

# Public Document Pack



**Meeting:** Finance and Resources Scrutiny Committee  
**Date:** Tuesday 13th December, 2022  
**Time:** 7.00 pm  
**Venue:** The Corby Cube, George Street, Corby, Northants, NN17 1QG

To members of the Finance and Resources Scrutiny Committee:

Councillors Mark Pengelly (Chair), William Colquhoun, Jim Hakewill, Ken Harrington, Larry Henson, Ian Jelley, King Lawal, Richard Levell, Paul Marks, Steven North, Anup Pandey, Mark Rowley and Malcolm Ward.

(Substitutes: Councillors Scott Brown, Emily Fedorowycz, Clive Hallam, Matt Keane, Anne Lee, Jan O'Hara and David Sims.)

<b>Agenda</b>			
<b>Item</b>	<b>Subject</b>	<b>Presenting Officer</b>	<b>Page no.</b>
<b>01</b>	Election of vice chair <ul style="list-style-type: none"><li>Election of the vice-chair of the Finance and Resources Scrutiny Committee until the end of the 2022/23 municipal year</li></ul>		
<b>02</b>	Apologies		
<b>03</b>	Members' Declarations of Interest		
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<b>07</b>	Performance Indicator Report for Corporate Services - Period 6 (September)	Guy Holloway	51 - 62
<b>08</b>	Update - Maintained Nurseries		63 - 64
<b>09</b>	Close of meeting		

Adele Wylie, Monitoring Officer  
North Northamptonshire Council



**Proper Officer**  
**Monday 5 December 2022**

This agenda has been published by Democratic Services.

Committee Administrator:

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<b>ITEM</b>	<b>NARRATIVE</b>	<b>DEADLINE</b>
Members of the Public or other non-committee councillors' agenda statements	Requests to address the committee must be received by 5pm, two clear working days before the meeting. Statements must relate to a matter on the agenda and speakers will be limited to three minutes.	<b>5pm Thursday 8 December 2022</b>

If you wish to register to speak, please contact the committee administrator

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Where a matter arises at a meeting which **relates to** other Registerable Interests, you must declare the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but must not take part in any vote on the matter unless you have been granted a dispensation.

Where a matter arises at a meeting which **relates to** your own financial interest (and is not a Disclosable Pecuniary Interest) or **relates to** a financial interest of a relative, friend or close associate, you must disclose the interest and not vote on the matter unless granted a dispensation. You may speak on the matter only if members of the public are also allowed to speak at the meeting.

Members are reminded that they should continue to adhere to the Council's approved rules and protocols during the conduct of meetings. These are contained in the Council's approved Constitution.

If Members have any queries as to whether a Declaration of Interest should be made please contact the Monitoring Officer at – [monitoringofficer@northnorthants.gov.uk](mailto:monitoringofficer@northnorthants.gov.uk)

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

Held at 7.00 pm on Tuesday 18th October 2022 in the Council Chamber, Corby Cube, Corby, Northamptonshire, NN17 1QG

### **Present:-**

#### Members

Councillor Mark Pengelly (Chair)  
Councillor Jim Hakewill  
Councillor Ken Harrington  
Councillor Ian Jelley  
Councillor Matt Keane  
Councillor Paul Marks

Councillor Dr Anup Pandey  
Councillor Mark Rowley  
Councillor Malcolm Ward  
Councillor Scott Brown

#### Officers

Claire Edwards

Assistant Director – Finance  
Accountancy

Janice Gotts  
Lucy Hogston

Executive Director – Finance  
Assistant Director – Revenue and  
Benefits

Guy Holloway  
Jo Hutchinson  
Carol Mundy  
Raj Sohal

Assistant Chief Executive  
Senior School Improvement Manager  
Senior Democratic Services Officer  
Democratic Services Officer

Also in attendance – Councillor Lloyd Bunday

### **66 Apologies**

Apologies for absence were received from Councillors: Larry Henson, Richard Levell and Steven North.

### **67 Members' Declarations of Interest**

No declarations were received.

### **68 Minutes of the meeting held on 16 August 2022**

RESOLVED that: The minutes of the meeting held on the 16<sup>th</sup> August 2022 were approved as a correct and accurate record of the meeting.

### **69 Budget Forecast 2022/23 as at Period 5**

The Committee considered a report by The Assistant Director for Finance Accountancy, which set out material financial issues identified as at period 5 of budget monitoring 2022/23. The budget forecast had previously been presented to the Executive on the 13th October 2022.

During discussion, the principal points were noted:

- Members queried what action North Northamptonshire Council had taken to mitigate the overspend of the Northamptonshire Children's Trust (NCT). One member posited that it would be important for the Committee to understand how the local authority could hold the NCT accountable for its overspend.
- The Chair requested that the annual report relating to the NCT's budget position be provided to the Committee as soon as possible.
- One member queried whether if the overspend was to continue year-on-year, the local authority might request central government to return powers previously given to the NCT.

In response, The Portfolio Holder for finance clarified that:

- The NCT had been established by central government and that the local authority had no authority to demand the NCT to abide by its recommendations, to mitigate the overspend.
- The NCT's overspend did not sit comfortably with The Executive, which intended on meeting with representatives from the Trust imminently. Nevertheless, it would be difficult to hold the NCT fully accountable as West Northamptonshire Council had been more comfortable with the overspend.
- The local authority maintained a contract with the NCT for five years and could not possibly retake powers until the conclusion of this period.

The Chair assured the Committee that representatives from the Northamptonshire Children's Trust would attend the next meeting of Finance and Resources Scrutiny and that he would request the annual report.

RESOLVED that:

The report be noted.

## **70 Capital Forecast 2022/23 as at Period 3**

The Committee considered a report by The Assistant Director for Finance Accountancy, which set out the Capital Forecast for 2022/23, as at period 3. The forecast had previously been presented to the Executive on the 25th August 2022.

During discussion, the principal points were noted:

- Members hoped that the Council would return a large portion of its capital programme into the local economy.

RESOLVED that:

The report be noted.

## **71 Local Council Tax Support Scheme**

The Committee considered a report by The Assistant Director of Revenue and Benefits, which provided an update regarding the Local Council Tax Support Scheme for 2022/23 and proposed a scheme for 2023/24.

During discussion, the principal points were noted:

- Members queried how the local authority intended to inform elected members that this fund existed and whether residents were also made aware of this relief, when they found themselves in arrears of Council Tax payments.
- Members queried whether education and intervention had been ongoing, to combat non-payment, as well as if non-payment enforcement had been fierce.
- Members queried where the capital used to provide the Local Council Tax Support Scheme had come from.
- One member suggested that the Local Council Tax Support Scheme should remain at 25% or less – this was seconded and approved by the Committee.

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

- Residents in arrears for Council Tax had been informed of this fund however, there had been poor communication between North Northamptonshire Residents and the Council.
- Communication issues had also made enforcement of non-payment difficult however, the lower collection rate of the previous year was an anomaly, since the local authority had been 'playing catch-up'. Nevertheless, the figures seemed to be consistent.
- The capital used to provide the Local Council Tax Support Scheme came from the Council's general fund budget

RESOLVED that:

The motion to maintain the Local Council Tax Support Scheme at 25% or less was carried.

## **72 Performance Indicator Report for Corporate Services - Period 4**

The Committee considered a report by The Assistant Chief Executive, which provided an update on the performance of the Council's corporate support services at period 4 2022/23, as measured by performance indicators.

During discussion, the principal points were noted:

- Members queried how many staff vacancies existed within the Council. One member posited that this information would be vital in allowing for effective scrutiny of the performance of services and also suggested that the Committee should seek to scrutinise the matter of staff vacancies and reliance on agency employees more closely. The Chair agreed.

- Members expressed concern around agency staff costs and requested more detailed information around this issue.

In response, The Assistant Chief Executive clarified that:

- The issue around staff vacancies had also come up at the previous meeting of the Scrutiny Commission – the local authority had been in a transitional process going into unitary restructuring, to fill vacancies. This process was still ongoing to best establish the structure of the system and need of services.

RESOLVED that:

The report be noted.

### **73 Maintained Nursery Update**

The Committee considered a report by The Senior School Improvement Manager, which provided an update regarding the Maintained Nurseries Scrutiny Review.

The report explained that North Northamptonshire Council was only funded for the 15 hours universal entitlement, based on participation in the Maintained Nursery Supplement (MNS). It was decided to move towards a participation model of funding for MNS in 2023-24.

As a result, a Sub-Committee of the Finance and Resources Scrutiny Committee had been established to undertake a scrutiny review of the impact of these changes to funding arrangements. Members of this Sub-Committee would visit all four maintained nursery schools in North Northamptonshire and analyse audit reports, to eventually reach a conclusion regarding the Council's decision to move to a participation model of funding.

RESOLVED that:

The report be noted.

### **75 Urgent Item - Indicative Budget Timeline and Scrutiny Process 2023/24 - Update**

The Committee considered a report by The Executive Director of Finance, which outlined the indicative timeline for the 2023/24 budget scrutiny process.

During discussion, the principal points were noted:

- Members expressed a desire to see the ofsted report of children's services as soon as possible.

RESOLVED that:

The report be noted.



## NORTH NORTHAMPTONSHIRE COUNCIL

### FINANCE AND RESOURCES SCRUTINY COMMITTEE

<b>Report Title</b>	Budget Forecast 2022/23 as at Period 6
<b>Report Author</b>	Janice Gotts Executive Director of Finance and Performance <a href="mailto:Janice.gotts@northnorthants.gov.uk">Janice.gotts@northnorthants.gov.uk</a>
<b>Lead Member(s)</b>	Councillor Lloyd Bunday, Executive Member for Finance and Transformation

#### List of Appendices

#### Appendix A – Budget Forecast 2022/23 as at Period 6

##### **1. Purpose of Report**

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- 1.1. This report sets out the revenue budget forecast 2022/23 for consideration by this committee.

##### **2. Executive Summary**

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- 2.1. The report attached at Appendix A was presented to the Executive at its meeting on 10<sup>th</sup> November 2022 and sets out the Council's financial position for 2022/23 as at the end of September 2022 (Period 6).
- 2.2. The committee is asked to note and comment on the report.

##### **3. Recommendations**

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- 3.1. It is recommended that the Finance and Resources Scrutiny Committee:
- a) Note and comment on the report attached as Appendix A.
- 3.2. Reason for Recommendations – to note the forecast financial position for 2022/23 as at Period 6 and consider the impact on this year and future years budgets.

##### **4. Report Background**

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- 4.1. Shown in **Appendix A** is the monitoring report for Period 6 presented to Executive at its meeting on 10<sup>th</sup> November 2022. The monitoring report sets out

the material financial issues identified since the 2022/23 budget was set in February 2022. This is based on the income and expenditure as at end of September 2022 and the views of the budget managers on the anticipated outturn for the year.

- 4.2. The Period 6 forecast position for the General Fund is showing an overspend of £3.857m and an underspend of £93k for the Housing Revenue Account.

## **5. Issues and Choices**

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- 5.1. There are no specific choices for this committee arising from this report. The committee is requested to scrutinise the financial position in accordance with the Council's Constitution.

## **6. Implications (including financial implications)**

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### **6.1. Resources and Financial**

- 6.1.1. The financial implications are set out in the report in Appendix A.

### **6.2. Legal**

- 6.2.1. As outlined in the report in Appendix A.

### **6.3. Risk**

- 6.3.1. As outlined in the report in Appendix A.

### **6.4. Consultation**

- 6.4.1. As outlined in the report in Appendix A.

### **6.5. Climate Impact**

- 6.5.1. As outlined in the report in Appendix A.

### **6.6. Community Impact**

- 6.6.1. As outlined in the report in Appendix A.

## **7. Background Papers**

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- 7.1.1. As outlined in the report in Appendix A.



## EXECUTIVE 10<sup>th</sup> November 2022

<b>Report Title</b>	Budget Forecast 2022/23 as at Period 6
<b>Report Authors</b>	Janice Gotts, Executive Director of Finance <a href="mailto:Janice.gotts@northnorthants.gov.uk">Janice.gotts@northnorthants.gov.uk</a>
<b>Lead Member</b>	Councillor Lloyd Bunday, Executive Member for Finance and Transformation

<b>Key Decision</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Is the decision eligible for call-in by Scrutiny?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Are there public sector equality duty implications?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Does the report contain confidential or exempt information (whether in appendices or not)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Applicable paragraph number for exemption from publication under Schedule 12A Local Government Act 1974</b>	

### List of Appendices

Appendix A – Savings Schedule

#### **1. Purpose of Report**

- 1.1. The revenue budgets (2022/23) and Medium-Term Financial Plans for North Northamptonshire Council for the General Fund and the Housing Revenue Account were approved by Council at its meeting on 24<sup>th</sup> February 2022. The purpose of this report is to set out the forecast outturn position 2022/23 for the Council for the General Fund and the Housing Revenue Account.
- 1.2. This monitoring report sets out the material financial issues identified since the 2022/23 budget was set, based on the income and expenditure as at end of September 2022 (Period 6) and reflects the views of the budget managers within the Directorates.
- 1.3. As part of the ongoing monitoring process, work will continue to examine income and expenditure and activity data, against the available budgets to support the position presented and help to shape the medium-term financial plan.
- 1.4. Some areas remain unchanged from the previous report, however, the detail of these variances is included within the report for completeness.

#### **2. Executive Summary**

- 2.1 This report provides commentary on the Council’s current forecast for the revenue outturn position for 2022/23 based on the information available as at Period 6 (September 2022). This includes both the General Fund and the Housing Revenue Account. The Council will continue to assess and refine the forecasts on a regular basis using the latest intelligence available. The forecast presented in the report is based on the best available data and information of the operations of the Council. However, determining the outturn at this stage of the financial year, with limited data on actual spend and areas of uncertainty posed by inflation and other factors, presents an element of risk which will continue to be closely monitored during the year.
- 2.2 The Council retains a level of contingency within the base budget, which is referred to elsewhere in this report. The contingency can be used to manage risks and other changes, including pressures that were unknown at the time the budget was set. At present the contingency is considered to be fully committed by year end, however, if the contingency budget is not used then it can fall back to support the reserves position for future years.
- 2.3 At this point it should be noted that the balances on the reserves brought forward to the Council for the start of the year will not be agreed until the accounts of its predecessor Councils are signed off. The following table provides an update on the current position for the four former Council’s in North Northamptonshire:

Legacy Authority	2020/21	Comments
Kettering	Completed	
Wellingborough	Completed	
Corby	Draft Accounts	Draft accounts for 2020/21 issued.
East Northamptonshire	Completed	

- 2.4 The closure of the 2020/21 accounts for the former County Council is being led by West Northamptonshire Council. This is still progressing and there remains a small number of outstanding items requiring confirmation, this includes a national issue regarding the treatment of infrastructure assets.

**3. Recommendations**

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- 3.1 It is recommended that the Executive:
  - a) Note the Council’s forecast outturn position for 2022/23 as summarised in Section 4, alongside the further analysis, risks and other considerations as set out in Section 5 and Section 6 of the report.
  - b) Note the assessment of the current deliverability of the 2022/23 savings proposals in Appendix A.
  - c) Note that the Council will provide financial support up to £556k to external leisure providers as set out in section 5.45 to 5.48 of the report.

- 3.2 Reason for Recommendations – to note the forecast financial position for 2022/23 as at Period 6 and consider the impact on this year and future years budgets.
- 3.3 Alternative Options Considered: The report focuses on the forecast revenue outturn against budget for 2022/23 and makes recommendations for the Executive to note the current budgetary position as such there are no specific choices within the report.

