed into the scrutiny process and able to access the budget consultation not only online, but through all Council facilities and all libraries, including those operated by community groups.

Following discussion, it was:

**RESOLVED** that the Finance and Resources Scrutiny Committee:

- a) Noted and commented on the budget setting process as set out above;
- b) Noted the proposed timeline for the setting of the budget and that this may be subject to change in line with Government announcements;
- c) Commented on and agreed the proposed scrutiny arrangements as set out in the report, with the additions as set out above;
- d) Noted and commented on the consultation process as set out above

## **18 Revenue and Benefits Performance Report (1st April to 30th September 2021) - six month report**

The Committee received a report provided an update on the performance of the Council's Revenue and Benefits Team for the first six months of the financial year, covering the period 1<sup>st</sup> April 2021 to 30<sup>th</sup> September 2021. The Benefits and Business Support Manager, Rob Thompson attended the meeting and provided additional information to the meeting.

Councillor Anne Lee addressed the meeting and spoke in relation the recent incorrectly issued Council Tax summonses and requested clarification on the exact number of these, the costs involved and whether residents affected would receive written confirmation including an apology for the error.

Members noted the collection rates for Council Tax and Business Rates for the period and heard that Council Tax recovery action for non-payment had been put on hold during the Covid-19 pandemic, recommencing in May 2021 with the issuing of

reminders and final notices, prior to a total of 13,974 summonses for non-payment. The recovery process, from issuing of initial Council Tax demands through to the granting of liability orders by the Magistrates' Court, was detailed to the meeting.

In light of the recent issues affecting Council Tax, notably whereby a number of summonses had been incorrectly issued, the Chair, Cllr Mark Pengelly requested the convening of an informal meeting with representatives from the Committee along with relevant officers. This informal meeting would receive information as to the processes involved, with a view to reporting back its findings to the full Committee at a later date.

Details of the work of the Social Inclusion Team in assisting those in need of money and debt advice was outlined and the meeting was provided with details of the national debt respite scheme "Breathing Space". It was noted that take-up for this scheme had been low, with the Council only receiving five applications to date.

Members asked questions in relation to Section 13A of the Local Government Finance Act 1992, which provided the Council with discretionary powers to reduce Council Tax liabilities to help mitigate any unforeseen or exceptional hardship circumstances that threatened taxpayers' ability to pay their Council Tax or to remain in their homes. It was noted that 89 applications had been received to date with 40 processed to date and one awarded, with awards following a specific set of qualifying criteria. Unsuccessful applicants had been offered additional support to assist them with managing their finances, in particular that they were able to claim the applicable benefits available to them as well as receiving money management advice.

In response to a query from members, the meeting heard that cessation of the £20 Universal Credit uplift would not impact on Housing Benefit claims but may increase pressure on Discretionary Housing Payment applications.

**RESOLVED** that:

- i) the Finance and Resources Scrutiny Committee noted and commented on the Revenue and Benefits performance data for the first six months of 2021/22 as above; and
- ii) An informal Council Tax Summons Process Sub-Group be convened to examine the recent issue regarding Council Tax summonses

## **19 Revenue Budget Monitoring 2021/22 - Period 5**

Members received the Budget Monitoring Report 2021/22 for Period 5. The report sought to advise the Finance and Resources Scrutiny Committee of the budget monitoring position for the Council as at the end of August 2021. The report was based on the latest monitoring report that had been presented to the Executive on 30<sup>th</sup> September 2021.

Councillor Anne Lee attended to address the meeting and spoke in relation to the leasing of Council-owned commercial premises and void Council-owned properties, with concerns regarding the high number void properties and turnaround times to return these to a lettable state.

The Committee noted a forecast General Fund overspend of £73,000 against an approved budget of £292.5million net. This showed an adverse movement of £339,000 from Period 4, at which point a £266,000 underspend had been forecast. The main budgetary movements were outlined, with details for the variations provided.

Members asked a number of questions which were responded to by the Officers present and related to:

- **The forecast balanced budget position of the Children's and Education Services.** Officers commented that the forecast to P5 from the Trust was showing a minor overspend but that this was balanced through the use of reserves by the Trust.
- **Use of temporary staff within the Council.** Officers responded that whilst there were a number of vacancies, work was ongoing to finalise structures through the necessary and important consultation with staff and Trades Unions. In some instances the use of temporary staff was necessary to cover vacancies pending the new structure and permanent recruitment.
- **The £200,000 underspend in relation to Commercial income.** Officers pointed out that this was net of the £1m investment in the budget to offset potential pressures as a result of COVID-19. However, the commercial budget is holding up better than expected.
- **The current position of the Council's Transformation project, with a request for a future update.** Officers noted the request.
- **The details and findings of the Newton Europe report in relation to the former Northamptonshire County Council.** Officers noted the request and commented that this could be considered as part of the Budget Scrutiny sessions.

**RESOLVED** that the Finance and Resources Scrutiny Committee noted and commented on the Budget Monitoring Report as at Period 5.

## 20 Local Council Tax Support Scheme 2022-23

The Committee received a report that sought to provide an update on the Local Council Tax Support Scheme (LCTSS) for 2021/22 and proposed a continuation of this scheme at 25% for 2022/23.

The Finance and Resources Scrutiny Committee was requested to consider and provide feedback to the Executive in relation to the LCTSS for 2022/23. It was proposed that the scheme remain unaltered from that utilised for 2021/22, with the exception of changes to be made for the annual uprating of allowances and premiums, and statutory base legislation changes which were required to be made to the scheme.

The LCTSS for 2022/23 would be submitted to the Executive at its meeting on 18<sup>th</sup> November 2021 with a recommendation to submit the scheme for approval to Full Council on 1<sup>st</sup> December 2021.

The Committee noted the limited number of discretionary awards approved under Section 13A of the Local Government Finance Act and requested further information on the reasons for refusal, while acknowledging the positive support offered to residents by the Council's Social Inclusion Team.

Following discussion, it was:

**RESOLVED** that the Finance and Scrutiny Resources Committee approved the recommendation for continuation of the current scheme, to be progressed forward to Executive at its meeting on 18<sup>th</sup> November 2021.

## 21 **Performance Indicator Report 2021/22 (Quarter One)**

The Committee received a report that provided an update on the performance of the Council's corporate support services covering the period 1<sup>st</sup> April 2021 to 30<sup>th</sup> June 2021 as measured by performance indicators and detailed a number of steps the Council was undertaking to improve and develop its performance monitoring arrangements. It was noted that this was the inaugural Performance Indicator report and updates would be brought to the Committee on a regular basis.

Members noted that existing target data supplied as part of the report was under review with proposals to be submitted to a future meeting of the Executive as part of the corporate planning process. This also included a revised indicator set that reflected the Council's forthcoming Corporate Plan. Members also noted that as baseline performance positions were established, more useful comparative data could be supplied in future iterations of the report.

Members made reference to the calculations and data involved in regard to the sickness statistics provided and noted that future performance reports would be submitted in line with budget reports to make assessment of data provided more meaningful.

Members requested that future editions of the report be printed at A3 size to ensure the statistics were legible for all members.

**RESOLVED** that the Finance and Resources Scrutiny Committee:

- a) Noted and commented on the performance indicators for the Council's corporate support services for Quarter 1, 2021/22 as set out in the appendix to this report; and
- b) Noted the actions that were being taken to develop the Council's performance monitoring arrangements.

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Chair

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Date

The meeting closed at 9:10pm