North Northamptonshire Council

Minutes of a meeting of the Finance and Resources Scrutiny Committee
Held at 7.00 pm on Tuesday 21st June 2022 in the Council Chamber, Swanspool House, Wellingborough, Northamptonshire, NN8 1BP

Present:-

Members

Councillor Mark Pengelly (Chair)	Councillor Richard Levell
Councillor Scott Brown	Councillor Paul Marks
Councillor Jim Hakewill	Councillor Malcolm Ward
Councillor King Lawal	

Officers

Mark Dickenson	Assistant Director – Finance and Strategy
Tony Challinor	Assistant Director – Commissioning and Partnerships
Claire Edwards	Assistant Director – Finance Accountancy
Janice Gotts	Executive Director – Finance
Lucy Hogston	Assistant Director – Revenues and Benefits
Raj Sohal	Democratic Services Officer
Adele Wylie	Director – Legal and Democratic

Also in attendance – Councillor Lloyd Bunday

50 Apologies

Apologies for absence were received from Councillors: Ken Harrington, Steven North, Mark Rowley and Ian Jelley (Councillor Clive Hallam was in attendance, as a substitute.)

51 Minutes of the Meeting held on 10 May 2022

RESOLVED that: The Committee agreed the minutes of the meeting held on 10th May 2022 as a true and accurate record of the meeting.

52 Members' Declarations of Interest

No declarations were received.

53 Grant Maintained Nurseries - Scoping Document

The Director of Legal and Democratic explained that the Executive had requested the Finance and Resources Scrutiny Committee to undertake a scrutiny review of grant maintained nursery schools. The purpose of the scoping document was to determine

the remit of the Task and Finish Group, which would be approved by the Scrutiny Commission. Reports concerning the progress of the scrutiny review would regularly be presented to the Committee and once this work had been concluded, the Finance and Resources Committee would consider the Task and Finish Group's recommendations and make a decision, to send to the Executive.

The Committee considered the Scoping Document, which was introduced by the Assistant Director of Commissioning and Partnerships. The report set out the objectives of the scrutiny funding review - to analyse all issues relating to the funding of maintained nursery schools.

During discussion, the principal points were noted:

- Members expressed a desire for the scope of the funding review document to be condensed, in order to target the Committee's work in a more focused way.

- Members queried what the role of the North Northamptonshire Schools Forum would be after the Finance and Resources Scrutiny Committee had made its recommendations to the Executive.

- One member queried what funding had already been distributed to maintained nurseries, since these schools were considered to be on the verge of bankruptcy.

- Members requested that a definition for 'transition' be added to the scoping document, to provide clarity regarding the intended use of funding.

- Members queried what recommendations the wider Finance and Resources Scrutiny Committee would be obligated to confirm, from the Task and Finish Group's scrutiny review.

In response, the Assistant Director of Commissioning and Partnerships clarified that:

- Issues relating to the funding of schools would have to be decided by the Schools Forum, as legislation determined that the Forum would have final approval of funding packages, directly relating to the Dedicated Schools Grant.

- The primary aim of the local authority was to ensure that maintained nursery schools could maintain viability. These schools had received additional allocated funding, in the form of the Maintained Nursery Supplement (MNS). Since final decisions regarding the distribution of the MNS had been made, this funding could flow.

- The nature of the Task and Finish Group's recommendations would determine which party would be required to approve them. If the recommendations concerned the funding formula, they would have to be approved by the Schools Forum. If the recommendations pertained to an increase of the general budget, they would go to the Executive.

The Committee agreed that the scrutiny review of the funding of grant maintained nursery schools would be carried out by a Task and Finish Group, comprised of the following seven members: Councillors: Mark Pengelly, Richard Levell, Steven North,

Malcolm Ward, Paul Marks, Jim Hakewill and Valerie Anslow. Substitute members would also be selected in due course.

RESOLVED that: The committee approved the report.

54 Annual Performance for Revenue and Benefits

The Committee considered a report by The Assistant Director of Revenues and Benefits, which provided an update regarding the performance of the revenue and benefits service for the 2021/22 financial year.

During discussion, the principal points were noted:

- One member expressed concern regarding the costs incurred by the local authority, when taking legal action against those residents who did not pay Council Tax.

- Members queried whether local authority officers visited residents in-person to notify them of owed debt.

- Members noted that the allocated Grant from central government amounted to £546k yet acknowledged that the local authority had only spent £411k. They queried whether this could be picked up by central government, who may seek to reduce this funding.

- One member queried whether residents could fall into bad credit through court cases.

- One member queried where debt would fall, should a resident owe monies to the local authority and pass away.

- Members queried how the local authority's collection rate of Council Tax compared with that of other neighbouring councils.

- Members queried what percentage of the total energy tax rebate had been awarded and when officers expected rebates to be fully paid out to residents.

In response, The Assistant Director of Revenues and Benefits clarified that:

- Residents were given warnings and presented with opportunities to communicate with the local authority before they were summoned to court. Recovery procedures were ultimately not too costly and recovery methods depended on the owed amount. Court and officer time costs were calculated to ensure there were no additional costs. Businesses generally respond at a higher rate than residents regarding their arrears.

- Sufficient resources were not in place to allow for officers to make in-person visits to residents. The local authority relied on contact through letters.

- The local authority always set out its full intended spending. The £546k sum had been inherited from the sovereign authorities prior to unitary reorganisation. Officers would continue to liaise with central government

regarding required funding however, the government could potentially make a decision to reduce this amount.

- The local authority did not issue County Court Judgements for debt (CCJs) and residents could not fall into bad credit, directly through dealings with North Northamptonshire Council through court. If bailiffs were also unable collect debt, they would return it to the local authority as 'uncollectable'.

- In the event of death, owed money would pass on to the executor of the estate. If there was no estate, then the debt would be written off.

- Compared with West Northamptonshire Council, North Northamptonshire Council's collection rate of Council Tax was lower by 0.06%. The difference in collection rates was marginal.

- The discretionary housing payment scheme funding did not apply to homeowners and was only made available to residents who rented their properties.

- The local authority began to issue rebate payments on the 11th May to direct debit holders. 82,221 of these cases had been paid out. 8,000 cases had been mismatched, over 3,000 of which had since been reviewed and paid out. Letters had also been sent out to non-direct debit payers, to invite them to apply online for the rebate. At the time of meeting, the local authority had seen only a 50% return rate from residents, which was much lower than anticipated. North Northamptonshire Council had been allocated £20m for the £150 rebate - £13.3m of which had been paid out.

The Chairman of the Committee suggested that the local authority should issue a press release, to inform residents of their entitlement to rebate funding. The Executive Member assured the Committee that he would contact communications to advertise this information.

RESOLVED that: The Committee noted the report.

55 Close of Meeting

The meeting closed at 8:35pm.