#### 4. Report Background

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##### General Fund

- 4.1 The Council's Revenue Budget for 2022/23 was set at the Council meeting on 24<sup>th</sup> February 2022. The overall outturn forecast for the General Fund for 2022/23, as at Period 6 is a forecast overspend of £3.857m against the approved budget of £300.075m. This is summarised in the table below

<b>General Fund Forecast Outturn 2022/23</b>			
	<b>Net Budget £000</b>	<b>Forecast Position at 31/03/2023 £000</b>	<b>Forecast Variance £000</b>
<b>Net Available Resources</b>	<b>300,075</b>	<b>300,075</b>	<b>0</b>
<b>Total Corporate Budgets</b>	<b>26,494</b>	<b>26,494</b>	<b>0</b>
Children and Education	64,024	67,885	3,861
Adults, Communities and Wellbeing Services	116,658	117,057	399
Place and Economy	58,490	60,677	2,187
Enabling and Support Services	34,409	31,819	(2,590)
<b>Total Directorate Budgets</b>	<b>273,581</b>	<b>277,438</b>	<b>3,857</b>
<b>Total Budget</b>	<b>300,075</b>	<b>303,932</b>	<b>3,857</b>
<b>Net Position</b>	<b>(0)</b>	<b>3,857</b>	<b>3,857</b>

**Note – Favourable variances are shown in brackets**

- 4.2 The net budget was increased by £4.168m from £295.907m in Period 2 to £300.075m in Period 3. This reflects the use of earmarked reserves of £3.938m which was approved by the Executive at the meeting on 14<sup>th</sup> July 2022, and was to mitigate in year pressures relating to Home to School Transport, short-term vehicle leasing costs, commercial income for grounds maintenance and facilities management from the previous Wellingborough NORSE contract, and Knuston Hall. The Executive also approved a further contribution of £230k from the Public Health Reserve to underwrite the potential shortfall in the School Holiday Food Voucher Scheme over the Summer break.
- 4.3 The forecast position at Period 6 is an overspend of £3.857m this is an adverse movement of £157k since the last report to Executive (Period 5) where an

overspend of £3.700m was reported. The following table summarises the movement.

	Report Ref	Net Budget	P5 Forecast Variance	Movement in Forecast	P6 Forecast Variance
		£000	£000	£000	£000
<b>Children and Education</b>		<b>64,024</b>	<b>2,710</b>	<b>1,151</b>	<b>3,861</b>
Assistant Director of Education	5.8	6,318	(318)	(102)	(420)
Commissioning and Partnerships	5.16	57,706	3,028	1,253	4,281
<b>Adults, Communities and Wellbeing Services</b>		<b>116,658</b>	<b>70</b>	<b>329</b>	<b>399</b>
Adult Services	5.29	89,623	(300)	800	500
Safeguarding and Wellbeing	5.29	11,941	0	0	0
Commissioning and Performance	5.29	4,993	0	0	0
Public Health	5.40	138	(138)	0	(138)
Housing and Community Services	5.41	9,963	508	(471)	37
<b>Place and Economy</b>		<b>58,490</b>	<b>2,872</b>	<b>(685)</b>	<b>2,187</b>
Assets and Environment	5.50	1,843	1,567	(326)	1,241
Growth and Regeneration	5.52	3,891	191	(50)	141
Highways and Waste	5.54	50,057	865	(309)	556
Regulatory Services	5.57	2,078	249	0	249
Directorate Management	5.59	621	0	0	0
<b>Enabling and Support Services</b>		<b>60,903</b>	<b>(1,952)</b>	<b>(638)</b>	<b>(2,590)</b>
Finance and Corporate	5.3 and 5.61	37,796	(774)	(868)	(1,642)
Chief Executive	5.66	1,998	(488)	63	(425)
HR, Legal and Democratic Services	5.67	8,569	(399)	0	(399)
Transformation	5.73	12,540	(291)	167	(124)
<b>Total</b>		<b>300,075</b>	<b>3,700</b>	<b>157</b>	<b>3,857</b>

#### Housing Revenue Account

- 4.4 The Housing Revenue Account (HRA) is a separate ring-fenced account within the Council for the income and expenditure associated with its housing stock. The HRA does not directly impact on the Council's wider General Fund budget or on the level of council tax. Income to the HRA is primarily received through the rents and other charges paid by tenants and leaseholders.

4.5 Within North Northamptonshire prior to 1<sup>st</sup> April 2021 there were two HRA accounts, covering the sovereign Councils of Kettering and Corby respectively. As part of the move to a single unitary council for North Northamptonshire, there was a statutory requirement to create a single HRA for the area. Whilst North Northamptonshire Council must only operate one HRA it will, for a period of time, operate two separate Neighbourhood Accounts, these being:

- the Corby Neighbourhood Account - responsible for the stock that was managed by Corby Borough Council and
- the Kettering Neighbourhood Account - responsible for the stock that was managed by Kettering Borough Council.

4.6 The Council's overall outturn forecast for the Housing Revenue Account as at Period 6, is a forecast underspend of £93k (Period 5 £126k Underspend) against the approved budget of £36.270m. This is summarised in the table below and further details are set out in Section 6. It is important to note that this is subject to continual review.

<b>Housing Revenue Account Forecast Outturn 2022/23</b>				
<b>Directorate</b>	<b>Budget</b>			<b>P6 Forecast Variance at 31/03/23 £'000</b>
	<b>Expenditure</b>	<b>Income</b>	<b>Net</b>	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Corby Neighbourhood Account	20,141	(20,141)	0	(221)
Kettering Neighbourhood Account	16,129	(16,129)	0	128
<b>Net Position 2022/23 (under)/over</b>	<b>36,270</b>	<b>(36,270)</b>	<b>0</b>	<b>(93)</b>

### **National Context**

4.7 The national, and indeed the global, economy is seeing significant inflationary pressures that could not have been foreseen at this scale only a few months ago.

4.8 In the Bank of England's financial stability report, released in July 2022, inflation was forecast to rise to over 11% by the end of the year. The Bank of England also warned that the UK will enter a recession (two successive quarters of negative growth) later this year. There are conflicting views on the likely position for 2023, with some commentators believing that it may rise up to 18%<sup>1</sup> and beyond in early 2023.

4.9 Central banks across the world have responded to inflationary pressures by tightening monetary policy or signalling their intention to do so. Market interest rates have risen sharply, reflecting expectations of further policy tightening in response to renewed risks of more persistent, higher inflation and increasing credit risk. In the UK, the market-implied path for the Bank Rate has also risen materially, suggesting that it will reach around 2.8% by end-2022 and peak at 3.3% in 2023.

<sup>1</sup> Citi Bank Forecast reported 23<sup>rd</sup> August 2022.

- 4.10 The Bank of England increased the Base Rate by 0.50% to 2.25% on the 22<sup>nd</sup> September 2022 this is the highest level the Base Rate has been since Dec 2008 when the rate was 2%.
- 4.11 The inflation figures for September are slightly higher than in August. The 12 month CPI figure for September is 10.1% (August 9.9%) and the 12 month RPI figure for September is 12.6% (August 12.3%).
- 4.12 Councils like most organisations continue to see the impact of price rises, particularly around fuel and energy costs (for example, the street lighting PFI). A number of services are provided under contract, and it is likely that the Authority will experience some pressure from suppliers regarding current arrangements and any new contracts entered in to. As part of the budget setting for 2022/23, the Council included growth to address forecast inflationary increases in light of the position known at the time. However, the significant and continuing increase in the rate of inflation has added further risk to the 2022/23 position and likely future costs into the Medium-Term Financial Plan.
- 4.13 The Government on 21<sup>st</sup> September announced a new 6 month scheme for businesses and other non-domestic energy users, which includes charities and public sector organisations, including local government which will see a reduction in energy costs.
- 4.14 There will be a review in 3 months' time to consider where this should be targeted to make sure those most in need get support. After this initial 6 month scheme, the government have indicate that they will provide ongoing focused support for vulnerable industries.
- 4.15 Further risk to Local Government funding comes from the high street as the Country potentially enters a recession and individuals have less disposal income. This poses a risk for the Council's future income generation from business rates should businesses cease to trade. It may also see more people seeking to access Council Tax Support and other financial support which could reduce the overall Council Tax yield.
- 4.16 Alongside this there is a recognition that the demand for services may increase in areas such as housing and homelessness and social care and the Council will review its service offer in all areas as part of future financial and service planning.
- 4.17 The context of the national and global economy along with potential changes to the local government financial landscape in the future through reforms of funding mechanisms and Social Care are key considerations for the Council as it continues to deliver its services for 2022/23 and considers the 2023/24 draft budget proposals as part of its Medium-Term Financial Plan over the coming months.

## **5. Overview of Forecast Position 2022/23**

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### **Available Resources and Corporate Costs**

- 5.1 The Council is responsible for the collection of local taxes (Council Tax and Business Rates). At the end of September 2022 57.69% of Council Tax had



been collected (September 2021 – 56.79%). Business Rates collection is 56.80% at the end of September 2022 (September 2021 – 48.72%). It should be noted that in 2021/22 there were technical changes to the collectable debit owing to how COVID Retail Relief was applied. Initially reliefs for the period April 2021 to March 2022 were granted at 100% and then in July 21 the reliefs were adjusted to 50% for the period July 21 to March 22 in line with the requirements of the scheme, this meant that where businesses had received retail relief, bills for the year were reissued in July and in effect businesses commenced payments from this point rather than April giving rise to a lower collection rate in September 2021 compared to September 2022. Therefore, the figures are not directly comparable, the current collection rate for 2022/23 remains strong.

- 5.2 It is unknown how businesses will be affected in the longer term following the reduction / cessation of financial support. Further to this discretionary rate relief applications have been issued and the impact of the subsequent awards is likely to be positive on the collection rate.

### **Corporate Resources**

- 5.3 The total net budget for Corporate Resources is £26.494m which consists of the contingency budget and budgets for treasury related costs.
- 5.4 The contingency budget is held to meet unknown or unplanned/ unbudgeted costs. The contingency budget for 2022/23 was £4.750m and as at Period 6 the balance is £2.450m this is unchanged from that reported in Period 5.
- 5.5 At this stage the contingency budget is currently being assumed to be used in full during the year. This will include inflationary and demand pressures as well as helping to offset the potential additional cost of the pay award. Based on the current offer from the employers which, for the majority of staff, is a flat rate of £1,925 per employee, meaning the pay award will be significantly higher than the 3% budgeted.

### **Directorate Budgets**

- 5.6 This section of the report provides an analysis of the forecast variations against the 2022/23 General Fund for each of the Directorates as set out in the table at paragraph 4.3.

### **Children's Services Directorate**

- 5.7 The budget for Children's and Education Services includes the Commissioning and Partnerships including Northamptonshire Children's Trust and Education Services not funded by the Dedicated Schools Grant (DSG).
- 5.8 The net forecast position for Period 6 for Children's and Education Services is an overspend of £3.861m (Period 5 - £2.710m overspend). The forecast outturn position consists of a net underspend of £420k (Period 5 - £318k underspend) in Education Services and an overspend of £4.281m (Period 5 - £3.028m overspend) in Commissioning and Partnerships, which also includes the Northamptonshire Children's Trust contract sum.

## Education

<b>Assistant Director of Education</b>	<b>£'000</b>
Expenditure	11,365
Income	(5,048)
<b>Net Budget</b>	<b>6,317</b>
Forecast	5,897
<b>Variance</b>	<b>(420)</b>

- 5.9 The forecast underspend relating to Education Services comprises of the following variances.
- 5.10 The Teacher's Pension Strain was disaggregated between the North and West, the 2021/22 budget assumed a split 44% North and 56% West which was in line with the contract sum. The budget for the North is £1.109m, however following a further review, the cost to the North was revised to £834k. This resulted in a forecast underspend of £275k, which is unchanged from Period 5.
- 5.11 The Teachers' Pension strain is funded from DSG and the amount of DSG funding was previously understated, resulting in additional DSG income of £462k. In addition, a further £20k of DSG income is being used to fund the Specialist Support Service resulting in an overall net benefit of £482k (Period 5 - £482k underspend).
- 5.12 The School Improvement Monitoring and Brokering Grant was budgeted at £226k this grant should have been disaggregated between the North and West, but the full grant was reflected in the North. The actual grant is being phased out and 2022/23 is the final year that this grant will be paid – the amount that will be received has reduced to £50k in 2022/23 resulting in a pressure of £176k (Period 5 - £176k pressure).
- 5.13 There are a number of vacant posts across the service which are currently being filled by agency staff, which is forecast to result in a net pressure of £122k (Period 5 - £100k pressure).
- 5.14 The Teachers' Pension is funded via the DSG, with the exception of those teachers who were employed post 2013. The budget for this amounted to £236k and the forecast is £270k resulting in a pressure of £34k (Period 5 - £34k pressure).
- 5.15 There is a forecast pressure of £45k (Period 5 - £42k pressure) in relation to reduced income in Education Services. In addition, there are other minor savings across the service which result in a favourable variance of £40k (Period 5 - £87k pressure).

## Commissioning and Partnerships

- 5.16 The net revenue budget for Commissioning and Partnerships is set out in the table below, this includes the Northamptonshire Children's Trust.

<b>Commissioning and Partnerships</b>	<b>£'000</b>
Expenditure	63,028
Income	(5,322)
<b>Net Budget</b>	<b>57,706</b>
Forecast	61,987
<b>Variance</b>	<b>4,281</b>

- 5.17 Commissioning and Partnerships is forecasting a pressure of £4.281m (Period 5 - £3.028m Pressure). The main reason for the forecast overspend relates to pressures at the Children's Trust where the forecast overspend is £11.062m (Period 5 £7.930m) This poses a significant financial risk to the Council as these pressures are unlikely to be mitigated. The cost to NNC based on an overspend at NCT of £11.062m is £4.885m, this reflects how the contract sum is split between North Northamptonshire Council (44.16%) and West Northamptonshire Council (55.84%).
- 5.18 The main pressure within the Children's Trust relates to placements for children in care – this amounts to £8.024m (Period 5 - £7.643m). The market and availability of placements remains challenging. The placements budget will continue to remain under pressure as it remains extremely volatile both locally and nationally. The Trust is working on how these pressures can be mitigated in the current and in future years. The following table provides further detail around the pressure from placements.

<b>Placement Type</b>	<b>Net Budget £'000</b>	<b>Projected Outturn £'000</b>	<b>Variance £'000</b>
In House Fostering	8,542	8,342	(200)
Agency Foster Care Placements	14,924	16,196	1,272
Residential Placements	17,216	20,461	3,245
Supported Accommodation	3,312	6,781	3,469
18+ Agency Placements	4,806	5,598	792
Welfare Secure	308	93	(215)
Disabled Children's Placements	3,814	3,353	(461)
UASC	4,569	4,794	225
Remand Secure	274	171	(103)
<b>Total</b>	<b>57,765</b>	<b>65,789</b>	<b>8,024</b>

- 5.19 There are also pressures on transport costs of £675k (Period 5 - £558k), this is as a result of an increase in fuel costs. There is a risk that the inflation on transport costs could be above current levels and the recent increase in covid infections, may reduce the opportunities to reduce demand.
- 5.20 The current staffing budget across the Trust is projecting a pressure of £1.796m (Period 5 - £271k saving). The Period 6 forecast reflects increases in relation to the uplift in agency rates, which have seen an average increase of 5%. The main pressure relates to the pay award which was budgeted at 2% and reflected in the contract sum but based on current national negotiations could be around 6%.

- 5.21 The Local Government and Social Care Ombudsman recently made a decision on the historic treatment and compliance on Special Guardianship Allowances. This ruling has resulted in a forecast pressure of £844k.
- 5.22 There are other variances within the Children's Trust which amount to a saving of £277k.
- 5.23 The Children's and Education Services remaining in the Council include the Intelligent Client Function for the Northamptonshire Children's Trust and the Local Authority statutory education functions as listed below:
- Education Inclusion
  - Education Psychology
  - Support for children with Special Educational Needs and Disabilities (SEND)
  - School Improvement
  - Virtual Schools (lead in the North Northamptonshire Unitary Authority)
  - School admissions and school place planning
  - Early Education and Child Care
- 5.24 The Council's share of the NCT contract agreement in 2022/23 is £60.7m. Included within the contract sum was an amount for support services provided to NCT by both North and West Northamptonshire, of which the Council budgeted to receive £1.758m. This assumed support services were provided in line with how the contract sum had been split. However, it is anticipated that the Council will provide less support services and this will be in line with those provided in the previous year. This will in effect reduce the Council's income to £1.258m, resulting in a pressure of £500k – this is unchanged from Period 5.
- 5.25 There is budgetary provision of £691k which was to meet any unforeseen pressures within the Commissioning Service, this will be used in full to mitigate the financial pressures being forecast and this position is unchanged from Period 5.
- 5.26 There is a favourable variance of £172k which relates to the budget provision being higher than the contract with NCT this is unchanged to that reported in Period 5.
- 5.27 There is a forecast underspend of £261k across Commissioning and Partnerships, of which £258k relates to staffing. The remaining £3k represents minor forecast savings (Period 5 - £98k saving).
- 5.28 The Children's Trust Budget is monitored in year through regular meetings between officers of both North and West Northamptonshire Councils and the Trust.

## Adults, Communities and Wellbeing Directorate

- 5.29 The revenue budget covers Adult Social Services, Community Services and Public Health and Wellbeing. The details of the forecast outturn position are set out in the paragraphs which follow.

## Adults, Communities and Wellbeing Directorate

### Adult Social Care, Safeguarding and Wellbeing and Commissioning and Performance Services

<b>Adult Services</b>	<b>£'000</b>
Expenditure	106,578
Income	(16,955)
<b>Net Budget</b>	<b>89,623</b>
Forecast	90,123
<b>Variance</b>	<b>500</b>

<b>Safeguarding and Wellbeing</b>	<b>£'000</b>
Expenditure	16,917
Income	(4,976)
<b>Net Budget</b>	<b>11,941</b>
Forecast	11,941
<b>Variance</b>	<b>0</b>

<b>Commissioning and Performance</b>	<b>£'000</b>
Expenditure	14,579
Income	(9,585)
<b>Net Budget</b>	<b>4,994</b>
Forecast	4,994
<b>Variance</b>	<b>0</b>

- 5.30 Under the 2014 Care Act, local authority Adults Services have a responsibility to make sure that people aged over 18 years who live in their areas are provided with personal day to day care (helping people get dressed, washed, going to the bathroom, eating etc) where they cannot do things for themselves or access family support. The service also provides other physical or psychological support to people with disabilities in order to help them live a full life. The overriding responsibility is to keep people safe and protect them from harm or neglect.
- 5.31 Care can take in many forms and can be provided directly by the Council, through contracted organisations or families can receive a personal budget to buy suitable care for themselves. Although receiving formal or long-term care is subject to people meeting the Council's eligibility criteria, the service also has a key responsibility for helping people to stay independent and preventing or delaying the need for care.
- 5.32 The service has supported an uplift award of 6.5% to care providers for providing care packages on framework rates during 2022/23, this is expected to cost

approximately £2.7m during the year which has been met through additional investment in Adult Social Care as part of the 2022/23 budget setting process.

- 5.33 Within Adult Social Care there is £3.6m for demographic growth of which £0.5m relates to Mental Health Services; these are driven by the forecast number of additional people requesting care. The past four years' growth in adult social care costs in Northamptonshire have tended to be driven by two factors, general market inflation (predominately wage related) and acute care needs for existing clients, rather than increased clients due to demographic changes. However, it is too early to confirm whether this trend will continue in Northamptonshire.
- 5.34 To support with the implementation of the Adult Social Care reform £852k of grant has been allocated in 2022/23. The impacts of social care reform include the introduction of the care cap of £86k from October 2023, which is a lifetime contribution of care costs, impact of means testing and fair funding for self-funders. It also includes the introduction of fair cost of care
- 5.35 In addition to this a new grant has been awarded to support local authorities to prepare for reform in Adult Social Care for NNC this is an additional £98k and Members approved the inclusion of this funding and additional expenditure at the July Executive meeting.
- 5.36 The existing savings programme includes saving proposals being delivered over a number of financial years. These include savings proposals that formed part of the Future Northants Transformation Programme covering:
- Admissions Avoidance Service (£0.647m), which is a new service (initially funded by the business rates pilot fund) provided by Adult Social Care with health partners. The Admission Avoidance care model focuses on patients/clients presenting at acute hospitals with relevant conditions who can be rapidly assessed, diagnosed and treated without being admitted to a ward, if clinically safe to do so. Currently the Crises Response Team supports the back door discharges at the acute hospitals, where Admission Avoidance will focus on the significant opportunity to provide care on/at the front door to avoid hospital admissions and care costs increases client outcomes.
  - Strength Based Working Project (£2.2m) which is the Transformation of Adults Services pathways and processes to ensure focus on client outcomes, independence, better decision making, and best practice approaches reduce delays and spend.
  - Other savings include the increased use of PPP block purchased beds (£0.932m) this will involve reducing the spend within the independent market and increase the use of the beds for hospital discharges.
- 5.37 The current forecast is an overspend of £500k (Period 5 - £300k Underspend), the adverse movement in the month is in relation to the additional costs within the young adult's cohort. The forecast assumes that the savings detailed in 5.36 are achieved in year. These savings will continue to be tracked, and any impact of the achievability will form part of future reports. In addition to the in- year monitoring the 2021/22 trends have been used to assist in the monitoring of this

year's budget; however, this has limitations as there is only one year's data and this was significantly impacted by the Covid pandemic. The trends of spend and activity will continue to be updated to support future forecasts.

- 5.38 Similar, to the previous reports, the current monitoring identifies a number of pressures within working aged adults, this is being offset by savings within services for older people, work is continuing to realign these budgets and to understand the potential risks to the forecast, particularly in light of inflation and changes in demand.
- 5.39 Such examples of potential pressures include an unexpected increase in demand during the winter period, e.g., an increase in flu and other respiratory diseases, unexpected provider failures, additional pressures from acute hospitals, changes in caselaw and adverse weather. Mitigations would be sought to manage these pressures including, in exceptional circumstances, the use of reserves. This is an area the Council will continue to monitor closely.

### Public Health

- 5.40 Public Health and Wellbeing is forecasting an underspend of £138k this reflects the split between grant and expenditure and that Public Health costs are fully funded through the Public Health grant and this is unchanged to Period 5.

<b>Public Health</b>	<b>£'000</b>
Expenditure	20,657
Income	(20,519)
<b>Net Budget</b>	<b>138</b>
Forecast	0
<b>Variance</b>	<b>(138)</b>

### Housing and Community Services

- 5.41 Housing and Community Services includes provision of housing services and support for homeless people. It also includes libraries, cultural facilities (such as museums, theatres, art galleries and heritage sites), sports and leisure facilities (such as swimming pools, tennis courts, golf, playing pitches, indoor courts/sports halls etc), archaeological archiving and activities and access to parks and open spaces for play and recreation. The Service is also responsible for community grants as well as providing education and outreach services and advice and support.

<b>Housing and Community Services</b>	<b>£'000</b>
Expenditure	19,317
Income	(9,353)
<b>Net Budget</b>	<b>9,964</b>
Forecast	10,001
<b>Variance</b>	<b>37</b>

- 5.42 The forecast includes a pressure of £95k (Period 5 - £95k pressure) relating to the under achievement of income at the Lodge Park Sports Centre in Corby;

this has not yet recovered to pre pandemic levels. This is off-set by additional income of £30k (Period 5 - £30k).

- 5.43 The forecast includes a pressure of £299k (Period 5 - £770k pressure) for electricity and gas at the Corby International Pool. This reflects current market conditions where utility costs have increased significantly and reflects the estimated support from Government up to 31<sup>st</sup> March 2023. This is an area the Council will continue to monitor closely.
- 5.44 These pressures are partially offset by additional revenue of £200k (Period 5 - £200k underspend) for temporary accommodation within the homelessness service where housing policies have been harmonised. There are also savings on staff costs of £127k which are able to be capitalised against the Disabled Facilities capital project.

### **Leisure**

- 5.45 A budget of £962k was agreed by the North Northamptonshire Council Shadow Authority in 2021/22 for “additional pressures relating to the running of leisure centres in NNC”.
- 5.46 In addition to the Council’s Covid funding three sovereign councils with outsourced leisure contracts all applied for National Leisure Recovery Funds (NLRF) to support their leisure services operators. This grant application was successful and amounted to £352k for the period 1 April 2021 onwards when North Northamptonshire Council came into being, the balance of this funding amounted to £267k. Resulting in total resources of £1.229m in 2021/22.
- 5.47 The leisure providers showed deficits up to 31 March 2022 and therefore operators sought financial support from the Council. The level of support based on the information provided by the Leisure providers amounted to £673k. At the meeting of the Executive on 14<sup>th</sup> July 2022 it was agreed to transfer the balance of £556k to a General Risk Reserve.
- 5.48 The Leisure sector continues to face significant pressures – most notably from the increase in utility costs whilst the Government have recently announced financial support to businesses this is still expected to result in a pressure to the Councils Leisure providers – pressures being experienced by the Leisure providers up to £556k could be funded from the General Risk Reserve. This accords with delegations given to the Executive Member for Finance and Transformation in consultation with the Executive Director of Finance (Section 151 Officer) as approved at the Council meeting on 24<sup>th</sup> February 2022.

### **Place and Economy**

- 5.49 The Place and Economy budget covers the following four functional areas plus Management Costs:
- Assets and Environment
  - Growth and Regeneration
  - Highways and Waste
  - Regulatory Services



## Assets and Environment

- 5.50 Assets and Environment, includes Facilities Management, Property Estate Management, Energy and Fleet Management, Grounds Maintenance, Parks and Open Spaces and On and Off-street parking enforcement. It also includes Asset and Capital Management of the Council's corporate assets and capital programmes, together with the effective management of the Council's strategic assets and landholdings. Key income and cost drivers include footfalls to the high street for parking income, number of visitors to parks and heritage sites, demand for commercial rental spaces, use of office space and use of energy.

<b>Assets and Environment</b>	<b>£'000</b>
Expenditure	22,483
Income	(20,640)
<b>Net Budget</b>	<b>1,843</b>
Forecast	3,084
<b>Variance</b>	<b>1,241</b>

- 5.51 The Assets and Environment Service is forecasting a pressure £1.241m (Period 5 - £1.567m Pressure). The main variances within the Service are outlined below. Officers are looking to mitigate the in-year pressures detailed below including some specific actions linked to Knuston Hall and Fleet Vehicles detailed below:

- **Country Parks and Outdoor Learning** (£127k Saving – Period 5 £107k Saving).  
This relates to a projected saving of £162k (Period 5 - £141k Saving) at Knuston Hall (this is after the budgets were realigned in Period 2 had the budgets not been realigned the pressure would have been £452k). The main variances relating to Knuston Hall comprises of savings in salary costs of £259k and lower running costs of £344k. The savings are reduced by £292k due to a reduction in income and increase in security costs of £149k. This follows the current closure of this facility. There is a projected pressure of £35k (Period 5 - £34k Pressure) within Country Parks relating to salaries and repairs and maintenance. A separate paper on the future of Knuston Hall was considered by the Executive at the September meeting.
- **Grounds Maintenance** – (£88k Saving – Period 5 £96k Saving)  
There are additional costs incurred on specialist waste disposal of £47k (as a result of market volatility on costs of disposal), a one-off spend to purchase equipment and tools of £68k and other various net minor overspends of £15k. These are offset by a one-off grant of Local Authority Tree Fund grant of £89k and salary savings due to vacancies of £129k.
- **Car Parks (Corby and Kettering)** – (£109k Pressure – Period 5 £97k Pressure)  
This relates to the cost of Business Rates (£62k), for the Corby Car Parks for which no budgetary provision had been included within the legacy authority. There is also a net pressure of £104k due to a reduction in car parking income across Corby sites as this has not returned to pre-pandemic

levels and remains under budget. This is offset by salary savings due to vacancies of £57k.

- **Public Realm** (£108k Pressure – Period 5 £117k Pressure)  
This relates to additional staffing costs for works in respect of the Corby Town Investment Plan for which there is no budget.
- **Property and Facilities Management** – (£843k pressure – Period 5 £1.065m Pressure)  
The majority of the pressure relates to an estimated £800k overspend on utilities across the service. The total forecast pressure was £1.3m, the Council's corporate contingency included £500k for utility pressures and this was drawn down in Period 5 to partially offset this pressure. Work is ongoing and more accurate figures will be known in November when suppliers will confirm pricing for the next tranche of bills. This is also being reviewed in light of government support announced recently for businesses which will also apply to local councils. The service is continuing to look at ways to mitigate the increase in utility costs. Work is being done across the service to calculate the impact of the level of financial support offered by the government which will be reported as part of P7 monitoring.  
There is a projected overspend of £6k on the Business Centres within general maintenance. There is also a pressure of £40k on business rates on Sheerness House and a projected reduction in garage income of £42k. Furthermore, there is a projected loss of rental income for the Enterprise Centre of £188k and additional costs of £54k at Eaton Walk and a further £44k increase in repair and maintenance building costs. There is a further pressure of £33k relating to unbudgeted Business Rates on buildings within Corby and a £42k pressure on general security, cleaning, and waste disposal budgets. The pressures are partially off-set by additional rental income (due to rent reviews) of £253k and a decrease in the estimated insurance costs of £153k.
- **Fleet Vehicles** – (£173k Pressure – Period 5 £257k Pressure)  
This relates to an estimated increase in the cost of fuel (£214k) and leasing costs (£128k) for 2 extra vehicles which is partially offset by an underspend on fleet costs of £169k. A separate paper on the leasing of fleet vehicles for the Wellingborough area was recently considered by the Executive which should see a positive impact on these figures once worked through.
- **Parking (Bus Lane Enforcement)**- (£203k Pressure – Period 5 £218k Pressure)  
There is a reduction in the forecasted income from bus lane enforcement.
- **Minor variances** for Assets and Environment amount to a pressure of £20k (Period 5 £16k Pressure).

### **Growth and Regeneration**

- 5.52 Growth and Regeneration includes Planning Services, Economic Development, Growth and infrastructure, Regeneration, Digital Infrastructure, Climate Change and Flood and Water Management. Key income/costs drivers include local demand and volume of Planning services, including major development fees,

availability of Planning resources e.g., Surveyors and demand for economic activities.

<b>Growth and Regeneration</b>	<b>£'000</b>
Expenditure	7,307
Income	(3,416)
<b>Net Budget</b>	<b>3,891</b>
Forecast	4,032
<b>Variance</b>	<b>141</b>

5.53 The Growth and Regeneration Service is forecasting a pressure of £141k (Period 5 – £191k pressure). The main variances within the Service are outlined below.

- **Planning Policy** – (£27k Saving – Period 5 £26k Saving)  
 This comprises of a salary underspend of £114k due to staff vacancies and other minor savings £13k. This is partially offset by a reduction in income of £100k due to income no longer being received from the Joint Planning Unit, resulting in an overall saving of £27k.
- **Development Management** – (£322k Pressure – Period 5 £415k Pressure)  
 This comprises a projected overspend on staffing of £388k and £255k on legal and professional fees. This is offset by a projected increase in Planning income of £321k.
- **Economic Development** – (£44k Underspend – Period 5 £60k Underspend)  
 This comprises of a salary underspend of £112k due to staff vacancies and is partially offset by a reduction in income of £54k which relates to a grant which is no longer received and a further reduction in income of £14k.
- **Environment Planning, Transport Management and Climate** – (£110k Underspend – Period 5 £138k Underspend)  
 There is a net underspend of £137k which relates to a legacy budget. This is offset by additional agency costs of £27k.

### **Highways and Waste**

5.54 Highways and Waste includes street cleaning, waste and recycling collections and disposals, including the household waste and recycling centres and Transport Management. The highways services maintain the extensive network of public roads, footpaths, and rights of way, including highway related infrastructure such as streetlights, traffic signals, bridges, gullies, and highway trees. Services also include School Transport and Concessionary fares. Key cost drivers include the tonnes of waste materials collected from households, businesses, and litter bins for recycling and disposal, variations to costs per tonnage, existing conditions, and Investment on various highway assets, as well as the impact of extreme weather conditions, school age population for school transport and the agility of the older population for concessionary fares.

<b>Highways and Waste</b>	<b>£'000</b>
Expenditure	55,797
Income	(5,740)
<b>Net Budget</b>	<b>50,057</b>
Forecast	50,613
<b>Variance</b>	<b>556</b>

5.55 The Highways and Waste Service is forecasting a pressure of £556k (Period 5 £865k). Officers are looking to mitigate the in-year pressures detailed below through a number of means. Detailed discussions continue on Home to School Transport to explore how the increased costs can be mitigated for the remainder of 2022/23. The variances within the Service are outlined below:

- **Highways and Traffic Management** – (£711k Pressure – Period 5 £1.178m Pressure)

There is a forecast pressure of £566k for streetlighting (which includes the estimated energy price cap reduction), and a further £137k on Netcom (traffic signals, these are both as a result of increasing energy costs. There are also minor pressures amounting to £8k. Officers are looking at how to mitigate the streetlighting pressure through investment in LED lighting, therefore reducing the energy usage and costs.

- **Waste Management** – (£281k saving– Period 5 £281k Saving)

This relates to a pressure of £218k on domestic waste disposal and assumes the same tonnages in 2022/23 as 2021/22 and reflects an increase in price per tonne of £8.89. This is offset by additional income of £254k relating to a one-off performance payment from the contractor relating to the diversion of tonnages from land fill and a saving of £245k on the Household Waste Recycling Centre (HWRC) resulting from:

- £55k saving from HWRC specialist waste disposal.
- £55k saving on HWRC land fill tax.
- £112k saving - HWRC additional income.
- £23k staffing and other efficiency savings.

- **Refuse and Recycling** – (£328k Pressure – Period 5 £170k Pressure)

There is a reduction in income of £180k from the Commercial Trade Waste Service within the Wellingborough area following the NORSE contract coming to an end and a net pressure of £148k on the Kettering and Corby disposal costs.

- **Transport and Contract Management** – (£202k Saving – Period 5 £202k Saving)

This relates to a £46k salary saving. In addition, there is a £156k saving on concessionary fares as we are paying operators a fixed annual rate based on pre-Covid levels (i.e., an average for the actual number of journeys in the winter months prior to the COVID-19 outbreak - December 2019 to February 2020 – as per the current methodology set by the Department for Transport (DFT)). The Executive on 22 April 2022 agreed to reimburse bus operators for concessionary travel at 100% of pre-Covid levels until 30th September 2022 and then at 90% of pre-Covid levels until 31st March 2023. The government are currently reviewing the guidance for 2023/24.

5.56 The Period 2 Monitoring report included overspends relating to Transport and Contract Management of £2.392m. The Executive at the meeting on 14th July agreed to underwrite these pressures through the use of reserves. This provides the capacity to enable a longer-term approach to be established which will form part of the future budget strategy and this has been reflected in forecasts from P3.

### Regulatory Services

5.57 Regulatory Services includes Bereavement Services, Building Control, Emergency Planning, Environmental Health, Trading Standards, and the Travellers Unit. The main income and cost drivers include the local economy and market for Building Control income, age/morbidity demographic rate for bereavement services (burials and cremations), public health demand for Environmental Health services, and legal/statutory obligations for building regulations and licensing.

<b>Regulatory Services</b>	<b>£'000</b>
Expenditure	9,816
Income	(7,739)
<b>Net Budget</b>	<b>2,077</b>
Forecast	2,326
<b>Variance</b>	<b>249</b>

5.58 Regulatory services is forecasting a pressure of £249k (Period 5 – £249k Pressure) The variances within the Service, are outlined below:

- **Building Control** (£30k Pressure – Period 5 £30k Pressure)  
This is made up of a projected salary underspend of £200k due to vacancies, offset by the cost of employing agency staff to cover a number of these vacancies (£170k). There is projected loss of income of £60k relating to Building Control and Local Land charges.
- **Environmental Health** (£143k Saving – Period 5 £95k Saving)  
Relates to a salary underspend due to vacancies (£174k) and an underspend of £21k on the supplies and services budgets offset in part by a reduction in income of £52k.
- **Licencing** (£162k Saving – Period 5 £95k Saving)  
This relates to a salary underspend due to vacant posts of £133k, offset by the cost of employing agency staff to cover vacancies and a £29k savings on professional fees.
- **Resilience** (£56k Saving – Period 5 £56k Saving)  
The underspend relates to staffing vacancies.
- **Trading Standards** (£50k Pressure – Period 5 £50k Pressure)  
Net overspends relating to the employment of a CX Database Consultant after offsetting against salary underspends.

- **Bereavement Services** (£490k Pressure – Period 5 £375k Pressure)  
Relates to projected loss of income of £375k in the service at Wellingborough and Kettering - this is an area that is currently being reviewed. There is also a £90k pressure on the gas budget and a £25k pressure on the Supplies and Services Budgets. Work is being done across the service to calculate the impact of the level of financial support offered by the government which will be reported as part of P7 monitoring.
- **Highways and Private Sewers and Countywide Travellers Unit** (£40k Pressure – Period 5 £40k Pressure)  
Relates to pressures on Street Lighting and electricity based on current costs.

### Place and Economy Management

- 5.59 This area includes the management costs for the Place and Economy Directorate and is forecast to be on budget and is unchanged from Period 5.

<b>Directorate Management</b>	<b>£'000</b>
Expenditure	621
Income	0
<b>Net Budget</b>	<b>621</b>
Forecast	621
<b>Variance</b>	<b>0</b>

### Enabling and Support Services

- 5.60 Enabling and Support Services consists of the following main grouping of services which also includes a number of corporate budget areas:
- Finance, Procurement and Revenues and Benefits Service
  - Chief Executive – Policy, Performance and Communications
  - Human Resources and Governance
  - Transformation, ICT and Customer Services

### Finance, Procurement and Revenues and Benefits Service

<b>Finance and Corporate</b>	<b>£'000</b>
Expenditure	81,673
Income	(70,371)
<b>Net Budget</b>	<b>11,302</b>
Forecast	9,660
<b>Variance</b>	<b>(1,642)</b>

- 5.61 There is a pressure of £277k (Period 5 - £277k) relating to the Lead Authority finance operations functions following changes to service levels within shared services as a result of LGR and service redesigns due to growing demand now starting to be implemented, this is offset by an underspend of £450k in relation to the disaggregation of legacy pension budgets.

- 5.62 There is a forecast saving in relation to borrowing costs of £601k (Period 5 - £601k Saving) due to lower levels of external borrowing than originally forecast. In addition the interest receivable is forecast to be £640k above budget owing to the increase in interest rates.
- 5.63 There is a forecast saving of £64k within the Procurement function which is due to forecast staff savings of £166k from vacancies in year and minor savings of £10k. The savings are partially reduced by pressures of £112k relating to legacy income targets not achievable.
- 5.64 There is a forecast saving in relation to the Internal Audit service of £134k resulting from the new service delivery model.
- 5.65 There is a forecast saving within the Revenue and Benefits function of £32k relating to minor variances.

#### Chief Executive's Office

Chief Executive	£'000
Expenditure	2,037
Income	(39)
<b>Net Budget</b>	<b>1,998</b>
Forecast	1,573
<b>Variance</b>	<b>(425)</b>

- 5.66 There is a forecast net underspend of £425k (Period 5 - £488k Underspend), resulting from staff savings through vacancies which amount to £432k which are partially offset by minor pressures of £7k.

#### HR, Legal and Democratic Services

HR, Legal and Democratic Services	£'000
Expenditure	10,852
Income	(2,283)
<b>Net Budget</b>	<b>8,569</b>
Forecast	8,170
<b>Variance</b>	<b>(399)</b>

- 5.67 There are anticipated savings of £236k within HR, relating to the timing of recruitment, where current vacancies have been analysed to identify likely appointment dates. These savings are offset by additional costs of £99k for Agency workers.
- 5.68 There is a pressure of £303k relating to income targets that are no longer considered achievable within HR and Health and Safety following disaggregation of the services and associated budgets. This has in part been offset by additional income of £196k relating to one-off workforce development costs and lower costs within related supplies and services budgets.
- 5.69 The resulting forecast for HR is a forecast net saving of £30k, which is unchanged from Period 5.

- 5.70 Within the Legal and Governance service there is a forecast saving on salary costs of £1.097m, netted down by consequent Agency costs of £698k; this provides a net saving of £399k (Period - 5 £399k Saving).
- 5.71 There is an anticipated pressure of £100k in the coroner's service related to the usage of the leys storage facility, which is a cold storage facility brought into use in late 2021/22. This is unchanged from Period 5.
- 5.72 There are further minor favourable variances that amount to £70k (Period 5 - £70k Saving).

### Transformation

<b>Transformation</b>	<b>£'000</b>
Expenditure	12,650
Income	(109)
<b>Net Budget</b>	<b>12,541</b>
Forecast	12,417
<b>Variance</b>	<b>(124)</b>

- 5.73 There is a forecast pressure of £70k within the Customer Services team arising from the issuing of blue badges, this remains unchanged from Period 5. This was as a result of the disaggregation of the County Council's budget.
- 5.74 There is anticipated underspend on Customer Services salaries of £169k (Period 5 - £109k underspend) due to vacant posts.
- 5.75 There is an anticipated underspend of £688k on salaries within the transformation team (£636k in Period 5) predominantly due to vacancies and the anticipated timing of recruitment. £365k of this is being funded through reserves so has no bottom-line impact on the budget and £323k is reflected as a saving. In addition there are one-off costs of £291k which relate to changes in the leadership structure.
- 5.76 There are other small anticipated pressures across the Directorate totalling £7k, (Period 5 - £19k Pressures) arising mainly from software licences and staff training.

## **6. Housing Revenue Account**

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- 6.1 Within North Northamptonshire prior to 1<sup>st</sup> April 2021 there were two HRA accounts, covering the sovereign Councils of Kettering and Corby respectively. As part of the move to a single unitary council for North Northamptonshire, there was a statutory requirement to create a single HRA for the area. Whilst North Northamptonshire Council must only operate one HRA it will, for a period of time, operate two separate Neighbourhood Accounts (Corby Neighbourhood Account and the Kettering Neighbourhood Account).

### **Corby Neighbourhood Account**



- 6.2 The forecast position for the Corby Neighbourhood Account at the end of Period 6 shows an underspend of £221k (Period 5 - £195k) This is summarised in the following table:

<b>Corby Neighbourhood Account</b>			
	<b>Current Budget 2022/23</b>	<b>Projection P6 2022/23</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>INCOME</b>			
Rents - Dwellings Only	19,480	19,470	10
Service Charges	641	594	47
HRA Investment Income	20	20	0
<b>Total Income</b>	<b>20,141</b>	<b>20,084</b>	<b>57</b>
<b>EXPENDITURE</b>			
Repairs and Maintenance	5,676	5,557	(119)
General Management	5,275	5,019	(256)
HRA Self Financing	2,125	2,125	0
Revenue Contribution to Capital	3,876	3,876	0
Transfer To / (From) Reserves	1,972	1,972	0
Special Services	763	683	(80)
Other	454	631	177
<b>Total Expenditure</b>	<b>20,141</b>	<b>19,863</b>	<b>(278)</b>
<b>Net Operating Expenditure</b>	<b>0</b>	<b>(221)</b>	<b>(221)</b>

- 6.3 The forecast position for rental income from dwellings at Period 6 is £10k less income than budget – this is a result of the Right to Buy Sales being 12 higher than the budgeted amount of 40 in 2021/22, resulting in a lower number of dwellings as at 1st April 2022 resulting in a lower rental yield. This pressure is partially offset by a lower void rate. At this stage the assumptions for the number of Right to Buy Sales in 2022/23 remain unchanged at 50 but the void rate shows an improvement of 0.20% compared to the budgeted figure of 0.90%. The number of sales and void rates are areas that will be closely monitored during the course of the year. The pressure on Service Charge Income of £47k is a result of a £19k budget inflationary increase not required on the fixed service charges and £28k of optional emergency alarm charges not taken up in the sheltered schemes and service charges on void properties.
- 6.4 The underspend within Repairs and Maintenance, General Management, Special Services and Other amounts to £278k which primarily reflects a £317k reduction in salaries due to vacant posts, a £300k reduction in the cost of the insurance premium due to increasing the amount of insurance excess and other minor favourable variations of £72k. These savings partially offset increases in utility costs of £53k, repairs and maintenance costs of £165k and the under-recovery of other income of £193k.

### **Kettering Neighbourhood Account**

- 6.5 The forecast position for the Kettering Neighbourhood Account at the end of Period 6 shows an overspend of £128k (Period 5 - £69k overspend). This is summarised in the following Table:

<b>Kettering Neighbourhood Account</b>			
	<b>Current Budget 2022/23</b>	<b>P6 Projection 2022/23</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>INCOME</b>			
Rents - Dwellings Only	15,679	15,669	10
Service Charges	443	446	(3)
HRA Investment Income	7	7	0
<b>Total Income</b>	<b>16,129</b>	<b>16,122</b>	<b>7</b>
<b>EXPENDITURE</b>			
Repairs and Maintenance	4,025	4,168	143
General Management	2,857	2,830	(27)
HRA Self Financing	4,513	4,513	0
Revenue Contribution to Capital	2,728	2,728	0
Transfer To / (From) Reserves	208	208	0
Special Services	1,146	1,151	5
Other	652	652	0
<b>Total Expenditure</b>	<b>16,129</b>	<b>16,250</b>	<b>121</b>
<b>Net Operating Expenditure</b>	<b>0</b>	<b>128</b>	<b>128</b>

- 6.6 The forecast position for rental income from dwellings at Period 6 is £10k lower than budget – a rent gain of £36k is a result of the Right to Buy Sales being 8 less the budgeted amount of 30 in 2021/22, resulting in a higher number of dwellings at 1st April 2022 resulting in a higher rental yield; however, this is mitigated by a shortfall of £46k due to lost income from a slighter higher void rate. At this stage the assumptions for the number of Right to Buy Sales in 2022/23 remain unchanged at 30. The number of sales and void rates are areas that will be closely monitored during the course of the year. There is a minor favourable variance on service charge income of £3k resulting in income being £7k lower than budget.
- 6.7 The forecast position for Period 6 is an increase in expenditure of £121k. Salary costs are £188k higher than budget due to the use of agency staff and Stock costs are £202k higher due to inflationary price increases. This pressure is offset by Repairs and maintenance costs being £92k lower than budget and subcontractor costs being £121k lower than budget due to services being brought back in-house. There are other minor savings of £56k.

### **Pay award**

- 6.8 The formal response to the 2022/23 pay award is still awaited from all the trades unions. The main offer is a flat rate increase of £1,925 per employee. If this were agreed the pay award would be significantly higher than the 3% budgeted. This pressure would need to be mitigated through a combination of forecast staffing underspends, the use of the contingency budget and the use of reserves (if further mitigations are not identified).

## **7. Conclusions**

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- 7.1 The forecast for 2022/23 is an overspend of £3.857m based on the position as at the end of Period 6 (Period 5 - £3.700m). This is still a comparatively early indication of the pressures for the financial year and Service Directors will be working to mitigate these pressures in-year, including those of the Children's Trust. The Council does hold a contingency budget which, as yet, is not fully committed, however, this will likely be required to help offset pay and other inflationary pressures. The Council also holds earmarked reserves which may be used to underwrite the current pressures while Service Directors work to address them.
- 7.2 The key risks which are set out in the report will continue to be monitored and actions sought as required throughout 2022/23. The achievement of the approved savings targets is also integral to this process and will continue to be monitored and reported.

## **8. Implications (including financial implications)**

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### **8.1 Resources, Financial and Transformation**

- 8.1.1 The financial implications are set out in this report. The current forecast position for the General Fund is an overspend of £3.857m (Period 5 - £3.700m) and the Housing Revenue Account is forecasting an underspend of £126k (Period 5 - £126k). This position is prior to settlement of the pay award for 2022/23, which is expected to have a significant impact on the forecast financial outturn. A contingency is held to help offset potential costs that were not known at the time of budget setting. Currently £2.450m of the contingency is available to meet further pressures.

### **8.2 Legal and Governance**

- 8.2.1 The provisions of the Local Government Finance Act 1992 set out requirements for the Council to set a balanced budget with regard to the advice of its Chief Finance Officer (Section 151 Officer).
- 8.2.2 The robustness of the budget estimates and the adequacy of the proposed reserves were considered under Section 25 of the Local Government Act 2003 prior to the Council agreeing its 2022/23 budget.

### **8.3 Relevant Policies and Plans**

- 8.3.1 The budget provides the financial resources to enable the Council to deliver on its plans and meet corporate priorities as set out in the Council's Corporate Plan.

### **8.4 Risk**

- 8.4.1 The deliverability of the 2022/23 Revenue Budget is monitored by Budget Managers and Assistant Directors. Where any variances or emerging pressures are identified during the year then mitigating actions will be sought and management interventions undertaken.

8.4.2 Details of pressures, risks and mitigating actions implemented will be provided as part of the finance monitoring reports as the year progresses. The main risks identified include demand led services such as Adult Social Care, children's services and home to school transport together with the impact of high levels of inflation.

8.4.3 Whilst services will work hard to offset pressures, the Council holds a contingency and a number of reserves to help safeguard against the risks inherent within the budget for 2022/23.

## 8.5 Consultation

8.5.1 The 2022/23 budget was subject to consultation prior to approval by Council in February 2022.

## 8.6 Consideration by Executive Advisory Panel

8.6.1 Not applicable.

## 8.7 Consideration by Scrutiny

8.7.1 The budget monitoring reports are presented to the Finance and Resources Scrutiny Committee for review after they have been presented to the Executive Committee.

## 8.8 Equality Implications

8.8.1 There are no specific issues as a result of this report.

## 8.9 Climate and Environment Impact

8.9.1 Among the new Council's priorities will be putting in place plans to improve the local environment and tackle the ongoing climate emergency. Where these have a financial impact then it will be reflected in the budget.

## 8.10 Community Impact

8.10.1 No distinct community impacts have been identified because of the proposals included in this report.

## 8.11 Crime and Disorder Impact

8.11.1 There are no specific issues arising from this report.

## 9 Issues and Choices

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9.1 The report focuses on the forecast revenue outturn against budget for 2022/23 and makes recommendations for the Executive to note the current budgetary position and as such there are no specific choices within the report.

## 10 Background Papers

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10.1 The following background papers can be considered in relation to this report.

Final Budget 2022/23 and Medium-Term Financial Plans, including the Council Tax Resolution, North Northamptonshire Council, 24<sup>th</sup> February 2022.

Monthly Budget Forecast Reports to the Executive.

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## NORTH NORTHAMPTONSHIRE COUNCIL

### FINANCE AND RESOURCES SCRUTINY COMMITTEE

<b>Report Title</b>	Capital Forecast 2022/23 as at Period 6
<b>Report Author</b>	Janice Gotts Executive Director of Finance <a href="mailto:Janice.gotts@northnorthants.gov.uk">Janice.gotts@northnorthants.gov.uk</a>
<b>Lead Member(s)</b>	Councillor Lloyd Bunday, Executive Member for Finance and Transformation

#### List of Appendices

#### Appendix A – Capital Forecast 2022/23 as at Period 6

##### **1. Purpose of Report**

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- 1.1. The attached report is for consideration by this Committee. It sets out the Capital Forecast 2022/23 as at Period 6 and was presented to Executive at its meeting on 10<sup>th</sup> November 2022.

##### **2. Executive Summary**

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- 2.1. This report requests that the Committee to note and comment on the report in Appendix A as presented to Executive Committee on 10<sup>th</sup> November 2022.

##### **3. Recommendations**

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- 3.1. It is recommended that the Finance and Resources Scrutiny Committee:
- a) Note and comment on the report attached as Appendix A.
- 3.2. Reason for Recommendations – to note the forecast financial position for 2022/23 as at Period 6 and consider the impact on this year and future years budgets.

##### **4. Report Background**

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- 4.1. Shown in **Appendix A** is the capital monitoring report for Period 6 presented to Executive at its meeting on 10<sup>th</sup> November 2022. The monitoring report sets out the material financial issues identified since the 2022/23 budget was set in February 2022. This is based on the income and expenditure as at end of

September 2022 and the views of the budget managers on the anticipated outturn for the year

- 4.2. The Period 6 forecast position for the General Fund is showing an underspend of £50.2m and an underspend of £17m for the Housing Revenue Account.

## **5. Issues and Choices**

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- 5.1. There are no specific choices for this Committee arising from this report. The Committee is requested to scrutinise the financial position in accordance with the Council's Constitution.

## **6. Implications (including financial implications)**

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### **6.1. Resources and Financial**

- 6.1.1. The financial implications are set out in the report in Appendix A.

### **6.2. Legal**

- 6.2.1. As outlined in the report in Appendix A.

### **6.3. Risk**

- 6.3.1. As outlined in the report in Appendix A.

### **6.4. Consultation**

- 6.4.1. As outlined in the report in Appendix A.

### **6.5. Climate Impact**

- 6.5.1. As outlined in the report in Appendix A.

### **6.6. Community Impact**

- 6.6.1. As outlined in the report in Appendix A.

## **7. Background Papers**

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- 7.1.1. As outlined in the report in Appendix A.





## EXECUTIVE 10<sup>th</sup> November 2022

<b>Report Title</b>	<b>Capital Outturn 2022/23 – Draft Outturn as at Period 6</b>
<b>Report Authors</b>	Janice Gotts, Executive Director of Finance and Performance <a href="mailto:Janice.gotts@northnorthants.gov.uk">Janice.gotts@northnorthants.gov.uk</a>
<b>Lead Member</b>	Councillor Lloyd Bunday, Executive Member for Finance and Transformation

<b>Key Decision</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Is the decision eligible for call-in by Scrutiny?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Are there public sector equality duty implications?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Does the report contain confidential or exempt information (whether in appendices or not)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Applicable paragraph number for exemption from publication under Schedule 12A Local Government Act 1974</b>	

### 1. Purpose of Report

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- 1.1 This report sets out the provisional capital outturn position for 2022/23 as at period 6 for North Northamptonshire Council (NNC), including requests to re-phase scheme expenditure profiles.
- 1.2 The report details the latest capital budgets (2022/23) for the General Fund (GF) and the Housing Revenue Account (HRA) Capital Programme, including new schemes which have been approved since 1<sup>st</sup> April 2022.

### 2. Executive Summary

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- 2.1 This report sets out the draft 2022/23 outturn as at period 6 for the Council's capital programme.
- 2.2 It provides commentary on the Council's current financial outturn position for 2022/23 as at period 6 for both the GF and the HRA Capital Programmes. It should also be recognised at this point that the final outturn position may be

affected by any changes arising from the outstanding audits for the legacy authorities.

- 2.3 The Council will continue to assess and refine its capital profiling as part of the capital monitoring for 2022/23 prioritising schemes and focussing on deliver ability. The outturn position presented in the report is based on the best available data and information of the operations of the Council. The review of profiling of the capital programme is currently ongoing and has not been reflected within this report.

### **3. Recommendations**

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- 3.1 It is recommended that Executive:

- a. Note the draft capital outturn position for the General Fund (GF) Capital Programme and Housing Revenue Account (HRA) Capital Programme for 2022/23.
- b. Note the new schemes that have been approved since 1<sup>st</sup> April 2022.

- 3.2 Reasons for Recommendations:

- This is in line with the Council's constitution and financial regulations in relation to governance.

- 3.3 Alternative Options Considered:

- This report is for noting and alternative options are not proposed.

### **4. Report Background**

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- 4.1 The Capital Programme is the Council's plan for investing in assets to efficiently deliver its statutory services, and to improve and shape the local infrastructure of North Northamptonshire, with the benefits lasting over several years.
- 4.2 Resources come from several sources including Government grants, capital receipts from surplus land and buildings, revenue contributions, other external contributions and borrowing. The Council is required to set a balanced revenue budget and therefore must ensure that where borrowing is proposed to fund the cost of capital that the cost of servicing the debt is affordable within the Council's revenue budget.
- 4.3 The Council captures its projected capital expenditure within the Capital Programme to ensure effective monitoring and ensure transparency. In year changed to the Capital Programme are approved by Executive, unless authority has been delegated or Full Council approval is required, in accordance with the Council's constitution.

- 4.4 This report provides an update to the Capital Programme 2022/23 as adopted by the Council in February 2022 and updated in subsequent reports to Executive.
- 4.5 The programme has been split into three areas:
- General Fund Committed Capital Programme containing schemes approved by Council, the majority of which are in the process of being delivered.
  - General Fund Development Pool containing schemes which are in the early stages of their lifecycle and are not ready to commence. The Development Pool comprises the schemes that the Council would be prepared to take forward, subject to final negotiations, confirmation and evidencing of funding and submission of robust business cases to the Capital Approvals Board for approval by Cabinet.
  - Housing Revenue Account Capital Programme which contains schemes that are either committed or in their early stages of their life cycle.

#### **Capital Approval Process**

- 4.6 The Capital Approval Governance process aims to provide greater emphasis on the link to strategic priorities and achievement of benefits and outcomes. As part of this each submission is requested to identify any contribution to reducing carbon and/or how the development or investment will support a zero-carbon agenda.
- 4.7 The governance process requires that Directorates submit business cases to the officer led Strategic Capital Board for initial consideration. Each scheme requires approval to enter the development pool or as a commitment in the main programme. The business case must set out the requirement for funding and any funding streams available (eg grant), how it meets the Council's strategic priorities, risk analysis and expected outcomes and benefits.
- 4.8 The Strategic Capital Board meets monthly to scrutinise new proposals and consider the progress/risks in relation to schemes already in delivery as well as update on potential schemes which may be in the future pipeline. The board is chaired by the Executive Director of Finance and Performance and consists of the Executive Directors from each of the Directorates, the Monitoring Officer and finance/project management support.
- 4.9 In line with the agreed process, schemes progress from the Strategic Capital Board to initially be considered by the Council's Deputy Leader and the Executive Member for Finance and Transformation. Following review, the capital scheme proposals are reported to Executive for approval each month through the Capital Update Report. If approved, such proposals will be incorporated within the Council's Capital Programme.

#### **5. Issues and Choices – Draft Outturn 2022/23**

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#### **Draft Capital Outturn P6 2022/23**

5.1 The outturn for 2022/23 in respect of the GF Capital Programme shows a revised capital budget position of £99.4m, including slippage and in-year approved programmes. The outturn is showing a spend of £49.1m, which represents movement (slippage/underspend) of £50.3m against the budget. The table below sets out the position by Directorate.

Directorate	General Fund Capital Programme 2022/23							
	Original Budget	Re-Profile/Slippage from prior years	Approved in year	Revised Budget	YTD Actuals	P6 Outturn	P3 Outturn	Variance to Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Place	2,472	30,148	28,014	60,634	8,744	31,466	29,720	(29,168)
Children's	6,544	5,146*	0	11,690	3,579	8,539	10,474	(3,151)
Adults, Communities and Wellbeing	4,796	14,893	1,390	21,078	2,532	6,991	7,191	(14,087)
Transformation	2,520	2,244	1,210	5,974	169	2,105	2,108	(3,869)
<b>Total</b>	<b>16,332</b>	<b>52,430</b>	<b>30,614</b>	<b>99,376</b>	<b>15,024</b>	<b>49,101</b>	<b>49,494</b>	<b>(50,275)</b>

\*Adjusted by £5.5m as this was already included in the capital programme for 22/23

5.2 The range of schemes delivered or in progress during 2022/23 include Corby Towns Fund – 6<sup>th</sup> Form College and Train Station to Town Centre, completion of Alfred East Museum Extension, Heritage Action Zone, a number of school related improvements such as completion of work on Stanton Cross Primary School and Prince William Academy, delivery of highways maintenance programme, infrastructure related schemes such as the Isham Bypass, A43 Urban Extension, Hanwood Park Junctions in Kettering.

5.3 A significant proportion of the capital programme delivered in 2022/23 includes projects that were already in flight within the legacy authorities as well as new schemes. Focus has also been on those projects which have grant funding in order to ensure that any grant terms and conditions are met and minimise the potential risk of repayment and/or loss of grant.

5.4 As part of the budget setting for 2022/23, all service areas were requested to review their projects within the capital programme in order to confirm the likely profile of spend, together with a consistent approach in how schemes are shown within the capital programme (up front whole life costs vs profiled over medium-term financial plan). However, this position is being reviewed again following the draft outturn for 2021/22 and the latest spending to ensure that the profiling of the programme reflects the ability to deliver the schemes listed. This may mean re-profiling into future years or moving some legacy projects into the development pool for reconsideration and further updated business cases.

5.5 The deliverability of the programme in future must also take into account the current and potential cost related to inflationary pressures. This may require

some scoping changes or other mitigation if schemes are to remain within the original budget envelope.

## 5.6 General Fund Capital Programme Funding

For the General Fund capital programme funding sources have been identified to cover the MTFs capital budget requirements, including the original MTFs budget of £16.3m, together with funding for the slippage (£53.4m) and in-year approved schemes (£21.8m). Below shows the funding for the in-year expenditure for 2022/23.

Directorate	General Fund Capital Programme 2022/23			
	Discretionary	reserves/ use of capital receipts	grants/ S106	Total
	£'000	£'000	£'000	£'000
Place	924	567	29,975	<b>31,466</b>
Children's	0	0	8,539	<b>8,539</b>
Adults, Communities & Wellbeing	2,170	817	4,004	<b>6,991</b>
Transformation	771	1,334	0	<b>2,105</b>
<b>Total</b>	<b>3,865</b>	<b>2,718</b>	<b>42,518</b>	<b>49,101</b>

## 5.7 Development Pool

Currently the Development Pool budget totals £41.8m for 2022/23, made up of the original budget of £13m, together with £28.8m carried forward from 2021/22. Included within the MTFs for 2022 to 2024 there is a further £62m of potential projects. A review of the Development Pool will take place in 2022/23 for the MTFP for 2023/24 onwards.

## 5.8 HRA Capital Programme

The outturn for the HRA Capital Programme shows a revised a budget for 2022/23 of £28.9m, including slippage from 2022/23 of £15.6m. There have been no further approvals since budget setting. The outturn is showing a spend of £11.8m, which represents an underspend of £17.0m compared to budget, and which will be reviewed and re-profiled considering the latest position.

Housing Revenue Account 2022/23							
	Original Budget	Slippage	Revised Budget	YTD Actuals	P6 Outturn	P3 Outturn	Variance to Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corby	8,969	9,714	18,682	328	7,118	6,303	(11,564)
Kettering	4,333	5,923	10,256	867	4,763	5,360	(5,493)
<b>Total</b>	<b>13,302</b>	<b>15,637</b>	<b>28,938</b>	<b>1,195</b>	<b>11,881</b>	<b>11,663</b>	<b>(17,057)</b>

- 5.9 A significant proportion of the budget is forecast not to be spent in 2022/23 as initially planned. Some schemes are forecast to underspend due to experiencing delays in finalising new contractual arrangements and implications arising from architecture plans, but the more significant change is the reprofiling of the housing development programme for new build properties which is currently being reviewed by officers.
- 5.10 As noted above, the housing development programme, which is £17.0m of the overall HRA capital programme in 2022/23 is being reviewed in determining the scale of projects and deliverability over the medium-term plan. As at Period 6 it assumed that only a small proportion of these schemes will conclude during the current financial year, leaving a potential underspend of approximately £13m for 2022/23. As part of this review any inflationary impact on costings must be considered and factored in to the reprofiling of assumptions undertaken across the whole of the HRA capital programme.

## **6. Implications (including financial implications)**

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### **6.1 Resources, Finance and Transformation**

- 6.1.1 The financial implications are set out in the detail of the report.

### **6.2 Legal**

- 6.2.1 The council must utilise funding and deliver schemes in line with the restrictions and requirements as set out in the agreements linked to that funding and the requirements as set out in the Council's Constitution, in particular the budget setting and policy framework and the financial regulations.

### **6.3 Risk**

- 6.3.1 The deliverability of the 2022/23 Capital Programme is monitored by the relevant accountable project manager and senior officer. There are a number of risks to be managed throughout the year and these are highlighted in the paragraphs below.
- 6.3.2 If any overspends or emerging pressures are identified during the year for whatever reason, then mitigating actions will be sought and management interventions undertaken.
- 6.3.3 With most capital projects there is a risk that delays, and cost increases may arise as a result of the impact of inflation. Generally, this relates to the supply and price of materials with projects requiring increased lead in times. Whilst every attempt is made to cost these implications into the project, the risks remain. However, it must be recognised that the current "Cost of Living Crisis" has driven up the level of inflation, which is much higher than in previous periods and indeed when funding bids were originally submitted. This therefore poses a risk to the deliverability of the projects as originally envisaged, where

reductions to the scope of projects may be required to ensure budgets are not overspent.

6.3.4 The current uncertain economic context is also increasing interest rates associated with borrowing that is used to fund elements of the capital programme. This treasury risk impacts the overall affordability of the programme, which will be closely monitored and managed, but may lead to a reduced capital programme in the future.

6.3.5 There is a risk in relation to funding, particularly S106 where works may be required to take place in advance of S106 triggers/funding being payable. This occurs where a road or school is needed to provide infrastructure for the first residents/businesses utilising the site. Where this is the required, the Council will fund costs at risk in relation to the funding being received to reimburse its costs.

#### **6.4 Relevant Policies and Plans**

6.4.1 The schemes provide a strategic fit with the Council's priorities as set out within the corporate plan.

#### **6.5 Consultation**

6.5.1 The 2022/23 Capital Strategy and Capital Programme were subject to consultation prior to approval by Council in February 2022.

#### **6.6 Consideration by the Executive Advisory Panel**

6.6.1 Not applicable.

#### **6.7 Consideration by Scrutiny**

6.7.1 The report will be considered at a future meeting of the Finance and Resources Scrutiny Committee.

#### **6.8 Equality Implications**

6.8.1 None specific within this report.

#### **6.9 Climate and Environmental Impact**

6.5.1 The climate impact of each capital project will be considered and managed within the relevant scheme.

6.5.2 A number of the capital schemes include initiatives to offset/reduce carbon impact as a priority for the Council and in recognition of the Climate Emergency declared by the Council.

#### **6.6 Community Impact**

6.6.1 These proposals can be considered to have a positive impact on the community as the Capital Programme delivers the infrastructure to support, educate, connect and regenerate communities. This includes enhancing the cultural offer and promoting a positive environmental impact.

## 6.7 **Crime and Disorder Impact**

6.7.1 None specific within this report.

## **7. Background Documents**

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7.1 The following background papers can be considered in relation to this report.

Capital Programme Budget 2022/23, approved by the Executive Committee on 24<sup>th</sup> February 2022.

[Capital cover report.pdf \(modern.gov.co.uk\)](#)

[Appendix A.pdf \(modern.gov.co.uk\)](#)

[Appendix B.pdf \(modern.gov.co.uk\)](#)



#### **4.1 Equality Implications**

7.8.1 Nothing specific within this report

#### **4.2 Climate and Environmental Impact**

7.9.1 The investment in the low energy street lighting project will enable a substantial amount of carbon to be saved. It is estimated that this will equate to 500.79 tCO<sub>2</sub>e

7.9.2 The climate and environmental impact of each capital project will be considered and managed within the relevant scheme.

#### **4.3 Community Impact**

7.10.1 These proposals can be considered to have a positive impact on the community as the Capital Programme delivers the infrastructure to support and connect communities.

#### **4.4 Crime and Disorder Impact**

7.11.1 Nothing specific within this report.

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## FINANCE & RESOURCES SCRUTINY COMMITTEE 13th December 2022

<b>Report Title</b>	<b>Performance Indicator Report for Corporate Services 2022/23 – Period 6 (September)</b> (Corporate Support Services)
<b>Executive Member</b>	Cllr Lloyd Bunday Portfolio Holder for Finance and Transformation
<b>Report Author</b>	Guy Holloway Assistant Chief Executive <a href="mailto:guy.holloway@northnorthants.gov.uk">guy.holloway@northnorthants.gov.uk</a>

### List of Appendices

**Appendix A** –Detailed Performance Indicator Report for Corporate Services Period 6 2022/23 (September 2022)

**Appendix B**- Human Resources Workforce Data Period 6 2022/23 (September 2022)

#### **1. Purpose of Report**

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- 1.1 To provide an update on the performance of the Council’s corporate support services as at Period 6 2022/23 as measured by performance indicators.
- 1.2 Set out some of the actions the Council is taking to develop its performance monitoring arrangements.

#### **2. Executive Summary**

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- 2.1 Performance indicators for the Council’s corporate support service functions up to and including period 6, 2022/23 have been provided within **Appendix A & Appendix B**
- 2.2 The performance information presented via this report mirrors that which is considered at meetings of the Executive.
- 2.3 A detailed assessment of the performance of corporate support services as measured by corporate performance indicators for period 6 has been included as **Appendix A**.
- 2.4 Additional Human Resources workforce data is provided within **Appendix C**. A definition key is also included to facilitate understanding of the data and guide

accurate and efficient decision making in respect of the Council's workforce moving forward.

- 2.5 The Council's corporate support functions include services such as Finance, Legal and Human Resources.
- 2.6 Members of the Finance and Resources Scrutiny Committee are advised to flag up areas they wish to understand in further detail with the report author at least three working days prior to the meeting. This is by no means essential but given the broad range of information included within the appendices of this report, it will help ensure a more thorough answer is provided at the meeting.

### **3. Recommendations**

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- 3.1 It is recommended that the Committee:
- a) Note and comment on the performance indicators for the Council's corporate support services as at Period 6, 2022/23 as set out in the appendices to this report.
  - b) Note the actions that are being taken to develop the Council's performance monitoring arrangements.
- 3.2 *Reason for Recommendations – to support scrutiny of the performance of the Council's support services as measured by performance indicators as at Period 6, 2022/23.*

### **4. Background Information**

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#### **Scope of this performance report**

- 4.1 The performance measures provided within Appendix A and Appendix B reflect the requirements of the Constitution for the Finance and Resources Committee which defines the need to "*consider organisational performance for corporate support services (ICT, Legal, Information Governance, Finance and HR services)*".
- 4.2 Performance measures reported to this committee are in accordance with the new Corporate Plan Indicators that were developed in support of the Council's Corporate Plan.
- 4.3 A detailed assessment of the performance of services as measured by corporate performance indicators for period 6 has been included as **Appendix A**. This includes comments / exception reports on each of the performance indicators reported.
- 4.4 In keeping with previous reports, the enhanced Human Resources Workforce Data has been provided as **Appendix B** for the same period. The format and presentation of this data continues to be developed to ensure it is meaningful for members so it can accurately inform strategic decision making moving forward.

- 4.5 21 Corporate Performance Indicators are reported for this period. 12 are measured on a monthly basis and the remaining 9 are metrics that are measured on a quarterly basis. As a result, there are more indicators featured in this report than subsequent reports. The table below lists the additional indicators included within this report.

Directorate	Quarterly Measured Performance Indicator	
Governance & HR	MPS16	Number of complaints to Information Commissioners Office (ICO) (with respect to handling of Freedom of Information (FOI) requests following internal review).
Governance & HR	MPS17	Number of complaints to Information Commissioners Office (ICO) upheld by ICO (with respect to handling of Freedom of Information (FOI) requests following internal review).
Governance & HR	MPS18	Number of complaints to Information Commissioners Office (ICO) (with respect to handling of Data Protection (DP) Individual Rights requests).
Governance & HR	MPS19	Number of complaints upheld by Information Commissioners Office (ICO) (with respect to handling of Data Protection (DP) Individual Rights requests)
Governance & HR	MPS20	Number of direct disclosure requests (ADR - Access to a Deceased Person's) received
Governance & HR	MPS21	% Transparency publications completed on time.
Governance & HR	MPS22	Number of external Information Commissioners Office (ICO) complaints relating data management of data/breaches
Finance Services	MPS02	% of actual spend with local suppliers where economically justifiable.
Finance Services	MPS03	% count of local suppliers where economically justifiable.

### Developing the Council's performance management arrangements

- 4.6 Latest information about how the Council is developing its approach to performance monitoring and its performance management culture is set out within the [Performance Indicator Report Period 6 reported to the Executive on 10th November 2022](#)
- 4.7 The appended performance information represents a fraction of the overall performance data measured by the Council. The scope of data collected by areas described as corporate support services is based on the current suite of Corporate Plan performance indicators for 2022/23.

- 4.2 We continue to identify and develop indicators where appropriate. This is specifically important where there are gaps in measuring how effectively we are delivering against the Council's key commitments or strategic aspirations identified within key partnership arrangements.

## **5. Implications**

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### **5.1 Resources and Financial**

- 5.1.1 This report should be considered alongside the budget report for the same period. By looking at the reports together, a broader view of the performance of the Council can be understood.

### **5.2 Legal**

- 5.2.1 None at this stage.

### **5.3 Risk**

- 5.3.1 There are a number of risks relating to performance information:

- (a) Poor data quality – Inaccurate data will inevitably impact decision making and scrutiny of those decisions and services.
- (b) Lack of data – Failing to measure key service activities can leave the Council sightless of its performance. Given the importance of many of the services it provides, this would be an undesirable position.
- (c) Incorrect interpretations – Caution should be applied to the interpretation of performance data, particularly given the adjustments that have been made by services to adopt to the COVID pandemic. Misunderstanding the performance picture can lead to the ineffective scrutiny and potential reputational damage.

### **5.4 Consultation**

- 5.4.1 More information is set out in the [Corporate Plan Report](#) which was taken to the Executive on the 18<sup>th</sup> November on how consultation has been used to help shape the Council's future plans and linked performance indicators.

### **5.5 Climate Impact**

- 5.5.1 The Council has performance indicators relating to climate change. These, however, are outside the scope of the performance update provided within this report.

### **5.6 Community Impact**

- 5.6.1 Effective scrutiny, guided by good quality, timely and relevant performance data can make a real difference to the delivery of public services. It can have an equally significant impact on local communities.

## **6 Issues and Choices**

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6.1 None at this stage

## **7 Background Papers**

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7.1 [Corporate Support Services Performance Indicator Report Period 4 \(July\) 2022](#) , reported to the meeting of the Finance and Performance Scrutiny Committee on the 18<sup>th</sup> October 2022.

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## North Northamptonshire Council Performance Report - September 2022

### Key to Performance Status Colours

Progress Status Key:
Green - On target or over-performing against target
Amber - Under-performing against target but within 5% corporate tolerance (or other agreed tolerance as specified)
Red - Under-performing against target by more than 5% (or other agreed tolerance as specified)
Dark Grey - Data missing
Grey - Target under review
Turquoise - Tracking Indicator only

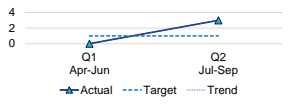

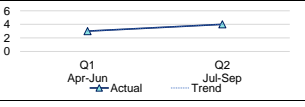
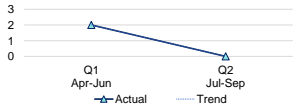
Direction of Travel Key	
An acceptable range = within 5% of the last period's performance	
↑G	Performance has improved from the last period – Higher is better
↓G	Performance has improved from the last period – Lower is better
↑	Performance has deteriorated but is still on or above target or within an acceptable range of 5% of the last period – Lower is better
→	Performance has stayed the same since the last period
↓	Performance has deteriorated but is still on or above target or within an acceptable range of 5% of the last period – Higher is better
↑R	Performance has deteriorated from the last period – Lower is better
↓R	Performance has deteriorated from the last period – Higher is better
⇕	Actual increased - neither higher or lower is better
⇔	Actual has stayed the same since the last period - neither higher or lower is better
⇓	Actual decreased - neither higher or lower is better

### Performance Terminology key

TBC	To be confirmed
TBD	To be determined
n/a	Not applicable
Actual	The actual data (number/percentage) achieved during the reporting period
Benchmark	A comparator used to compare the Council's performance against. The 2020/21 average for Unitary Councils in England has been used where available unless otherwise stated.
Numerator	Number as part of the percentage calculation which shows how many of the parts indicated by the denominator are taken. See example below.
Denominator	The total number which the numerator is divided by in a percentage. See example below.
EXAMPLE Performance Indicator	% Calls answered
Numerator	Number of calls answered
Denominator	Total number of calls received

Governance & HR

Key Commitment	Ref No.	Description of Performance Indicator	Infographic / Chart	Benchmark	Quarter 1	Quarter 2	Year to Date	August	September	Direction of Travel (Aug - Sep or Latest)	Polarity	Target	Tolerance	Comments	
					22-23	22-23	Date	2022/23	2022/23						
<b>Information Governance</b>															
Modern Public Services	MPS12	% of Freedom of Information Requests completed in 20 working days		80.08% (Average of 40 Unitary Councils 2021/22 - benchmarking exercise conducted by Brighton and Hove Council)	91.73%	n/a until Oct Report		91.44% (Apr-Aug)	93.67%	N/A (Reporting a month in arrears)	↑G (Jul - Aug)	Higher is better	90%	85% - 90%	The performance for August is pleasing in view of an increased number of requests during the peak holiday/annual leave period. The reporting structure for this area has now changed to better reflect actual performance figures a month in arrears rather than a snapshot for the current month.
					233 out of 254			374 out of 409	74 out of 79						
Modern Public Services	MPS13	% Environmental Information Regulation Requests completed in 20 working days		TBD	97.44%	n/a until Oct Report		97.9% (Apr-Aug)	98.00%	N/A (Reporting a month in arrears)	↓ (Jul - Aug)	Higher is better	90%	Tolerance 85% - 90%	The trajectory is positive particularly against a backdrop of increased requests. The new procedures in relation to Con29/EIR (Environmental Information Regulations) enquiries, which have caused a dramatic increase in workloads and pressures to the IG (Information Governance) Team are bedding in and whilst performance levels remain acceptable at present, we may see a decline in future reports in this area.
					494 out of 507			794 out of 811	148 out of 151						
Modern Public Services	MPS14	% Individual Rights requests completed within statutory timescale (Data Protection (DP) Right to Access requests)		TBD	90.2%	n/a until Oct Report		91.58% (Apr-Aug)	94.12%	N/A (Reporting a month in arrears)	→ (Jul - Aug)	Higher is better	90%	85% - 90%	Performance has remained consistent for this period with only one late response. This is pleasing considering the numbers of requests received during the peak holiday season remaining high.
					55 out of 61			87 out of 95	16 out of 17						
Modern Public Services	MPS15	<p><b>Total number of data breaches</b></p> <p>A personal data breach is a security incident that has affected the confidentiality, integrity or availability of personal data.</p> <p>There are two types of breaches:</p> <ul style="list-style-type: none"> <li>A 'Non-reportable breach' has a low, or no impact on the rights and freedoms of individuals.</li> <li>A 'Reportable breach' has a significant impact on the rights and freedoms of individuals. These are required to be reported to the (Information Commissioner's Office (ICO)).</li> </ul>		n/a	16	28	44	12	11	↓G	Lower is better	No target - tracking indicator only	N/A	<p>The Data Protection team monitors levels of data breaches and the causes of them. Appropriate training and/or discussions with the relevant services is undertaken, particularly for those services that are considered to be higher risk.</p> <p>Whilst there remains a high number of breaches/incidents reported to the Information Governance Team, a high proportion of the total figures are non-reportable breaches (ie. are not sufficiently serious enough to report to the ICO (Information Commissioners Office)). The high numbers may be owed, in some part, to the fact that the organisation is now becoming more aware of the Information Governance Team's role in relation to Data Breaches and the steps they must take when an incident occurs.</p> <p>However, this is still a trend that we wish to reverse and in order to address this the IG (Information Governance) Team is looking to carry out a "Breach Awareness Month" - providing advice and guidance on how to avoid a data breach. It is also anticipated that data breaches could be reported on a team by team basis and shared regularly with CMT (Corporate Management Team). This would highlight any trends or issues being experienced by any particular team or directorate. Many of the breaches are classed as "unauthorised shares" and can be attributed to emails sent to incorrect recipients owing to the autofill application or sending an email to multiple recipients using the "To" address line instead of the "BCC" address line. We will monitor this and if it continues to be an issue across the organisation, consideration could be given to switching off the autofill facility, and/or removing the "to" and "cc" address lines from emails and only allowing a "bcc" address line to be utilised.</p>	
					0	1	1	0	1						↑R
					16	27	43	12	10						↓G
<p>The figures have been verified and updated for July and May to reflect changes to the outcome of investigations, upon closure.</p>															

Key Commitment	Ref No.	Description of Performance Indicator	Infographic / Chart	Benchmark	Quarter 1	Quarter 2	Year to Date	August	September	Direction of Travel (Aug - Sep or Latest)	Polarity	Target	Tolerance	Comments
					22-23	22-23	Date	2022/23	2022/23					
<b>Information Governance</b>														
Modern Public Services	MPS16	Number of complaints to Information Commissioners Office (ICO) (with respect to handling of Freedom of Information (FOI) requests following internal review).		n/a	0	3	3	n/a (reported quarterly)	3	↑R	Lower is better	1 per month	No tolerance	The Interim Information Requests Manager currently deals with any complaints escalated to the ICO (Information Commissioners Office). The outcome of the complaint, if upheld will be carefully considered and appropriate actions taken.
Modern Public Services	MPS17	Number of complaints to Information Commissioners Office (ICO) upheld by ICO (with respect to handling of Freedom of Information (FOI) requests following internal review).		n/a	0	0	0	n/a (reported quarterly)	0	→	Lower is better	0 per month	No variation	Of the x3 complaints received during the quarter, only one has been decided by the ICO (Information Commissioners Office) which was in the council's favour and was not upheld. The outcome of the complaint, if upheld will be carefully considered and appropriate actions taken.
Modern Public Services	MPS18	Number of complaints to Information Commissioners Office (ICO) (with respect to handling of Data Protection (DP) Individual Rights requests).		n/a	0	2	2	n/a (reported quarterly)	2	↑R	Lower is better	1 per month	No variation	Of the x2 complaints made to the ICO (Information Commissioners Office) in relation to data requested/provided under the SAR (Subject Access Request) process, 1 has been challenged and the other will be upheld. The outcome of the complaint, if upheld will be carefully considered and appropriate actions taken.
Modern Public Services	MPS19	Number of complaints upheld by Information Commissioners Office (ICO) (with respect to handling of Data Protection (DP) Individual Rights requests)		n/a	0	1	1	n/a (reported quarterly)	1	↑R	Lower is better	0 per month	No variation	The upheld complaint relates to a Subject Access Request in relation to a high profile court case with the Council. The IG (Information Governance) Team are waiting for guidance from the Legal Team before proceeding further.
Modern Public Services	MPS20	Number of direct disclosure requests (ADR - Access to a Deceased Person's) received		n/a	3	4	7	n/a (reported quarterly)	4	n/a	N/A	N/A - Tracking	No variation	These requests fall outside the remit of GDPR (General Data Protection Regulations) / Data Protection but are handled in the same manner as SARs (Subject Access Requests).
Modern Public Services	MPS21	% Transparency publications completed on time.		n/a	50.0%	81.25%	75.00%	n/a (reported quarterly)	81.25%	↑G	Higher is better	100%	No variation	Of the 16 required publications under the Local Government Transparency Code, both quarterly and annual publications, we now have 13 published. The remaining x3 items will be duly followed up with a view to being published before the next quarterly reporting.
Modern Public Services	MPS22	Number of external Information Commissioners Office (ICO) complaints relating data management of data/breaches		n/a	2	0	2	n/a (reported quarterly)	0	↓G	Lower is better	N/A - Tracking	No variation	The Data Protection Team liaises with the ICO Information Commissioners Office) to resolve any outstanding issues and resolve the complaint to the ICO's satisfaction

Key Commitment	Ref No.	Description of Performance Indicator	Infographic / Chart	Benchmark	Quarter 1	Quarter 2	Year to Date	August	September	Direction of Travel (Aug - Sep or Latest)	Polarity	Target	Tolerance	Comments
					22-23	22-23	Date	2022/23	2022/23					
<b>Registrations</b>														
Connected communities	CNC03	% of Deaths registered within 5 working days		(Benchmarking available if needed as all authority performance data can be downloaded)	62.1%	65.9%	63.0%	59.1%	72.0%	↑G	Higher is better	80%	70% - 80%	NNC remains 2nd in the region year to date. The number of deaths recorded is higher than pre-pandemic levels, this has been widely reported across other districts. However, office capacity remains high and the service isn't experiencing any delays in the MCCDs (Medical Certificate of Cause of Death) being received from the issuing ME/GP (Medical Examiner/General Practitioner). Additional death registration capacity has already been created for the christmas week and January 2023 to cope with the increase in death rate during the winter months. A snap shot was looked at on the 28th September of deaths recorded this financial year to the same date last year. Deaths for NNC had an increase of 106 registrations. The svc tracks covid deaths with 6 people recorded dying of this in September, but the impact of Covid is wider due to delays that occurred for operations or potentially diagnosis of conditions
					420 out of 676	395 out of 599	815 out of 1276	140 out of 237	131 out of 181					
Connected communities	CNC04	% of Births registered within 42 days		(Benchmarking available if needed as all authority performance data can be downloaded)	92.2%	84.0%	87.6%	88.6%	84.0%	↓R	Higher is better	90%	86.5% - 90%	NNC now 2nd in the region year to date. The additional Bank Holiday for The Queens funeral was a delaying factor as 20+ appointments had to be rescheduled that had been booked for that day. September figures also indicate a significant increase in the birth rate, this occurs every year, but 2022 recorded an additional 55 birth registrations compared to 2021
					683 out of 741	795 out of 946	1478 out of 1687	209 out of 236	346 out of 412					

Finance Services

Key Commitment	Ref No.	Description of Performance Indicator	Infographic / Chart	Benchmark	Quarter 1 22-23	Quarter 2 22-23	Year to Date 2022/23	August 2022/23	September 2022/23	Direction of Travel (Aug - Sep or Latest)	Polarity	Target	Tolerance	Comments	
<b>Finance</b>															
Modern Public Services	MPS01	% of invoices paid within 30 days		n/a	97.87%	97.1%	97.5%	97.7%	96.9%	↓	Higher is better	95%	95% subject to change from SLA review (Tolerance TBC)	Accounts Payable performance remains strong and any issues are discussed in Service Review meetings.	
					9,342 out of 9,545	9477 out of 9761	18819 out of 19306	3361 out of 3439	2906 out of 3000						
Modern Public Services	MPS02	% of actual spend with local suppliers where economically justifiable.	To be confirmed	n/a	69%	TBD	TBD	N/A (reported quarterly)	TBD	TBD	N/A	No Target - Tracking Only	No tolerance	Following a review of the spend data from Quarter 1 in 22-23, it was identified by the Finance Assistant Director that further consideration of the way information is presented for these two indicators was required. This is due to the way that the Finance system classifies and subsequently displays the spend which has been committed in each financial period. Investigations are ongoing and options are to be presented to the Finance Assistant Director. Once a decision has been made on the method which is to be used to ensure accurate reporting, data for any completed financial quarters will be retrospectively published.	
					£112,528,400 out of £162,196,170										
Modern Public Services	MPS03	% count of local suppliers where economically justifiable.	To be confirmed	n/a	51%	TBD	TBD	N/A (reported quarterly)	TBD	TBD	N/A	No Target - Tracking Only	No tolerance		
					1413 out of 2770										
Key Commitment	Ref No.	Description of Performance Indicator	Infographic / Chart	Benchmark	September 2021/22	Quarter 1 22-23	Quarter 2 22-23	Year to Date 2022/23	August 2022/23	September 2022/23	Direction of Travel year - (Sep 2021 - Sep 2022)	Polarity	Target	Tolerance	Comments
<b>Revenues &amp; Benefits</b>															
Modern Public Services	MPS05	% of council tax collected in the year debit raised		95.92% (All English Authorities 2020/21 - LG Inform)	56.79%	29.31% (YTD) 104.68% achieved of the monthly target (28.00%)	57.69% (YTD) 103.02% achieved of the monthly target (56.00%)	57.69% (YTD) 103.02% achieved of the monthly target (56.00%)	48.55% (YTD) 103.30% achieved of the monthly target (47.00%)	57.69% (YTD) 103.02% achieved of the monthly target (56.00%)	→	Higher is better	56%	98.5% (Annual target)	<p>Collection rates remain above target and do not appear to have been impacted by the cost of living crisis yet. Close monitoring will continue to take place to ensure that any change in payment behaviour is picked up early.</p> <p>YTD - The % is the same as the current month reported, as the collection rate is based on the 'estimated net collectable debit' for the whole year. The amount collected is cumulative.</p>
					£20,299,668.54	£66,714,621.73 (collected in Q1)	£64,845,502.55 (collected in Q2)	£131,560,024.28	£22,518,235.17 (collected in Aug)	£20,877,879.80 (collected in Sep)					
Modern Public Services	MPS04	% of business rates collected in the year debit raised		93.74% (All English Authorities 2020/21 - LG Inform)	48.72%	28.87% (YTD) 103.11% achieved of the monthly target (28.00%)	56.80% (YTD) 101.43% achieved of the monthly target (56.00%)	56.80% (YTD) 101.43% achieved of the monthly target (56.00%)	46.36% (YTD) 98.64% achieved of the monthly target (47.00%)	56.80% (YTD) 101.43% achieved of the monthly target (56.00%)	↑G	Higher is better	56%	98.5% (Annual target)	<p>Collection is above target, however we will continue to monitor this closely due to energy costs increasing and the associated impacts this may have on businesses ability to pay their business rates.</p> <p>YTD - The % is the same as the current month reported, as the collection rate is based on the 'estimated net collectable debit' for the whole year. The amount collected is cumulative.</p>
					£12,790,905.95	£42,054,046.57 (collected in Q1)	£40,434,431.64 (collected in Q2)	£82,488,478.21	£12,774,678.67 (collected in Aug)	£15,121,077.36 (collected in Sep)					

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## North Northamptonshire Council Performance Report - September 2022

### Key to Performance Status Colours

Progress Status Key:
Green - On target or over-performing against target
Amber - Under-performing against target but within 5% corporate tolerance (or other agreed tolerance as specified)
Red - Under-performing against target by more than 5% (or other agreed tolerance as specified)
Dark Grey - Data missing
Grey - Target under review
Turquoise - Tracking Indicator only

Direction of Travel Key	
An acceptable range = within 5% of the last period's performance	
↑G	Performance has improved from the last period – Higher is better
↓G	Performance has improved from the last period – Lower is better
↑	Performance has deteriorated but is still on or above target or within an acceptable range of 5% of the last period – Lower is better
→	Performance has stayed the same since the last period
↓	Performance has deteriorated but is still on or above target or within an acceptable range of 5% of the last period – Higher is better
↑R	Performance has deteriorated from the last period – Lower is better
↓R	Performance has deteriorated from the last period – Higher is better
↑	Actual increased - neither higher or lower is better
⇌	Actual has stayed the same since the last period - neither higher or lower is better
↓	Actual decreased - neither higher or lower is better

### Performance Terminology key

TBC	To be confirmed
TBD	To be determined
n/a	Not applicable
Actual	The actual data (number/percentage) achieved during the reporting period
Benchmark	A comparator used to compare the Council's performance against. The 2020/21 average for Unitary Councils in England has been used where available unless otherwise stated.
Numerator	Number as part of the percentage calculation which shows how many of the parts indicated by the denominator are taken. See example below.
Denominator	The total number which the numerator is divided by in a percentage. See example below.
EXAMPLE Performance Indicator	% Calls answered
Numerator	Number of calls answered
Denominator	Total number of calls received

Governance & HR

Human Resources

Key Commitment	Ref No.	Description of Performance Indicator	Infographic / Chart	Benchmark	Human Resources					Direction of Travel (Aug - Sep or Latest)	Polarity	Target	Tolerance	Comments
					Quarter 1 22-23	Quarter 2 22-23	Year to Date	August 2022/23	September 2022/23					
Modern Public Services	MPS06	Average number of working days lost per Full time Equivalent (FTE) employee (short term)		Local Government 'single tier' national average - 9.2 days lost per employee over 12 months (0.77 days lost per month). ST average for 12 months is 3.8 days lost and LT is 5.4 days lost	0.8 days lost per Fte employee	0.9 days lost per Fte employee	1.76 days lost per FTE employee	0.23 Fte days lost per Fte employee	0.28 Fte days lost per Fte employee	↑	Lower is better	Target for the full year is <b>9.2 days</b> combined as per the Benchmark (3.8 ST and 5.4 LT). This equates to <b>0.77 days lost per FTE per month</b> .	0.32 days (Tolerance = 15% - 0.32 - 0.37 days)	There has been a slight increase in both ST and LT sickness from the previous month, however this is to be expected as we enter the autumn/winter months - in line with previous years. This months overall absence (0.83) is comparable to September 2021 (0.81).
	MPS07	Average number of working days lost per Full time Equivalent (FTE) employee (long term)		Local Government 'single tier' national average - 9.2 days lost per employee over 12 months (0.77 days lost per month). ST average for 12 months is 3.8 days lost and LT is 5.4 days lost	1.7 days lost per Fte employee	2.1 days lost per Fte employee	3.82 days lost per FTE employee	0.54 Fte days lost per Fte employee	0.55 Fte days lost per Fte employee	↑	Lower is better	Target for the full year is <b>9.2 days</b> combined as per the Benchmark (3.8 ST and 5.4 LT). This equates to <b>0.77 days lost per FTE per month</b> .	0.45 days (Tolerance = 15% - 0.45 - 0.52 days)	
Modern Public Services	MPS11	Amount of Spend on Agency Staff within each Directorate		n/a	£1,864,458	£2,356,131	£4,220,589	£881,429	£796,917	↓G	Lower is better	No target - tracking indicator only	N/A	Opus spend only - agency spend decreased - based on 4 week month as opposed to 5 week month in August.



**September 2022 HR Workforce Data Report**

**Sickness Absence Data by Assistant Directorate - April 2022 - September 2022**

YTD: Year to Date  
FTE: Full Time Equivalent

Assistant Directorate*	Sickness Absence							
	YTD Fte days lost per Fte employee						Sep-22 % of workforce to have sickness	Sep-22 No' of employees to hit trigger
	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22		
Adult Services	1.20	2.51	3.82	5.33	7.25	8.96	19%	16.00
Commissioning & Performance	0.46	0.98	1.07	1.67	3.10	3.47	4%	1.00
Housing and Communities	0.98	1.91	2.53	3.21	3.77	5.07	13%	16.00
HRA	1.05	2.45	4.07	6.05	7.91	10.04	18%	21.00
Public Health	0.35	0.78	0.99	1.29	1.47	1.60	4%	
Safeguarding, Wellbeing and Provider Services	1.01	1.94	2.84	4.08	5.08	6.09	14%	13.00
<b>Adults, Communities and Wellbeing Services Total</b>	<b>0.95</b>	<b>1.98</b>	<b>2.94</b>	<b>4.13</b>	<b>5.34</b>	<b>6.62</b>	<b>14%</b>	<b>67.00</b>
Assistant Chief Executive	0.41	0.63	0.43	0.67	0.77	0.78	0%	
Chief Executive's Office	0.00	0.00	0.00	1.17	1.18	1.17	0%	
<b>Chief Executive Office Total</b>	<b>0.29</b>	<b>0.47</b>	<b>0.30</b>	<b>0.83</b>	<b>0.90</b>	<b>0.91</b>	<b>0%</b>	<b>0.00</b>
Assistant Director Education	0.63	1.13	1.49	2.48	2.92	3.04	5%	
Commissioning & Partnerships (includes client role for Children's T Schools)	0.00	0.21	0.20	0.20	0.38	0.38	0%	
<b>Childrens Services Total</b>	<b>0.50</b>	<b>0.95</b>	<b>1.31</b>	<b>2.55</b>	<b>3.12</b>	<b>3.54</b>	<b>8%</b>	<b>3.00</b>
Audit and Risk	0.00	0.00	0.00	0.00	0.00	0.00	0%	
Financial Accountancy	0.00	0.00	0.00	0.00	0.00	0.00	0%	
Finance and Strategy	0.64	1.32	2.57	3.92	3.97	4.87	5%	1.00
Procurement	0.46	0.46	0.47	0.47	0.47	0.46	0%	
Revenues and Benefits	1.01	2.00	3.26	4.06	4.70	5.21	15%	2.00
<b>Finance Services Total</b>	<b>0.80</b>	<b>1.57</b>	<b>2.63</b>	<b>3.57</b>	<b>3.97</b>	<b>4.51</b>	<b>10%</b>	<b>3.00</b>
Human Resources	0.10	0.29	0.67	0.96	1.16	1.67	6%	1.00
Legal and Democratic Services	0.45	0.81	1.43	2.06	2.64	3.83	10%	3.00
<b>Governance &amp; HR Total</b>	<b>0.24</b>	<b>0.51</b>	<b>0.99</b>	<b>1.42</b>	<b>1.78</b>	<b>2.58</b>	<b>7%</b>	<b>4.00</b>
Assets and Environment	0.64	1.35	2.73	4.09	5.25	6.63	17%	11.00
Directorate Management	0.00	0.00	0.00	0.00	0.00	0.00	0%	
Growth and Regeneration	0.45	0.80	1.25	1.66	1.95	2.29	6%	1.00
Highways and Waste	0.98	2.85	4.45	5.94	7.02	7.58	16%	5.00
Regulatory Services	0.46	0.84	1.11	1.49	1.97	2.86	9%	3.00
<b>Place and Economy Services Total</b>	<b>0.67</b>	<b>1.60</b>	<b>2.69</b>	<b>3.75</b>	<b>4.60</b>	<b>5.50</b>	<b>13%</b>	<b>20.00</b>
Customer Services	1.18	2.03	3.33	5.15	6.11	7.11	14%	6.00
IT	0.00	0.14	0.35	1.01	1.12	2.38	9%	1.00
Transformation	0.40	1.22	2.22	3.41	3.55	3.55	0%	
<b>Transformation Total</b>	<b>0.73</b>	<b>1.41</b>	<b>2.40</b>	<b>3.80</b>	<b>4.37</b>	<b>5.16</b>	<b>10%</b>	<b>7.00</b>
<b>NNC Total</b>	<b>0.78</b>	<b>1.64</b>	<b>2.55</b>	<b>3.66</b>	<b>4.58</b>	<b>5.59</b>	<b>12%</b>	<b>104.00</b>

	Sep-22			
	Monthly Fte days lost per Fte employee ST	Monthly Fte days lost per Fte employee LT	YTD Fte days lost per Fte employee ST	YTD Fte days lost per Fte employee LT
<b>Adults, Communities, Wellbeing</b>	0.32	0.71	2.11	4.52
<b>Chief Executive Office</b>	0.00	0.00	0.91	0.00
<b>Childrens Services</b>	0.12	0.27	1.07	2.47
<b>Finance Services</b>	0.18	0.24	1.08	3.44
<b>Governance &amp; HR</b>	0.13	0.46	0.86	1.73
<b>Place and Economy Services</b>	0.34	0.49	1.75	3.75
<b>Transformation</b>	0.26	0.36	1.74	3.42
<b>NNC Total</b>	<b>0.28</b>	<b>0.55</b>	<b>1.76</b>	<b>3.82</b>

**Sickness Absence Definition - August** Fte days lost per Fte employee is a nationally used calculation where the total number of days of absence are divided by the total number of FTE (full time equivalent) employees available to work. April - September 2022/23 sickness data shows that on average each Fte employee has had 5.59 days of sickness so far this year with a projected figure for the year 2022/23 of 11.17 days.

Establishment Data by Assistant Directorate - September 2022

Assistant Directorate	Employees		Posts		Vacancies		Agency			Voluntary Turnover**			Starters	
	Headcount	Fte	Number	Fte	Number	Fte	Covering Vacancies	Super-numerate	Opus Agency Spend* (£000's)	Rolling	Monthly	No' of Leavers	No' of Starters	% of workforce
Adult Services	261	233.01	354	338.75	106	102.10	10		£38	17.9%	1.1%	3	1	0.4%
Commissioning & Performance	94	88.91	125	121.08	25	22.72	9		£28	14.0%	1.1%	1	4	4.3%
Housing and Communities	300	215.76	650	467.56	180	103.04	4		£47	15.6%	1.3%	4	7	2.3%
HRA	253	225.49	382	359.32	78	68.40	69		£66	19.5%	1.2%	3	1	0.4%
Public Health	139	129.45	240	231.10	74	68.97	29		£14	16.6%	0.0%	0	3	2.2%
Safeguarding, Wellbeing and Provider Services	302	253.70	399	388.24	108	108.00	48		£96	23.8%	1.0%	3	6	2.0%
<b>Adults, Communities and Wellbeing Services Total</b>	<b>1349</b>	<b>1146.32</b>	<b>2150</b>	<b>1906.05</b>	<b>571</b>	<b>473.23</b>	<b>169</b>	<b>0</b>	<b>£289</b>	<b>18.6%</b>	<b>1.0%</b>	<b>14</b>	<b>22</b>	<b>1.6%</b>
Assistant Chief Executive	21	19.59	41	39.18	18	17.48			£5	19.4%	0.0%	0	0	0.0%
Chief Executive's Office	12	11.16	16	15.54	4	4.00			£9	0.0%	0.0%	0	0	0.0%
<b>Chief Executive Office Total</b>	<b>33</b>	<b>30.76</b>	<b>57</b>	<b>54.72</b>	<b>22</b>	<b>21.48</b>	<b>0</b>	<b>0</b>	<b>£14</b>	<b>13.8%</b>	<b>0.0%</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
Assistant Director Education	99	94.36	150	147.54	48	46.61	8	12	£176	33.4%	2.0%	2	1	1.0%
Commissioning & Partnerships	15	13.23	28	20.00	9	4.00	1	3		14.4%	0.0%	0	0	0.0%
Schools	80	69.21	124	116.55	44	43.49			£8	8.3%	2.5%	2	2	2.5%
<b>Childrens Services Total</b>	<b>194</b>	<b>176.79</b>	<b>302</b>	<b>284.09</b>	<b>101</b>	<b>94.10</b>	<b>9</b>	<b>15</b>	<b>£184</b>	<b>21.1%</b>	<b>2.1%</b>	<b>4</b>	<b>3</b>	<b>1.5%</b>
Audit and Risk	7	6.62	15	15.00	8	8.00				60.0%	0.0%	0	0	0.0%
Finance Accountancy	4	2.72	23	21.45	13	11.59	6	1		19.7%	0.0%	0	0	0.0%
Finance and Strategy	42	39.94	37	35.76	11	12.00	2			15.4%	0.0%	0	0	0.0%
Procurement	10	9.43	14	14.00	3	4.00				0.0%	0.0%	0	0	0.0%
Revenues and Benefits	96	83.36	120	106.92	21	18.45	11		£20	13.8%	2.1%	2	0	0.0%
<b>Finance Services Total</b>	<b>159</b>	<b>142.07</b>	<b>209</b>	<b>193.13</b>	<b>56</b>	<b>54.04</b>	<b>19</b>	<b>1</b>	<b>£20</b>	<b>14.7%</b>	<b>1.3%</b>	<b>2</b>	<b>0</b>	<b>0.0%</b>
Human Resources	82	72.65	113	107.57	24	24.00	5	2	£16	16.7%	1.2%	1	1	1.2%
Legal and Democratic Services	52	45.85	106	79.96	28	16.31	12		£111	15.3%	1.9%	1	0	0.0%
<b>Governance &amp; HR Total</b>	<b>134</b>	<b>118.50</b>	<b>219</b>	<b>187.53</b>	<b>52</b>	<b>40.31</b>	<b>17</b>	<b>2</b>	<b>£127</b>	<b>16.2%</b>	<b>1.5%</b>	<b>2</b>	<b>1</b>	<b>0.7%</b>
Assets and Environment	224	198.48	359	315.07	76	69.48	13		£35	19.9%	1.8%	4	3	1.3%
Directorate Management	5	5.00	5	5.00						0.0%	0.0%	0	0	0.0%
Growth and Regeneration	95	86.53	142	134.29	43	41.75	22	3	£41	11.6%	2.1%	2	0	0.0%
Highways and Waste	185	181.62	242	232.29	49	45.22			£13	13.1%	1.6%	3	32	17.3%
Regulatory Services	105	96.76	141	132.00	27	25.40	9	1	£26	18.6%	0.0%	0	1	1.0%
<b>Place and Economy Services Total</b>	<b>614</b>	<b>568.38</b>	<b>889</b>	<b>818.65</b>	<b>195</b>	<b>181.85</b>	<b>44</b>	<b>4</b>	<b>£115</b>	<b>16.4%</b>	<b>1.5%</b>	<b>9</b>	<b>36</b>	<b>5.9%</b>
Customer Services	96	76.47	118	104.37	8	8.45	3		£8	14.0%	0.0%	0	5	5.2%
IT	33	30.27	39	36.38	6	5.00		4	£36	21.3%	3.0%	1	1	3.0%
Transformation	36	35.86	38	38.00	2	2.00			£4	10.2%	0.0%	0	0	0.0%
<b>Transformation Total</b>	<b>165</b>	<b>142.61</b>	<b>195</b>	<b>178.75</b>	<b>16</b>	<b>15.45</b>	<b>3</b>	<b>4</b>	<b>£48</b>	<b>14.6%</b>	<b>0.6%</b>	<b>1</b>	<b>6</b>	<b>3.6%</b>
<b>NNC Total</b>	<b>2648</b>	<b>2325.42</b>	<b>4021</b>	<b>3622.92</b>	<b>1013</b>	<b>880.46</b>	<b>261</b>	<b>26</b>	<b>£797</b>	<b>17.7%</b>	<b>1.2%</b>	<b>32</b>	<b>68</b>	<b>2.6%</b>

\* The agency spend only includes Opus, it doesn't include any off-contract spend

\*\* LG average turnover benchmark (12.9%)

(Please note the data above is not included within the summary data in Appendix A.)

**Establishment Data by Assistant Directorate - Further Detail and Definitions**

<b>Establishment Data Heading</b>	<b>Definition</b>
<b>Employees</b>	The headcount and Fte (full time equivalent) shows by Directorate the total number and Fte of Employees (excluding casual/zero hours) who have a contract of employment with contracted hours.
<b>Posts</b>	The number and Fte (full time equivalent) of posts in each Directorate. The number of posts can differ from the Fte due to the post type, this predominantly relates to bucket posts where the post number is unique but more than one person can occupy the post, typically a bucket post will have budgeted hours of more than 37 (1 Fte) to allow for multiple occupants.
<b>Vacancies</b>	The number and Fte (full time equivalent) of vacant posts in each Directorate. The number of vacancies can differ from the Fte due to the post type, this predominantly relates to bucket posts where the post number is unique but more than one person can occupy the post, typically a bucket post will have budgeted hours of more than 37 (1 Fte) to allow for multiple occupants.
<b>Agency</b>	Opus People Solutions are the councils preferred supplier for temporary workers and provide a breakdown of spend each month, for more specialist roles temporary workers can also be procured through off contract agencies. Only spend through Opus is currently reported.
<b>Absence</b>	Fte days lost per Fte employee is a nationally used calculation where the total number of days of absence are divided by the total number of FTE (full time equivalent) employees available to work. April - August sickness data shows that on average each Fte employee has had 4.6 days of sickness so far this year with a projected figure for the year of 11.0.
<b>Voluntary Turnover</b>	Those employees (excluding casual/zero hours) who voluntarily left the organisation (including retirement) shown as a % of the average headcount over a rolling year.
<b>Starters</b>	New employees to the organisation (excluding casual/zero hours)

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## Update Finance and Resources Scrutiny Committee 13<sup>th</sup> December 2022

<b>Title</b>	<b>Maintained Nursery Update</b>
<b>Author</b>	<b>Judy Matthews – Early Years Strategic Advisor</b>

### 1. **Introduction:**

1.1 As North Northamptonshire Council is only funded for the 15 hours universal entitlement based on participation in Maintained Nursery Supplement (MNS), it was decided that a move towards a participation model of funding for MNS in 2023-24. This is deemed the only proportionate, fair and sustainable mechanism. This was presented to School Forum earlier this year.

1.2 In order to ensure MNS funding was being spent appropriately and to ensure future sustainability of the four maintained nurseries a Scrutiny sub-committee was set up to visit the four maintained nurseries and review the outcomes of the financial audits that took place in the summer in order to arrive at a decision as to whether moving to participation based funding as agreed at School Forum was the right decision.

2. Below is a summary of all activity that has taken place to date:

### 2.2 **Finance and Compliance Audit**

An in depth financial/compliance audit of each of the four maintained nurseries has now been completed and the final reports with minimal recommendations have been agreed with Heads and circulated to Scrutiny Panel for oversight. All recommendations and actions will be re-visited in spring/summer term 2023.

Due to the complexities of staffing and financial processes in one of the nurseries, it resulted in the need to make additional audit enquiries in relation to safer recruitment processes, this audit was completed and recommendations were put in place and addressed by the setting.

2.3 As per October update to this committee, an independent provider has now been identified and procured to undertake a complete Safeguarding Audit in each of the four maintained nurseries. This audit will appraise measures currently in place to ensure that they are up to standard and effective, fully compliant legally but also that all policies and procedures are read and understood by staff. The audits will be scheduled to take place in January 2023.

### 3 **Maintained Nursery Schools Review - Task & Finish Group**

The sub-committee was convened to undertake visits to each of the four nurseries and these have now been completed.

An Officer accompanied the committee on their visits and the committee was supported in the compilation of questions and gathering of additional information, the outcome of the visits and questions were summarised for consideration by the panel however the meeting set for 14<sup>th</sup> December 2022 has been postponed and another date is in the process of being arranged as a decision on the outcome of the Scrutiny review will need to be reflected at School Forum in January 2023 when the funding amounts will need to be announced for 2023/24.

### 4. **One-year Transition Grant**

The Council awarded the four maintained nurseries a one-off LA Transition Grant from the Council's Contingency Budget to support the nurseries and ensure their sustainability moving forward. The award was as follows:

- £350k to Pen Green
- £100k each to Croyland, Highfield and Ronald Tree

4.1.1 All grant agreements were signed and nurseries are now in receipt of funding. In addition, the first monitoring meeting has taken place and all settings have a plan in place to evidence spend of the grant by March 2023. The second monitoring meetings are due to take place in January following the outcome of the Scrutiny decision.